

MCDERMOTT INTERNATIONAL INC
 Form 4
 May 27, 2008

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

2. Issuer Name and Ticker or Trading Symbol
 MCDERMOTT INTERNATIONAL INC [MDR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
 EVP, Chief Admin. & Legal Off.

(Last) (First) (Middle)
 C/O MCDERMOTT INTERNATIONAL, INC., 777 N. ELDRIDGE PARKWAY
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/23/2008

HOUSTON, TX 77079
 (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
 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) | | 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------------------|---|--|-----------------------------------|
| | | | | Code | V Amount or Price | | | |
| Common Stock | 05/23/2008 | | M | | 18,300 A \$ 3.1354 | 340,137 | D | |
| Common Stock | 05/23/2008 | | S | | 18,300 D 1 | 321,837 | D | |
| Common Stock | 05/23/2008 | | M | | 42,000 A \$ 4.8333 | 363,837 | D | |
| Common Stock | 05/23/2008 | | S | | 42,000 D 2 | 321,837 | D | |
| | 05/23/2008 | | M | | 42,900 A | 364,737 | D | |

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| | | | | | | | | | | |
|--------------|------------|--|---|--------|---|--------|------------|---|--|------------|
| Common Stock | | | | | | \$ | | | | |
| | | | | | | 3.0033 | | | | |
| Common Stock | 05/23/2008 | | S | 42,900 | D | (3) | 321,837 | D | | |
| Common Stock | | | | | | | 13,767 (4) | 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 required to respond unless the form displays a currently valid OMB control number.

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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) | \$ 3.1354 (5) | 05/23/2008 | | M | 18,300 (5) | (6) 03/20/2010 | Common Stock | 18,300 (5) |
| Stock Option (Right to Buy) | \$ 4.8333 (7) | 05/23/2008 | | M | 42,000 (7) | (8) 03/06/2012 | Common stock | 42,000 (7) |
| Stock Option (Right to Buy) | \$ 3.0033 (9) | 05/23/2008 | | M | 42,900 (9) | (10) 03/18/2014 | Common Stock | 42,900 (9) |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

NESSER JOHN T III
C/O MCDERMOTT INTERNATIONAL, INC.

EVP, Chief Admin. & Legal Off.

777 N. ELDRIDGE PARKWAY
HOUSTON, TX 77079

Signatures

Liane K. Hinrichs, by power of
attorney

05/27/2008

__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 stock was sold in multiple transactions at the following prices: 312 @ \$57.11; 1,700 @ \$57.10; 600 @ \$57.09; 700 @ \$57.08; 2,296 @ \$57.07; 2,702 @ \$57.06; 5,100 @ \$57.05; 2,000 @ \$57.04 and 2,890 @ \$57.03.
- The stock was sold in multiple transactions at the following prices: 300 @ \$57.34; 200 @ \$57.33; 300 @ \$57.31; 100 @ \$57.30; 1,600 @ \$57.28; 600 @ \$57.25; 400 @ \$57.23; 300 @ \$57.22; 1,600 @ \$57.21; 964 @ \$57.19; 100 @ \$57.18; 1,300 @ \$57.17; 100 @ \$57.16; 100 @ \$57.15; 400 @ \$57.14; 400 @ \$57.13; 1,600 @ \$57.12; 600 @ \$57.11; 1,200 @ \$57.10; 1,100 @ \$57.09; 1,005 @ \$57.08; 200 @ \$57.075; 300 @ \$57.0725; 3,700 @ \$57.07; 76 @ \$57.06; 1,500 @ \$57.05; 1,700 @ \$57.04; 3,200 @ \$57.03; 2,354 @ \$57.02; 6,721 @ \$57.01; 3,280 @ \$57.003 and 4,700 @ \$57.00.
- (2) The stock was sold in multiple transactions at the following prices: 900 @ \$57.23; 100 @ \$57.22; 1,300 @ \$57.18; 700 @ \$57.17; 400 @ \$57.15; 1,100 @ \$57.14; 200 @ \$57.13; 900 @ \$57.12; 588 @ \$57.11; 1,000 @ \$57.10; 900 @ \$57.06; 300 @ \$57.04; 900 @ \$57.03; 100 @ \$57.02; 1,500 @ \$57.01 and 32,012 @ \$57.00.
- (3) Based upon units held in 401K Plan and the fair market value of Common Stock as of May 23, 2008.
- (4) This option was previously reported as covering 36,100 shares at an exercise price of \$9.4063 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.
- (5) The options provided for vesting in three equal installments, on March 20, 2001, 2002 and 2003.
- (6) This option was previously reported as covering 84,000 shares at an exercise price of \$14.50 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.
- (7) The options provided for vesting in three equal installments, on March 6, 2003, 2004 and 2005.
- (8) This option was previously reported as covering 42,900 shares at an exercise price of \$9.01 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.
- (9) The options 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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