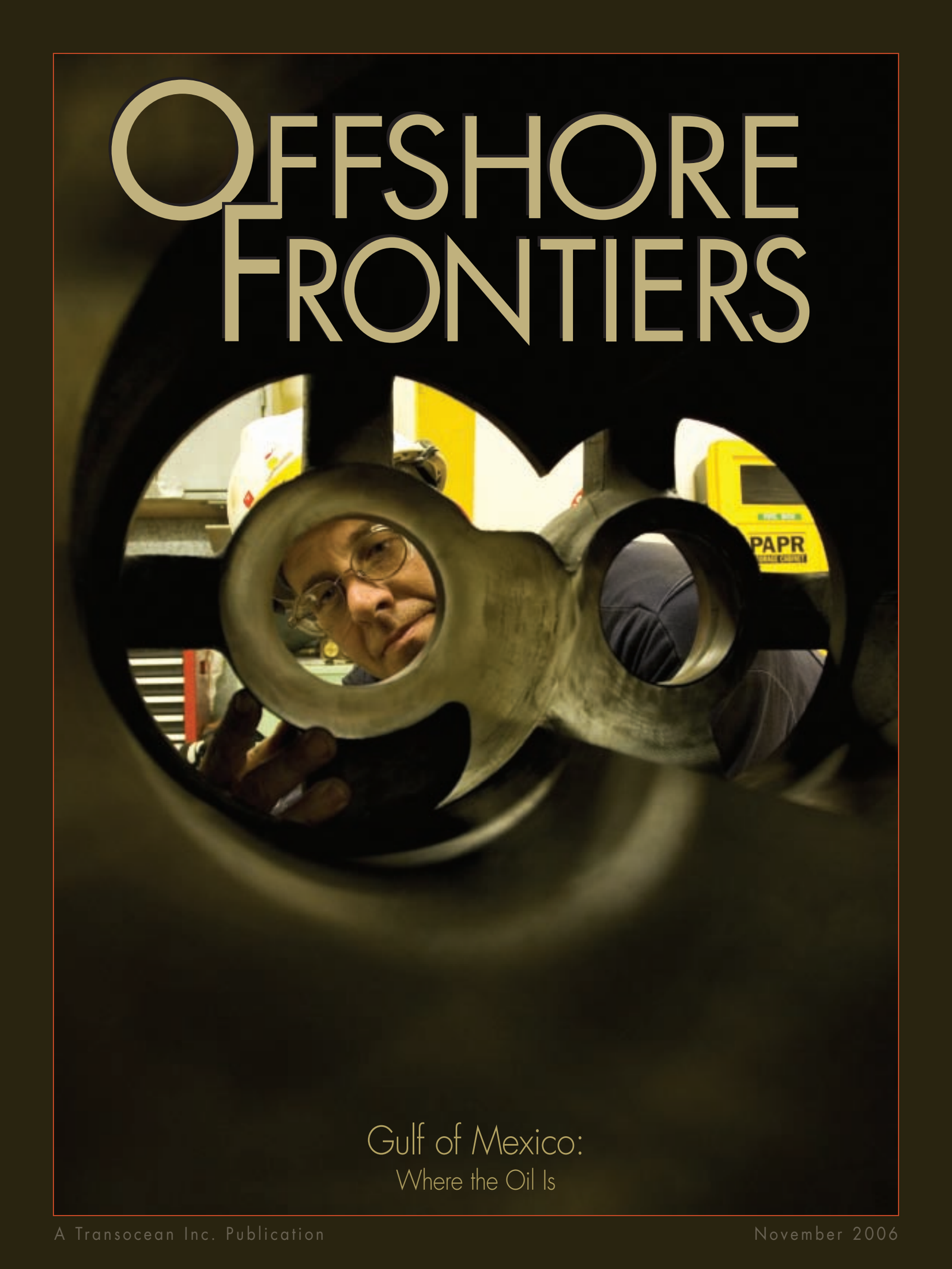
Offshore Frontiers



Gulf of Mexico:
Where the Oil Is

A Transocean Inc. Publication

November 2006

Robert L. Long
CEO

Welcome

When the Jack well tests results recently became public, the Lower Tertiary and deepwater U.S. Gulf of Mexico (GoM) plays came into sharper focus for the petroleum industry and demonstrated our strong growth potential in this area. The work by the *Cajun Express* crews on the Jack test and by the *Discoverer Deep Seas* on the Jack discovery also highlighted our company's long track record of technical achievements and world records in offshore drilling for clients in the GoM.

Every major, current world water-depth drilling record has been set by Transocean rigs in the GoM. Other milestones include the deepest offshore oil and gas well ever drilled *(Discoverer Spirit)*. And there are more records to come along with the benefits associated with successful drilling programs for deep wells and in deepwater. By applying our experience gained from these and other wells, we will keep striving to meet and exceed clients' expectations for the safest and most efficient well-construction services possible.

We need the full participation of everyone as we work toward all our objectives and safety vision of an incident-free workplace — all the time, everywhere. Whether you work in Human Resources to help find and develop the next generation of our drilling crews or whether you are making connections on the drill floor, I thank you for your efforts and encourage you to continue to distinguish yourselves and our company through operational excellence and continuous improvement.

CONTENTS

November 2006 Volume 7. Number 2

Transocean

Mission Statement:
To be the premier offshore drilling company providing worldwide, rig-based well-construction services to our customers through the integration of motivated people, quality equipment and innovative technology, with a particular focus on technically demanding environments.

Core Values:
Financial Discipline
Integrity and Honesty
Respect for Employees, Customers and Suppliers
Safety
Technical Leadership

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Executive Editor & Writer:
Guy Cantwell
Corporate Communications Manager
4 Greenway Plaza
Houston, Texas USA 77046
gcantwell@houston.deepwater.com

Contributing Writers:
Gene Kliewer
Theresa Seegers

Design:
Ellen Custer

Illustration:
Mike Dean
Jack Slattery

Photography:
Bob Allred
Guy Cantwell
Ken Childress
NASA

Printing:
Chas. P. Young

Visit us at our Web site:
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On the Cover:
World records such as the *Discoverer Spirit* drilling to 34,189 feet (10,420 meters), require the efforts of many people, including Chief Mechanic Danny Griffin shown rebuilding an air-compressor housing.

FEATURES

The outlook for the U.S. Gulf of Mexico has never looked better, and Transocean's deepwater and mid-water drilling rigs are helping clients tap the GoM's potential.

