

GORDON BETH G

Form 4

June 20, 2007

**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 \*  
GORDON BETH G

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
06/19/2007

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_X\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)  
Controller

(Street)  
HOUSTON, TX 77094

4. 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|--------|------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
|                                 |                                      |                                                    | Code                           | V                                                                 | Amount | (A) or (D) | Price                                                                                         |                                                          |                                                       |
| Common Stock                    | 06/19/2007                           |                                                    | M                              |                                                                   | 250    | A          | \$ 83.44                                                                                      | 250                                                      | D                                                     |
| Common Stock                    | 06/19/2007                           |                                                    | F                              |                                                                   | 210    | D          | \$ 99.715                                                                                     | 40                                                       | D                                                     |
| Common Stock                    | 06/19/2007                           |                                                    | S                              |                                                                   | 40     | D          | \$ 101.89                                                                                     | 0                                                        | D                                                     |
| Common Stock                    | 06/19/2007                           |                                                    | M                              |                                                                   | 250    | A          | \$ 71.87                                                                                      | 250                                                      | D                                                     |
| Common Stock                    | 06/19/2007                           |                                                    | F                              |                                                                   | 181    | D          | \$ 99.715                                                                                     | 69                                                       | D                                                     |

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|              |            |   |     |   |           |     |   |
|--------------|------------|---|-----|---|-----------|-----|---|
| Common Stock | 06/19/2007 | S | 69  | D | \$ 101.89 | 0   | D |
| Common Stock | 06/19/2007 | M | 250 | A | \$ 79.77  | 250 | D |
| Common Stock | 06/19/2007 | F | 200 | D | \$ 99.715 | 50  | D |
| Common Stock | 06/19/2007 | S | 50  | D | \$ 101.89 | 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.**

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) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V (A) (D)                                                                               | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |
| Stock Appreciation Right                   | \$ 83.44                                               | 06/19/2007                           |                                                    | M                              | 250                                                                                     | 04/27/2007 <sup>(1)</sup> 07/03/2016                     | Common Stock 250                                              |
| Stock Appreciation Right                   | \$ 71.87                                               | 06/19/2007                           |                                                    | M                              | 250                                                                                     | 04/27/2007 <sup>(1)</sup> 10/02/2016                     | Common Stock 250                                              |
| Stock Appreciation Right                   | \$ 79.77                                               | 06/19/2007                           |                                                    | M                              | 250                                                                                     | 04/27/2007 <sup>(1)</sup> 12/31/2016                     | Common Stock 250                                              |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

GORDON BETH G  
15415 KATY FREEWAY  
SUITE 100  
HOUSTON, TX 77094

Controller

## Signatures

/s/ William C. Long Attorney-in-Fact for Beth G.  
Gordon

06/20/2007

\_\_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 stock appreciation rights vested on April 27, 2007.
  - (2) The stock appreciation rights vest in three annual installments beginning on April 27, 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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