

**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                                 |           |
|--|-----------|
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|  |  |   |
|--|--|---|
| 1. Name and Address of Reporting Person*<br><u>MICHELETTO JOE R</u><br><br>(Last) (First) (Middle)<br><u>C/O VAIL RESORTS, INC.</u><br><u>390 INTERLOCKEN CRESCENT, STE. 1000</u><br><br>(Street)<br><u>BROOMFIELD CO</u> <u>80021</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>VAIL RESORTS INC [ MTN ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>09/30/2006</u>          |   |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                       |   |

**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                    | 09/30/2006                           |  | M                              |   | 3,750   | A          | \$0     | 5,547 <sup>(1)</sup>  | D  |   |
| Common Stock                    | 10/02/2006                           |  | A                              |   | 621 <sup>(3)</sup>  | A          | \$40.23 | 6,168   | D  |   |

**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 |
| Restricted Share Units                     | \$0 <sup>(2)</sup>                                     | 09/30/2006                           |  | M                              |   |  | 3,750 <sup>(1)</sup> | 09/30/2006   | 09/30/2006      | Common Stock  | 3,750                                      | \$0  | 0   | D  |       |

**Explanation of Responses:**

- On September 30, 2005, Reporting Person was granted 3,750 Restricted Share Units that vest in one installment on the first anniversary of the grant date. On September 30, 2006, the Restricted Share Units vested and 3,750 shares of common stock were issued to the Reporting Person.
- Each Restricted Share Unit represents a contingent right to receive one share of common stock.
- The Issuer has agreed to pay Reporting Person's annual Board retainer in the form of shares of restricted stock issued on a quarterly basis. Such shares vest upon Reporting Person's retirement or removal from the Board of the Issuer.

Wendy Reiter, by Power of Attorney 10/03/2006

\*\* 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.

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.