

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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

1. Name and Address of Reporting Person * <b>KASH PETER M</b>  (Last) (First) (Middle) <b>C/O TWO RIVER GROUP HOLDINGS, LLC</b> <b>689 FIFTH AVENUE, 12TH FLOOR</b>  (Street) <b>NEW YORK NY 10022</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>Nile Therapeutics, Inc. [ NLTX ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <b>05/10/2011</b>	
	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								1,596,208	D	
Common Stock								496,589	I	By Spouse for Minor Children <sup>(1)</sup>
Common Stock								165,530	I	Kash Family Foundation

**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				
Stock Option (Right to Buy)	\$4.5							(2)	01/25/2018	Common Stock	60,000		60,000	D	
Stock Option (Right to Buy)	\$0.93								01/01/2010	Common Stock	35,000		35,000	D	
Stock Option (Right to Buy)	\$1.77								07/21/2010	Common Stock	80,000		80,000	D	
Stock Option (Right to Buy)	\$0.37								07/26/2011	Common Stock	80,000		80,000	D	
Stock Option (Right to Buy)	\$0.73	05/10/2011		A		80,000			05/10/2012	Common Stock	80,000	\$0	80,000	D	
Warrant (Right to Buy)	\$2.71								09/17/2007	Common Stock	1,052		1,052	D	
Warrant (Right to Buy)	\$1.25								07/07/2009	Common Stock	24,704		24,704	D	
Warrant (Right to Buy)	\$1.71								07/07/2009	Common Stock	24,703		24,703	D	
Warrant (Right to Buy)	\$2.28								07/07/2009	Common Stock	49,407		49,407	D	
Warrant (Right to Buy)	\$1.375								07/15/2009	Common Stock	125,000		125,000	D	

**Explanation of Responses:**

1. Held by the Reporting Person's spouse as custodian for the benefit of their minor children under the Uniform Gift to Minors Act. The Reporting Person disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein, if any, and this report shall not be deemed an admission that the reporting person is the beneficial owner of these shares for purposes of Section 16 or any other purpose.

2. Fully exercisable.

**Remarks:**

/s/ Daron Evans as Attorney-in-Fact for Peter M. Kash pursuant to Power of Attorney previously filed. 05/12/2011

\*\* 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.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**