DEPARTMENTS

Special Insert
Frontiers of Excellence
Offshore Frontiers *salutes the recipients of the 2005 FIRST Excellence Award.*

Discoverer Spirit, *U.S. GoM*

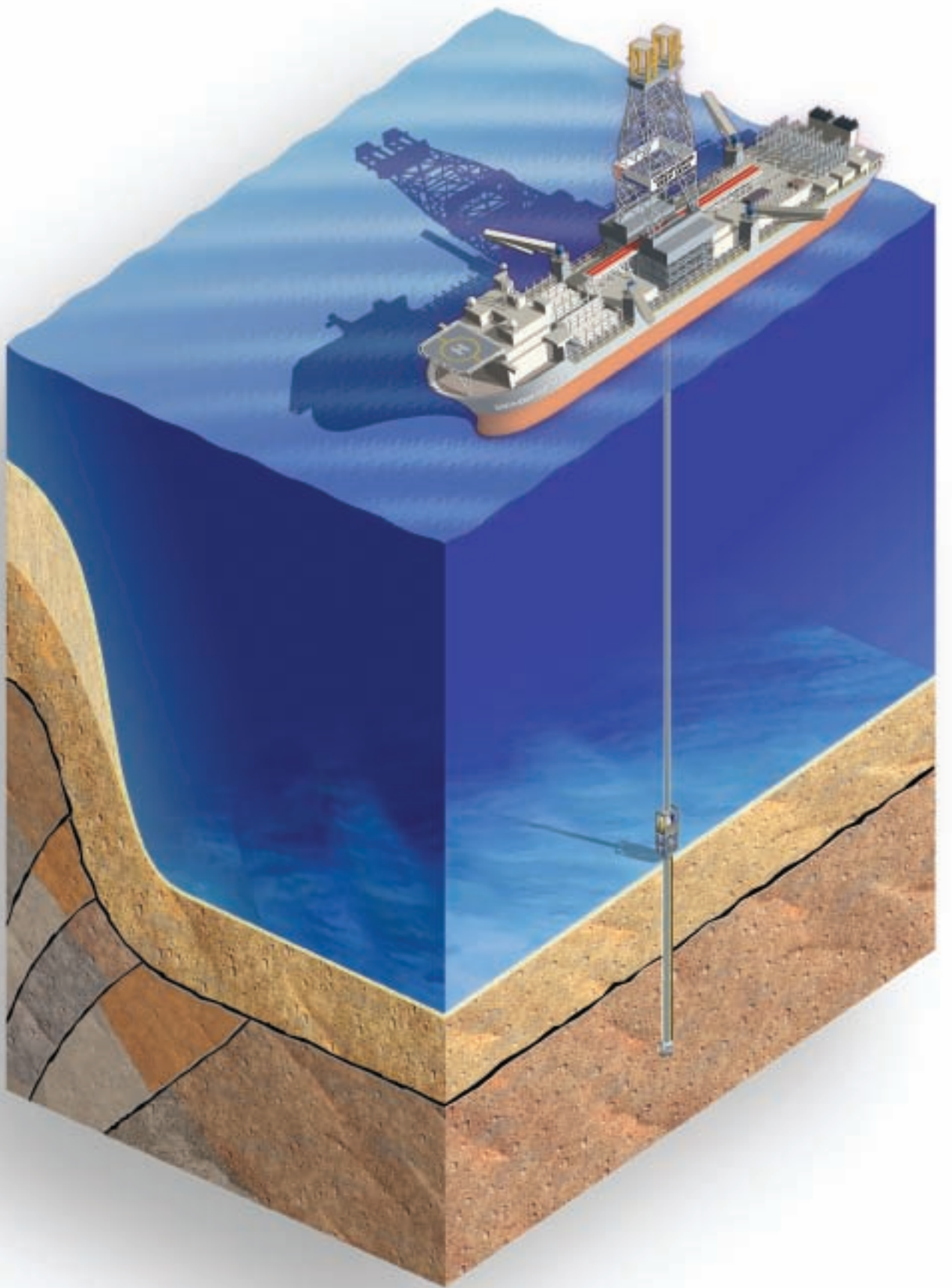
U.S. Gulf of Mexico:
Where the oil is

With more than six miles of drill pipe weighing some 1.2 million pounds hanging off the drawworks, *Discoverer Spirit* Rig Manager Eric Hall wondered how tough things would get on the Knotty Head well. When drill bits wore out every 100 to 200 feet, he asked how the schedule would be affected. And when down-hole tools began to fail under high pressures and temperatures, he scratched his head.

But he never questioned why Nexen, Anadarko, BHP Billiton and Chevron pursued the well in the U.S. Gulf of Mexico (GoM), which turned out to be the deepest offshore oil well ever drilled.

"This is where the oil is, so this is where we're going," says Hall.

It's the same verse of a familiar tune as the GoM has, for more than 50 years, added record after offshore record while making deepwater the Gulf's main oil and natural gas producing area.



Above: The Discoverer Deep Seas *on a typical GoM ultra-deepwater well.*

Today, the *Discoverer Deep Seas* holds the world water-depth drilling record at 10,011 feet of water, a 100-fold increase since the 1950s.

Leading Performance

The Knotty Head feat at 34,189 feet, or about 6.5 miles measured depth is the most recent Transocean record in a long hit-parade list that leads the offshore drilling industry by a wide margin (see "FIRSTs" on pages 10-11).

And the beat goes on for Transocean's 10 drillships and semisubmersible rigs in the GoM, the largest such fleet there. Eight of those rigs are capable of working in more than 7,000 feet of water.

In addition, Transocean rigs have drilled approximately 80% of all wells with total depths greater than 30,000 feet and in water depths beyond 7,500 feet, according to data from James K. Dodson Company. Transocean rigs have constructed half of all GoM wells with total depths greater than 25,000 feet.

These achievements build on five-plus decades of performance. Transocean has grown with the industry since 1954 when a predecessor company launched the world's first mobile jackup, *Rig 51*, in the GoM.

For perspective, consider that the *Discoverer Deep Seas* holds the current world water-depth drilling record at 10,011 feet of water, a 100-fold increase since the 1950s when a Transocean company jackup set the record in 100 feet of water.

Other Transocean milestones include the world water-depth record for a moored rig, held by the *Deepwater Nautilus* at 8,951 feet of water, the latest in a string of records since the semisubmersible rig was launched in 2000. Such successes are echoed across Transocean's GoM fleet. Virtually every Transocean GoM floater has hit an industry high note, from the *Deepwater Horizon* drilling the fastest wells clients have seen to the *Transocean Marianas'* past water-depth records for a moored rig and low downtime.

Rhythm of the Boom

As oil prices increase, so does the drilling tempo for clients who turn to Transocean rigs for safe and efficient drilling.

Increased E&P budgets, newbuild projects and lease-sale bidding amplify the main up-cycle rhythms. Indeed, GoM Western Lease Sale 200 in August produced the highest bidding in eight years, driven in large part by deepwater interest.

"The outlook," says North America Division Manager Tim Juran, "has never been better."

That comment came even before the latest Lower Tertiary play news — the Jack well test for Chevron, Devon and Statoil.

Chevron and Devon expect that Lower Tertiary discoveries such as Jack, which set several world well-testing records using the *Cajun Express*, could add anywhere from three billion to 15 billion barrels of crude oil equivalent to U.S. GoM reserves. The *Discoverer Deep Seas* drilled the Jack exploration well.

Whatever the actual reserves number, clients have turned most often to Transocean for high-specification drilling and completions in ultra-deepwater.

Today, the deepest offshore petroleum production takes place in 7,570 feet (2,310 meters) of water. Tomorrow, it will exceed 8,000 feet (2,440 meters) and 9,000 feet (2,745 meters) of water as the *Deepwater Millennium* has been quietly paving the way by setting world records for completion drilling in these depths on Anadarko's Independence Hub project. In October, the rig's crews were several days ahead of budget and schedule with world-class performance on the last of five wells on the project.

Whether it's ultra-deepwater drilling rigs or midwater rigs such as the *Transocean Amirante* or *Falcon 100*, customers have been quick to tune in, locking up capacity at strong dayrates and with term contracts. In just the GoM alone, Transocean's 10-rig contract backlog exceeds $6.5 billion. That is almost equal to the entire global backlog of the nearest offshore drilling competitor.

The numbers include three newbuild rigs that Transocean will build and operate in the GoM: *Discoverer Clear Leader* and *Discoverer Inspiration*, which are enhanced *Enterprise-class* drillships, for Chevron, plus an unnamed sister rig to be built for Hydro of Norway. With the latest technology, the new units will be capable of working in water depths of up to 12,000 feet and constructing wells as deep as 40,000 feet (see story on pages 38-41).

