

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF  
SECURITIES

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Gaffney Paul G</u>  (Last) (First) (Middle) <u>15415 KATY FREEWAY</u>  (Street) <u>HOUSTON TX 77094</u>  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>10/15/2004</u>	3. Issuer Name and Ticker or Trading Symbol <u>DIAMOND OFFSHORE DRILLING INC [ DO ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input checked="" type="checkbox"/> Director 10% Owner  Officer (give title below) Other (specify below)	
		5. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person  Form filed by More than One Reporting Person	

Table I - Non-Derivative Securities Beneficially Owned			
1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
No securities beneficially owned	0	D	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)							
1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

Explanation of Responses:

Remarks:

Exhibit Index Exhibit 24-Power of Attorney

/s/ William C. Long Attorney-  
in-Fact for Paul G. Gaffney 10/25/2004

\*\* Signature of Reporting Person Date

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

\* If the form is filed by more than one reporting person, see Instruction 5 (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).

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

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 Number.

POWER OF ATTORNEY

Know all by these presents,  
that the undersigned hereby constitutes and appoints William C. Long and  
Terence W. Waldorf and each of them (with full power to each of them to act  
alone) singly, the undersigned's true and lawful attorney-in-fact to:

1. execute for and on behalf of the undersigned, in the undersigned's  
capacity as a director or executive officer of Diamond Offshore Drilling,  
Inc. (the "Company"), Form 3, 4 and 5 in accordance with Section 16(a) of  
the Securities Exchange Act of 1934 and the rules thereunder;

2.  
take any other action of any type whatsoever in connection with the  
foregoing which, in the opinion of such attorney-in-fact, may be of benefit  
to, in the best interest of, or legally required by, the undersigned, it  
being understood that the documents executed by such attorney-in-fact on  
behalf of the undersigned pursuant to this Power of Attorney shall be in  
such form and shall contain such terms and conditions as such  
attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to such attorney-in-fact full power and  
authority to do and perform any and every act and thing whatsoever  
requisite, necessary, or proper to be done in the exercise of any of the  
rights and powers herein granted, as fully to all intents and purposes as  
the undersigned might or could do if personally present, with full power of  
substitution or revocation, hereby ratifying and confirming all that such  
attorney-in-fact, or such attorney-in-fact's substitute or substitutes,  
shall lawfully do or cause to be done by virtue of this Power of Attorney  
and the rights and powers herein granted. The undersigned acknowledges  
that the foregoing attorney-in-fact, in serving in such capacity at the  
request of the undersigned, is not assuming, nor is the Company assuming,  
any of the undersigned's responsibilities to comply with Section 16 of the  
Securities Exchange Act of 1934.

This Power of Attorney shall remain  
in full force and effect until the undersigned is no longer required to  
file Forms 3, 4 and 5 with respect to the undersigned's holdings of and  
transactions in securities issued by the Company, unless earlier revoked by  
the undersigned in a signed writing delivered to the foregoing  
attorney-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this  
Power of Attorney to be executed as of this 13th day October of 2004.

/s/ Paul G. Gaffney  
Signature

Paul G. Gaffney, II  
Print Name