

Ardea Biosciences, Inc./DE  
Form SC 13D/A  
February 12, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D  
Under the Securities Exchange Act of 1934

(Amendment No. 7)\*

Ardea Biosciences, Inc.

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(Name of Issuer)

Common Stock, Par Value \$0.001 Per Share

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(Title of Class of Securities)

03969P107

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(CUSIP number)

667 Madison Avenue, 21st Floor

Leo Kirby  
New York, NY 10065  
(212) 339-5633

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(Name, address and telephone number of person authorized to receive notices and communications)

February 8, 2010

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(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box o.

(Continued on the following pages)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP  
No. 03969P107

13D

1. NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
Julian C. Baker
  2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) p  
(b) p
  3. SEC USE ONLY
  4. SOURCE OF FUNDS\*  
WC
  5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)  
  
o
  6. CITIZENSHIP OR PLACE OF ORGANIZATION  
United States  

NUMBER OF	7.	SOLE VOTING POWER: 0
SHARES	8.	SHARED VOTING POWER: 5,347,604
BENEFICIALLY	9.	SOLE DISPOSITIVE POWER: 0
OWNED BY EACH	10.	SHARED DISPOSITIVE POWER: 5,347,604

 REPORTING PERSON WITH
  11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON: 5,347,604
  12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) p
  13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
28.7%(1)
  14. TYPE OF REPORTING PERSON (See Instructions)  
IN
- (1) See Item 5(a) of this Amendment for a detailed explanation of the shares of beneficial ownership and percentage ownership of the Reporting Persons.

CUSIP  
No. 03969P107

13D

1. NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
  
2. Felix J. Baker  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) p  
(b) p
3. SEC USE ONLY
4. SOURCE OF FUNDS (See Instructions)  
WC
5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)

o

6. CITIZENSHIP OR PLACE OF ORGANIZATION  
United States  

NUMBER OF	7.	SOLE VOTING POWER: 25,000
SHARES	8.	SHARED VOTING POWER: 5,347,604
BENEFICIALLY	9.	SOLE DISPOSITIVE POWER: 25,000
OWNED BY EACH	10.	SHARED DISPOSITIVE POWER: 5,347,604

  
 REPORTING PERSON WITH
11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:  
5,372,604
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions) p
13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
28.8%(1)
14. TYPE OF REPORTING PERSON (See Instructions)  
IN

(1) See Item 5(a) of this Amendment for a detailed explanation of the shares of beneficial ownership and percentage ownership of the Reporting Persons.

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EXPLANATORY NOTE: This Amendment No. 7 to Schedule 13D (this “Amendment”) is being filed by Julian C. Baker and Felix J. Baker (the “Reporting Persons”) to supplement the statements on Schedule 13D previously filed by them, as heretofore amended. This Amendment reflects the option to purchase 25,000 shares of Common Stock of the Issuer granted to Felix J. Baker in connection with his election to the Board of Directors of the Issuer on February 8, 2010.

Except as supplemented herein, such statements, as hereto amended and supplemented, remain in full force and effect.

ITEM 2. Identity and Background.

(c) Certain securities of the Issuer are owned directly by FBB Associates, a Delaware general partnership. As the sole partners of FBB Associates, Julian C. Baker and Felix J. Baker may be deemed to be the indirect beneficial owners of such securities under Rule 16a-1(a)(2) promulgated under the Exchange Act. However, pursuant to Rule 16a-1(a)(4) promulgated under the Exchange Act, each of Julian C. Baker and Felix J. Baker disclaims beneficial ownership of such securities, except to the extent of his respective pecuniary interest therein.

ITEM 4. Purpose of Transactions.

On February 8, 2010, the Board of Directors of the Issuer (the “Board”) elected Felix J. Baker to serve as a member of the Board.

ITEM 5. Interest in Securities of the Issuer.

Set forth below is the aggregate number of shares of Common Stock held, including shares that maybe acquired upon exercise of Warrants and shares that may be acquired upon exercise of Stock Options, as of the date hereof by each of the following, together with the percentage of outstanding shares of Common Stock that such number represents based upon 18,415,082 shares of Common Stock outstanding as reported on the Issuer’s SEC Form 10-Q filed on November 6, 2009. Such percentage figures are calculated on the basis that the Warrants owned by the Reporting Persons and the Stock Options held by the Reporting Persons are deemed exercised into shares of Common Stock but other outstanding Warrants and Stock Options are not deemed exercised into shares of Common Stock.

Reporting Person	Number of Shares	Percentage of Class Outstanding
Baker Bros. Investments, L.P.	60,827	0.3%
Baker Bros. Investments II, L.P.	75,388	0.4%
667, L.P.	1,693,159	9.1%
Baker Brothers Life Sciences, L.P.	3,341,235	17.9%
14159, L.P.	74,059	0.4%
Baker/ Tisch Investments, L.P.	100,634	0.6%

FBB Associates	2,302	0.0%
Felix J. Baker	25,000	0.1%
Total	5,372,604	28.8%

By virtue of their ownership of entities that have the power to control the investment decisions of the limited partnerships and the general partnership listed in the table above, Julian C. Baker and Felix J. Baker may each be deemed to be beneficial owners of shares owned by the entities listed above and may be deemed to have shared power to vote or direct the vote of and shared power to dispose or direct the disposition of such securities.

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(c)

Pursuant to the terms of an automatic grant program for non-employee directors of the Issuer under the Issuer's 2004 Stock Incentive Plan, Felix J. Baker was granted an option to purchase 25,000 shares of Common Stock of the Issuer in connection with his election to the Board. The option was issued pursuant to the Issuer's 2004 Stock Incentive Plan and has an exercise price equal to \$14.52 per share, the closing sales price of the Issuer's Common Stock as reported on the Nasdaq Global Market for February 8, 2010. The option vests in equal monthly installments over three years following the date of grant. The option is immediately exercisable in whole, but the unvested portion thereof is subject to a right of repurchase in favor of the Issuer. The option has a term of ten years beginning from the date of grant.

None of the Reporting Persons has effected any other transactions in securities of the issuer during the last 60 days.

(d) Not applicable.

(e) Not applicable.

ITEM 7.

Materials to be Filed as Exhibits.

Exhibit 1: Joint Filing Agreement dated February 12, 2010, with respect to Amendment No. 7 to Schedule 13D, by and between Julian C. Baker and Felix J. Baker

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned hereby certifies that the information set forth in this Amendment is true, complete and correct.

EXECUTED as a sealed instrument this 12th day of February, 2010.

By: /s/ Julian C. Baker  
Julian C. Baker

By: /s/ Felix J. Baker  
Felix J. Baker

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Exhibit 1

JOINT FILING AGREEMENT

Pursuant to Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended, the undersigned hereby agree that only one statement containing the information required by Schedule 13D need be filed with respect to the ownership by each of the undersigned of the shares of Common Stock of Ardea Biosciences, Inc.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

EXECUTED as of this 12th day of February, 2010.

By:/s/ Julian C. Baker  
Julian C. Baker

By:/s/ Felix J. Baker  
Felix J. Baker

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