

Chandler Richard E Jr
 Form 4
 December 13, 2007

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 *
 Chandler Richard E Jr

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)
 12/11/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP, General Counsel & Sec

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)
				(A) or (D) Code V Amount Price			
Common Stock	12/11/2007		S	300 D \$ 68.98	21,428	D	
Common Stock	12/11/2007		S	500 D \$ 68.97	20,928	D	
Common Stock	12/11/2007		S	700 D \$ 68.96	20,228	D	
Common Stock	12/11/2007		S	400 D \$ 68.94	19,828	D	
Common Stock	12/11/2007		S	3,450 D \$ 68.93	16,378	D	

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Common Stock	12/11/2007		S	400	D	\$ 68.92	15,978	D	
Common Stock	12/11/2007		S	700	D	\$ 68.91	15,278	D	
Common Stock	12/11/2007		S	1,050	D	\$ 68.9	14,228	D	
Common Stock	12/11/2007		M	4,500	A	\$ 19.41	18,728	D	
Common Stock	12/11/2007		S	1,400	D	\$ 69.04	17,328	D	
Common Stock	12/11/2007		S	300	D	\$ 69.03	17,028	D	
Common Stock	12/11/2007		S	600	D	\$ 69.02	16,428	D	
Common Stock	12/11/2007		S	700	D	\$ 69.01	15,728	D	
Common Stock	12/11/2007		S	200	D	\$ 68.99	15,528	D	
Common Stock	12/11/2007		S	300	D	\$ 68.97	15,228	D	
Common Stock	12/11/2007		S	1,000	D	\$ 68.96	14,228	D	
Common Stock	12/10/2007		S	3,928	D	\$ 68.58	0 ⁽¹⁾	I	By 401(k) Plan

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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 or Number of

Shares

Employee Stock Option (right to buy)	\$ 19.41	12/11/2007	M	4,500	12/02/2007	12/02/2013	Common Stock	4,500
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Chandler Richard E Jr PO BOX 60068 HOUSTON, TX 77205			SVP, General Counsel & Sec	

Signatures

Richard E. Chandler, Jr.	12/11/2007
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 **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) Includes 2 shares acquired under Smith International's 401(k) Plan since the date of the reporting person's last ownership report.

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.