Form 4

United States Securities and Exchange Commission
Washington, D.C. 20549

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 Address of Reporting Person
HIGHLAND CAPITAL MANAGEMENT LP

2. Issuer Name and Ticker or Trading Symbol
GRAY TELEVISION INC [ GTN ]

3. Date of Earliest Transaction (Month/Day/Year)
12/06/2006

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>1. Title of Security (Instr. 3)</th>
<th>2. Transaction Date (Month/Day/Year)</th>
<th>2A. Deemed Execution Date, if any (Month/Day/Year)</th>
<th>3. Transaction Code (Instr. 8)</th>
<th>4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</th>
<th>5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>7. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>12/06/2006</td>
<td></td>
<td>P</td>
<td>1,400(A)</td>
<td>4,275,122(6)(7)</td>
<td>I</td>
<td>See Footnote1(12)(3)</td>
</tr>
<tr>
<td>Common Stock</td>
<td>12/14/2006</td>
<td></td>
<td>P</td>
<td>126,000(A)</td>
<td>4,401,122(7)(8)</td>
<td>I</td>
<td>See Footnote1(12)(3)</td>
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<tr>
<td>Common Stock</td>
<td>12/15/2006</td>
<td></td>
<td>P</td>
<td>50,000(A)</td>
<td>4,451,122(7)(9)</td>
<td>I</td>
<td>See Footnote1(12)(3)</td>
</tr>
<tr>
<td>Common Stock</td>
<td>12/18/2006</td>
<td></td>
<td>P</td>
<td>12,000(A)</td>
<td>4,463,122(7)(10)</td>
<td>I</td>
<td>See Footnote1(12)(3)</td>
</tr>
</tbody>
</table>

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Name and Address of Reporting Person
HIGHLAND CAPITAL MANAGEMENT LP

2. Conversion or Exercise Price of Derivative Security

3. Transaction Date (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 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)

1. Name and Address of Reporting Person
DONDERO JAMES D

2. Conversion or Exercise Price of Derivative Security

3. Transaction Date (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 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)

12. Title of Security (Instr. 3)

13. Transaction Date (Month/Day/Year)

14. Transaction Code (Instr. 8)

15. Number of Derivative Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)

16. Date Exercisable and Expiration Date (Month/Day/Year)

17. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)

18. Price of Derivative Security (Instr. 5)

19. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)

20. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)

21. Nature of Indirect Beneficial Ownership (Instr. 4)
<table>
<thead>
<tr>
<th>Name and Address of Reporting Person</th>
<th>City (City)</th>
<th>State (State)</th>
<th>Zip (Zip)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highland Credit Strategies Fund</td>
<td>DALLAS</td>
<td>TX</td>
<td>75240</td>
</tr>
<tr>
<td>Strand Advisors, Inc.</td>
<td>DALLAS</td>
<td>TX</td>
<td>75240</td>
</tr>
<tr>
<td>Highland Multi-Strategy Onshore Master SubFund, L.L.C.</td>
<td>DALLAS</td>
<td>TX</td>
<td>75240</td>
</tr>
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<td>Highland Multi-Strategy Master Fund, L.P.</td>
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<td>TX</td>
<td>75240</td>
</tr>
</tbody>
</table>
Explanation of Responses:


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.

3. Capital Management is the general partner of Multi-Strategy Fund GP LLC and 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 Multi-Strategy Fund GP LLC and other persons, including Credit Strategies Fund and Multi-Strategy SubFund. Strand is the general partner of Capital Management. 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.


7. Includes 259,100 shares owned and/or held by and/or for the account and/or benefit of Credit Strategies Fund.


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).


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.
Pursuant to and in accordance with the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, each party hereto hereby agrees to the joint filing, on behalf of each of them, of any filing required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto) with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and further agrees to the filing, furnishing, and/or incorporation by reference of this Joint Filing Agreement and Power of Attorney as an exhibit thereto. This Joint Filing Agreement and Power of Attorney shall remain in full force and effect until revoked by any party hereto in a signed writing provided to each other party hereto, and then only with respect to such revoking party.

