FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| OMB APPROVAL |
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OMB Number: 3235-0287 Estimated average burden hours per response: 0.5

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and CHISHO | NA | 2. Issuer Name and Ticker or Trading Symbol NATURAL GAS SERVICES GROUP INC | | | | | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner | | | | | | | |
|---|---|--|--|---------|--|---------|------|--|---|-----------------|--|---|---|---------------|--|--|
| (Last) (First) (Middle) 539 GREEN ISLE BEACH | | | | | [NGS] 3. Date of Earliest Transaction (Month/Day/Year) 12/29/2006 | | | | | | | | (give title | | Other (s below) | pecify |
| (Street) MONTGOMERY TX 77356 | | | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting | | | | |
| (City) | City) (State) (Zip) | | | | | | | | | | | Person | | | | 9 |
| | | Table | e I - Non-Der | ivative | Sec | urities | Acc | quired, Di | sposed o | f, or Ber | neficiall | y Owned | | | | |
| 1. Title of Security (Instr. 3) 2. Transa Date (Month/D | | | | | Execution Date, | | | 3. 4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1 | | | d (A) or tr. 3, 4 and | 5. Amour Securitie Beneficia Owned F | s Formally (D) of ollowing (I) (II) | | : Direct I Indirect E str. 4) (| 7. Nature of Indirect Beneficial Ownership |
| | | | | | | | | Code V | Amount | (A) or (D) | Price | Reported Transact (Instr. 3 a | ion(s) | | | (Instr. 4) |
| | | Ta | able II - Deriv (e.g., | | | | | ıired, Dis _l options, | | | | Owned | | | | |
| 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 | Code | Transaction Code (Instr. | | n of | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s (Instr. 4) | e s lly | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Beneficial Ownership (Instr. 4) |
| | | | | Code | v | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | | |
| Nonqualified Stock Option (right | \$13.9 | 12/29/2006 | | A | | 2,500 | | 12/29/2006 | 12/29/2016 | Common Stock | 2,500 | \$0 | 2,500 |) | D | |

Explanation of Responses:

1. Such option was granted to the reporting person pursuant to the Natural Gas Services Group, Inc. 1998 Stock Option Plan, amended. The option vests and is fully exercisable on December 29, 2006.

/s/ John W. Chisholm

01/03/2007

** Signature of Reporting Person

Date

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

- * 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.