

TANANBAUM JAMES B
 Form 4
 July 23, 2008

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 *
 TANANBAUM JAMES B

2. Issuer Name and Ticker or Trading Symbol
 JAZZ PHARMACEUTICALS INC
 [JAZZ]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 07/21/2008

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

C/O PROSPECT VENTURE PARTNERS, 435 TASSO STREET, SUITE 200

(Street)

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

PALO ALTO, CA 94301

(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	07/21/2008		P		187,479	A	(1) 1,403,129	I	By Prospect Venture Partners II, L.P. (2)
Common Stock	07/21/2008		P		2,855	A	(3) 21,366	I	By Prospect Associates II, L.P. (4)

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
Common Stock Warrant (right to buy) ⁽¹⁾	\$ 7.37	07/21/2008		P	84,365	01/21/2009 07/21/2014	Common Stock 84,365
Common Stock Warrant (right to buy) ⁽³⁾	\$ 7.37	07/21/2008		P	1,285	01/21/2009 07/21/2014	Common Stock 1,285

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

TANANBAUM JAMES B
C/O PROSPECT VENTURE PARTNERS
435 TASSO STREET, SUITE 200
PALO ALTO, CA 94301

X

Signatures

/s/ Dave Markland, Attorney-in-Fact for James B. Tananbaum,
M.D.

07/23/2008

__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)

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The reported securities are included within 187,479 units purchased by Prospect Venture Partners II, L.P. ("PVP II") for \$6.75625 per unit. Each unit consists of one share of Common Stock and one warrant to purchase 0.45 of a share of Common Stock.

- (2) The shares are owned by PVP II, which is under common control with Prospect Associates II, L.P. ("PA II"). Prospect Management Co. II, L.L.C. ("PMC II") serves as the sole general partner of PVP II. James B. Tananbaum, M.D. is a Managing Director of PMC II and shares voting and investment power over the shares held by PVP II. The Reporting Person disclaims beneficial ownership of the shares held by PVP II except to the extent of his proportionate pecuniary interest therein.

- (3) The reported securities are included within 2,855 units purchased by PA II for \$6.75625 per unit. Each unit consists of one share of Common Stock and one warrant to purchase 0.45 of a share of Common Stock.

- (4) The shares are owned by PA II. PMC II serves as the sole general partner of PA II. James B. Tananbaum, M.D. is a Managing Director of PMC II and shares voting and investment power over the shares held by PA II. The Reporting Person disclaims beneficial ownership of the shares held by PA II except to the extent of his proportionate pecuniary interest therein.

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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