

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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).

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

1. Name and Address of Reporting Person* <u>ProQuest Investments III, L.P.</u> (Last) (First) (Middle) <u>90 NASSAU STREET, 5TH FLOOR</u> (Street) <u>PRINCETON NJ 08542-4520</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CADENCE PHARMACEUTICALS INC [CADX]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/30/2006</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	10/30/2006		C		3,053,174	A	(1)	3,053,174	D ⁽²⁾	
Common Stock								12,500 ⁽³⁾	I	By ProQuest Management LLC (3)

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	Title	Amount or Number of Shares				
Series A-1 Preferred Stock	(1)	10/30/2006		C			2,393,618	(1)	(1)	Common Stock	598,404	\$0	0	D ⁽²⁾	
Series A-2 Preferred Stock	(1)	10/30/2006		C			3,819,080	(1)	(1)	Common Stock	954,770	\$0	0	D ⁽²⁾	
Series A-3 Preferred Stock	(1)	10/30/2006		C			6,000,000	(1)	(1)	Common Stock	1,500,000	\$0	0	D ⁽²⁾	
Stock Option (right to buy)	\$3.2							(4)	07/12/2016	Common Stock	15,000		15,000	I	By Alain Schreiber ⁽⁵⁾

1. Name and Address of Reporting Person*
ProQuest Investments III, L.P.
 (Last) (First) (Middle)
90 NASSAU STREET, 5TH FLOOR
 (Street)
PRINCETON NJ 08542-4520
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
ProQuest Associates III LLC
 (Last) (First) (Middle)
90 NASSAU STREET, 5TH FLOOR
 (Street)
PRINCETON NJ 08542-4520
 (City) (State) (Zip)

1. Name and Address of Reporting Person*

Moorin Jay

(Last) (First) (Middle)

C/O PROQUEST INVESTMENTS
90 NASSAU STREET, 5TH FLOOR

(Street)

PRINCETON NJ 08542-4520

(City) (State) (Zip)

1. Name and Address of Reporting Person*

SCHREIBER ALAIN

(Last) (First) (Middle)

C/O PROQUEST INVESTMENTS
90 NASSAU STREET, 5TH FLOOR

(Street)

PRINCETON NJ 08542-4520

(City) (State) (Zip)

Explanation of Responses:

- Shares of Preferred Stock were convertible on a 4-for-1 basis into common stock and automatically converted upon the closing of the Company's initial public offering, and had no expiration date.
- Jay Moorin and Alain Schreiber are managing members of ProQuest Associates III LLC ("Associates III"), the general partner of ProQuest Investments III, L.P. ("Investments III"). Each of Mr. Moorin and Dr. Schreiber disclaim beneficial ownership of these shares, except to the extent of their respective pecuniary interest therein, and this report shall not be deemed an admission for Section 16 or any other purpose.
- 5,000 of such shares are subject to the Company's right to repurchase as of the date of this report, of which approximately 625 shares will vest and are no longer subject to such right on the first day of each fiscal quarter until 07/01/2008. The managing members of ProQuest Management LLC ("Management") are Mr. Moorin and Dr. Schreiber. Dr. Schreiber is a director of the Company. Each of Mr. Moorin and Dr. Schreiber disclaim beneficial ownership of these shares, except to the extent of their respective pecuniary interest therein, and this report shall not be deemed an admission for Section 16 or any other purpose.
- Immediately exercisable. Of the shares underlying such options, 1,250 are fully vested and 1,250 will vest and no longer be subject to the Company's right to repurchase on the first day of each fiscal quarter until 07/01/2009.
- Dr. Schreiber, a director of the Company, is a managing member of Associates III, the general partner of Investments III, and of Management.

Remarks:

Pasquale DeAngelis, Member 10/31/2006
and as Attorney-in-Fact

** 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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