STEC, INC. Form SC 13D/A June 24, 2013

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

SCHEDULE 13D (Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO § 240.13d-2(a)

(Amendment No. 5)1

STEC, Inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share (Title of Class of Securities)

784774101 (CUSIP Number)

Simon J. Michael Balch Hill Capital, LLC 2778 Green Street San Francisco, CA 94123 (415) 474-7055

and

Paul J. Solit Eric Singer Potomac Capital Partners II, L.P. 825 Third Avenue, 33rd Floor New York, New York 10022 (212) 257-6083

With copies to:

Steve Wolosky, Esq.
Olshan Frome Wolosky LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300

(Name, Address and Telephone Number of Person

Authorized to Receive Notices and Communications)

June 24, 2013 (Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box ".

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

1	NAME OF RE	PORTING PERS	ON	
2	BALCH HILL PARTNERS, L.P. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF F	UNDS		
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	DELAWARE	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	2,801,000 SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	2,801,000 EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREC ERTAIN SHARE	GATE AMOUNT IN ROW (11) GES	o
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	6.0% TYPE OF REPORTING PERSON			
	OO			
2				

1	NAME OF RE	PORTING PERS	ON	
2	BALCH HILL CAPITAL, LLC CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o			
3	SEC USE ONL	LΥ		
4	SOURCE OF F	FUNDS		
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	DELAWARE	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH	•	8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	2,801,000 SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	2,801,000 EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREC ERTAIN SHARE	GATE AMOUNT IN ROW (11)	0
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	6.0% TYPE OF REPORTING PERSON			
	00			
3				

1	NAME OF RE	PORTING PERS	ON	
2	SIMON J. MICHAEL CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF I	FUNDS		
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP	OR PLACE OF	ORGANIZATION	
NUMBER OF SHARES	USA	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH	•	8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	2,801,000 SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	2,801,000 EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREG ERTAIN SHARE	GATE AMOUNT IN ROW (11) (ES	o
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	6.0% TYPE OF REF	ORTING PERSO	ON	
	IN			
4				

1	NAME OF RE	PORTING PERS	ON	
2	POTOMAC CAPITAL PARTNERS L.P. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF I	FUNDS		
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	DELAWARE	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREG ERTAIN SHARE	GATE AMOUNT IN ROW (11)	о
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	0% TYPE OF REP	ORTING PERSO	ON	
	PN			
5				

1	NAME OF RE	PORTING PERS	ON	
2	POTOMAC CAPITAL MANAGEMENT, L.L.C. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF I	FUNDS		
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	NEW YORK	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH	•	8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREC ERTAIN SHARE	GATE AMOUNT IN ROW (11) GES	0
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	0% TYPE OF REF	ORTING PERSO	DN	
	OO			
6				

1	NAME OF RE	PORTING PERS	ON	
2	POTOMAC CAPITAL PARTNERS II, L.P. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o			
3	SEC USE ONL	LY		
4	SOURCE OF F	FUNDS		
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	DELAWARE	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREG ERTAIN SHARE	GATE AMOUNT IN ROW (11) ES	0
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	0% TYPE OF REPORTING PERSON			
	PN			
7				

1	NAME OF RE	PORTING PERS	ON	
2	POTOMAC CAPITAL MANAGEMENT II, L.L.C. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF F	FUNDS		
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	DELAWARE	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREG ERTAIN SHARI	GATE AMOUNT IN ROW (11) ES	0
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	0% TYPE OF REPORTING PERSON			
	00			
0				

1	NAME OF REPORTING P	ERSON		
2 3	POTOMAC CAPITAL PARTNERS III, L.P. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF FUNDS			
5	WC CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE	OF ORGANIZATION		
NUMBER OF SHARES	DELAWARE 7	SOLE VOTING POWER		
BENEFICIALLY OWNED BY EACH	8	- 0 - SHARED VOTING POWER		
REPORTING PERSON WITH	9	- 0 - SOLE DISPOSITIVE POWER		
	10	- 0 - SHARED DISPOSITIVE POWE	ER	
11	AGGREGATE AMOUNT I	- 0 - BENEFICIALLY OWNED BY EACH	REPORTING PERSON	
12	- 0 - CHECK BOX IF THE AGO EXCLUDES CERTAIN SH	GREGATE AMOUNT IN ROW (11) ARES	o	
13	PERCENT OF CLASS REF	PRESENTED BY AMOUNT IN ROW	(11)	
14	0% TYPE OF REPORTING PE	RSON		
	PN			
9				

