KMG CHEMICALS INC
Form 4
June 15, 2007

FORM 4

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

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

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

OMB APPROVAL
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(Print or Type Responses)

1. Name and Address of Reporting Person *
SOBCHAK JOHN V
(Last) (First) (Middle)
10611 HARWIN, SUITE 402
(Street)
HOUSTON, TX 77036
(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
KMG CHEMICALS INC [KMGB]

3. Date of Earliest Transaction (Month/Day/Year)
06/12/2007

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Vice President and CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/12/2007		M		25,000	A	$ 3.58	25,000	D	
Common Stock	06/12/2007		M		9,665 (1)	D	$ 22.26	15,335	D	
Common Stock	06/14/2007		S		15,335	D	$ 24.155	0	D	

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

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number.

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)		8. D S (I
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Optoin	$ 3.58	06/12/2007		M			5,000	06/26/2002	06/26/2012	Common Stock	5,000	
Stock Option	$ 3.58	06/12/2007		M			5,000	06/26/2003	06/26/2013	Common Stock	5,000	
Stock Option	$ 3.58	06/12/2007		M			5,000	06/26/2004	06/26/2014	Common Stock	5,000	
Stock Option	$ 3.58	06/12/2007		M			2,500	06/26/2002	06/26/2012	Common Stock	2,500	
Stock Option	$ 3.58	06/12/2007		M			2,500	06/26/2003	06/26/2013	Common Stock	2,500	
Stock Option	$ 3.58	06/12/2007		M			2,500	06/26/2004	06/26/2014	Common Stock	2,500	
Stock Option	$ 3.58	06/12/2007		M			2,500	06/26/2005	06/26/2015	Common Stock	2,500	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SOBCHAK JOHN V 10611 HARWIN SUITE 402 HOUSTON, TX 77036			Vice President and CFO	

Signatures

John V Sobchak under a power of attorney granted to Roger C Jackson	06/15/2007
**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) Shares withheld by the company under cashless exercise

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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