

MCDERMOTT INTERNATIONAL INC

Form 4

September 19, 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

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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)
09/17/2007

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 ____ Other (specify
below) 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	09/17/2007		M ⁽¹⁾		4,500	A	\$ 3.0033
Common Stock	09/17/2007		S ⁽¹⁾		4,500	D	\$ 49.3
Common Stock							16,511 ⁽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 (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)	\$ 3.0033 ⁽⁴⁾	09/17/2007		M ⁽¹⁾	4,500	⁽⁵⁾	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

09/19/2007

__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) The reporting person's ownership of common stock has been adjusted to reflect the 2-for-1 stock split that occurred on September 10, 2007.
- (3) Based upon units held in 401K Plan and the fair market value of MDR common stock as of September 17, 2007.
- (4) This option was originally reported as covering 54,300 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.

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(5) The 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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