

SMITH INTERNATIONAL INC
 Form 4
 December 15, 2005

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 *
ROCK DOUGLAS 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)
 PO BOX 60068
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/13/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
 COB, CEO, President & COO

HOUSTON, TX 77205

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Stock | 12/13/2005 | | M | | \$ 17.36 | D | |
| Common Stock | 12/13/2005 | | S | | \$ 39.8 | D | |
| Common Stock | 12/13/2005 | | S | | \$ 39.81 | D | |
| Common Stock | 12/13/2005 | | S | | \$ 39.82 | D | |
| Common Stock | 12/13/2005 | | S | | \$ 39.83 | D | |

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| | | | | | | | |
|--------------|------------|---|--------|---|----------|---------|---|
| Common Stock | 12/13/2005 | S | 400 | D | \$ 39.86 | 509,600 | D |
| Common Stock | 12/13/2005 | S | 48,000 | D | \$ 39.95 | 461,600 | D |
| Common Stock | 12/13/2005 | S | 600 | D | \$ 40 | 461,000 | D |

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

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(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 Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------|----------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Employee Stock Option (right to buy) | \$ 17.36 | 12/13/2005 | | M | 248,600 (2) | (3) 12/03/2012 | Common Stock | 248,600 (2) | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| ROCK DOUGLAS L PO BOX 60068 HOUSTON, TX 77205 | X | | COB, CEO, President & COO | |

Signatures

Douglas L. Rock
12/15/2005

**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) This option was previously reported as covering 247,000 shares at an exercise price of \$34.73 per share, but was adjusted to reflect the stock split on Aug. 24, 2005.
- (2) On Aug. 24, 2005, the common stock of Smith International split 2-for-1, resulting in the reporting person's acquisition of 247,000 additional shares of common stock.
- (3) The option vests in four equal annual installments. The option became exercisable on December 3, 2003, 2004, and 2005.

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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