

VERMILLION, INC.
Form 4
August 28, 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 *
QUEST DIAGNOSTICS INC

2. Issuer Name and Ticker or Trading Symbol
VERMILLION, INC. [VRML]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
1290 WALL STREET WEST
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/24/2007

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

LYNDHURST, NJ 07071

(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 Ownership (Instr. 4)			
Common Stock	08/24/2007		A	V	2,380,952	A	\$ 0.74	8,605,952	D	Indirect Beneficial Ownership (Instr. 4)

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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 Underlying (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title
Warrant to Purchase <u>(1)</u>	\$ 3.5	08/24/2007		D	2,200,000		07/22/2005	07/22/2010	Common Stock
Warrant to Purchase <u>(2)</u>	\$ 2.5	08/24/2007		A	2,200,000		08/24/2007	07/22/2011	Common Stock
Warrant to Purchase	\$ 0.925	08/24/2007		A	1,904,761		08/29/2007	08/29/2012	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
QUEST DIAGNOSTICS INC 1290 WALL STREET WEST LYNDHURST, NJ 07071		X		

Signatures

Leo C. Farrenkopf, Jr., VP, Quest Diagnostics 08/28/2007

**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) This warrant, previously reported on Form 3 filed by Reporting Person on 7/29/2005, is being amended to reduce the exercise price from \$3.50 to \$2.50 and to extend the expiration date from 7/22/2010 to 7/22/2011. For SEC reporting purposes, it is being reported herein as a "disposition" of the original warrant and an "acquisition" of the warrant referred to in footnote (2) below. The amendment of the warrant is conditioned on the closing of the purchase reported in Table I, which is scheduled for 8/29/2007.
- (2) This warrant, reported herein as an "acquisition," is in fact an amendment of a warrant originally reported to the SEC on Form 3 on 7/29/2005. *See* also footnote (1) above.

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.