

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL                                 |           |
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|                                                                |         |          |                                                                                        |                   |  |                                                                                                                                                                                                                                |  |  |
|----------------------------------------------------------------|---------|----------|----------------------------------------------------------------------------------------|-------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|
| 1. Name and Address of Reporting Person*<br><u>Drake Neil</u>  |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><u>OBALON THERAPEUTICS INC [ OBLN ]</u> |                   |  | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>VP Research and Development</u> |  |  |
| (Last)                                                         | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>02/02/2018</u>                  |                   |  |                                                                                                                                                                                                                                |  |  |
| C/O OBALON THERAPEUTICS, INC.<br>5421 AVENIDA ENCINAS, STUIE F |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                               |                   |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person                                          |  |  |
| (Street)                                                       | (City)  | (State)  | (Zip)                                                                                  | CARLSBAD CA 92008 |  |                                                                                                                                                                                                                                |  |  |

**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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|---|-------------------------------------------------------------------|------------|--------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    | Code                           | V | Amount                                                            | (A) or (D) | Price  |                                                                                               |                                                          |                                                       |
| Common Stock                    | 02/02/2018                           |                                                    | M                              |   | 229                                                               | A          | \$1.31 | 8,153                                                                                         | D                                                        |                                                       |
| Common Stock                    | 02/02/2018                           |                                                    | M                              |   | 5,746                                                             | A          | \$1.83 | 13,899                                                                                        | D                                                        |                                                       |
| Common Stock                    | 02/02/2018                           |                                                    | M                              |   | 3,641                                                             | A          | \$0.76 | 17,540                                                                                        | D                                                        |                                                       |
| Common Stock                    | 02/02/2018                           |                                                    | M                              |   | 4,310                                                             | A          | \$1.77 | 21,850                                                                                        | D                                                        |                                                       |

**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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|---|----------------------------------------------------------------------------------------|-------|----------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V | (A)                                                                                    | (D)   | Date Exercisable                                         | Expiration Date |                                                                                   |                                            |                                                                                                    |                                                           |                                                        |
| Employee Stock Option (right to buy)       | \$1.31                                                 | 02/02/2018                           |                                                    | M                              |   |                                                                                        | 229   | 10/08/2014                                               | 01/26/2021      | Common Stock                                                                      | 229                                        | \$0                                                                                                | 0                                                         | D                                                      |
| Employee Stock Option (right to buy)       | \$1.83                                                 | 02/02/2018                           |                                                    | M                              |   |                                                                                        | 5,746 | 06/14/2016                                               | 08/14/2022      | Common Stock                                                                      | 5,746                                      | \$0                                                                                                | 0                                                         | D                                                      |
| Employee Stock Option (right to buy)       | \$0.76                                                 | 02/02/2018                           |                                                    | M                              |   |                                                                                        | 3,641 | (1)                                                      | 03/04/2025      | Common Stock                                                                      | 3,641                                      | \$0                                                                                                | 1,083                                                     | D                                                      |
| Employee Stock Option (right to buy)       | \$1.77                                                 | 02/02/2018                           |                                                    | M                              |   |                                                                                        | 4,310 | (2)                                                      | 05/11/2026      | Common Stock                                                                      | 4,310                                      | \$0                                                                                                | 6,034                                                     | D                                                      |

**Explanation of Responses:**

- This option vests as to 25% of the total shares on January 1, 2016, then 2.083% monthly, with 100% of the total shares vested on January 1, 2019, subject to the reporting person's provision of service to the Issuer on each vesting date.
- This option vests as to 2.083% of the total shares monthly, commencing on May 11, 2016, with 100% of the total shares vested on May 11, 2020, subject to the reporting person's provision of service to the Issuer on each vesting date.

**Remarks:**

/s/ Nooshin Hussainy as attorney-in-fact for Neil Drake 02/04/2018

\*\* Signature of Reporting Person Date

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

\* 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).

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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