

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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

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

1. Name and Address of Reporting Person* <u>HIGHLAND CAPITAL MANAGEMENT LP</u>  (Last) (First) (Middle) 13455 NOEL ROAD SUITE 800  (Street) DALLAS TX 75240  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>GRAY TELEVISION INC [ GTN ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 05/14/2007	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 <sup>(1)(2)(3)(4)(5)</sup>	05/14/2007		P		63,100	A	\$9.2813	4,611,022 <sup>(6)</sup>	I	See Footnote <sup>(1)(2)(3)</sup>

**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)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)					

1. Name and Address of Reporting Person\*  
HIGHLAND CAPITAL MANAGEMENT LP  
 (Last) (First) (Middle)  
 13455 NOEL ROAD  
 SUITE 800  
 (Street)  
 DALLAS TX 75240  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
DONDERO JAMES D  
 (Last) (First) (Middle)  
 13455 NOEL ROAD  
 SUITE 800  
 (Street)  
 DALLAS TX 75240  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Highland Credit Strategies Fund

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Strand Advisors, Inc.](#)

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Highland Multi-Strategy Onshore Master SubFund, L.L.C.](#)

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Highland Multi-Strategy Master Fund, L.P.](#)

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Highland Multi-Strategy Fund GP, L.P.](#)

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Highland Multi-Strategy Fund GP, L.L.C.](#)

(Last) (First) (Middle)

13455 NOEL ROAD  
SUITE 800

(Street)  
DALLAS TX 75240

(City) (State) (Zip)

**Explanation of Responses:**

1. This statement is filed by and on behalf of: (i) Highland Credit Strategies Fund ("Credit Strategies Fund"); (ii) Highland Multi-Strategy Onshore Master SubFund, L.L.C. ("Multi-Strategy SubFund"); (iii) Highland Multi-Strategy Master Fund, L.P. ("Multi-Strategy Fund"); (iv) Highland Multi-Strategy Fund GP, L.P. ("Multi-Strategy Fund GP"); (v) Highland Multi-Strategy Fund GP, L.L.C. ("Multi-Strategy Fund GP LLC"); (vi) Highland Capital Management, L.P. ("Capital Management"); (vii) Strand Advisors, Inc. ("Strand"); and (viii) James D. Dondero. Multi-Strategy Fund is the managing member of Multi-Strategy SubFund. Multi-Strategy Fund may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy SubFund. Multi-Strategy Fund GP is the general partner of Multi-Strategy Fund.
2. Multi-Strategy Fund GP may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy Fund. Multi-Strategy Fund GP LLC is the general partner of Multi-Strategy Fund GP. Multi-Strategy Fund GP LLC may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy Fund GP. Capital Management serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund and Multi-Strategy SubFund. Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of other persons, including Credit Strategies Fund and Multi-Strategy SubFund. Strand is the general partner of Capital Management.
3. Strand may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Capital Management. Mr. Dondero is the President and a director of Strand. Mr. Dondero may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Strand.
4. Each of the reporting persons states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each of the reporting persons disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.
5. Each of the reporting persons may be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for the purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.
6. On May 14, 2007, Capital Management acquired 63,100 shares. Following the reported transactions, Capital Management beneficially owned 4,611,022 shares, which includes 209,357 shares owned and/or held by and/or for the account and/or benefit of Credit Strategies Fund and includes 1,400 shares owned and/or held by and/or for the account and/or benefit of Multi-Strategy SubFund.

**Remarks:**

Exhibit 24.1 - Joint Filing Agreement and Power of Attorney (incorporated by reference to Exhibit 24 to the Form 4 filed on December 18, 2006 by the reporting persons with respect to the issuer)

[Highland Capital Management,  
L.P. By: Strand Advisors, Inc.,  
its general partner /s/ James D.  
Dondero, President](#)

\*\* 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.**

JOINT FILER INFORMATION

OTHER REPORTING PERSON(S)

1. HIGHLAND CREDIT STRATEGIES FUND

ITEM INFORMATION

Name: Highland  
Credit  
Strategies Fund  
Address: Two  
Galleria Tower  
13455 Noel Road,  
Ste. 800 Dallas,  
Texas 75240

Designated  
Filer: Highland  
Capital  
Management, L.P.  
Issuer Name and  
Ticker or Gray  
Television, Inc  
[GTN] Trading  
Symbol: Date of  
Earliest  
Transaction May  
14, 2007

Required to be  
Reported  
(Month/Day/Year):  
If Amendment,  
Date Original  
Not Applicable  
Filed

(Month/Day/Year):  
Relationship of  
Reporting 10%  
Owner Person(s)  
to Issuer:

Individual or  
Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person  
Signature: By:  
/s/ James D.

Dondero -----  
-----

----- Name:  
James D. Dondero  
Title: President  
Date: May 16,  
2007

2. HIGHLAND MULTI-STRATEGY ONSHORE MASTER SUBFUND, L.L.C.

ITEM INFORMATION

Name: Highland  
Multi-Strategy  
Onshore Master  
SubFund, L.L.C.

