

SMITH INTERNATIONAL INC  
 Form 4  
 December 07, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Dudman Bryan L

2. Issuer Name and Ticker or Trading Symbol  
 SMITH INTERNATIONAL INC [SII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 12/05/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 President Smith Services

PO BOX 60068  
 (Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

HOUSTON, TX 77205  
 (City) (State) (Zip)

**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	12/05/2007		M		13,000	A	\$ 19.41
Common Stock	12/05/2007		S		700	D	\$ 65
Common Stock	12/05/2007		S		100	D	\$ 65.02
Common Stock	12/05/2007		S		400	D	\$ 65.03
Common Stock	12/05/2007		S		200	D	\$ 65.13

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Common Stock	12/05/2007	S	500	D	\$ 65.16	29,985	D	
Common Stock	12/05/2007	S	400	D	\$ 65.17	29,585	D	
Common Stock	12/05/2007	S	1,500	D	\$ 65.18	28,085	D	
Common Stock	12/05/2007	S	1,700	D	\$ 65.23	26,385	D	
Common Stock	12/05/2007	S	200	D	\$ 65.24	26,185	D	
Common Stock	12/05/2007	S	500	D	\$ 65.25	25,685	D	
Common Stock	12/05/2007	S	1,200	D	\$ 64.89	24,485	D	
Common Stock	12/05/2007	S	300	D	\$ 64.94	24,185	D	
Common Stock	12/05/2007	S	100	D	\$ 64.97	24,085	D	
Common Stock	12/05/2007	S	1,800	D	\$ 64.99	22,285	D	
Common Stock	12/05/2007	S	100	D	\$ 65	22,185	D	
Common Stock	12/05/2007	S	800	D	\$ 65.02	21,385	D	
Common Stock	12/05/2007	S	900	D	\$ 65.05	20,485	D	
Common Stock	12/05/2007	S	1,000	D	\$ 65.1	19,485	D	
Common Stock	12/05/2007	S	600	D	\$ 65.16	18,885	D	
Common Stock	12/06/2007	F	3,018	D	\$ 67.69	15,867	D	
Common Stock						23,864 <sup>(1)</sup>	I	By 401(k) Plan

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)

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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 Underlying Securities (Instr. 3 and 4)
Employee Stock Option (right to buy)	\$ 19.41	12/05/2007		M	13,000	12/02/2007 12/02/2013	Common Stock 13,000

## Reporting Owners

Reporting Owner Name / Address	Relationships		
	Director	10% Owner	Officer
Dudman Bryan L PO BOX 60068 HOUSTON, TX 77205			President Smith Services

## Signatures

/s/ Bryan L. Dudman  
 12/06/2007  
 \*\*Signature of Reporting Person                      Date

## 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).
- (1) Based on a plan statement dated as of Sept. 30, 2007.

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