

MCDERMOTT INTERNATIONAL INC

Form 4

October 24, 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 *
KALMAN FRANCIS S

(Last) (First) (Middle)

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

(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)
10/22/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
Executive Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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 (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	10/22/2007		M ⁽¹⁾		17,390	A	\$ 6.7267
Common Stock	10/22/2007		S ⁽¹⁾		17,390	D	<u>2</u>
Common Stock							4,422 ⁽³⁾
						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**

SEC 1474
(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 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. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 6.7267 (4)	10/22/2007		M(1)		17,390		(5)	05/12/2015	Common Stock	17,390

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KALMAN FRANCIS S
C/O MCDERMOTT INTERNATIONAL, INC.
777 N. ELDRIDGE PKWY.
HOUSTON, TX 77079

Executive Vice President

Signatures

Renee Hack, by power of attorney 10/24/2007

__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 sales and underlying exercise reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 25, 2006.

(2) The stock was sold in multiple transactions at the following prices: 1000 shares @ \$53.84; 300 shares @ \$53.85; 2300 shares @ \$53.86; 550 shares @ \$53.87; 1675 shares @ \$53.88; 1739 shares @ \$53.89; 836 shares @ \$53.9; 1124 shares @ \$53.91; 1474 shares @ \$53.92; 450 shares @ \$53.93; 1100 shares @ \$53.94; 1252 shares @ \$53.95; 1300 shares @ \$53.96; 1275 shares @ \$53.97; 425 shares @ \$53.98; 400 shares @ \$53.99; 190 shares @ \$54.

(3) Based upon units held in 401K Plan and the fair market value of MDR common stock as of September 20, 2007.

(4) This option was originally reported as covering 33,390 shares at an exercise price of \$20.18 per share but has been adjusted to reflect the 3-for-2 stock split that occurred on May 31, 2006 and the 2-for-1 stock split that occurred on September 10, 2007.

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(5) The option vested in three equal installments on May 12, 2006, 2007 and 2008.

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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