

MCDERMOTT INTERNATIONAL INC
 Form 4
 September 24, 2007

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 *
KALMAN FRANCIS S

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)

3. Date of Earliest Transaction (Month/Day/Year)
09/20/2007

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

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

(Street)

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

HOUSTON, TX 77079

(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 (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)
				(A) or (D) Code V Amount Price			
Common Stock	09/20/2007		M ⁽¹⁾	15,700 A \$ 3.0033	272,254 ⁽²⁾	D	
Common Stock	09/20/2007		S ⁽¹⁾	15,700 D ⁽³⁾	256,554 ⁽²⁾	D	
Common Stock					4,422 ⁽⁴⁾	I	401(K) Plan

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

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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. Amount or Number of Shares
Stock Option (Right to Buy)	\$ 3.0033 (5)	09/20/2007		M(1)	15,700	(6) 03/18/2014	Common Stock	15,700

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

Robert E. Stumpf, by power of attorney 09/24/2007

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 reporting person's ownership of common stock has been adjusted to reflect the 2-for-1 stock split that occurred on September 10, 2007.

The stock was sold in multiple transactions at the following prices: 989 shares @ \$52.53; 111 shares @ \$52.60; 100 shares @ \$52.61; 700 shares @ \$52.62; 1300 shares @ \$52.63; 100 shares @ \$52.64; 100 shares @ \$52.67; 2000 shares @ \$52.68; 458 shares @ \$52.69;
- (3) 342 shares @ \$52.70; 300 shares @ \$52.71; 800 shares @ \$52.72; 550 shares @ \$52.73; 900 shares @ \$52.82; 600 shares @ \$52.83; 100 shares @ \$52.85; 1000 shares @ \$52.86; 500 shares @ \$52.88; 500 shares @ \$52.92; 900 shares @ \$52.95; 100 shares @ \$52.96; 800 shares @ \$52.97; 1000 shares @ \$52.98; 800 shares @ \$53.01; 650 shares @ \$ 53.02.

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- (4) Based upon units held in 401K Plan and the fair market value of MDR common stock as of September 20, 2007.
- (5) This option was originally reported as covering 63,700 shares at an exercise price of \$9.01 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.
- (6) The option vested 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.