

FORM 4

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

OMB APPROVAL
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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).

(Print or Type Responses)

1. Name and Address of Reporting Person* Hall Jeffrey <small>(Last) (First) (Middle)</small> ONE TECHNOLOGY DRIVE <small>(Street)</small> MILPITAS, CA 95035 <small>(City) (State) (Zip)</small>	2. Issuer Name and Ticker or Trading Symbol KLA TENCOR CORP [KLAC]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Chief Financial Officer
3. Date of Earliest Transaction (Month/Day/Year) 11/06/2007		6. Individual or Joint/Group Filing Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

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

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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Non-Qualified Stock Option (right to buy)	\$ 46.67	11/06/2007		D	(1)(2)		1,521	(3)	07/10/2011	Common Stock	1,521	(1) (2) (4)	0	D	
Non-Qualified Stock Option (right to buy)	\$ 50.51	11/06/2007		A	(1)(2)		1,521	(3)	07/10/2011	Common Stock	1,521	(1) (2) (4)	1,521	D	
Non-Qualified Stock Option (right to buy)	\$ 46.67	11/06/2007		D	(5)(6)		1,046	(3)	07/10/2011	Common Stock	1,046	(4) (5) (6)	0	D	
Non-Qualified Stock Option (right to buy)	\$ 50.51	11/06/2007		A	(5)(6)		1,046	(3)	07/10/2011	Common Stock	1,046	(4) (5) (6)	1,046	D	
Non-Qualified Stock Option (right to buy)	\$ 46.67	11/06/2007		D	(7)(8)		625	(3)	07/10/2011	Common Stock	625	(4) (7) (8)	0	D	

Non-Qualified Stock Option (right to buy)	\$ 50.51	11/06/2007		A ⁽⁷⁾⁽⁸⁾		625		(3)	07/10/2011	Common Stock	625	(4) (7) (8)	625	D
Non-Qualified Stock Option (right to buy)	\$ 29.31	11/06/2007		D ⁽⁹⁾		1,700		(3)	10/02/2011	Common Stock	1,700	(4) (9)	0	D
Non-Qualified Stock Option (right to buy)	\$ 40.86	11/06/2007		A ⁽⁹⁾		1,700		(3)	10/02/2011	Common Stock	1,700	(4) (9)	1,700	D
Non-Qualified Stock Option (right to buy)	\$ 29.31	11/06/2007		D ⁽¹⁰⁾⁽¹¹⁾		7,700		(3)	10/02/2011	Common Stock	7,700	(4) (10) (11)	0	D
Non-Qualified Stock Option (right to buy)	\$ 45.25	11/06/2007		A ⁽¹⁰⁾⁽¹¹⁾		7,700		(3)	10/02/2011	Common Stock	7,700	(4) (10) (11)	7,700	D
Non-Qualified Stock Option (right to buy)	\$ 37.05	11/06/2007		D ⁽¹²⁾⁽¹³⁾		1,896		(3)	11/08/2012	Common Stock	1,896	(4) (12) (13)	0	D
Non-Qualified Stock Option (right to buy)	\$ 37.43	11/06/2007		A ⁽¹²⁾⁽¹³⁾		1,896		(3)	11/08/2012	Common Stock	1,896	(4) (12) (13)	1,896	D

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hall Jeffrey ONE TECHNOLOGY DRIVE MILPITAS, CA 95035			Chief Financial Officer	

Signatures

/s/ Jeffrey L. Hall	11/08/2007
<small>Signature of Reporting Person</small>	<small>Date</small>

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).

On July 10, 2001, the reporting person was granted an option to purchase 5,703 shares of the Issuer's Common Stock at a purchase price of \$46.67 per share. The actual grant date was subsequently determined to be August 7, 2001. Had the option been granted at fair market value on August 7, 2001, the exercise price of the option would have been \$54.57 per share. To avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price, with respect to the portion of the option vesting after December 31, 2004 (representing 1,521 shares), to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$54.57) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). (Continue with footnote 2)

(2) The amendment is reported in this Form 4 as a cancellation of a portion of the option and the grant of a replacement option. The option remains exercisable for 4,182 shares at the original exercise price of \$46.67 per share.

