

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) 05/17/2007	
		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 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	05/17/2007		P		35,300	A	\$9.7179	4,708,114 ⁽⁶⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	05/18/2007		P		56,000	A	\$10.0427	4,764,114 ⁽⁶⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾
Common Stock ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	05/18/2007		P		104,500	A	\$10.2141	4,868,614 ⁽⁶⁾	I	See Footnote ⁽¹⁾⁽²⁾⁽³⁾

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)

(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. ("Highland 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. Highland Capital Management serves as an investment adviser and/or manager to other persons, including Credit Strategies Fund and Multi-Strategy SubFund. Highland 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 Highland 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 Highland 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. Mr. Dondero and Highland Capital Management may not bind, obligate or take any action, directly or indirectly, on behalf of Credit Strategies Fund.
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 17, 2007, Highland Capital Management acquired 35,300 shares and on May 18, 2007 Highland Capital Management acquired 160,500 shares. Following the reported transactions, Highland Capital Management beneficially owned 4,868,614 shares, which includes 357,343 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.,](#) [05/21/2007](#)
[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
17, 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 21,
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

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Owner Person(s)

to Issuer:
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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 21, 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
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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 21, 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
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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 21, 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
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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 21, 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
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(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 21,
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

Earliest

Transaction May

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(Month/Day/Year):

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(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

Date: May 21,

2007