NESSER JOHN T III

Form 4

August 16, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

3235-0287 Number:

January 31, Expires: 2005

Estimated average burden hours per

response... 0.5

if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

Check this box

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 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * NESSER JOHN T III			2. Issuer Name and Ticker or Trading Symbol MCDERMOTT INTERNATIONAL INC [MDR]					5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
				of Earliest Transaction /Day/Year) /2010				Director 10% Owner Officer (give title Other (specify below) EVP, COO			
				If Amendment, Date Original iled(Month/Day/Year)				6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City)	(State)	(Zip)	Tabl	e I - Non-E	Derivative S	Securi	ities Acqu	uired, Disposed of	, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Day/Yea	r) Executio any	ned n Date, if Day/Year)	3. Transaction Code (Instr. 8)	4. Securit on(A) or Dis (Instr. 3, 4)	sposed	of (D)	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	08/02/2010			M	13,388	A	<u>(1)</u>	509,026	D		
Common Stock	08/02/2010			F	4,879	D	\$ 12.54	504,147	D		
Common Stock								14,507 (2)	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 SEC 1474 information contained in this form are not (9-02)

Edgar Filing: NESSER JOHN T III - Form 4

required to respond unless the form displays a currently valid OMB control number.

De Se (In

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. Transacti Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exer Expiration D (Month/Day)	ate	7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units (3)	(1)	08/02/2010		M	13,388	<u>(4)</u>	<u>(4)</u>	Common Stock	13,388

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

NESSER JOHN T III C/O MCDERMOTT INTERNATIONAL, INC. 777 N. ELDRIDGE PARKWAY HOUSTON, TX 77079

EVP, COO

Signatures

Liane K. Hinrichs, by power of attorney

08/16/2010

Date

**Signature of Reporting Person

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) Each restricted stock unit represents a contingent right to receive one share of MDR common stock.
- (2) Based upon units held in 401K Plan and the fair market value of Common Stock as of August 2, 2010.
- (3) The Restricted Stock Units were substituted for an original grant of performance shares in connection with the July 30, 2010 spin-off of The Babcock & Wilcox Company.
 - 33% of these outstanding Restricted Stock Units vested on August 2, 2010 in connection with Mr. Nesser attaining retirement eligibility.
- (4) 66% of the then outstanding Restricted Stock Units vest on August 14, 2010 and the remainder of these Restricted Stock Units vest on August 14, 2011.

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.

Reporting Owners 2