

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 RD SUITE 1200 (Street) SAN MATEO CA 99402 (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) 08/17/2004	
	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 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	08/17/2004		C		548	A	(2)	548	I	Sanderling V Limited Partnership
Common Stock	08/17/2004		C		37,939 ⁽¹⁾	A	(2)	38,487	I	Sanderling V Limited Partnership
Common Stock	08/17/2004		C		34,082 ⁽¹⁾	A	(2)	72,569	I	Sanderling V Limited Partnership
Common Stock	08/17/2004		C		28,401 ⁽¹⁾	A	(2)	100,970	I	Sanderling V Limited Partnership
Common Stock	08/17/2004		C		185,765	A	(2)	185,765	I	Sanderling Venture Partners IV Co-Investment Fund, L.P.
Common Stock	08/17/2004		C		38,750 ⁽¹⁾	A	(2)	224,515	I	Sanderling Venture Partners IV Co-Investment Fund, L.P.
Common Stock	08/17/2004		C		3,288	A	(2)	3,288	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Common Stock	08/17/2004		C		232,012 ⁽¹⁾	A	(2)	235,300	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Common Stock	08/17/2004		C		208,424 ⁽¹⁾	A	(2)	443,724	I	Sanderling Venture Partners V Co-Investment Fund, L.P.

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			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/17/2004		C		173,687 ⁽¹⁾	A	(2)	617,411	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Common Stock	08/17/2004		C		3,527	A	(2)	3,527	I	Sanderling Ventures Management V
Common Stock	08/17/2004		C		4,488 ⁽¹⁾	A	(2)	8,015	I	Sanderling Ventures Management V
Common Stock	08/17/2004		C		4,032 ⁽¹⁾	A	(2)	12,047	I	Sanderling Ventures Management V
Common Stock	08/17/2004		C		13,440 ⁽¹⁾	A	(2)	25,487	I	Sanderling Ventures Management V

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 C Convertible Preferred Stock	(2)	08/17/2004		C			548	(3)	(3)	Common Stock	548	(2)	0	I	Sanderling V Limited Partnership
Series D-1 Convertible Preferred Stock	(2)	08/17/2004		C			37,598	(3)	(3)	Common Stock	37,598	(2)	0	I	Sanderling V Limited Partnership
Series D-2 Convertible Preferred Stock	(2)	08/17/2004		C			32,459	(3)	(3)	Common Stock	32,459	(2)	0	I	Sanderling V Limited Partnership
Series E-2 Convertible Preferred Stock	(2)	08/17/2004		C			20,033	(3)	(3)	Common Stock	20,033	(2)	0	I	Sanderling V Limited Partnership
Series C Convertible Preferred Stock	(2)	08/17/2004		C			185,765	(3)	(3)	Common Stock	185,765	(2)	0	I	Sanderling Venture Partners IV Col-Investment Fund, L.P.
Series D Convertible Preferred Stock	(2)	08/17/2004		C			38,402	(3)	(3)	Common Stock	38,402	(2)	0	I	Sanderling Venture Partners IV Col-Investment Fund, L.P.
Series C Convertible Preferred Stock	(2)	08/17/2004		C			3,288	(3)	(3)	Common Stock	3,288	(2)	0	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series D-1 Convertible Preferred Stock	(2)	08/17/2004		C			229,928	(3)	(3)	Common Stock	229,928	(2)	0	I	Sanderling Venture Partners V 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-2 Convertible Preferred Stock	(2)	08/17/2004		C			198,499	(3)	(3)	Common Stock	198,499	(2)	0	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series E-2 Convertible Preferred Stock	(2)	08/17/2004		C			122,509	(3)	(3)	Common Stock	122,509	(2)	0	I	Sanderling Venture Partners V Co-Investment Fund, L.P.
Series C Convertible Preferred Stock	(2)	08/17/2004		C			3,527	(3)	(3)	Common Stock	3,527	(2)	0	I	Sanderling Ventures Management V
Series D-1 Convertible Preferred Stock	(2)	08/17/2004		C			4,448	(3)	(3)	Common Stock	4,448	(2)	0	I	Sanderling Ventures Management V
Series D-2 Convertible Preferred Stock	(2)	08/17/2004		C			3,840	(3)	(3)	Common Stock	3,840	(2)	0	I	Sanderling Ventures Management V
Series E-2 Convertible Preferred Stock	(2)	08/17/2004		C			9,480	(3)	(3)	Common Stock	9,480	(2)	0	I	Sanderling Ventures Management V

Explanation of Responses:

- The number of shares of common stock received upon conversion of the reporting person's convertible preferred stock includes additional shares issued as a result of antidilution provisions triggered by the issuer's initial public offering.
- Price is not applicable to conversion of preferred stock to common stock.
- All series of the Issuer's Convertible Preferred Stock are convertible into common stock upon demand at any time.

Remarks:

This is the second of two Form 4s being filed by the reporting person on August 19, 2004.

/s/ Fred Middleton

08/18/2004

** 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 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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