

MCDERMOTT INTERNATIONAL INC  
 Form 4  
 September 19, 2006

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

OMB APPROVAL

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**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 \*  
**FEES JOHN A**

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

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**09/15/2006**

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ 10% Owner  
 \_\_\_\_\_ Other (specify below)  
**Pres&COO-BWX Technologies**

(Street)  
**HOUSTON, TX 77079**

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

(City) (State) (Zip)

**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 (A) or (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) |
|---------------------------------|--------------------------------------|--|--------------------------------|--|---|--|--|
|                                 |                                      |  |                                | (A) or (D)   | Price   |  |  |
| Common Stock                    | 09/15/2006                           |  | M <sup>(1)</sup>               | 4,500 A  | \$ 6.0066   | 58,546.941   | D  |
| Common Stock                    | 09/15/2006                           |  | S <sup>(1)</sup>               | 4,500 D  | \$ 42.26  | 54,046.941   | D  |
| Common Stock                    |                                      |  |                                |  |   | 8,142 <sup>(2)</sup>                                     | 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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**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)                | \$ 6.0066  | 09/15/2006                           |  | M <sup>(1)</sup>               | 4,500   | <sup>(3)</sup> 03/18/2014                                | Common Stock  | 4,500                         |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |            |                  |
|--|---------------|-----------|------------|------------------|
|  | Director      | 10% Owner | Officer    | Other            |
| FEES JOHN A<br>C/O MCDERMOTT INTERNATIONAL, INC.<br>777 N. ELDRIDGE PARKWAY<br>HOUSTON, TX 77079 |               |           | Pres & COO | BWX Technologies |

## Signatures

Liane K. Hinrichs,  
Attorney-in-Fact  
Date: 09/19/2006

\*\*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).
- (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 May 25, 2006.
- (2) Based upon units held in 401K Plan and the fair market value of MDR common stock as of September 15, 2006.
- (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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.