1	NAME OF REPORTING F	PERSON		
2	POTOMAC CAPITAL MANAGEMENT III, L.L.C. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF FUNDS			
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE	E OF ORGANIZATION		
NUMBER OF SHARES	DELAWARE 7	SOLE VOTING POWER		
BENEFICIALLY OWNED BY EACH	8	- 0 - SHARED VOTING POWER		
REPORTING PERSON WITH	9	- 0 - SOLE DISPOSITIVE POWER		
	10	- 0 - SHARED DISPOSITIVE POWE	ER	
11	AGGREGATE AMOUNT	- 0 - BENEFICIALLY OWNED BY EACH	H REPORTING PERSON	
12	- 0 - CHECK BOX IF THE AGE EXCLUDES CERTAIN SE	GREGATE AMOUNT IN ROW (11) HARES	o	
13	PERCENT OF CLASS RE	PRESENTED BY AMOUNT IN ROW	V (11)	
14	0% TYPE OF REPORTING PI	ERSON		
	OO			
10				

CUSIP NO. 784774101

1	NAME OF RE	PORTING PERS	ON	
2	PAUL J. SOLIT CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY			
4	SOURCE OF I	FUNDS		
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP OR PLACE OF ORGANIZATION			
NUMBER OF SHARES	USA	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 0 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREG ERTAIN SHARE	GATE AMOUNT IN ROW (11) GES	o
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	0% TYPE OF REP	ORTING PERSO	DN	
	IN			

1	NAME OF REP	ORTING PERSO	ON		
2	ERIC SINGER CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) x (b) o				
3	SEC USE ONL	Y			
4	SOURCE OF F	UNDS			
5	AF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)				
6	CITIZENSHIP	OR PLACE OF (ORGANIZATION		
	USA				
NUMBER OF SHARES		7	SOLE VOTING POWER		
BENEFICIALLY OWNED BY EACH		8	- 0 - SHARED VOTING POWER		
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER		
	1	0	- 0 - SHARED DISPOSITIVE POWE	R	
11	AGGREGATE .	AMOUNT BENI	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON	
12		F THE AGGREC ERTAIN SHARE	GATE AMOUNT IN ROW (11)	o	
13	PERCENT OF O	CLASS REPRES	EENTED BY AMOUNT IN ROW	(11)	
14	0% TYPE OF REPO	ORTING PERSO	N		
	IN				
12					

1	NAME OF REI	PORTING PERSO	ON	
2	ADAM LEVEN CHECK THE A GROUP SEC USE ONL	APPROPRIATE E	BOX IF A MEMBER OF A	(a) x (b) o
4	SOURCE OF F	TUNDS		
5	PF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS '' IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)			
6	CITIZENSHIP	OR PLACE OF (ORGANIZATION	
NUMBER OF SHARES	USA	7	SOLE VOTING POWER	
BENEFICIALLY OWNED BY EACH		8	- 2,100 - SHARED VOTING POWER	
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER	
		10	- 2,100 - SHARED DISPOSITIVE POWE	R
11	AGGREGATE	AMOUNT BEN	- 0 - EFICIALLY OWNED BY EACH	REPORTING PERSON
12		IF THE AGGREC ERTAIN SHARE	GATE AMOUNT IN ROW (11) ES	0
13	PERCENT OF	CLASS REPRES	SENTED BY AMOUNT IN ROW	(11)
14	Less than 1% TYPE OF REP	ORTING PERSO	ON	
	IN			

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1	NAME OF REPORTING PERSON					
2	CLARK MASTERS CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (b) o SEC USE ONLY					
3	SEC USE ONE I					
4	SOURCE OF FUNDS					
5	PF CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)					
6	CITIZENSHIP OR PLACE OF ORGANIZATION					
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH	USA	7	SOLE VOTING POWER			
		8	- 0 - SHARED VOTING POWER			
REPORTING PERSON WITH		9	- 0 - SOLE DISPOSITIVE POWER			
		10	- 0 - SHARED DISPOSITIVE POWE	R		
11	- 0 - AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON					
12	- 0 - CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) o EXCLUDES CERTAIN SHARES					
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)					
14	0% TYPE OF REPORTING PERSON					
	IN					

CUSIP NO. 784774101

The following constitutes Amendment No. 5 to the Schedule 13D filed by the undersigned ("Amendment No. 5"). This Amendment No. 5 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The aggregate purchase price of the 2,801,000 Shares owned directly by Balch Hill Partnership is approximately \$13,412,769, including brokerage commissions. Such Shares were acquired with the working capital of Balch Hill Partnership.

The aggregate purchase price of the 2,100 Shares owned directly by Mr. Leventhal is approximately \$10,038, excluding brokerage commissions. The Shares owned directly by Mr. Leventhal were acquired with his personal funds.

Item 4. Purpose of Transaction.

Item 4 is hereby amended to add the following:

On June 24, 2013, the Issuer announced that it had entered into a definitive merger agreement with Western Digital Corporation ("Western Digital"), pursuant to which the Issuer would be acquired by HGST, a wholly owned subsidiary of Western Digital. While the Reporting Persons had hoped that the Issuer would have understood and addressed their business issues much earlier, which could have resulted in a higher merger consideration for shareholders, the Reporting Persons are encouraged by the news of the proposed merger. At the present time, Balch Hill Partnership is evaluating whether to continue to proceed with the nomination of director nominees for election to the Board at the Annual Meeting.