The Client Perspective

Securing rig capacity today brightens clients' outlook.

Consider what Mark Pease, Anadarko Petroleum Corporation's Vice President of Exploration and Production, had to say when welcoming Kerr-McGee's rig portfolio to the Anadarko fold through an acquisition.

"We love our rig position," Pease said. "We are glad and fortunate that Kerr-McGee has the rigs committed that they do. They do roll off (contract) in late '07, but we believe that we'll have options to extend those. And we'll need those to execute on the exploration portfolio and the development portfolio we have."

Clockwise from top left: Deepwater Nautilus *crews; Andrew LeBlanc, Jr., Roustabout,* Discoverer Spirit*; Jacob Tiner, Floorhand,* Transocean Marianas; *Serey Stiles, Project. Admin.; Howard Fruge, Maint. Supervisor,* Deepwater Nautilus*; and Don Taylor, Chief Electrician,* Deepwater Nautilus.

Rig capacity will become even more important as independent and major oil companies increase their investments and national and state-owned energy companies such as Statoil, Hydro and Petrobras turn up the volume in the GoM. Also key will be any more GoM departures by moored semis at a time of already short rig supply. But the most important factor in the cheery industry tune remains in the hands of Transocean crews: safer, more efficient drilling.

Top People, Opportunities

Such performance, along with three-, four- and five-year contracts for rigs at attractive dayrates, bodes well for job security and promotions.

"There's a lot of room for promotions and mentoring," says Joey Percle, Senior Toolpusher on the *Deepwater Nautilus*.

A former crab fisherman who turned to offshore drilling for a more stable income, Percle's top mentoring goal has been to see two Assistant Drillers promoted.

"They are sharp," Percle says. "I would work for either of them any day of the week."

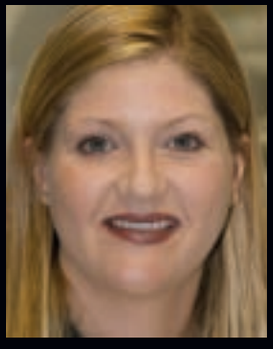
Mentoring is not limited solely to Transocean's offshore operations.

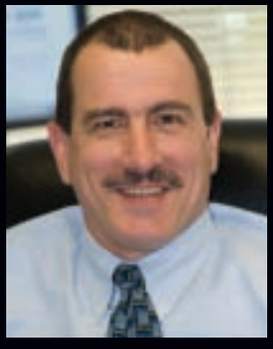
Enter Logan Puckett, former Rig Manager of the *Discoverer Deep Seas* and now Operations Development Manager for the North America Division. He's in charge of developing personnel in the REP (Rig Engineer Program) and ART (Accelerated Rig Training) initiatives while managing the development labor pool of extra personnel.

With the three newbuild enhanced *Enterprise-class* drillships and the GoM arrivals of the *Jack Bates* from Australia and the *Henry Goodrich* from Canada, many new GoM personnel will need to hit the ground running. What's more, they need to be ready to move up faster, in many cases, than in years past.

"We have a tremendous challenge," says Puckett, who also helps with Transocean's training school at

"…we need people who want to learn fast and be ready to move into areas of increasing responsibilities."





Clockwise from top left: Mike Simon, Crane Operator, Deepwater Nautilus*; Jason Braquet, OIM,* Transocean Marianas*; Tim Juran, North America Division Manager; Lauren Jimenez, Green Team Rig Admin.; and Kevin Pound, Bosun,* Transocean Marianas.

Amelia, Louisiana. "We need to support our operational growth with the best people, and that means that we need people who want to learn fast and be ready to move into areas of increasing responsibilities."

Many Transocean people start learning at the company's TOP (Training for Optimal Performance) school in Amelia, Louisiana which is growing (see story, pages 28-29).

In 2005, the TOP school had about 13 classes, each with 16 entry-level and mid-career students. This year, the school began running back-to-back classes in July for the first time.

"It's at least a three-fold increase," says Rene Rodrigues, North America Training Manager. "And it's all due to the stronger demand for offshore drilling."

Benefits Add Up

Transocean uses several attractions to recruit and retain personnel, starting with competitive pay and benefits. For years, Transocean has ranked among the best of all oilfield service companies, not just contract drillers, in these areas.

"Our commitment to provide competitive compensation, comprehensive benefits and extensive training is providing us with the best personnel in the industry," says Amy Smith, Manager, North America Human Resources. "Combined with an offshore work schedule of two weeks on and two weeks off, our compensation and benefits are designed to keep our people motivated, performing and positioned for the future."

That fits the bill for David McQuilken, a Barge Supervisor on the *Deepwater Nautilus*.

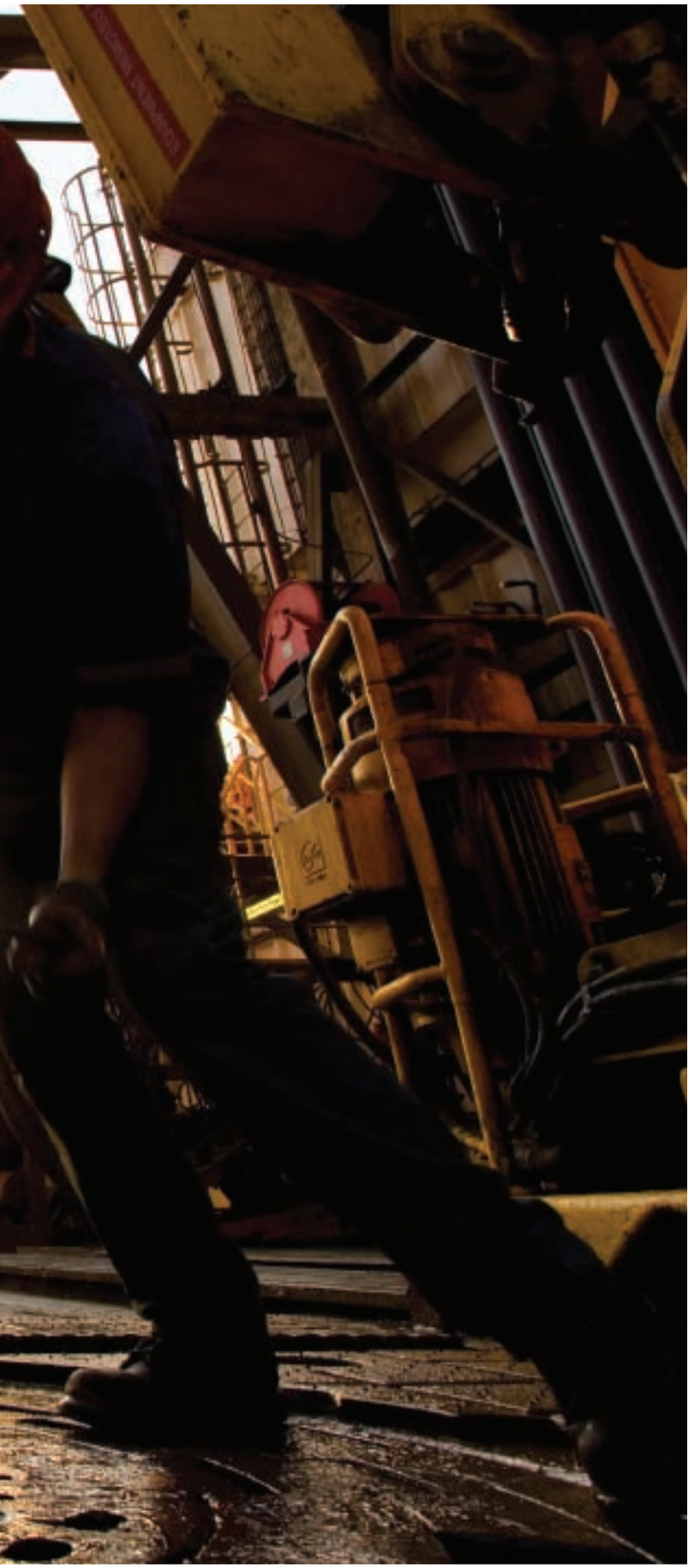
"I can see me doing this job for a long time," says McQuilken, who is married with three pre-school-age children. "The 14 days off is all my kids have ever known. I have so much free time when I'm home. We can travel anytime I'm home."