- (3) This option is fully vested and exercisable.
- (4) In connection with the amendments described in this Form 4, the reporting person became entitled to receive, in January 2008, a cash payment of \$155,350.76, which is the aggregate amount of the increases in the exercise prices of the options described in this Form 4.
- On July 10, 2001, the reporting person was granted an option to purchase 5,703 shares of the Issuer's Common Stock at a purchase price of \$46.67 per share. The actual grant date was subsequently determined to be August 7, 2001. Had the option been granted at fair market value on August 7, 2001, the exercise price of the option would have been \$54.57 per share. To
- (5) avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price, with respect to the portion of the option vesting after December 31, 2004 (representing 1,046 shares), to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$54.57) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). (Continue with footnote 6)
- (6) The amendment is reported in this Form 4 as a cancellation of a portion of the option and the grant of a replacement option. The option remains exercisable for 1,657 shares at the original exercise price of \$46.67 per share.
- On July 10, 2001, the reporting person was granted an option to purchase 6,000 shares of the Issuer's Common Stock at a purchase price of \$46.67 per share. The actual grant date was subsequently determined to be August 7, 2001. Had the option been granted at fair market value on August 7, 2001, the exercise price of the option would have been \$54.57 per share. To
- (7) avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price, with respect to the portion of the option vesting after December 31, 2004 (representing 625 shares), to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$54.57) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). (Continue with footnote 8)
- (8) The amendment is reported in this Form 4 as a cancellation of a portion of the option and the grant of a replacement option. The option remains exercisable for 5,375 shares at the original exercise price of \$46.67 per share.
- On October 2, 2001, the reporting person was granted an option to purchase 6,000 shares of the Issuer's Common Stock at a purchase price of \$29.31 per share. The actual grant date was subsequently determined to be October 24, 2001. Had the option been granted at fair market value on October 24, 2001, the exercise price of the option would have been \$40.86 per share. To
- (9) avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$40.86) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). The amendment is reported in this Form 4 as a cancellation of the option and the grant of a replacement option.
- On October 2, 2001, the reporting person was granted an option to purchase 21,000 shares of the Issuer's Common Stock at a purchase price of \$29.31 per share. The actual grant date was subsequently determined to be October 25, 2001. Had the option been granted at fair market value on October 25, 2001, the exercise price of the option would have been \$45.25 per share. To
- (10) avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price, with respect to the portion of the option vesting after December 31, 2004 (representing 7,700 shares), to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$45.25) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). (Continue with footnote 11)
- (11) The amendment is reported in this Form 4 as a cancellation of a portion of the option and the grant of a replacement option. The option remains exercisable for 800 shares at the original exercise price of \$29.31 per share.
- On November 8, 2002, the reporting person was granted an option to purchase 3,250 shares of the Issuer's Common Stock at a purchase price of \$37.05 per share. The actual grant date was subsequently determined to be November 18, 2002. Had the option been granted at fair market value on November 18, 2002, the exercise price of the option would have been \$37.43 per
- (12) share. To avoid adverse tax consequences, the Compensation Committee of the Board of Directors of the Issuer approved an amendment to the stock option on November 6, 2007 to increase the exercise price, with respect to the portion of the option vesting after December 31, 2004 (representing 1,896 shares), to the lower of (a) the fair market value per share of the Issuer's common stock on the actual grant date (\$37.43) or (b) the fair market value per share on the November 6, 2007 amendment date (\$50.51). (Continue with footnote 13)
- (13) The amendment is reported in this Form 4 as a cancellation of a portion of the option and the grant of a replacement option. The option remains exercisable for 1,354 shares at the original exercise price of \$37.05 per share.

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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