

ION GEOPHYSICAL CORP
Form 4
August 18, 2008

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 *
SMITH SAM K

(Last) (First) (Middle)
2105 CITYWEST
BOULEVARD, SUITE 400

(Street)

HOUSTON, TX 77042-2839

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ION GEOPHYSICAL CORP [IO]

3. Date of Earliest Transaction
(Month/Day/Year)
08/14/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director
____ Officer (give title below) 10% Owner
____ Other (specify below)
Former Director

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	08/14/2008		M		30,000	A	\$ 10 68,949
Common Stock	08/14/2008		M		20,000	A	\$ 7.5625 88,949
Common Stock	08/14/2008		M		10,000	A	\$ 5.25 98,949
Common Stock	08/14/2008		M		10,000	A	\$ 8.5 108,949
Common Stock	08/14/2008		M		10,000	A	\$ 8.45 118,949

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Common Stock	08/14/2008	M	10,000	A	\$ 4.35	128,949	D
Common Stock	08/14/2008	M	10,000	A	\$ 4.11	1,389,491	D
Common Stock	08/14/2008	M	12,500	A	\$ 6.75	151,449	D
Common Stock	08/14/2008	M	12,500	A	\$ 7.76	163,949	D
Common Stock	08/14/2008	S	125,000	D	\$ 16.0153	38,949	D

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 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 Security (Instr. 3 and 4)	Amount or Number of Underlying Securities
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Non-employee option (right-to-buy)	\$ 10	08/14/2008		M	30,000	<u>(1)</u> 06/01/2009	Common Stock	30,000
Non-employee option (right-to-buy)	\$ 7.5625	08/14/2008		M	20,000	05/31/2000 06/28/2009	Common Stock	20,000
Non-employee option (right-to-buy)	\$ 5.25	08/14/2008		M	10,000	<u>(2)</u> 11/01/2019	Common Stock	10,000
Non-employee option (right-to-buy)	\$ 8.5	08/14/2008		M	10,000	11/01/2001 11/01/2020	Common Stock	10,000
Non-employee option (right-to-buy)	\$ 8.45	08/14/2008		M	10,000	11/01/2001 11/01/2021	Common Stock	10,000

Non-employee option (right-to-buy)	\$ 4.35	08/14/2008	M	10,000	11/01/2002	11/01/2022	Common Stock	10
Non-employee option (right-to-buy)	\$ 4.11	08/14/2008	M	10,000	11/01/2003	11/01/2023	Common Stock	10
Non-employee option (right-to-buy)	\$ 6.75	08/14/2008	M	12,500	11/01/2004	11/01/2024	Common Stock	12
Non-employee option (right-to-buy)	\$ 7.76	08/14/2008	M	12,500	11/01/2005	11/01/2025	Common Stock	12

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH SAM K 2105 CITYWEST BOULEVARD SUITE 400 HOUSTON, TX 77042-2839				Former Director

Signatures

/s/ Debra A. Addington,
attorney-in-fact
08/18/2008

__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) The option vested in three equal annual installments on June 28 of 2000, 2001, and 2002.
 - (2) The option vested in equal annual installments on November 1st of 2000 and 2001.

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.