

MCDERMOTT INTERNATIONAL INC
 Form 4
 March 08, 2006

FORM 4

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

OMB APPROVAL

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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 *
NESSER JOHN T III

(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)
03/06/2006

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)
 EVP and General Counsel

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 (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 | 03/06/2006 | | M | | 26,000 | A | \$ 3.15 |
| Common Stock | 03/06/2006 | | S | | 26,000 | D | 126,349 |
| Common Stock | 03/06/2006 | | M | | 9,000 | A | \$ 9.01 |
| Common Stock | 03/06/2006 | | S | | 9,000 | D | 126,349 |
| | 03/06/2006 | | F | | 9,477 | D | 116,872 |

| | | | | |
|--------------|-------|----------------------|---|-------------|
| Common Stock | \$ | | | |
| | 51.61 | | | |
| Common Stock | | 4,414 ⁽³⁾ | I | 401(K) Plan |

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

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(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. Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
| Stock Option (Right to Buy) | \$ 3.15 | 03/06/2006 | | M | 26,000 | ⁽⁴⁾ 04/02/2013 | Common Stock | 26,000 |
| Stock Option (Right to Buy) | \$ 9.01 | 03/06/2006 | | M | 9,000 | ⁽⁵⁾ 03/18/2014 | Common Stock | 9,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------------------------------------------------------------------------------|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NESSER JOHN T III C/O MCDERMOTT INTERNATIONAL, INC. 777 N. ELDRIDGE PARKWAY HOUSTON, TX 77079 | | | EVP and General Counsel | |

Signatures

Liane K. Hinrichs,
Attorney-in-fact

03/08/2006

**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 stock was sold in multiple transactions at the following prices: 300 shares at \$51.08; 800 shares at \$51.10; 2,600 shares at \$51.11; 1,100 shares at \$51.15; 1,100 shares at \$51.17; 100 shares at \$51.18; 2,400 shares at \$51.19; 400 shares at \$51.21; 500 shares at \$51.22;

(1) 200 shares at \$51.23; 100 shares at \$51.24; 200 shares at \$51.27; 300 shares at \$51.31; 300 shares at \$51.32; 100 shares at \$51.33; 2,300 shares at \$51.34; 6,700 shares at \$51.35; 300 shares at \$51.36; 100 shares at \$51.37; 100 shares at \$51.38; 100 shares at \$51.42; 100 shares at \$51.57; 5,300 shares at \$51.60; 200 shares at \$51.64 and 300 shares at \$51.66.

(2) The stock was sold in multiple transactions at the following prices: 300 shares at \$51.20; 6,500 shares at \$51.25; 500 shares at \$51.44; 200 shares at \$51.61; 400 shares at \$51.62; 200 shares at \$51.63 and 900 shares at \$51.68.

(3) Based upon units held in 401K Plan and the fair market value of Common Stock as of 03/06/06.

(4) The options vest in three equal installments on April 2, 2004, 2005 and 2006.

(5) The options vest 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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