

DIAMOND OFFSHORE DRILLING INC

Form 4

April 27, 2007

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

OMB APPROVAL

OMB
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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 *
VECCHIO JOHN M2. 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
1003. Date of Earliest Transaction
(Month/Day/Year)
04/26/2007____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Senior Vice President(Street)
HOUSTON, TX 770944. If Amendment, Date Original
Filed(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)

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	(A) or (D) Price			
Common Stock	04/26/2007		M		500	A \$ 19.78	500	D	
Common Stock	04/26/2007		S		500	D \$ 87	0	D	
Common Stock	04/26/2007		M		500	A \$ 21.23	500	D	
Common Stock	04/26/2007		S		500	D \$ 87	0	D	
Common Stock	04/26/2007		M		500	A \$ 19.08	500	D	

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Common Stock	04/26/2007	S	500	D	\$ 87	0	D
Common Stock	04/26/2007	M	500	A	\$ 20.77	500	D
Common Stock	04/26/2007	S	500	D	\$ 87	0	D
Common Stock	04/26/2007	M	500	A	\$ 45.77	500	D
Common Stock	04/26/2007	S	500	D	\$ 87	0	D
Common Stock	04/26/2007	M	500	A	\$ 61.9	500	D
Common Stock	04/26/2007	S	500	D	\$ 87	0	D
Common Stock	04/26/2007	M	500	A	\$ 53.6	500	D
Common Stock	04/26/2007	S	500	D	\$ 87	0	D
Common Stock	04/26/2007	M	500	A	\$ 69.38	500	D
Common Stock	04/26/2007	S	500	D	\$ 87	0	D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	

Stock Option (right to buy)	\$ 19.78	04/26/2007	M	500	04/22/2007 ⁽¹⁾	04/22/2013	Common Stock	500
Stock Option (right to buy)	\$ 21.23	04/26/2007	M	500	04/22/2007 ⁽¹⁾	07/01/2013	Common Stock	500
Stock Option (right to buy)	\$ 19.08	04/26/2007	M	500	04/22/2007 ⁽¹⁾	10/01/2013	Common Stock	500
Stock Option (right to buy)	\$ 20.77	04/26/2007	M	500	04/22/2007 ⁽¹⁾	12/31/2013	Common Stock	500
Stock Option (right to buy)	\$ 45.77	04/26/2007	M	500	04/19/2007 ⁽²⁾	04/19/2015	Common Stock	500
Stock Option (right to buy)	\$ 61.9	04/26/2007	M	500	04/19/2007 ⁽²⁾	10/03/2015	Common Stock	500
Stock Option (right to buy)	\$ 53.6	04/26/2007	M	500	04/19/2007 ⁽²⁾	07/01/2015	Common Stock	500
Stock Option (right to buy)	\$ 69.38	04/26/2007	M	500	04/19/2007 ⁽²⁾	12/31/2015	Common Stock	500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VECCHIO JOHN M 15415 KATY FREEWAY SUITE 100 HOUSTON, TX 77094			Senior Vice President	

Signatures

/s/ William C. Long Attorney-in-Fact for John M.
Vecchio

04/27/2007

__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 22, 2007.
- (2) The options vested on April 19, 2007.
- (3) The options vest in two equal annual installments beginning on April 19, 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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