Address: Two  
Galleria Tower  
13455 Noel Road,  
Ste. 800 Dallas,  
Texas 75240

Designated  
Filer: Highland  
Capital

Management, L.P.  
Issuer Name and  
Ticker or Gray  
Television, Inc

[GTN] Trading  
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Relationship of  
Reporting 10%  
Owner Person(s)

to Issuer:  
Individual or  
Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person

Signature: By:  
Highland Multi-  
Strategy Master  
Fund, L.P., its  
managing member

By: Highland  
Multi-Strategy  
Fund GP, L.P.,  
its general  
partner By:

Highland Multi-  
Strategy Fund  
GP, L.L.C., its  
general partner

By: Highland  
Capital  
Management,  
L.P., its sole  
member By:

Strand Advisors  
Inc, its general  
partner By: /s/  
James D. Dondero

-----  
Name: James D.  
Dondero Title:  
President Date:  
May 16, 2007

3. HIGHLAND MULTI-STRATEGY MASTER FUND, L.P.

ITEM INFORMATION

Name: Highland  
Multi-Strategy  
Master Fund,  
L.P. Address:

Two Galleria  
Tower 13455 Noel  
Road, Ste. 800  
Dallas, Texas

75240 Designated  
Filer: Highland  
Capital

Management, L.P.

Issuer Name and  
Ticker or Gray  
Television, Inc  
[GTN] Trading

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Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person

Signature: By:  
Highland Multi-  
Strategy Fund  
GP, L.P., its  
general partner

By: Highland  
Multi-Strategy  
Fund GP, L.L.C.,  
its general  
partner By:

Highland Capital  
Management,  
L.P., its sole  
member By:

Strand Advisors  
Inc, its general  
partner By: /s/  
James D. Dondero

-----  
Name: James D.  
Dondero Title:  
President Date:  
May 16, 2007

4. HIGHLAND MULTI-STRATEGY FUND GP, L.P.

ITEM INFORMATION

Name: Highland  
Multi-Strategy  
Fund GP, L.P.

Address: Two  
Galleria Tower  
13455 Noel Road,  
Ste. 800 Dallas,  
Texas 75240

Designated  
Filer: Highland  
Capital  
Management, L.P.

Issuer Name and  
Ticker or Gray  
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[GTN] Trading

Symbol: Date of  
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to Issuer:  
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Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person  
Signature: By:  
Highland Multi-  
Strategy Fund  
GP, L.L.C., its  
general partner

By: Highland  
Capital  
Management,  
L.P., its sole  
member By:

Strand Advisors  
Inc, its general  
partner By: /s/  
James D. Dondero

-----  
-----  
Name: James D.  
Dondero Title:  
President Date:  
May 16, 2007

5. HIGHLAND MULTI-STRATEGY FUND GP, L.L.C.

ITEM INFORMATION

Name: Highland  
Multi-Strategy  
Fund GP, L.L.C.

Address: Two  
Galleria Tower  
13455 Noel Road,  
Ste. 800 Dallas,  
Texas 75240

Designated  
Filer: Highland  
Capital  
Management, L.P.

Issuer Name and  
Ticker or Gray  
Television, Inc  
[GTN] Trading

Symbol: Date of  
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(Month/Day/Year):  
Relationship of  
Reporting 10%  
Owner Person(s)  
to Issuer:  
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Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person  
Signature: By:  
Highland Capital  
Management,  
L.P., its sole  
member By:  
Strand Advisors  
Inc, its general  
partner By: /s/  
James D. Dondero

-----  
-----  
Name: James D.  
Dondero Title:  
President Date:  
May 16, 2007



6. STRAND ADVISORS, INC.

ITEM INFORMATION

Name: Strand  
Advisors, Inc.  
Address: Two  
Galleria Tower  
13455 Noel Road,  
Ste. 800 Dallas,  
Texas 75240

Designated  
Filer: Highland  
Capital

Management, L.P.

Issuer Name and  
Ticker or Gray  
Television, Inc

[GTN] Trading  
Symbol: Date of  
Earliest

Transaction May  
14, 2007

Required to be  
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(Month/Day/Year):

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Date Original  
Not Applicable  
Filed

(Month/Day/Year):

Relationship of  
Reporting 10%  
Owner Person(s)  
to Issuer:

Individual or  
Joint/Group  
Filing: Form  
filed by More  
than One

Reporting Person

Signature: By:  
/s/ James D.

Dondero -----  
-----

----- Name:  
James D. Dondero  
Title: President  
Date: May 16,  
2007

7. JAMES D. DONDERO

ITEM INFORMATION

Name: James D.

Dondero Address:

Two Galleria

Tower 13455 Noel

Road, Ste. 800

Dallas, Texas

75240 Designated

Filer: Highland

Capital

Management, L.P.

Issuer Name and

Ticker or Gray

Television, Inc

[GTN] Trading

Symbol: Date of

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Reported

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Relationship of

Reporting 10%

Owner Person(s)

to Issuer:

Individual or

Joint/Group

Filing: Form

filed by More

than One

Reporting Person

Signature: By:

/s/ James D.

Dondero -----

-----

----- Name:

James D. Dondero

Date: May 16,

2007