

HIBBERD DOUGLAS G
 Form 4
 May 28, 2009

FORM 4

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

OMB APPROVAL

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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 *
HIBBERD DOUGLAS G

(Last) (First) (Middle)
 C/O SOLARWINDS, INC., 3711 S.
 MOPAC EXPY., BLDG. TWO
 (Street)

AUSTIN, TX 78746

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SolarWinds, Inc. [SWI]

3. Date of Earliest Transaction (Month/Day/Year)
05/26/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Senior VP, Product Development

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 05/26/2009 | | M | | 42,078 | A | \$ 2.6867 |
| Common Stock | 05/26/2009 | | S | | 42,048 | D | \$ 11.625 |
| | | | | | 0 | | |

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

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SEC 1474 (9-02)

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

| 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 Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 2.6867 | 05/26/2009 | | M | 42,078 | ⁽¹⁾ 08/08/2016 | Common Stock 42,078 |
| Employee Stock Option (right to buy) | \$ 2.6867 | | | | | ⁽¹⁾ 08/08/2016 | Common Stock 110,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HIBBERD DOUGLAS G C/O SOLARWINDS, INC. 3711 S. MOPAC EXPY., BLDG. TWO AUSTIN, TX 78746 | | | Senior VP, Product Development | |

Signatures

/s/ Bryan A. Sims, Attorney-in-Fact for Douglas G. Hibberd
 Date: 05/28/2009

__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) Grant subject to a right of early exercise by Mr. Hibberd prior to vesting and a right of repurchase by SolarWinds, Inc. that lapses in accordance with the vesting schedule. 1/4th of the shares vest on the 1 year anniversary of August 7, 2006 and 1/48th shall vest each month thereafter.

(2) Vested options held by Clontarf Investments, Ltd. Clontarf Investments GP, LLC is the general partner of Clontarf Investments, Ltd. Mr. Hibberd and his wife are the sole members of Clontarf Investments GP, LLC and, by virtue of this relationship, may be deemed to have voting and dispositive power over the shares issuable upon the exercise of the options held by Clontarf Investments Ltd. Mr. Hibberd disclaims beneficial ownership of the shares held by Clontarf except to the extent of his pecuniary interest therein.

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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