

LONG WILLIAM C
Form 4
May 22, 2007

FORM 4

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

OMB APPROVAL

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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 *
LONG WILLIAM C

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)
05/21/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Senior VP, General Counsel

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 or Price (A) or (D)		
Common Stock	05/21/2007		M		313 \$ 19.78	D	
Common Stock	05/21/2007		S		313 \$ 94.75	D	
Common Stock	05/21/2007		M		313 \$ 21.23	D	
Common Stock	05/21/2007		S		313 \$ 94.75	D	
Common Stock	05/21/2007		M		313 \$ 19.08	D	

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Common Stock	05/21/2007	S	313	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	313	A	\$ 20.77	313	D	
Common Stock	05/21/2007	S	313	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	344	A	\$ 45.77	344	D	
Common Stock	05/21/2007	S	344	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	344	A	\$ 61.9	344	D	
Common Stock	05/21/2007	S	344	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	344	A	\$ 53.6	344	D	
Common Stock	05/21/2007	S	344	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	344	A	\$ 69.38	344	D	
Common Stock	05/21/2007	S	344	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	312	A	\$ 22.49	312	D	
Common Stock	05/21/2007	S	312	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	312	A	\$ 23.65	312	D	
Common Stock	05/18/2007	S	312	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	312	A	\$ 32.78	312	D	
Common Stock	05/21/2007	S	312	D	\$ 94.75	0	D	
Common Stock	05/21/2007	M	312	A	\$ 39.98	312	D	
Common Stock	05/21/2007	S	312	D	\$ 94.75	0	D	
Common Stock						1,638.5311	I	By 401(k) Plan ⁽¹⁾

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

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(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)	\$ 19.78	05/21/2007		M	313	04/22/2007 ⁽²⁾ 04/22/2013	Common Stock	313
Stock Option (right to buy)	\$ 21.23	05/21/2007		M	313	04/22/2007 ⁽²⁾ 07/01/2013	Common Stock	313
Stock Option (right to buy)	\$ 19.08	05/21/2007		M	313	04/22/2007 ⁽²⁾ 10/01/2013	Common Stock	313
Stock Option (right to buy)	\$ 20.77	05/21/2007		M	313	04/22/2007 ⁽²⁾ 12/31/2013	Common Stock	313
Stock Option (right to buy)	\$ 45.77	05/21/2007		M	344	04/19/2007 ⁽³⁾ 04/19/2015	Common Stock	344
Stock Option (right to buy)	\$ 61.9	05/21/2007		M	344	04/19/2007 ⁽³⁾ 10/03/2015	Common Stock	344
	\$ 53.6	05/21/2007		M	344	04/19/2007 ⁽³⁾ 07/01/2015		344

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- (3) The options vested on April 19, 2007.
- (4) The options vest in two equal annual installments beginning on April 19, 2008.
- (5) The options vested on May 18, 2007.
- (6) The options vest on May 18, 2008.

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