A mix of experienced and new personnel remains

"This is where the oil is, so this is where we're going."

Deepwater Nautilus, *U.S. GoM*

The Deepwater Nautilus *drilling crew swings into action, left to right: James "Earl" Chandler, Pumphand; Toby Smith, Floorhand; and Norman Hawkins, Floorhand.*



critical to Transocean's quest to advance offshore drilling to the next level.

Deepwater Nautilus Maintenance Supervisor David Bishop hasn't missed a hitch offshore in 22 years because he likes the challenges of his job and the rewards it brings.

"I like going to work, and I like coming home," he says. "If you don't like what you do, you're not going to do it for years."

Howard Fruge, who works with Bishop, adds: "It's always a challenge. It's never the same thing when you come back. It certainly isn't dull."

Even when you're singing a familiar tune.

Safe at Any Speed

Getting clients to where the oil is takes an unrelenting commitment to Transocean's safety vision of incident-free operations amid all challenges, even GoM hurricanes.

"Nobody turns the page at work until we are all onboard with the company's safety processes," says Kenny Brown, Rig Manager of the *Transocean Marianas*, which this year surpassed four years without a single SIC (serious injury case).

OIM Bill Bankston describes the rig's safety culture: "Doing the right thing, having confidence in yourself and caring abut fellow workers means that you have a commitment to your co-workers, your family, and all other team members.

"It also means keeping the subconscious thoughts of safety on an elevated level of awareness. This is evident from the moment you arrive on the *Marianas*. You become a family member."

Six-Mile Club

Today, a whole new generation of family members is following in the footsteps of experienced Transocean personnel. But the story has a deeper, more electronic tone than when *Discoverer Spirit* Toolpusher Neal Adams began working offshore 33 years ago.

Then, rigs only had marine and FM radio. Today, they have e-mail, telephone and the Internet. And drilling deep wells is even more advanced.

By 1998, Adams had joined the "four-mile club" when the *DF 97* drilled a well to 22,803 feet in the U.S. GoM.

"The side track was deeper than that," Adams recalls. "We thought we were in high cotton."

Now, Adams and the rest of the *Discoverer Spirit* crew are members of the "six-mile club" on the Knotty Head well and everyone looks forward to Transocean's initiatives to drill wells exceeding seven miles in depth.

The reason is obvious: "This is where the oil is, so this is where we're going."

Transocean FIRSTs in the USA

★ North America Division Headquarters at Park 10 office in Houston

■ Amelia Supply Yard and TOP Training Center

1954

Rig 51, developed by The Offshore Company, becomes first mobile, self-contained jackup drilling rig. Based on the DeLong jacking system, the rig had 10 legs, each six feet (1.8 meters) in diameter and 160 feet (48.7 meters) long.

1955

Rig 52 becomes the first rig able to drill in more than 100 feet (30.5 meters) of water. The jackup drilling rig went into service in 1955 in the U.S. Gulf of Mexico (GoM) after construction at U.S. Steel's shipyard at Orange, Texas.

1987

Discoverer Seven Seas sets world water-depth record in 7,520 feet (2,292 meters) of water off the state of Louisiana.

1988

Jack Bates (then Zane Barnes) sets moored water-depth record in the GoM in approximately 3,000 feet (914 meters) of water. The semisubmersible rig went into service in 1986 after construction at Ishikawajima-Harima Heavy Industries shipyard in Japan.

2000

Deepwater Millennium becomes first rig to operate in 8,000 feet (2,438 meters) of water in the GoM. This *Pathfinder-class* drillship was built at Samsung Heavy Industries shipyard in South Korea.

2001

Discoverer Spirit sets the record for the deepest subsea completion at 7,209 feet (2,197 meters) of water, breaking the record set by the *Discoverer Enterprise* of 6,407 feet (1,953 meters) of water. The *Spirit* twice breaks the world water-depth drilling record at 9,727 (2,965 meters) and 9,687 feet (2,952 meters) of water. The *Transocean Marianas* set GoM record for deepest well at 29,750 feet (9,067 meters).

2003

Discoverer Deep Seas becomes first floater to work in more than 10,000 feet (3,048 meters) of water, setting the current world water-depth record at 10,011 feet (3,051 meters) of water.

1963

Discoverer I becomes world's first turret-moored drillship. The rig was built at Slidell, Louisiana. Its mooring technology was the forerunner for the type used today by many FPSO (floating, production, storage, off-take) vessels.

1983

Discoverer Seven Seas drillship sets world water-depth record in 6,448 feet (1,965 meters) of water off the state of Delaware on the East Coast of the United States. The rig was launched in 1976 after construction at Mitsui Engineering & Shipbuilding Ltd., Osaka, Japan.

1984

Discoverer Seven Seas sets world water-depth record in 6,952 feet (2,119 meters) of water off Delaware. The drillship in 2006 celebrated 30 years of worldwide operations.

1996

Discoverer 534 sets world water-depth record in 7,612 feet (2,320 meters) of water. The drillship went into service in 1975 after construction at Mitsui Engineering & Shipbuilding Ltd., Osaka, Japan.

1998

Deepwater Pathfinder is first drillship with 10,000-foot (3,048 meters) water-depth capability. This first *Pathfinder-class* drillship was built at Samsung Heavy Industries shipyard in South Korea.

1999

Discoverer Enterprise becomes world's first dual-activity drillship. This first *Enterprise-class* drillship was built at Spanish and U.S. shipyards.

2004

Deepwater Nautilus sets world record for deepest subsea completion at 7,570 feet (2,307 meters) of water. It also sets its fifth world water-depth record for a moored semisubmersible rig, this time in 8,951 feet (2,728 meters) of water. The rig was built at Hyundai Heavy Industries shipyard at South Korea.

2005

Discoverer Spirit sets world record for deepest offshore oil and gas well at 34,189 feet (10,420 meters), measured depth, breaking the previous record by the *Deepwater Nautilus* at 32,613 feet (9,940 meters) true vertical depth. Also, the *Deepwater Horizon* sets world water-depth record for a semi-submersible rig at 9,576 feet (2,919 meters) of water.

2006

Deepwater Millennium sets world water-depth records for completion drilling, the latest in 8,960 feet (2,731 meters) of water in October. It also is the first drillship to use LARS (Launch and Recovery System) Subsea Tree Intervention WorkOver Control System in record water depths.

The Guinness Book of World Records lists the *Enterprise-class* drillships as the world's largest drillships. The *Discoverer Enterprise, Discoverer Spirit* and *Discoverer Deep Seas* are 835 feet (254.5 meters) long.


