

MCDONALD F. DOUG  
 Form 3  
 November 09, 2009

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
MCDONALD F. DOUG		(Month/Day/Year)	KEY ENERGY SERVICES INC [KEG]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
1301 MCKINNEY STREET, SUITE 1800			(Check all applicable)	
(Street)			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
HOUSTON, TX 77010			<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
(City)	(State)	(Zip)	(give title below)	(specify below)
			SVP, Marketplace Bus Devlpmt	
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	22,456 <sup>(1)</sup>	D	

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

SEC 1473 (7-02)

**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.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Amount or Number of Shares	or Indirect (I) (Instr. 5)
Employee Stock Option (right to buy)	Â (2)	02/04/2018	Common Stock 15,000 \$ 12.45	D Â
Employee Stock Option (right to buy)	Â (2)	04/10/2018	Common Stock 5,000 \$ 15.07	D Â
Employee Stock Option (right to buy)	Â (3)	12/01/2018	Common Stock 5,000 \$ 3.88	D Â
Phantom Stock	Â (4)	02/04/2012	Common Stock 3,750 \$ (5)	D Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCDONALD F. DOUG 1301 MCKINNEY STREET SUITE 1800 HOUSTON, TX 77010	Â	Â	Â SVP, Marketplace Bus Devlpmt	Â

## Signatures

By Robert B. Rapfogel, Attorney-in-fact for F. Doug McDonald

11/09/2009

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 5(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) Represents invested awards of restricted stock shares granted under the Key Energy Services, Inc. 2007 Equity and Cash Incentive Plan ("2007 Plan"). The first award for 2,500 restricted shares was granted on December 4, 2008 and shall vest in four equal annual installments on the anniversary of the grant date. The second award for 19,956 restricted shares was granted on March 2, 2009 and shall vest in three equal annual installments on the anniversary of the grant date.

(2) The options were granted under the 2007 Plan and are fully vested and exercisable.

(3) The option was granted under the 2007 Plan and vests in four equal annual installments beginning on December 1, 2009.

(4) The phantom share award granted on February 4, 2008 vests in four equal annual installments on the anniversary of the grant date. The vested phantom shares are payable solely in cash within 20 business days after the vesting date.

(5) Each share of phantom stock is the economic equivalent of one share of Key Energy Services, Inc.'s common stock, which, pursuant to the plan under which it was granted, is required to be settled in cash based on the closing price on the date each share vests. The original grant was for 5,000 phantom shares, of which 1,250 shares vested on February 4, 2009.

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.