Armour Residential REIT, Inc.

Form 4

December 27, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

OMB 3235-0287 Number:

January 31, Expires: 2005

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Estimated average response...

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * STATON DANIEL C			2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer			
			Armour Residential REIT, Inc. [ARR]	(Check all applicable)			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	_X_ Director 10% Owner			
3001 OCEAN DRIVE, SUITE 201			(Month/Day/Year) 12/22/2010	Officer (give title below) Other (specify below)			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line)			
VERO BEACH, FL 32963				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State) (Zip) Table	e I - Non-D	erivative S	Securi	ties Acq	uired, Disposed o	f, or Beneficial	ly 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. Securit on(A) or Dis (Instr. 3, 4)	sposed	of (D)	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)
Common Stock	12/22/2010		S	15,000	D	\$ 7.62	204,150	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/22/2010		S	3,000	D	\$ 7.63	201,150	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/22/2010		S	1,000	D	\$ 7.64	200,150	I	By Staton Bell Blank Check LLC (1)

Common Stock	12/22/2010	S	6,000	D	\$ 7.65	194,150	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/23/2010	S	50	D	\$ 7.62	194,100	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/23/2010	S	50	D	\$ 7.63	194,050	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/23/2010	S	1,650	D	\$ 7.64	192,400	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/23/2010	S	500	D	\$ 7.65	191,900	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/23/2010	S	500	D	\$ 7.66	191,400	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	2,500	D	\$ 7.66	188,900	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	6,000	D	\$ 7.67	182,900	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	3,500	D	\$ 7.68	179,400	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	6,000	D	\$ 7.69	173,400	I	By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	500	D	\$ 7.7	172,900	I	By Staton Bell Blank Check LLC (1)
	12/27/2010	S	6,500	D		166,400	I	

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Common Stock					\$ 7.74		By Staton Bell Blank Check LLC (1)
Common Stock	12/27/2010	S	2,500	D	\$ 7.75 163,900	I	By Staton Bell Blank Check LLC (1)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474

(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	Execution Date, if	4. Transactio		6. Date Exerc Expiration D	ate	7. Title a	of	8. Price of Derivative	9. Nu Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underlyi	_	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative			Securitie		(Instr. 5)	Bene
	Derivative				Securities			(Instr. 3	and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
								Aı	mount		
								or			
						Date	Expiration		umber		
						Exercisable	Date	of			
				Code V	(A) (D)				nares		

Reporting Owners

Reporting Owner Name / Address	Relationships							
•	Director	10% Owner	Officer	Other				
STATON DANIEL C								
3001 OCEAN DRIVE, SUITE 201	X							

VERO BEACH, FL 32963

Signatures

/s/ Daniel C. 12/27/2010 Staton

**Signature of Date
Reporting Person

Reporting Owners 3

Explanation of Responses:

- * 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).
- Daniel C. Staton has 100% control of Staton Family Investments Ltd.; Staton Family Investments Ltd. is 50% owner of Staton Bell Blank
- (1) Check LLC. Mr. Staton may be deemed the beneficial owner of 50% of the issuer's securities held by Staton Blank Check LLC. Mr. Staton disclaims beneficial ownership of these securities except to the extent of any pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.