DEEPWATER
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Deepwater Nautilus: *A Bird's Eye View*

Personnel basket riding; Randy Yawn, Crane Operator; John Flowers, Crane Operator; Billy Jordan, Materials Coordinator, Deepwater Nautilus.

Scouring the southern Louisiana wetlands for prey, the North American bald eagle ignored the roaring helicopter hundreds of feet overhead. Sporting 7,000 feathers and talons that mean business, the keen-eyed eagle soared at the top of the food chain. An hour later in the U.S. Gulf of Mexico (GoM), another top-performer rose into sight: the *Deepwater Nautilus*, a world record-holding deepwater rig with multi-activity drilling capabilities never before seen on a moored semisubmersible rig.

The *Deepwater Nautilus* looks like something straight out of Star Trek, with its curved columns and massive size supporting an ample deckload capacity of 9,400 metric tons. An American football field tall and about the same dimension wide, the rig has made big strides in ultra-deepwater drilling performance, safely saving time for the client with year-to-date downtime of 2.59% year to date through October 2006.

That's after setting six world water-depth records, including the current one for a moored rig at 8,951 feet of water. On average, the rig's crews have set one world record a year since the rig came out of the shipyard in 2000, all while working for Shell.

That includes water-depth records for setting subsea trees, with a world record in 7,570 feet of water on the NaKika-Coulomb project.

"The crews have never backed away from anything," says OIM Brad Vidrine. "When the going gets tough, these guys take it on in stride."

The GoM is home to the world's largest concentration of ultra-deepwater rigs, so what makes the *Deepwater Nautilus* so special?

"It goes back to the crew, the good morale and mentoring," says Rig Manager Buddy Trahan during a rig tour this summer when the unit's mooring system capability was expanded at a shipyard near Corpus Christi, Texas.

"And we work by the *Nautilus* Golden Rule."

Numero Uno

The rule has four parts.

Parts 1 and 2: If you tell someone to do something, follow up by asking if they know how to — if not — then show them how. If they have done it before, get them to explain how they plan to do it; confirm it coincides with procedure.

Maintenance Supervisor David Bishop says the key here is openness.

"Communications, that's your main tool out here," Bishop says. "If you can get your message across, everyone can get on board."

Many of the crewmembers have worked together since the *Deepwater Nautilus* began operations, which helps build understanding and morale.

In fact, Joey Percle, Senior Toolpusher, says, "There is nothing that ticks me off more than calling me boss; we're all a team."

Which brings up Golden Rule parts 3 and 4: If you don't know how to do it, it is YOUR responsibility to let someone know and seek proper instructions. Just because a supervisor shows you how, does not mean it is the safest way; it is still your responsibility to stop unsafe jobs.

The rule has 100% buy-in from the client,

Photo at left: Joey Percle, Senior Toolpusher

> "The crews have never backed away from anything. When the going gets tough, these guys take it on in stride."

Transocean crews and third parties.

"If we have to shut down an operation for a safety issue, we have no resistance whatsoever," Trahan notes. "Shell supports us 100%."

Performance Matters

OIM John Hamilton agrees that Shell is a "very good client and we want to perform for them. We like working together. Everyone shares. We don't look at rank."

What matters is performance. And the *Deepwater Nautilus* has advanced deepwater drilling performance with electronic innovation.

"It's a computer world on these 5th-Generation rigs," says David Bishop, Maintenance Supervisor. "The Electronics Technician becomes your best friend on this kind of rig. Also, you have to plan your business. You've got to be one step ahead of the game."

For example, three sizes of casing and conductor can be suspended from the rotary table, moonpool beams and a "mini derrick" so that when the next section is ready, the rig can keep working without having to stop to "trip" or pull up drill string. "Tripping" up drill string just once can take three days.

The rotary table, through which crews run casing and drill string, never seems to stop. Savings run into the days.

"It basically saves time and minimizes the risk that you could lose the well bore from the sides collapsing," explains Trahan. "Everything is planned down to the minute against the best time we've ever accomplished, and that's the goal we try to achieve."

Moving Ahead

From there, crews have forged on, enhancing the rig's performance in several ways.

Most recently, an upgrade for Shell enables crews to rack back more drill string in 90-foot "doubles" of two 47-foot joints in an area where casing previously was stored. Casing the same length as riser is stored on deck.

The end result: more time savings as drilling with this setup requires fewer connections on the *Deepwater Nautilus*.

Such performance, along with the world records and low downtime, has built a strong sense of pride among the crews, which came in handy recovering from three major GoM hurricanes in 2004-2005.

Overcoming the Ocean

In 2004, *Deepwater Nautilus* crews made an impressive recovery from Hurricane Ivan, repairing the rig, while making upgrades to drilling equipment and conducting both an underwater inspection and most of a five-year special survey.

When the rig with a small crew was knocked loose last year from a tow vessel during Hurricane Rita, OIM Hamilton had complete confidence in crews' ability to keep the unit under power and out of harm's way.

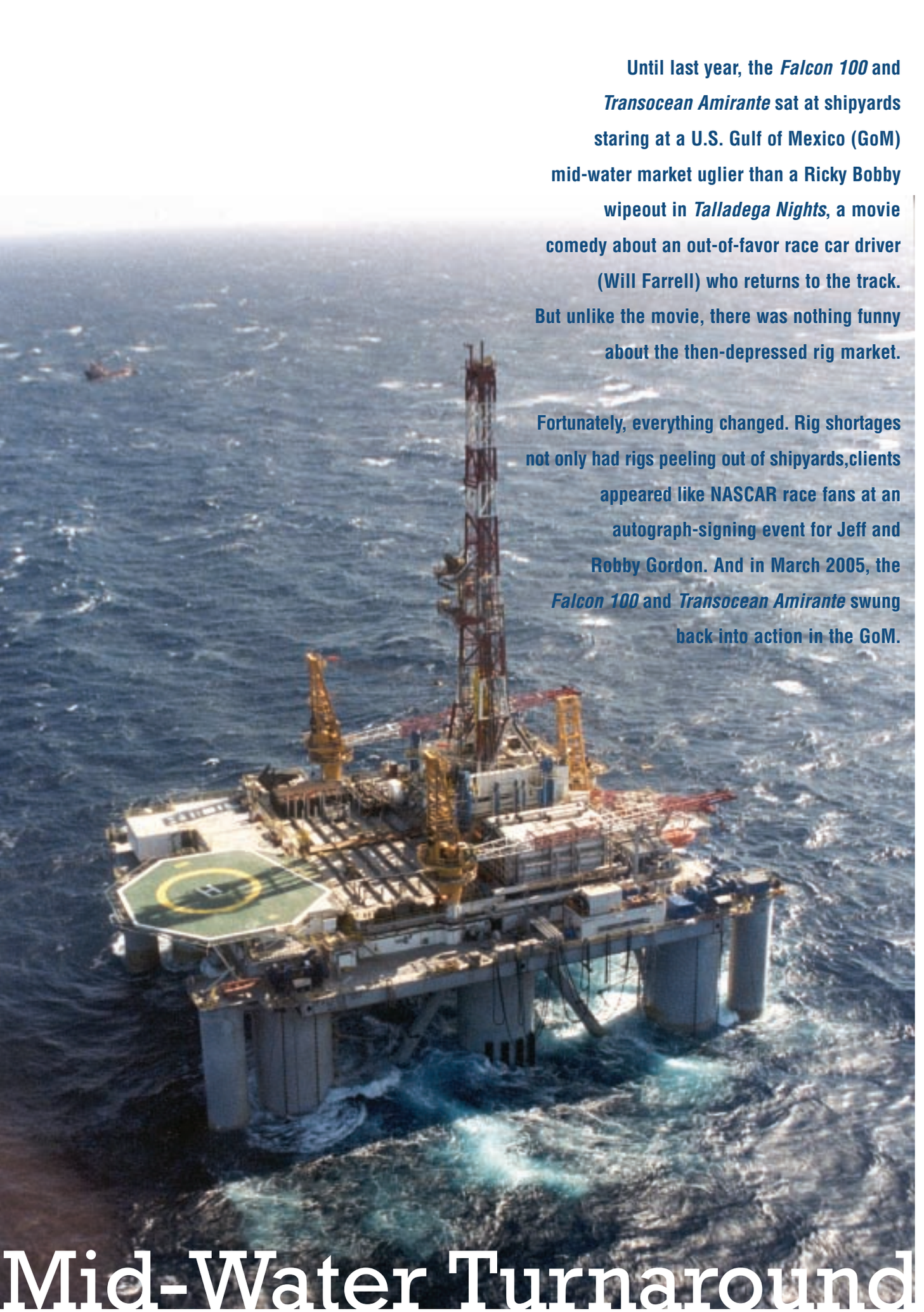
"It didn't feel like an emergency," he recalled.

