

MCDERMOTT INTERNATIONAL INC

Form 4

May 16, 2006

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 *
EASTER JAMES R

(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)
05/12/2006

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
VP, Corp Dev & Strat Planning

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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)
Common Stock	05/12/2006		M	718 A \$ 0	27,418	D	
Common Stock	05/12/2006		D	718 D \$ 70.13	26,700	D	
Common Stock					7,500	I	IRA
Common Stock					83 ⁽¹⁾	I	401(K) Shares

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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
Deferred Stock Units	(2)	05/12/2006		M	718	05/12/2006 ⁽³⁾ 05/12/2010	Common Stock	718

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

EASTER JAMES R
C/O MCDERMOTT INTERNATIONAL, INC.
777 N. ELDRIDGE PARKWAY
HOUSTON, TX 77079

VP, Corp Dev & Strat Planning

Signatures

Liane K. Hinrichs,
Attorney-in-Fact 05/16/2006

**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) Based upon units held in 401K Plan and the fair market value of MDR common stock as of 5/12/06.

(2) Each Deferred Stock Unit represented a contingent right to receive a cash payment equal to the number of vested units multiplied by the average price of MDR common stock on the vesting date.

(3) Vests in five equal annual installments, with the first installment vesting on this date.

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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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