DIAMOND OFFSHORE DRILLING INC

Form 4 May 11, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

100

(Print or Type Responses)

1. Name and Address of Reporting Person * EADS RODNEY W

(First)

2. Issuer Name and Ticker or Trading

Symbol

DIAMOND OFFSHORE DRILLING INC [DO]

3. Date of Earliest Transaction

(Month/Day/Year) 05/09/2006

15415 KATY FREEWAY, SUITE

(Middle)

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

OMB

Number:

Expires:

response...

OMB APPROVAL

Estimated average

burden hours per

3235-0287

January 31,

2005

0.5

Director 10% Owner X_ Officer (give title Other (specify below)

Senior Vice President

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

HOUSTON, TX 77094

(City)	(State)	(Zip) Tab	le I - Non-	Derivativo	e Secu	rities Acqui	red, Disposed of,	or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code (Instr. 8)	omr Dispo (Instr. 3,	sed of 4 and (A) or	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	05/09/2006		Code V M	Amount 594	(D)	Price \$ 29.33	594	D	
Common Stock	05/09/2006		S	594	D	\$ 96.0012	0	D	
Common Stock	05/09/2006		M	594	A	\$ 29.2	594	D	
Common Stock	05/09/2006		S	594	D	\$ 96.0012	0	D	
Common Stock	05/09/2006		M	594	A	\$ 19.88	594	D	

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Common Stock	05/09/2006	S	594	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	594	A	\$ 21.93	594	D
Common Stock	05/09/2006	S	594	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 45.77	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 53.6	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 61.9	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 69.38	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 19.78	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 21.23	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 19.08	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	0	D
Common Stock	05/09/2006	M	500	A	\$ 20.77	500	D
Common Stock	05/09/2006	S	500	D	\$ 96.0012	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

SEC 1474 (9-02)

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

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)	Transaction of Code Derivative		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 29.33	05/09/2006		M		594	04/15/2003(1)	04/15/2012	Common Stock	594
Stock Option (right to buy)	\$ 29.2	05/09/2006		M		594	04/15/2003(1)	07/01/2012	Common Stock	594
Stock Option (right to buy)	\$ 19.88	05/09/2006		M		594	04/15/2003(1)	10/01/2012	Common Stock	594
Stock Option (right to buy)	\$ 21.93	05/09/2006		M		594	04/15/2003(1)	12/31/2012	Common Stock	594
Stock Option (right to buy)	\$ 45.77	05/09/2006		M		500	04/19/2006(2)	04/19/2015	Common Stock	500
Stock Option (right to buy)	\$ 53.6	05/09/2006		M		500	04/19/2006(2)	07/01/2015	Common Stock	500
Stock Option (right to buy)	\$ 61.9	05/09/2006		M		500	04/19/2006(2)	10/03/2015	Common Stock	500

Stock Option (right to buy)	\$ 69.38	05/09/2006	M	500	04/19/2006(2)	12/31/2015	Common Stock	500
Stock Option (right to buy)	\$ 19.78	05/09/2006	M	500	04/22/2004(4)	04/22/2013	Common Stock	500
Stock Option (right to buy)	\$ 21.23	05/09/2006	M	500	04/22/2004(4)	07/01/2013	Common Stock	500
Stock Option (right to buy)	\$ 19.08	05/09/2006	M	500	04/22/2004(4)	10/01/2013	Common Stock	500
Stock Option (right to buy)	\$ 20.77	05/09/2006	M	500	04/22/2004(4)	12/31/2013	Common Stock	500

Reporting Owners

Reporting Owner Name / Address		Ketationships						
	Director	10% Owner	Officer	Other				

EADS RODNEY W 15415 KATY FREEWAY SUITE 100 HOUSTON, TX 77094

Senior Vice President

Signatures

/s/ William C. Long Attorney-in-Fact for Rodney W.
Eads

05/11/2006

**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 options vested in four equal annual installments on April 15, 2003, 2004, 2005 and 2006.
- (2) The options vested on April 19, 2006.
- (3) The options vest in three equal annual installments beginning on April 19, 2007.
- (4) The options vested in three equal annual installments on April 22, 2004, April 22, 2005 and April 22, 2006.
- (5) The options vest on April 22, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 4

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