

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
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1. Name and Address of Reporting Person * <u>Jones Elaine V</u> (Last) (First) (Middle) <u>C/O EUCLIDSR PARTNERS, L.P.</u> <u>45 ROCKEFELLER PLAZA, SUITE 3240</u> (Street) <u>NEW YORK NY 10111</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>TARGACEPT INC [TRGT]</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) <u>11/29/2007</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	11/29/2007		X		20,000	A	\$9.37	20,000	D ⁽¹⁾	
Common Stock	11/29/2007		X		7,500	A	\$9.37	27,500	D ⁽¹⁾	

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
Stock Option (Right to Buy)	\$9.37	11/29/2007		X			20,000	(2)	05/13/2017	Common Stock	20,000	\$0	0	D	
Stock Option (Right to Buy)	\$9.37	11/29/2007		X			7,500		05/14/2007	Common Stock	7,500	\$0	0	D	

Explanation of Responses:

- The Reporting Person also indirectly beneficially owns 1,516,216 shares of Common Stock held by EuclidSR Partners, L.P. and 371,945 shares of Common Stock held by EuclidSR Biotechnology Partners, L.P. The Reporting Person is a general partner of EuclidSR Associates, L.P., the general partner of EuclidSR Partners, L.P. and a general partner of EuclidSR Biotechnology Associates, L.P., the general partner of EuclidSR Biotechnology Partners, L.P. The Reporting Person disclaims beneficial ownership of such securities except to the extent of her pecuniary interest therein.
- Vests on the earlier of (i) the last business day prior to the date of the 2007 Annual Meeting of the Issuer's stockholders of (ii) June 29, 2007.

Remarks:

/s/Elaine V. Jones

12/03/2007

** 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.