

SANDS ARTHUR T  
 Form 4  
 February 17, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
 SANDS ARTHUR T

2. Issuer Name and Ticker or Trading Symbol  
 LEXICON PHARMACEUTICALS, INC./DE [LXRX]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 President & CEO

(Last) (First) (Middle)  
 8800 TECHNOLOGY FOREST PLACE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/12/2010

THE WOODLANDS, TX 77381

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

(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)
				(A) or (D) Code V Amount Price			
Common Stock	02/12/2010		F <sup>(1)</sup>	14,872 D \$ 1.91	757,516	D	
Common Stock					817,500	I	By Sands Associates L.P.
Common Stock					60,000	I	By Spouse As Custodian For Children



## Edgar Filing: SANDS ARTHUR T - Form 4

Option vests with respect to 25% of the shares subject to the option on the first anniversary of grant (2/15/2011) and vests 1/48th per month for each month of service thereafter.

- (3) Each restricted stock unit represents a contingent right to receive one share of common stock.

Restricted stock units vest with respect to 100% of the shares subject to the restricted stock unit upon the dosing of the first patient in a pivotal human clinical trial in any country, the results of which could be used to establish safety and efficacy of a pharmaceutical product

- (4) discovered or developed by the Company (whether or not licensed by the Company to a third party) as a basis for a New Drug Application with the U.S. Food and Drug Administration or that would otherwise satisfy the requirements of 21 CFR 321.21(c) or its foreign equivalent.

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.