

KRENEK GARY T  
Form 4  
February 13, 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 \*  
KRENEK GARY T

2. Issuer Name and Ticker or Trading Symbol  
DIAMOND OFFSHORE DRILLING INC [DO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
15415 KATY FREEWAY, SUITE 100  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
02/09/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Senior Vice President-CFO

HOUSTON, TX 77094

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 (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 Ownership (Instr. 4)
				Code	V Amount Price			
Common Stock	02/09/2007		M	375	A \$ 29.33	375	D	
Common Stock	02/09/2007		S	375	D \$ 85.4752	0	D	
Common Stock	02/09/2007		M	375	A \$ 29.2	375	D	
Common Stock	02/09/2007		S	375	D \$ 85.4752	0	D	
Common Stock	02/09/2007		M	375	A \$ 19.88	375	D	

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Common Stock	02/09/2007	S	375	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	375	A	\$ 21.93	375	D
Common Stock	02/09/2007	S	375	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	312	A	\$ 19.78	312	D
Common Stock	02/09/2007	S	312	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	312	A	\$ 21.23	312	D
Common Stock	02/09/2007	S	312	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	312	A	\$ 19.08	312	D
Common Stock	02/09/2007	S	312	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	312	A	\$ 20.77	312	D
Common Stock	02/09/2007	S	312	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	313	A	\$ 22.49	313	D
Common Stock	02/09/2007	S	313	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	313	A	\$ 23.65	313	D
Common Stock	02/09/2007	S	313	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	313	A	\$ 32.78	313	D
Common Stock	02/09/2007	S	313	D	\$ 85.4752	0	D
Common Stock	02/09/2007	M	313	A	\$ 39.98	313	D
Common Stock	02/09/2007	S	313	D	\$ 85.4752	0	D

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)	\$ 29.33	02/09/2007		M	375	04/15/2003 <sup>(1)</sup> 04/15/2012	Common Stock	375
Stock Option (right to buy)	\$ 29.2	02/09/2007		M	375	04/15/2003 <sup>(1)</sup> 07/01/2012	Common Stock	375
Stock Option (right to buy)	\$ 19.88	02/09/2007		M	375	04/15/2003 <sup>(1)</sup> 10/01/2012	Common Stock	375
Stock Option (right to buy)	\$ 21.93	02/09/2007		M	375	04/15/2003 <sup>(1)</sup> 12/31/2012	Common Stock	375
Stock Option (right to buy)	\$ 19.78	02/09/2007		M	312	04/22/2004 <sup>(2)</sup> 04/22/2013	Common Stock	312
Stock Option (right to buy)	\$ 21.23	02/09/2007		M	312	04/22/2004 <sup>(2)</sup> 07/01/2013	Common Stock	312
Stock Option (right to buy)	\$ 19.08	02/09/2007		M	312	04/22/2004 <sup>(2)</sup> 10/01/2013	Common Stock	312

Stock Option (right to buy)	\$ 20.77	02/09/2007	M	312	04/22/2004 <sup>(2)</sup>	12/31/2013	Common Stock	312
Stock Option (right to buy)	\$ 22.49	02/09/2007	M	313	05/18/2005 <sup>(4)</sup>	05/18/2014	Common Stock	313
Stock Option (right to buy)	\$ 23.65	02/09/2007	M	313	05/18/2005 <sup>(4)</sup>	07/01/2014	Common Stock	313
Stock Option (right to buy)	\$ 32.78	02/09/2007	M	313	05/18/2005 <sup>(4)</sup>	10/01/2014	Common Stock	313
Stock Option (right to buy)	\$ 39.98	02/09/2007	M	313	05/18/2005 <sup>(4)</sup>	12/31/2014	Common Stock	313

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KRENEK GARY T 15415 KATY FREEWAY SUITE 100 HOUSTON, TX 77094			Senior Vice President-CFO	

## Signatures

/s/ William C. Long Attorney-in-Fact for Gary T.  
Krenek

02/13/2007

\*\*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 options vested on April 15, 2006.

(2) The options vested on April 22, 2006.

(3) The options vest on April 22, 2007.

(4) The options vested on May 18, 2006.

(5) The options vest in two equal annual installments beginning on May 18, 2007.

**Remarks:**

Form 1 of 2 dated February 13, 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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