

SMITH GARY D
Form 4
August 26, 2009

FORM 4

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

OMB APPROVAL

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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 *
SMITH GARY D

(Last) (First) (Middle)
13550 HEMPSTEAD HIGHWAY
(Street)

HOUSTON, TX 77040

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
DRIL-QUIP INC [DRQ]

3. Date of Earliest Transaction (Month/Day/Year)
08/24/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Co-Chairman of the Board

6. Individual or Joint/Group Filing (Check Applicable Line)
 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	08/24/2009		M		25,000	A	\$ 7.475
Common Stock	08/24/2009		S		8,318	D	\$ 45.0272
Common Stock	08/24/2009		S		16,000	D	\$ 45
Common Stock	08/24/2009		S		682	D	\$ 45.03
Common Stock	08/25/2009		M		7,000	A	\$ 7.475

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Common Stock	08/25/2009	S	7,000	D	\$ 45.25	1,110	D	
Common Stock						3,000,000	I	See footnote (2)

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

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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 Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)
Stock Option (right to buy)	\$ 7.475	08/24/2009		M	25,000	(1) 10/28/2013	Common Stock	25,000	
Stock Option (right to buy)	\$ 7.475	08/25/2009		M	7,000	(1) 10/28/2013	Common Stock	7,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH GARY D 13550 HEMPSTEAD HIGHWAY HOUSTON, TX 77040	X		Co-Chairman of the Board	

Signatures

/s/ Gary D. Smith
08/26/2009
Date

Signature of
Reporting Person

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) The stock options were granted on October 28, 2003 and became exercisable in 25% increments on the first, second, third and fourth anniversaries of the grant date.
- (2) The Common Stock is owned by Four Smiths' Company, Ltd., and indirectly by Gary D. Smith as co-managing general partner of Four Smiths' Company, Ltd. Mr. Smith disclaims beneficial ownership of these securities except to the extent of his 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.

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