

MCDERMOTT INTERNATIONAL INC  
 Form 4  
 December 19, 2006

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
**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**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**12/15/2006**

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

**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) (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	12/15/2006		M <sup>(1)</sup>	4,500 A \$ 13.4533 <u>(3)</u>	58,546.941	D	
Common Stock	12/15/2006		S <sup>(1)</sup>	4,500 D \$ 50.9	54,046.941	D	
Common Stock					8,138 <u>(2)</u>	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)

**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)	\$ 13.4533 (3)	12/15/2006		M(1)	4,500 (3)	(4) 05/12/2015	Common Stock	4,500 (3)

## 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

Pres&COO-BWX Technologies

## Signatures

Robert E. Stumpf,  
Attorney-in-Fact 12/19/2006

\_\_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 December 14, 2006.
- (3) This option was previously reported as covering 33,970 shares at an exercise price of \$20.18 per share, but was adjusted to reflect the 3-for-2 stock split that occurred on May 31, 2006.

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(4) This option provided for vesting in three equal installments on May 12, 2006, 2007 and 2008.

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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