

MCKESSON CORP
 Form 4
 November 15, 2006

FORM 4

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

OMB APPROVAL

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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 *
HAMMERGREN JOHN H

(Last) (First) (Middle)

ONE POST STREET

(Street)

SAN FRANCISCO, CA 94104

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
MCKESSON CORP [MCK]

3. Date of Earliest Transaction (Month/Day/Year)
 11/14/2006

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)
 Chairman, President & CEO

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	11/14/2006		M		25,000 A \$ 29.8125	186,567	D
Common Stock	11/14/2006		S		25,000 (1) D \$ 50.1515	161,567	D
Common Stock	11/14/2006		M		54,300 A \$ 29.8125	215,867	D
Common Stock	11/14/2006		S		54,300 (1) D \$ 50.1677	161,567	D
Common Stock	11/15/2006		M		11,700 A \$ 29.8125	173,267	D

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Common Stock	11/15/2006	S	11,700 <u>(1)</u>	D	\$ 50.1097	161,567	D	
Common Stock						3,557	I	By Trustee of PSIP

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 of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (right to buy)	\$ 29.8125	11/14/2006		M	25,000 <u>(1)</u>	<u>(2)</u> 08/16/2009	Common Stock	25,000	
Employee Stock Option (right to buy)	\$ 29.8125	11/14/2006		M	54,300 <u>(1)</u>	<u>(2)</u> 08/16/2009	Common Stock	54,300	
Employee Stock Option (right to buy)	\$ 29.8125	11/15/2006		M	11,700 <u>(1)</u>	<u>(2)</u> 08/16/2006	Common Stock	11,700	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
	X		Chairman, President & CEO	

HAMMERGREN JOHN H
ONE POST STREET
SAN FRANCISCO, CA 94104

Signatures

Kristina Veaco,
Attorney-in-fact

11/15/2006

__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) Sale was made pursuant to a previously adopted plan dated 06/15/2006, intended to comply with rule 10b5-1(c).

(2) This option vested in 3 installments: 50% on the 2nd anniversary of date of grant and 25% on each of the 3rd and 4th anniversary of date of grant.

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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