

Lambert Michael K
 Form 4
 March 09, 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 *
 Lambert Michael K

2. Issuer Name and Ticker or Trading Symbol
 INPUT OUTPUT INC [IO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 2101 CITYWEST
 BOULEVARD, SUITE 400
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/07/2007

____ Director _____ 10% Owner
 ____ Officer (give title below) ____ Other (specify below)
 Former President-GX Technology

HOUSTON, TX 77042

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___X___ 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 (D) Price | | |
| Common stock | 03/07/2007 | | S | | 8,516 (1) \$ 12.5 | 28,692 (2) | D |
| Common Stock | 03/07/2007 | | M | | 30,000 A \$ 7.09 | 58,692 | D |
| Common Stock | 03/07/2007 | | S | | 20,000 D \$ 12.25 | 38,692 | D |
| Common Stock | 03/07/2007 | | S | | 10,000 D \$ 12.5 | 28,692 | 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 or Number of Shares |
| Employee Stock Option (Right to buy) | \$ 7.09 | 03/07/2007 | | M | 30,000 | <u>(3)</u> | 06/14/2014 | Common stock | 30,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-----------------------------------|
| | Director | 10% Owner | Officer | Other |
| Lambert Michael K 2101 CITYWEST BOULEVARD SUITE 400 HOUSTON, TX 77042 | | | | Former President-GX Technology |

Signatures

/s/ Debra A Addington,
attorney-in-fact

03/09/2007

__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) Shares sold were originally purchased through the Employee Stock Purchase Plan.
- (2) Adjusted to reflect the forfeiture of 3,333 shares of restricted stock upon reporting person's resignation on December 31, 2006 and the acquisition of 2025 shares purchased December 31, 2006, through the Employee Stock Purchase Plan.
- (3) The option was to vest in four equal installments beginning on June 14, 2005. The first two tranches had vested at the time of this transaction. The remaining 42,500 unvested options were cancelled upon reporting person's resignation from the Company on December 31, 2006.

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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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