

MCDERMOTT INTERNATIONAL INC

Form 4

August 17, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
FEES JOHN A

(Last) (First) (Middle)

**C/O MCDERMOTT
INTERNATIONAL, INC., 777 N.
ELDRIDGE PARKWAY**

(Street)

HOUSTON, TX 77079

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol

**MCDERMOTT INTERNATIONAL
INC [MDR]**

3. Date of Earliest Transaction
(Month/Day/Year)
08/15/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____ Officer (give title below) ____ Other (specify below)
P & CEO- The B&W Companies

6. Individual or Joint/Group Filing(Check
Applicable Line)
____ Form filed by One Reporting Person
____ 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 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	08/15/2007		M ⁽¹⁾		4,500	A	\$ 6.0066	39,796.941 D
Common Stock	08/15/2007		S ⁽¹⁾		4,500	D	\$ 80.1	35,296.941 D
Common Stock								8,257 ⁽²⁾ I
								401 (K) Plan

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

**Persons who respond to the collection of
information contained in this form are not**

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(9-02)

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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 (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. Title and Amount of Underlying Securities (Instr. 3 and 4)
Stock Option (Right to Buy)	\$ 6.0066	08/15/2007		M ⁽¹⁾	4,500	⁽³⁾ 03/18/2014	Common Stock	4,500

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

FEES JOHN A
C/O MCDERMOTT INTERNATIONAL, INC.
777 N. ELDRIDGE PARKWAY
HOUSTON, TX 77079

P & CEO- The B&W Companies

Signatures

Liane K. Hinrichs, by power of attorney

08/17/2007

__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).

(1) The sale and underlying exercise reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 6, 2007.

(2) Based upon units held in 401K Plan and the fair market value of MDR common stock as of August 15, 2007.

(3) This option provided for vesting in three equal installments on March 18, 2005, 2006 and 2007.

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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