

OMB APPROVAL	
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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

1. Name and Address of Reporting Person* <u>MIDDLETON FRED A</u> (Last) (First) (Middle) 400 SOUTH EL CAMINO REAL STE 1200 (Street) SAN MATEO CA 94402-1708 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Stereotaxis, Inc. [STXS]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 09/27/2006	
		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 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	09/27/2006		X		480	A	\$7.81	480	I	Sanderling II Limited Partnership
Common Stock	09/27/2006		F		358 ⁽¹⁾	D	\$10.49	122	I	Sanderling II Limited Partnership
Common Stock	09/27/2006		X		16,805	A	\$7.81	106,639	I	Sanderling V Beteiligungs GmbH & Co. KG
Common Stock	09/27/2006		X		4,332	A	\$7.81	110,971	I	Sanderling V Beteiligungs GmbH & Co. KG
Common Stock	09/27/2006		X		4,800	A	\$7.81	379,113	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Common Stock	09/27/2006		X		18,051	A	\$7.81	397,164	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Common Stock	09/27/2006		X		13,728	A	\$7.81	114,698	I	Sanderling V Limited Partnership
Common Stock	09/27/2006		X		4,868	A	\$7.81	119,566	I	Sanderling V Limited Partnership
Common Stock	09/27/2006		X		30,721	A	\$7.81	648,132	I	Sanderling Venture Partners V Co-Investment Fund, L.P.

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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	09/27/2006		X		29,774	A	\$7.81	677,906	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Common Stock	09/27/2006		X		667	A	\$7.81	667	I	Sanderling Ventures Management V
Common Stock	09/27/2006		X		575	A	\$7.81	1,242	I	Sanderling Ventures Management V
Common Stock	09/27/2006		X		153,209	A	\$6.527	153,209	I	Sanderling Venture Partners VI Co-Investment Fund
Common Stock	09/27/2006		J ⁽²⁾		7,703	D	\$0	145,506	I	Sanderling Venture Partners VI Co-Investment Fund
Common Stock	09/27/2006		J ⁽²⁾		2,816	A	\$0	2,816	I	Sanderling VI Beteiligungs GmbH & Co. KG
Common Stock	09/27/2006		J ⁽²⁾		3,355	A	\$0	3,355	I	Sanderling VI Limited Partnership
Common Stock	09/27/2006		J ⁽²⁾		1,532	A	\$0	1,532	I	Sanderling Ventures Management VI
Common Stock								149,586	D	
Common Stock								15,000	I	Sanderling Mgmt. LLC 401K Pension Profit Sharing Plan
Common Stock								781,351	I	Sanderling Venture Partners II, L.P.
Common Stock								301,745	I	Sanderling Management Limited, FBO Sanderling Ventures Limited
Common Stock								532,758	I	Sanderling IV Biomedical Co-Investment Fund, L.P.

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								224,515	I	Sanderling Venture Partners IV Co-Investment Fund, L.P.

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)		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)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			480	11/21/2001	11/21/2006	Common Stock	480	\$0	0	I	Sanderling II Limited Partnership
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			16,805	11/21/2001	11/21/2006	Common Stock	16,805	\$0	0	I	Sanderling V Beteiligungs GmbH & Co. KG
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			4,800	11/21/2001	11/21/2006	Common Stock	4,800	\$0	0	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			13,728	11/21/2001	11/21/2006	Common Stock	13,728	\$0	0	I	Sanderling V Limited Partnership
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			30,721	11/21/2001	11/21/2006	Common Stock	30,721	\$0	0	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-1 Common Stock Warrant	\$7.81	09/27/2006		X			667	11/21/2001	11/21/2006	Common Stock	667	\$0	0	I	Sanderling Ventures Management V
Series D-2 Common Stock Warrant	\$7.81	09/27/2006		X			4,332	12/17/2002	12/31/2007	Common Stock	4,332	\$0	0	I	Sanderling V Beteiligungs GmbH & Co. KG
Series D-2 Common Stock Warrant	\$7.81	09/27/2006		X			18,051	12/17/2002	12/31/2007	Common Stock	18,051	\$0	0	I	Sanderling V Biomedical Co-Investment Fund, L.P.
Series D-2 Common Stock Warrant	\$7.81	09/27/2006		X			4,868	12/17/2002	12/31/2007	Common Stock	4,868	\$0	0	I	Sanderling V Limited Partnership
Series D-2 Common Stock Warrant	\$7.81	09/27/2006		X			29,774	12/17/2002	12/31/2007	Common Stock	29,774	\$0	0	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-2 Common Stock Warrant	\$7.81	09/27/2006		X			575	12/17/2002	12/31/2007	Common Stock	575	\$0	0	I	Sanderling Ventures Management V
Common Stock Warrant	\$6.527	09/27/2006		X			153,209	(3)	11/28/2010	Common Stock	153,209	\$0	0	I	Sanderling Venture Partners VI Co-Investment Fund, L.P.

Explanation of Responses:

1. Payment of warrant exercise price by delivering securities.
2. Immediately upon exercise of the common stock warrant representing 153,209 shares of common stock, 7,703 shares were transferred to related entities as described on this Form 4.
3. Immediately.

/s/ Fred A. Middleton

09/29/2006

** 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.

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