Everyone choppered to shore without incident, and the rig's initial repairs enabled crews to keep drilling for Shell. This summer's shipyard project also enhanced the rig's mooring system capability to 12-points.

At the end of the hitch, it comes down to safely getting the job done, no matter the obstacle.

"I could not be more proud of the entire rig crew for their drive, open-mindedness, and sticking to the plans," says Vidrine, one of the OIMs. "The 'Can Do' attitude of *Team Nautilus* is second to none."

In November, the *Deepwater Nautilus* was named Semisubmersible Rig of the Year by Shell for outstanding performance in the GoM, including crews' Total Recordable Incident Rate (TRIR) of 1.36 incidents per 200,000 hours worked year to date through October 2006. Crews have not had a serious injury case (SIC) in more than three years. In addition, the *Nautilus* was the only Shell rig that achieved 100% of its targeted time for running casing at just over 1,000 feet per hour.



Mid-Water Turnaround

Until last year, the *Falcon 100* and *Transocean Amirante* sat at shipyards staring at a U.S. Gulf of Mexico (GoM) mid-water market uglier than a Ricky Bobby wipeout in *Talladega Nights*, a movie comedy about an out-of-favor race car driver (Will Farrell) who returns to the track. But unlike the movie, there was nothing funny about the then-depressed rig market.

Fortunately, everything changed. Rig shortages not only had rigs peeling out of shipyards,clients appeared like NASCAR race fans at an autograph-signing event for Jeff and Robby Gordon. And in March 2005, the *Falcon 100* and *Transocean Amirante* swung back into action in the GoM.

66 Days to Glory

It's not easy taking a stacked rig in 66 days from mothballs at Mobile, Alabama, to drilling. But the *Falcon 100* crews not only got the rig back to work, they stepped on the gas to reduce downtime and save clients significant time and money with improvements such as a third mud pump, a frame for running 15K subsea trees and an upgraded fingerboard to 5.5-inch drillpipe.

Suddenly, the second-generation rig that nobody wanted has become a favorite for clients including Petrobras America, which is part of Brazil's state-owned energy company. Petrobras began a 350-day contract with the rig in July 2006, launching its Cottonwood Project, the customer's debut as a GoM operator.

"Petrobras is tickled to death with the rig," said Rig Manager Grant Howard.

Howard adds that the biggest drivers of the rig's performance are the "great people" and "two great OIMs" of the *Falcon 100*. They have taken full advantage of the business up-cycle, continuously improving operations and lowering downtime to 1.55% year to date at October 2006.

"It's like a great restaurant," Howard says. "You can have the best location, the best view and the best appliances. But if you don't have the right people, it's not going to be a great restaurant."

OIM Steve Cross backs up his boss on that, saying the rig's crews including catering personnel have the best morale he has seen in his 27 years in the drilling industry.

The Little Rig that Could

The *Transocean Amirante* roared out of the pits at Mobile with an incident-free startup and a four-well contract with ENI in March 2005.

Its first well was a challenge, to say the least.

For starters, drilling-and-completion work had to be done through a wellhead angle of 3.25 degrees. In addition, loop currents over three knots arose and three major hurricanes and a tropical storm struck.

Despite it all, the well was completed, and the rig had no significant storm damage.

"That's why we call the *Amirante* the little rig that could," says Jonathon Nix, Rig Manager. "The first well also proved to be very challenging down hole with mud losses and four sidetracks. Still, the *Amirante Team* would not give up."

After a second successful completion operation for ENI in 3,000 feet of water, crews drilled the Ringo

Prospect for Nexen and ENI, making four core runs and drilling to TD (total depth).

Last August, the *Transocean Amirante* was working on the fourth ENI Well, the Longhorn Prospect. At that time, they surpassed 500 days since the last SIC (serious injury case) and 237 days since the last recordable incident.

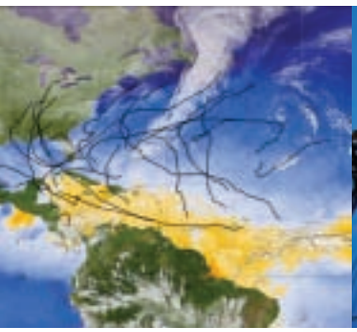
"The crews have also achieved 0.65% downtime year to date at October 2006, which directly reflects how well they plan together," Nix says. "Everyone onboard the *Amirante* makes me proud every day. They fight our battles safely, fairly and with a professional attitude, desiring to succeed and deliver the client a quality well."

ENI Senior Drilling Supervisor Tom Gennings saluted the rig's crews for quickly restoring the cement unit to operations during August, the hottest month of the year.

"The willingness of everyone to do whatever is required to quickly resolve the incident and get back to the cement job is much appreciated," Gennings wrote in a thank-you letter.

There is no checkered flag in offshore drilling, but such client feedback is definitely a green light for driving ahead.

The *Falcon 100* and *Transocean Amirante*, coming soon to a mid-water market near you.



Hurricane Central: Storm Management

For years, hurricanes have criss-crossed the Gulf of Mexico (GoM), and tracking maps show a spaghetti bowl of sound and fury. Fortunately, 2006 saw no GoM hurricanes through November, a boon to Transocean and its work with clients, the government and other parties to develop the most advanced storm-management actions to date.

Besides helping lead a joint industry project (JIP) on better mooring systems used by GoM rigs, Transocean has enhanced mooring systems and their monitoring and accelerated evacuation plans. Also, national weather service agencies this year recognized three Transocean rigs for outstanding performance in reporting storm data that is used to better forecast hurricanes' movements.

Minimizing Risk

The mooring systems JIP covers complex technical issues, but its mission is straightforward.

"We're working to minimize

"…national weather service agencies this year recognized three Transocean rigs for outstanding performance in reporting storm data that is used to better forecast hurricanes' movements."

the probability of a mooring-system failure and the related consequences," says Darrel Pelley, Vice Chairman of the JIP on mooring, strength and reliability. "With an API (American Petroleum Institute) method, we can gauge these probabilities and consequences. Work to date with the MMS (Minerals Management Service), our clients and others has produced better mooring patterns."

Pelley, who is Transocean's Director of Engineering and Technical Support, notes that clients' site-specific studies to evaluate risks at proposed drilling sites provides information on where and how to moor semisubmersible rigs. Water depths, currents and rigs' size and motion characteristics also get close consideration.

