

KRENEK GARY T

Form 4

December 02, 2005

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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
KRENEK GARY T

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)
12/01/2005

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Vice President and C.F.O.

(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)
Common Stock	12/01/2005		M	312	A \$ 32.78	312	D
Common Stock	12/01/2005		S	312	D \$ 64	0	D
Common Stock	12/01/2005		M	312	A \$ 39.98	312	D
Common Stock	12/01/2005		S	312	D \$ 64	0	D

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
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title		
Stock Option (right to buy)	\$ 32.78	12/01/2005		M	312	05/18/2005 ⁽¹⁾	10/01/2014	Common Stock		312
Stock Option (right to buy)	\$ 39.98	12/01/2005		M	312	05/18/2005 ⁽¹⁾	12/31/2014	Common Stock		312

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
KRENEK GARY T 15415 KATY FREEWAY SUITE 100 HOUSTON, TX 77094	Vice President and C.F.O.

Signatures

/s/ William C. Long Attorney-in-Fact for Gary T.
Krenek

12/02/2005

__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 May 18, 2005.

Remarks:

Form 2 of 2 dated December 2, 2005.

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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