

DUNCAN MICHAEL R
 Form 4
 October 19, 2004

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 *
 DUNCAN MICHAEL R

2. Issuer Name and Ticker or Trading Symbol
 ATRIX LABORATORIES INC
 [atrx]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 10/18/2004

____ Director ____ 10% Owner
 Officer (give title below) ____ Other (specify below)
 VP and General Manager

(City) (State) (Zip)

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

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)	(A) or (D)	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)
Common Stock, \$.001 Par Value	10/18/2004		M ⁽¹⁾	4,200	A	\$ 10.125 4,915	D	
Common Stock, \$.001 Par Value	10/18/2004		S ⁽¹⁾	4,200	D	\$ 30.135 715	D	
Common Stock, \$.001 Par Value	10/18/2004		M ⁽¹⁾	800	A	\$ 9.75 1,515	D	

Common
 Stock, 10/18/2004 S⁽¹⁾ 800 D \$ 715 D
 \$.001 Par 30.135
 Value

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

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

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)
Stock Option (Right-To-Buy)	\$ 10.125	10/18/2004		M ⁽¹⁾	4,200	11/13/1999 11/13/2008	Common Stock 4,
Stock Option (Right-To-Buy)	\$ 9.75	10/18/2004		M ⁽¹⁾	800	11/15/2000 11/15/2009	Common Stock 8

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DUNCAN MICHAEL R			VP and General Manager	

Signatures

Sarah Watson, Power of Attorney
 10/19/2004
 **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) The stock option exercise and sale reported in this Form 4 were affected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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