In addition, Transocean completed work this summer to enable its two ultra-deepwater GoM semisubmersible rigs to utilize 12-point mooring systems. The *Deepwater Nautilus'* and *Transocean Marianas'* eight-point mooring systems now have fairleads for four more mooring lines, adding another layer of protection on each corner of the rigs, when required.

Transocean's two smaller moored semisubmersible rigs, the *Falcon 100* and the *Transocean Amirante*, using eight-point mooring systems, have survived the Gulf's strongest waves in modern history due to their smaller size and environmental load.

For all its moored GoM semisubmersibles, the company has beefed up real-time storm monitoring through a GPS-based system used by shore-based personnel to track evacuated rigs' positions. The monitoring system also reports data on mooring lines' tensions.

Out of Harm's Way

When hurricanes threaten, rig crews respond with different plans, depending on circumstances and rig types.

Moored semisubmersible rigs evacuate everyone to shore for the duration of major storms. DP rigs pull up the lower marine riser package of the BOP (blowout preventer), riser and drillpipe well in advance of hurricanes and use their thrusters to sail out of harm's way.

Listen in on Capt. Michael Galati describing this process for viewers of The Weather Channel TV program.

"It takes everyone's cooperation," said Galati, who has trained as a meteorologist. "We need to get all that equipment tied down. And we usually plan for a 24-hour run out of the path of the storm, just to make sure we've got a lot of breathing room."

During 2005, Transocean's DP rigs successfully completed those assignments seven times.

Rig Reports Improve Storm Forecasts

Behind the scenes, Transocean rigs feed data through the VOS (Voluntary Observing Ship Program) which helps government forecasters better predict a hurricane's path. Marine crews report everything from wind speeds to wave heights. They send their reports to the National Weather Service (NWS) and National Oceanic and Atmospheric Administration (NOAA). Those agencies add that information to data gained from Doppler radar, satellite images and aircraft flying into the "eye" of hurricanes to forecast where the massive storms will go next.

Transocean rigs take the task to heart, and the 2005 VOS Award went to the *Deepwater Horizon, Deepwater Millennium* and *Discoverer Deep Seas* for outstanding performance in recording marine weather observations for NOAA and the NWS. The *Deepwater Horizon* reported by far more data than any GoM vessel with 1,825 VOS marine observations in 2005.

"The efforts of these Transocean rigs were simply outstanding and made a huge difference during hurricane season last year," said Chris Fakes, the NWS Port Meteorological Officer for Houston/Galveston. "With more data from rigs, we can produce better models for forecasts that can save more lives and protect more property."

Increased reporting takes extra effort.

"Our bridge teams have gone the extra mile and have attended meteorology classes to better understand the weather and how to improve the team's reporting techniques," says Randy Atwood, Rig Manager of the *Deepwater Millennium*. "While the recognition that comes with the 2005 VOS Award is nice, we just believe we are living up to our core values of integrity, respect and safety by participating in something that benefits thousands of people."

The *Deepwater Millennium* did its part by accelerating weather reports during Hurricane Katrina from once every six hours to once every three hours whenever the hurricane came within 300 nautical miles of the ship, even when navigating away from the storm. After securing its well, the rig temporarily disconnected and moved westerly approximately 300 nautical miles. There, the storm's eye was within 250 nautical miles of the drillship, where its VOS reports helped forecasters better understand conditions closer to the storm.

"The captains, marine crews and rig managers like Randy Atwood as well as Michael Acuff of the *Discoverer Deep Seas* and John Keeton of the *Deepwater Horizon* are to be commended for supporting their rigs' efforts," said Mark Canada, Regulatory, Quality, Environmental and Marine Manager for the North America Division. "This effort benefits all of us."

Transocean:

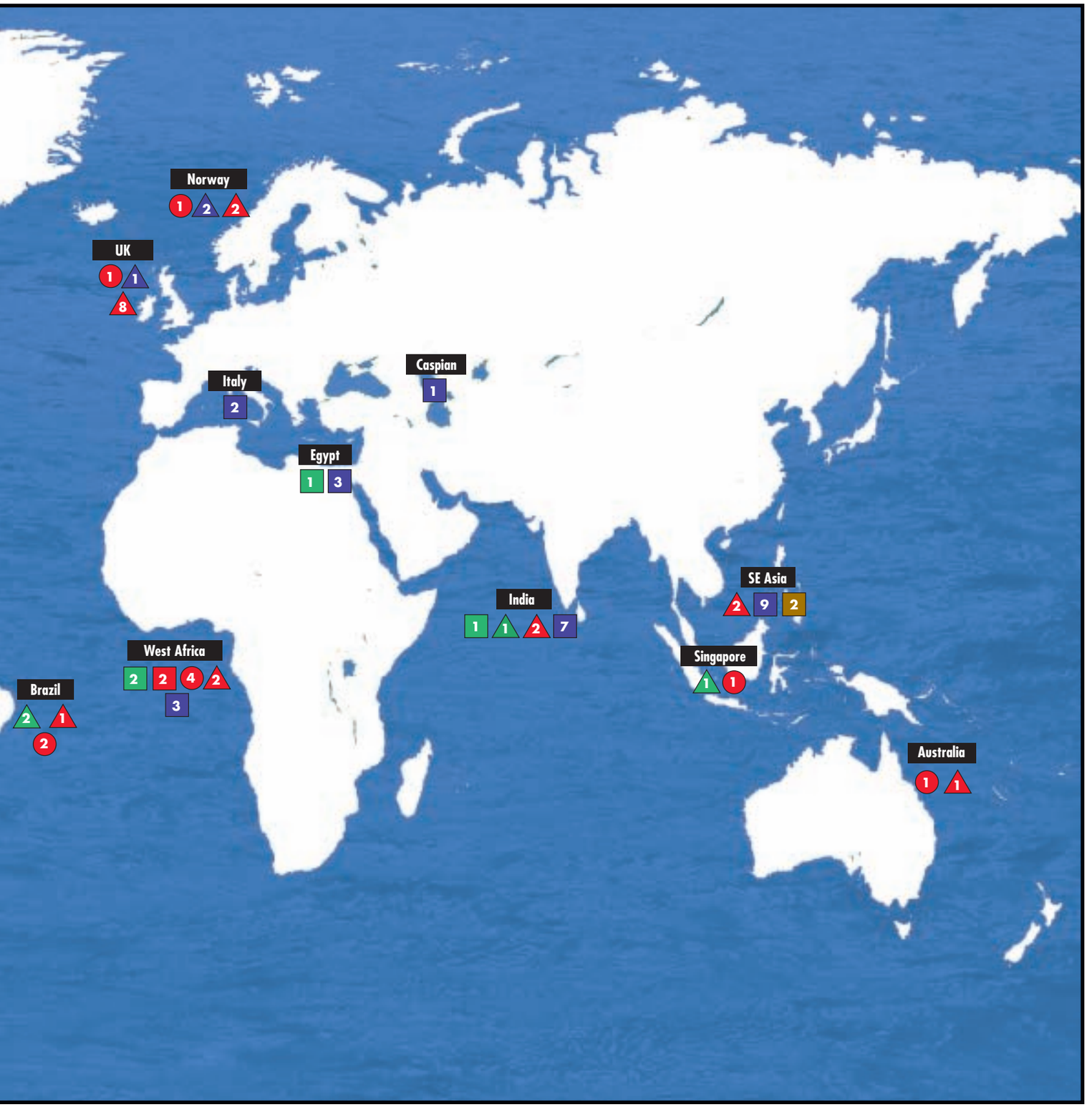
A World *of* Experience

Whether it's drilling safely in more than 10,000 feet of water in the U.S. Gulf of Mexico or in 10 feet of water in Indonesia, Transocean brings a world of technology, assets and over 50 years of expertise to get the job done right.

