

PANDA ETHANOL, INC.
Form 4
February 13, 2009

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
GLG Partners LP

2. Issuer Name and Ticker or Trading Symbol
PANDA ETHANOL, INC. [PDAE]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
1 CURZON STREET,
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
02/11/2009

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

LONDON, X0 W1J 5HB

(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X 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 Indirect Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock \$0.001 par value per share ("Common Stock") | 02/11/2009 | | S | 42,000 D \$ 0.025 | 4,967,732 | I (1) (2) | See footnotes (1) (2) |
| Common Stock | 02/12/2009 | | S | 200,000 D \$ 0.023 | 4,767,732 | I (1) (2) | See footnotes (1) (2) |

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

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SEC 1474
(9-02)

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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| GLG Partners LP 1 CURZON STREET LONDON, X0 W1J 5HB | | X | | |
| GLG Partners LTD C/O GLG PARTNERS LP 1 CURZON STREET LONDON, X0 W1J 5HB | | X | | |
| GLG Partners, Inc. 390 PARK AVENUE 20TH FLOOR NEW YORK, NY 10022 | | X | | |

Signatures

GLG PARTNERS LP, By: GLG Partners Limited, as its General Partner, By: /s/ Victoria Parry, Senior Legal Counsel of GLG Partners LP 02/13/2009

**Signature of Reporting Person Date

GLG PARTNERS LP, By: GLG Partners Limited, as its General Partner, By: /s/ Emmanuel Roman, Managing Director 02/13/2009

**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).

The securities shown as disposed of in column (4) are indirectly owned by GLG Partners LP on behalf of certain funds. The securities
(1) shown in column (5) are indirectly owned by GLG Partners LP on behalf of certain funds, including by GLG European Long Short (Special Assets) Fund, GLG Global Utilities Fund and GLG North American Opportunity Fund.

GLG Partners LP, an English limited partnership, acts as the investment manager of certain funds and may be deemed, as of the date hereof, to be the beneficial owner of the Issuer's securities held by such funds. GLG Partners Limited, an English limited company, is the general partner of GLG Partners LP. GLG Partners, Inc. indirectly wholly owns GLG Partners Limited. GLG Partners LP, GLG Partners
(2) Limited and GLG Partners, Inc. do not hold directly any of the Issuer's securities or derivative securities with respect thereto, and disclaim any beneficial ownership of any of the Issuer's securities reported or excluded herein for purposes of Rule 16a-1(a) under the Securities Exchange Act of 1934, as amended, except for their 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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