

Ardea Biosciences, Inc./DE
Form SC 13D/A
May 20, 2008
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 5)*

Ardea Biosciences, Inc.
(Name of Issuer)

Common Stock, \$0.001 par value per share
(Title of Class of Securities)

03969P107
(CUSIP Number)

Kevin C. Tang
Tang Capital Management, LLC
4401 Eastgate Mall
San Diego, CA 92121
(858) 200-3830
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

May 7, 2008
(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 §§240.13d-1(e), 240.13d-1(f) or 240.13d-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§ 240.13d-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).

(Continued on following pages)

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Tang Capital Partners, LP

2. Check the Appropriate Box if a Member of a Group
(a)
(b)
3. SEC Use Only
4. Source of Funds
WC
5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power 0
	8.	Shared Voting Power 3,181,760
	9.	Sole Dispositive Power 0
	10.	Shared Dispositive Power 3,181,760

11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,181,760
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares
13. Percent of Class Represented by Amount in Row (11)
21.3%
14. Type of Reporting Person
PN

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Tang Capital Management, LLC

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ý

3. SEC Use Only

4. Source of Funds

WC

5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)

..

6. Citizenship or Place of Organization

Delaware

Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power 0
	8.	Shared Voting Power 3,181,760
	9.	Sole Dispositive Power 0
	10.	Shared Dispositive Power 3,181,760

11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,181,760

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)
21.3%

14. Type of Reporting Person
OO

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1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Kevin C. Tang

2. Check the Appropriate Box if a Member of a Group
(a)
(b)
3. SEC Use Only
4. Source of Funds
PF, WC, OO
5. Check If Disclosure of Legal Proceeding Is Required Pursuant to Items 2(d) or 2(e)
6. Citizenship or Place of Organization
United States

Number of Shares Beneficially Owned by Each Reporting Person With	7.	Sole Voting Power 170,891
	8.	Shared Voting Power 3,335,652
	9.	Sole Dispositive Power 170,891
	10.	Shared Dispositive Power 3,384,652

11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,555,543
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares
13. Percent of Class Represented by Amount in Row (11)
23.6%
14. Type of Reporting Person
IN

Item 3. Source and Amount of Funds or Other Consideration

Since the date of the last filing on Schedule 13D, on December 19, 2007, Tang Capital Partners, LP purchased 37,731 shares of Ardea Bioscience, Inc.'s (the "Issuer") common stock through a private placement for \$13.25 per share.

Since the date of the last filing on Schedule 13D, on December 31, 2007 and March 31, 2008, Tang Capital Partners, LP received 2,166 shares and 2,488 shares, respectively, of the Issuer's common stock, as dividends on shares of the Issuer's Series A Convertible Preferred Stock.

Since the date of the last filing on Schedule 13D, on January 2, 2008, Kevin C. Tang was granted stock options to purchase an aggregate of 20,000 shares of the Issuer's common stock at an exercise price of \$15.69 per share. The stock options are exercisable within 60 days of this Statement.

Since the date of the last filing on Schedule 13D, on May 7, 2008, all 162 shares of the Issuer's Series A Convertible Preferred Stock held by Tang Capital Partners, LP were automatically converted into shares of common stock. Each share of Series A Convertible Preferred Stock was convertible into a number of shares of common stock equal to \$10,000 divided by \$1.90072. This resulted in Tang Capital Partners, LP receiving 852,308 shares of the Issuer's common stock from the conversion.

Each purchaser used its own funds for the purchases, none of which were borrowed or otherwise obtained from any source to acquire the shares.

Item 5. Interest in Securities of the Issuer.

(a) Amount beneficially owned and percentage of class:

Tang Capital Partners, LP	3,181,760 shares, representing 21.3% of the class
Tang Capital Management, LLC	3,181,760 shares, representing 21.3% of the class
Kevin C. Tang	3,555,543 shares, representing 23.6% of the class

Tang Capital Partners, LP is the record and beneficial owner of 3,157,760 shares of the Issuer's common stock, and has the right to acquire an additional 24,000 shares of common stock upon exercise of warrants it holds .

Tang Capital Management, LLC, as the general partner of Tang Capital Partners, LP, may be deemed to beneficially own the 3,181,760 shares held or acquirable by Tang Capital Partners, LP. Tang Capital Management, LLC shares voting and dispositive power over such shares with Tang Capital Partners, LP and Kevin C. Tang.

