

HOLLIS EDEN PHARMACEUTICALS INC /DE/
 Form 4
 September 19, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MERIGAN THOMAS

(Last) (First) (Middle)

4435 EASTGATE MALL, SUITE 400

(Street)

SAN DIEGO, CA 92121

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
**HOLLIS EDEN
 PHARMACEUTICALS INC /DE/
 [HEPH]**

3. Date of Earliest Transaction
 (Month/Day/Year)
09/18/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am Num Sha
Stock Option (Right to Buy)	\$ 2.14	09/18/2007		A			<u>(1)</u> 09/17/2017	Common Stock	75
Stock Option (Right to Buy)	\$ 2.25	09/18/2007		D ⁽²⁾			<u>(2)</u> 02/25/2008	Common Stock	12
Stock Option (Right to Buy)	\$ 2.25	09/18/2007		A ⁽²⁾			<u>(2)</u> 02/25/2013	Common Stock	12

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MERIGAN THOMAS 4435 EASTGATE MALL, SUITE 400 SAN DIEGO, CA 92121	X			

Signatures

Robert W. Weber,
Attorney-in-Fact

09/19/2007

 **Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) One third of the shares subject to the Stock Option shall vest and become exercisable on the first anniversary of the date of grant. The balance of the shares shall vest and become exercisable in 24 equal monthly installments thereafter.
- (2) Amendment of an outstanding stock option in order to extend the termination date of the exercise period for the stock option from February 25, 2008 to February 25, 2013 resulting in deemed cancellation of the stock option and grant of a replacement stock option. The stock option was originally granted on February 26, 2003 and was fully vested and exercisable upon grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.