

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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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 *
 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
 (City) (State) (Zip)

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

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common stock	03/07/2007		S		8,516 (1)	D	
Common Stock	03/07/2007		M		30,000	A	
Common Stock	03/07/2007		S		20,000	D	
Common Stock	03/07/2007		S		10,000	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 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.
- 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
- (3) 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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