

MCDONALD F. DOUG
 Form 3
 November 09, 2009

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

OMB APPROVAL

OMB Number: 3235-0104
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 and Ticker or Trading Symbol	
MCDONALD F. DOUG		(Month/Day/Year)	KEY ENERGY SERVICES INC [KEG]	
(Last)	(First)	(Middle)	11/01/2009	
1301 MCKINNEY STREET, SUITE 1800			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
HOUSTON, TX 77010			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			(give title below) (specify below)	<input type="checkbox"/> Form filed by More than One Reporting Person
			SVP, Marketplace Bus Devlpmt	

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 ⁽¹⁾	D	

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

SEC 1473 (7-02)

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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.

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