Know all men by these presents, that each party hereto hereby constitutes and appoints each of J. Kevin Ciavarra and Michael S. Minces, and each of them, as the true and lawful attorneys-in-fact and agents, or attorney-in-fact and agent, of such party with full power and authority and full power of substitution and resubstitution, for, in the name of, and on behalf of such party, place and stead, in any and all capacities, (i) to execute any and all filings required by such party under Section 13 or Section 16 of the Exchange Act or any rule or regulation thereunder (including any amendment, supplement, and/or exhibit thereto), for, in the name of, and on behalf of such party, (ii) to do and perform any and all acts for, in the name of, and on behalf of such party which said attorneys-in-fact, or any of them, determine may be necessary or appropriate to complete and execute any and all such filings, amendments, supplements, and/or exhibits, and any and all other document(s) in connection therewith, (iii) to file such filings, amendments, supplements, exhibits, and/or documents with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and (iv) to perform any and all other acts that said attorneys-in-fact, or any of them, determine may be necessary or appropriate in connection with the foregoing that may be in the best interest of or legally required by such party, granting unto said attorneys-in-fact and agents, or any of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as such party might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof. Each party hereto hereby acknowledges that the foregoing attorneys-in-fact and agents, or any of them, in serving in such capacity at the request of such undersigned party, are not assuming any of the responsibilities of the undersigned to comply with Section 16 or Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGE(s) TO FOLLOW.
IN WITNESS WHEREOF, each party hereto, being duly authorized, has caused this Joint Filing Agreement and Power of Attorney to be executed and effective as of the date first written above.

HIGHLAND CREDIT STRATEGIES FUND
By: /s/ James D. Dondero
Name: James D. Dondero
Title: President

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

HIGHLAND MULTI-STRATEGY MASTER FUND, L.P.
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

HIGHLAND MULTI-STRATEGY FUND GP, L.P.
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

HIGHLAND MULTI-STRATEGY FUND GP, L.L.C.
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
HIGHLAND CAPITAL MANAGEMENT, L.P.
By: Strand Advisors, Inc., its general partner
By: /s/ James D. Dondero
Name: James D. Dondero
Title: President

STRAND ADVISORS, INC.
By: /s/ James D. Dondero
Name: James D. Dondero
Title: President

JAMES D. DONDERO
By: /s/ James D. Dondero
Name: James D. Dondero
EXHIBIT 99.1

JOINT FILER INFORMATION

OTHER REPORTING PERSON(s)

1. HIGHLAND CREDIT STRATEGIES FUND

ITEM INFORMATION

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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
December 6, 2006

Required to be Reported (Month/Day/Year):

If Amendment, Date Original Not Applicable Filed
(Month/Day/Year):

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

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

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Signature: By:
/s/ James D. Dondero

Name: James D. Dondero

Title: President

Date: December 18, 2006
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: Gray Television, Inc [GTN] Trading Symbol:

Date of Earliest Transaction: December 6, 2006

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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: December 18, 2006
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 Trading Symbol: [GTN]

Date of Earliest Transaction: December 6, 2006

Required to be Reported (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

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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: December 18, 2006
4. HIGHLAND MULTI-STRATEGY FUND GP, L.P.

ITEM INFORMATION
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----- Name: Highland Multi-Strategy Fund GP, L.P. - ----- 
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- Address: Two Galleria Tower 13455 Noel Road, Ste. 800 Dallas, Texas 75240 - --- 
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---- Designated Filer: Highland Capital Management, L.P. 
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------ Issuer Name and Ticker or Gray Television, Inc [GTN] Trading Symbol: - ----- 
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Relationship of Reporting 10% Owner Person(s) to Issuer:

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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: December 18, 2006
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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 Earliest Transaction December 6, 2006

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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

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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: December 18, 2006
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:

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

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Signature: By: /s/ James D. Dondero

Name: James D. Dondero
Title: President
Date: December 18, 2006
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 Symbol:
Gray Television, Inc [GTN] Trading Symbol:

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Signature: By: /s/ James D. Dondero

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Name: James D. Dondero

Date: December 18, 2006