

Brown John M  
Form 4  
August 26, 2011

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
Brown John M

(Last) (First) (Middle)  
600 ST. EMELION CT.  
(Street)

IRVING, TX 75038

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
ZION OIL & GAS INC [ZN]

3. Date of Earliest Transaction (Month/Day/Year)  
01/21/2011

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)  
Executive Chairman/Founder

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)
			Code	V	Amount or (D) Price		
Common Stock, Par Value \$0.01	08/05/2011		G		25,000 <sup>(3)</sup> \$ 0	D	510,000 <sup>(4)</sup> D
Common Stock, Par Value \$0.01	08/10/2011		M		30,000 A \$ 0.01 <sup>(5)</sup>	D	510,000 <sup>(6)</sup> D

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

**Persons who respond to the collection of information contained in this form are not**

SEC 1474 (9-02)

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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 Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Common Stock Option	\$ 0.01	01/21/2011		A <sup>(1)</sup>	20,000 (1)	(1) 01/31/2020	Common Stock, Par Value \$0.01	20,000	
Common Stock Option	\$ 0.01	08/10/2011		M	30,000	(7) 01/31/2020	Common Stock, Par Value \$0.01	30,000	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Brown John M 600 ST. EMELION CT. IRVING, TX 75038	X		Executive Chairman/Founder	

## Signatures

Brittany Russell AIF for John Brown  
 08/26/2011  
 \*\*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).
- The options were awarded under the Issuer's 2005 Stock Option Plan in connection with the employment of the reporting person and are
- (1) scheduled to vest on a quarterly basis, at the end of each quarter beginning March 31, 2010, in equal calendar installment of options for 5,000 shares.
  - (2) Not applicable.
  - (3) Gift to individual related to the reporting person but not sharing the same household.

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- (4) Comprised of (i) 375,000 shares of Common Stock (ii) options exercisable for an additional 35,000 shares of Common Stock and (iii) 100,000 shares of Common Stock held by the reporting person's spouse, in respect of which the reporting person disclaims any beneficial ownership. Does not include options for 5,000 shares scheduled to vest December 31, 2011 and options for an additional 30,000 shares, at a per share exercise price of \$2.50, which first become exercisable on January 1, 2012.
- (5) These shares were acquired upon the exercise of stock options issued under Zion Oil & Gas, Inc's, 2005 Stock Option Plan, at a per share exercise price of \$0.01
- (6) Comprised of 405,000 shares of Common Stock, (ii) options for an additional 5,000 shares and (iii) 100,000 shares of Common Stock held by the reporting person's spouse, in respect of which the reporting person disclaims any beneficial ownership. Does not include options for 5,000 shares scheduled to vest on December 31, 2011 and options for an additional 30,000 shares, at a per share exercise price of \$2.50, which first become exercisable on January 1, 2012.
- (7) These options were granted and vested over a period of 19 months from January 2010 to August 2011.

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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