

TIDELANDS OIL & GAS CORP/WA
 Form 5/A
 June 20, 2006

FORM 5

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

OMB APPROVAL

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 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
 SMITH JAMES B

2. Issuer Name and Ticker or Trading Symbol
 TIDELANDS OIL & GAS CORP/WA [TIDE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2004

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

1862 W. BITTERS RD., BLDG. #1
 (Street)

4. If Amendment, Date Original Filed(Month/Day/Year)
 02/22/2005

6. Individual or Joint/Group Reporting (check applicable line)

SAN ANTONIO, TX 78248

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

(City) (State) (Zip)

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	11/11/2004	^	J4	500,000 (1) D \$ 0	500,000	D	^
Common Stock	12/02/2004	^	G4	500,000 (2) D \$ 0	0	D	^
Common Stock	11/11/2004	^	J4	500,000 (1) (3) A \$ 0	500,000 (3)	I	By Limited Partnership
Common Stock	12/02/2004	^	G4	500,000 (2) (3) A \$ 0	500,000 (3)	I	By Trust

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

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(9-02)

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 Underlying Securities (Instr. 3 and 4)	
					(A)	(D)	Date Exercisable	Expiration Date		
Non-recourse note with cap feature ⁽³⁾ ⁽⁴⁾	\$ 0.8777	11/10/2004	Â	J4	Â	1	12/31/2006	12/31/2006	Common Stock	130,6 ⁽³⁾
Non-recourse note with cap feature ⁽³⁾ ⁽⁴⁾	\$ 0.804	11/17/2004	Â	J4	Â	1	12/31/2006	12/31/2006	Common Stock	134,5 ⁽³⁾
Non-recourse note with cap feature ⁽³⁾ ⁽⁴⁾	\$ 0.7888	11/27/2004	Â	J4	Â	1	12/31/2006	12/31/2006	Common Stock	234,9 ⁽³⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH JAMES B 1862 W. BITTERS RD. BLDG. #1 SAN ANTONIO, TX 78248	Â X	Â	Â Chief Financial Officer	Â

Signatures

/s/ James B. Smith
06/19/2006

⁽³⁾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) Contribution of shares by reporting person to limited partnership.

- (2) Contribution of shares by reporting person to trust.
- (3) The reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein, if any.
- (4) See Remarks.

^

Remarks:

A limited partnership holding 500,000 shares of the issuer has pledged such shares in connection with the aggregate amount of \$289,000. The loan was funded in three separate advances at 85% of the date of the respective advance. The respective per-share loan amounts were \$0.6214 (with respect to the advance made on 11/10/2004), \$0.5695 (with respect to the advance made on 11/17/2004), and \$0.5588 (with respect to the advance made on 11/27/2004). The non-recourse loan includes a "cap" feature pursuant to which the limited partner will pay the market value of the pledged shares at maturity of the loan if the market value exceeds the applicable per-share amount set forth in Column 2 above, in each case multiplied by the respective number of shares pledged with respect to the advance. If the market value of the pledged shares at maturity of the loan exceeds the applicable per-share amount, then the limited partnership will either (i) pay to the lender the difference (the "Cap Amount") between the market value of all such shares at maturity and the Capped Portfolio Price, or (ii) purchase such shares at the Capped Portfolio Price and have no further obligation. Upon maturity of the loan, the partnership may exercise any of the following options: (i) pay off the loan balance, any Cap Amount, and receive back the pledged shares, (ii) sell the pledged shares to the lender at the Capped Portfolio Price at the lender's discretion, and receive cash proceeds net of principal and accrued interest, (iii) not renew the loan and receive back the pledged shares to the lender with no further liability, or (iv) renew the loan.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.