Kevin C. Tang is the beneficial owner of 3,555,543 shares of the Issuer’s common stock, comprising 28,953 shares owned by Justin L. Tang under the Uniform Transfers to Minors Act (“UTMA”), for which Kevin C. Tang serves as trustee, 22,477 shares owned by Julian K. Tang under the UTMA, for which Kevin C. Tang serves as trustee, 4,819 shares owned by Noa Y. Tang under the UTMA, for which Kevin C. Tang serves as trustee, 10,803 shares owned by the Tang Advisors, LLC Profit Sharing Plan, for which Kevin C. Tang serves as trustee and is a participant, 129,242 shares held by the Tang Family Trust, for which Kevin C. Tang serves as co-trustee, 15,089 shares held by Kevin C. Tang’s Individual Retirement Account, 88,750 shares issuable upon exercise of options held by Kevin C. Tang within 60 days of this Statement, 6,000 shares owned by the Individual Retirement Account for the benefit of Chang L. Kong (the “Chang IRA”), 6,000 shares owned by the Individual Retirement Account for the benefit of Chung W. Kong (the “Chung IRA”), 37,000 shares owned by Joan M. Lamb, 24,650 shares owned by the Haeyoung and Kevin Tang Foundation, Inc., and 3,181,760 shares held or acquirable by Tang Capital Partners, LP.

Justin L. Tang, Julian K. Tang and Noa Y. Tang are Kevin C. Tang’s children. Kevin C. Tang is a beneficiary of the Tang Family Trust and shares voting and dispositive power over the shares held by the Tang Family Trust with his wife, Haeyoung K. Tang. Chang L. and Chung W. Kong are Kevin C. Tang’s in-laws and Mr. Tang may be deemed to have shared dispositive power over the shares held in the Chang IRA and the Chung IRA. Joan M. Lamb is an acquaintance of Kevin C. Tang and Mr. Tang may be deemed to have shared dispositive power over the shares held by Ms. Lamb. The Haeyoung and Kevin Tang Foundation, Inc. is a private foundation, for which Kevin C. Tang serves as President and Treasurer. Mr. Tang shares voting and dispositive power over the shares held by this foundation with Haeyoung K. Tang. Tang Capital Management, LLC, as the general partner of Tang Capital Partners, LP, and Kevin C. Tang, as the manager of Tang Capital Management, LLC, may also be deemed to beneficially own the shares beneficially owned by Tang Capital Partners, LP. Kevin C. Tang disclaims beneficial ownership of all shares reported herein except to the extent of his pecuniary interest therein. Chang L. and Chung W. Kong are retired U.S. citizens and their address is 6429 Peinado Way, San Diego, CA 92121. Haeyoung K. Tang is a U.S. citizen and shares her residence with Kevin C. Tang. Joan M. Lamb is a U.S. citizen and her address is 1160 Park Avenue, New York, NY 10128. Ms. Lamb is self-employed in the design industry. The Haeyoung and Kevin Tang Foundation, Inc. is a not-for-profit corporation incorporated in the state of Delaware and its address is 4401 Eastgate Mall, San Diego, CA 92121.

(b) Voting and disposition powers:

Sole power to vote or direct the vote:

Tang Capital Partners, LP 0 shares
 Tang Capital Management, LLC 0 shares
 Kevin C. Tang 170,891 shares

Shared power to vote or direct the vote:

Tang Capital Partners, LP 3,181,760 shares
 Tang Capital Management, LP 3,181,760 shares

LLC

Kevin C .3,335,652

Tang shares

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Sole power to
dispose or
direct the
disposition:

Tang Capital0 shares
Partners, LP
Tang Capital0 shares
Management,
LLC
K e v i n C .170,891
Tang shares

Shared power
to dispose or
direct the
disposition:

Tang Capital3,181,760
Partners, LP shares
Tang Capital3,181,760
Management,shares
LLC
K e v i n C .3,384,652
Tang shares

(c) Other than the purchases described in Item 3, none of Kevin C. Tang, Tang Capital Partners, LP and Tang Capital Management, LLC. (each, a “Reporting Person” and collectively, “Reporting Persons”) have effected any transaction in the Issuer’s common stock within the last 60 days .

(d) N/A.

(e) N/A.

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SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, each of the following Reporting Persons certifies that the information set forth in this statement is true, complete and correct.

May 20, 2008

Tang Capital Partners, LP

By: Tang Capital Mangement, LLC

By: /s/ Kevin C. Tang
Kevin C. Tang, Manager

Tang Capital Management, LLC

By: /s/ Kevin C. Tang
Kevin C. Tang, Manager

/s/ Kevin C. Tang
Kevin C. Tang