

KEY ENERGY SERVICES INC

Form 4

June 12, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Coyne Phil

2. Issuer Name **and** Ticker or Trading
Symbol
KEY ENERGY SERVICES INC
[KEG]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
1301 MCKINNEY, SUITE 1800
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
06/11/2008

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
SVP - Eastern Region

HOUSTON, TX 77010

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	06/11/2008		M		10,000	A	\$ 10.53
Common Stock	06/11/2008		M		12,500	A	\$ 15.05
Common Stock	06/11/2008		S		22,500	D	\$ 17.2124

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

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information contained in this form are not
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SEC 1474
(9-02)

number.

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 Shares
Employee Stock Option (right to buy)	\$ 10.53	09/11/2008		M	10,000	<u>(1)</u> 09/09/2014	Common Stock	10,000
Employee Stock Option (right to buy)	\$ 15.05	06/11/2008		M	12,500	<u>(2)</u> 03/15/2016	Common Stock	12,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Coyne Phil 1301 MCKINNEY SUITE 1800 HOUSTON, TX 77010			SVP - Eastern Region	

Signatures

By Kimberly R. Frye, Attorney-in-Fact for Phil Coyne 06/12/2008

__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 as follows: (i) 3,333 shares on 09/09/2005; (ii) 3,333 shares on 09/09/2006; and (iii) 3,334 shares on 09/09/2007.

(2) The stock option granted March 15, 2006 vests and is exercisable as follows: (i) 12,500 shares on 03/15/2008; (ii) 6,250 shares on 3/15/2009; and (iii) 6,250 shares on 03/10/2010.

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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