

ODonnell Kathleen M
Form 4
January 16, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
ODonnell Kathleen M

2. Issuer Name and Ticker or Trading Symbol
BIODELIVERY SCIENCES
INTERNATIONAL INC [BDSI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/10/2007

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

C/O MCCABE &
O'DONNELL, 3101 NORTH
CENTRAL AVENUE, SUITE 700

(Street)

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

PHOENIX, AZ 85012

(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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	01/10/2007		C	341,176 A \$0 (1)	3,652,756	I	By HCG LLC (2)
Common Stock	01/10/2007		A	59,226 (3) A \$2.68	3,711,982	I	By HCG LLC (2)
Common Stock					167,500	I	Held by trust (4)
Common Stock					4,577	D	

Edgar Filing: O'Donnell Kathleen M - Form 4

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.

SEC 1474
(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)	8. Price or Amount of Securities (Instr. 3 and 4)
Warrants	\$ 6.3					06/24/2003 06/24/2007	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

O'Donnell Kathleen M
C/O MCCABE & O'DONNELL
3101 NORTH CENTRAL AVENUE, SUITE 700
PHOENIX, AZ 85012

X

Signatures

/s/Kathleen M. O'Donnell 01/12/2007

**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) 341,176 shares of the Series B Convertible Stock were converted into 341,176 shares of common stock of the Issuer. No other consideration was paid.
 - (2) Owned by Hopkins Capital Group II, LLC, which is one third owned by the Francis E. O'Donnell Irrevocable Trust #1, of which the reporting party is Trustee.

Edgar Filing: O'Donnell Kathleen M - Form 4

- (3) Reporting Person acquired 59,226 shares of common stock pursuant to the conversion of dividends accrued upon the Series B Convertible Stock.
- (4) Held by Francis E. O'Donnell Irrevocable Trust #1, of which the reporting party is Trustee.

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.