Item 5. Interest in Securities of the Issuer.

Items 5(a)-(c) is hereby amended and restated as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 46,860,293 Shares outstanding as of May 13, 2013, which is the total number of Shares outstanding as reported in the Issuer's Definitive Proxy Statement filed with the SEC on June 7, 2013.

As of the close of business on June 24, 2013, Balch Hill Partnership beneficially owned 2,801,000 Shares, constituting approximately 6.0% of the Shares outstanding. By virtue of their relationships with Balch Hill Partnership discussed in further detail in Item 2, each of Balch Hill and Mr. Michael may be deemed to beneficially own the Shares beneficially owned by Balch Hill Partnership.

As of the close of business on June 24, 2013, PCP I, PCP II and PCP III beneficially owned 0 Shares, constituting 0% of the Shares outstanding.

As of the close of business on June 24, 2013, Mr. Leventhal directly owned 2,100 Shares, constituting less than one percent of the Shares outstanding.

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As of the close of business on June 24, 2013, Mr. Masters directly owned 0 Shares, constituting 0% of the Shares outstanding.

- (b) Each of Balch Hill Partnership, Balch Hill and Mr. Michael has shared voting and dispositive power over the Shares owned directly by the Balch Hill Partnership. Mr. Leventhal has sole voting and dispositive power over the Shares he owns directly.
- (c) Schedule A annexed hereto lists all transactions in the Shares by the Reporting Persons since the filing of Amendment No. 4. All of such transactions were effected in the open market.

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SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: June 24, 2013

BALCH HILL PARTNERS, L.P.

By: Balch Hill Capital, LLC

General Partner

By: /s/ Simon J. Michael

Name: Simon J. Michael

Title: Manager

BALCH HILL CAPITAL, LLC

By: /s/ Simon J. Michael

Name: Simon J. Michael

Title: Manager

/s/ Simon J. Michael SIMON J. MICHAEL

Individually and as attorney-in-fact for Adam Leventhal

and Clark Masters

CUSIP NO. 784774101

POTOMAC CAPITAL PARTNERS L.P.

By: Potomac Capital Management, L.L.C.

General Partner

By: /s/ Paul J. Solit
Name: Paul J. Solit
Title: Managing Managing

Title: Managing Member

POTOMAC CAPITAL MANAGEMENT, L.L.C.

By: /s/ Paul J. Solit Name: Paul J. Solit

Title: Managing Member

POTOMAC CAPITAL PARTNERS II, L.P.

By: Potomac Capital Management II, L.L.C.

General Partner

By: /s/ Paul J. Solit Name: Paul J. Solit

Title: Co-Managing Member

POTOMAC CAPITAL MANAGEMENT II, L.L.C.

By: /s/ Paul J. Solit Name: Paul J. Solit

Title: Co-Managing Member

POTOMAC CAPITAL PARTNERS III, L.P.

By: Potomac Capital Management III, L.L.C.

General Partner

By: /s/ Paul J. Solit Name: Paul J. Solit

Title: Co-Managing Member

POTOMAC CAPITAL MANAGEMENT III, L.L.C.

By: /s/ Paul J. Solit Name: Paul J. Solit

Title: Co-Managing Member

CUSIP NO. 784774101

/s/ Paul J. Solit PAUL J. SOLIT

/s/ Eric Singer ERIC SINGER

CUSIP NO. 784774101

SCHEDULE A

Transactions in the Shares Since	the Filing of Amendment No. 4
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Shares Purchased / (Sold) Price Per Share (\$) Date of Purchase/Sale

BALCH HILL PARTNERS, L.P.

50,000	3.4012	05/14/2013
329	3.6700	05/31/2013
(1,219,329)	6.7100	06/24/2013
(200,000)	6.7100	06/24/2013

BALCH HILL CAPITAL, LLC

None

SIMON J. MICHAEL

None

POTOMAC CAPITAL PARTNERS, L.P.

(65,659) 6.7101 06/24/2013

POTOMAC CAPITAL MANAGEMENT, L.L.C

None

POTOMAC CAPITAL PARTNERS II, L.P.

(234,134) 6.7101 06/24/2013

POTOMAC CAPITAL MANAGEMENT II, L.L.C

None

POTOMAC CAPITAL PARTNERS III, L.P.

(108,377) 6.7101 06/24/2013

POTOMAC CAPITAL MANAGEMENT III, L.L.C

None

PAUL J. SOLIT

None

CUSIP NO. 784774101

ERIC SINGER

None

ADAM LEVENTHAL

None

CLARK MASTERS

(1,000)	6.7106	06/24/2013
(200)	6.7110	06/24/2013