

<b>OMB APPROVAL</b>	
OMB Number:	3235-0104
Estimated average burden hours per response:	0.5

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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* <u>MIDDLETON FRED A</u>  (Last) (First) (Middle) 400 SOUTH EL CAMINO RD SUITE 1200  (Street) SAN MATEO CA 99402  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 08/11/2004	3. Issuer Name and Ticker or Trading Symbol <u>Stereotaxis, Inc. [ STXS ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	5. 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 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
---------------------------------	---	--	---

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Series D-1 Convertible Preferred Stock	(1)	(1)	Common Stock	37,598	(2)	I	Sanderling V Limited Partnership
Series D-1 Convertible Preferred Stock	(1)	(1)	Common Stock	229,928	(2)	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-1 Convertible Preferred Stock	(1)	(1)	Common Stock	2,165	(2)	I	Sanderling Management Limited, Cust. FBO Sanderling Ventures Limited, L.P.
Series D-1 Convertible Preferred Stock	(1)	(1)	Common Stock	4,448	(2)	I	Sanderling Ventures Management V
Series D-1 Convertible Preferred Stock	(1)	(1)	Common Stock	541	(2)	I	Sanderling Management Limited, Cust. FBO Middleton-McNeil, L.P.
Series D-2 Convertible Preferred Stock	(1)	(1)	Common Stock	28,882	(2)	I	Sanderling V Beteiligungs GmbH & Co. KG
Series D-2 Convertible Preferred Stock	(1)	(1)	Common Stock	120,343	(2)	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series D-2 Convertible Preferred Stock	(1)	(1)	Common Stock	32,459	(2)	I	Sanderling V Limited Partnership

**Table II - Derivative Securities Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Series D-2 Convertible Preferred Stock	(1)	(1)	Common Stock	198,499	(2)	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-2 Convertible Preferred Stock	(1)	(1)	Common Stock	3,840	(2)	I	Sanderling Ventures Management V
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	47,402	(2)	I	Sanderling IV Biomedical Co-Investment Fund, L.P.
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	17,825	(2)	I	Sanderling V Beteiligungs GmbH & Co. KG
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	74,273	(2)	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	20,033	(2)	I	Sanderling V Limited Partnership
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	122,509	(2)	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series E-2 Convertible Preferred Stock	(1)	(1)	Common Stock	9,480	(2)	I	Sanderling Ventures Management V
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	480	7.81	I	Sanderling II Limited Partnership
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	16,805	7.81	I	Sanderling V Beteiligungs GmbH & Co. KG
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	4,800	7.81	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	13,728	7.81	I	Sanderling V Limited Partnership
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	30,721	7.81	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-1 Common Stock Warrants	11/21/2001	11/21/2006	Common Stock	667	7.81	I	Sanderling Ventures Management V
Series D-2 Common Stock Warrants	12/17/2002	12/31/2007	Common Stock	4,332	7.81	I	Sanderling V Beteiligungs GmbH & Co. KG
Series D-2 Common Stock Warrants	12/17/2002	12/31/2007	Common Stock	18,051	7.81	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series D-2 Common Stock Warrants	12/17/2002	12/31/2007	Common Stock	4,868	7.81	I	Sanderling V Limited Partnership

**Table II - Derivative Securities Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Series D-2 Common Stock Warrants	12/17/2002	12/31/2007	Common Stock	27,774	7.81	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-2 Common Stock Warrants	12/17/2002	12/31/2007	Common Stock	575	7.81	I	Sanderling Ventures Management V
Series E-2 Common Stock Warrants	01/28/2004	01/27/2009	Common Stock	9,480	10.55	I	Sanderling IV Biomedical Co-Investment Fund, L.P.
Series E-2 Common Stock Warrants	01/28/2004	01/27/2009	Common Stock	3,565	10.55	I	Sanderling V Beteiligungs GmbH & Co. KG
Series E-2 Common Stock Warrants	01/28/2004	01/27/2009	Common Stock	14,854	10.55	I	Sanderling V Biomedical Co-Investment Fund, L.P.

**Explanation of Responses:**

1. All Series of the Issuer's Convertible Preferred Stock are convertible into common stock upon demand at any time.
2. 1-for-3.6.

**Remarks:**

This is the second of three Forms 3 filed by the reporting person on the August 11, 2004.

/s/ Fred A. Middleton                      08/04/2004

\*\* 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 5 (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.**