Transocean: We're never out of our depth.®

5th-Generation Deepwater Drillships

5th-Generation Deepwater Semisubmersibles



Other Deepwater Drillships

Other High-Specification Semisubmersibles

Other Semisubmersibles

Other Deepwater Semisubmersibles

Jackups

Inland Barges

Transocean's diversity of people and assets is complemented by a Safety Vision of achieving an incident-free workplace. All the time, everywhere.

Left to right, this page:
First Row: Sedco Energy, Sedco 710, Paul B. Loyd Jr.
Second Row: Shelf Explorer, Discoverer Enterprise
Third Row: George H. Galloway, Deepwater Discovery
Fourth Row: Discoverer Seven Seas, Jim Cunningham, Jack Bates
Fifth Row: Transocean Driller, Transocean Legend, C.E.Thornton





TRANSOCEAN FLEET

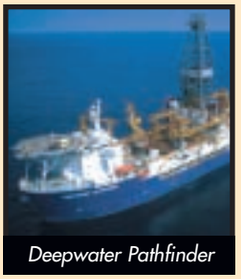
BY TYPE AND WATER-DEPTH CAPACITY - AS OF NOVEMBER 2006*

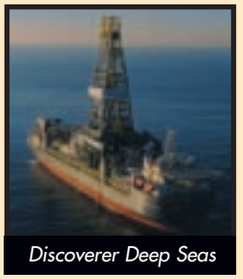
TYPE AND NAME	YR. ENTERED SERVICE	WATER DEPTH CAPACITY[1] (IN FEET)	DRILLING DEPTH CAPACITY (IN FEET)	LOCATION	DESIGN	BOP RATING
5th-Generation Deepwater • 13						
Discoverer Clear Leader *(DP Ship)*	TBA	12,000	40,000	U.S. GOM	Enhanced Enterprise-Class	18 3/4 in., 15,000 psi
Discoverer Inspiration *(DP Ship)*	TBA	12,000	40,000	U.S. GOM	Enhanced Enterprise-Class	18 3/4 in., 15,000 psi
Enhanced Enterprise-Class *(DP Ship)*	TBA	12,000	40,000	U.S. GOM	Enhanced Enterprise-Class	18 3/4 in., 15,000 psi
Discoverer Deep Seas *(DP Ship)*	2001	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Discoverer Enterprise *(DP Ship)*	1999	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Discoverer Spirit *(DP Ship)*	2000	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Deepwater Discovery *(DP Ship)*	2000	10,000	30,000	Nigeria	RBF/Samsung	18 3/4 in., 15,000 psi
Deepwater Frontier *(DP Ship)*	1999	10,000	30,000	India	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Millennium *(DP Ship)*	1999	10,000	30,000	U.S. GOM	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Pathfinder *(DP Ship)*	1998	10,000	30,000	Nigeria	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Expedition *(DP Ship)*	1999	10,000	30,000	Egypt	Rauma Repola Arctic	18 3/4 in., 15,000 psi
Deepwater Horizon *(DP Semi)*	2001	10,000	30,000	U.S. GOM	RBS-8D	18 3/4 in., 15,000 psi
Cajun Express *(DP Semi)*	2001	8,500	25,000	U.S. GOM	SFXpress 2000	18 3/4 in., 15,000 psi
Deepwater Nautilus *(Semi)*	2000	8,000	25,000	U.S. GOM	RBS-8M	18 3/4 in., 15,000 psi
Sedco Energy *(DP Semi)*	2001	7,500	25,000	Nigeria	SFXpress 2000	18 3/4 in., 15,000 psi
Sedco Express *(DP Semi)*	2001	7,500	25,000	Angola	SFXpress 2000	18 3/4 in., 10,000 psi
Other Deepwater • 16						
Deepwater Navigator *(DP Ship)*	2000	7,200	25,000	Brazil	Earl & Wright Sedco 400	18 3/4 in., 15,000 psi
Discoverer 534 *(DP Ship)*	1975/1991	7,000	25,000	Singapore	Sonat Discoverer	18 3/4 in., 10,000 psi
Discoverer Seven Seas *(DP Ship)*	1976/1997	7,000	25,000	India	Sonat Discoverer	18 3/4 in., 15,000 psi
Transocean Marianas *(Semi)*	1998	7,000	25,000	U.S. GOM	Sedco 700	18 3/4 in., 15,000 psi
Sedco 707 *(DP Semi)*	1976/1997	6,500	25,000	Brazil	Sedco 700	18 3/4 in., 15,000 psi
Sedco 700 Series *(DP Semi)* Upgrade I (S702)		6,500	25,000	Singapore	Sedco 700	18 3/4 in., 10,000 psi
Jack Bates *(Semi)*	1986/1997	5,400	30,000	Australia	F&G L1020 Trendsetter	18 3/4 in., 15,000 psi
Peregrine I *(DP Ship)*	1982/1996	5,300	25,000	Brazil	Gusto Pelican	16 3/4 in., 10,000 psi
Sedco 709 *(DP Semi)*	1977/1999	5,000	25,000	Nigeria	Sedco 700	18 3/4 in., 15,000 psi
M.G. Hulme, Jr. *(Semi)*	1983/1996	5,000	25,000	Nigeria	F&G 9500 E. Pacesetter	18 3/4 in., 15,000 psi
Transocean Richardson *(Semi)*	1988	5,000	25,000	Angola	GVA 4500	18 3/4 in., 15,000 psi
Jim Cunningham *(Semi)*	1982/1995	4,600	25,000	Nigeria	F&G 9500 E. Pacesetter	18 3/4 in., 15,000 psi
Sedco 710 *(DP Semi)*	1983	4,500	25,000	Brazil	Sedco 700	18 3/4 in., 10,000 psi
Transocean Rather *(Semi)*	1988	4,500	25,000	UK North Sea	GVA 4500	18 3/4 in., 15,000 psi
Transocean Leader *(Semi)*	1987/1997	4,500	25,000	Nor. N. Sea	Aker H-4.2	18 3/4 in., 15,000 psi
Sovereign Explorer *(Semi)*	1984	4,500	25,000	Venezuela	GVA 4000	18 3/4 in., 15,000 psi
Other High-Specification • 4						
Henry B. Goodrich *(Semi)*	1985	2,000	30,000	E. Canada	Sonat/Mitsui SES-5000	18 3/4 in., 15,000 psi
Paul B. Loyd, Jr. *(Semi)*	1987	2,000	25,000	UK N. Sea	Aker H-4.2	18 3/4 in., 15,000 psi
Transocean Arctic *(Semi)*	1986	1,650	25,000	Nor. N. Sea	Marosso 56	18 3/4 in., 15,000 psi
Polar Pioneer *(Semi)*	1985	1,500	25,000	Nor. N. Sea	Sonat/Hitachi	18 3/4 in., 15,000 psi
Other Floaters • 20						
Sedco 700 *(Semi)*	1973/1997	3,600	25,000	E. Guinea	Sedco 700	18 3/4 in., 10,000 psi
Transocean Legend *(Semi)*	1983	3,500	25,000	Indonesia	Bingo 3000	18 3/4 in., 10,000 psi
Transocean Amirante *(Semi)*	1978/1997	3,500	25,000	U.S. GOM	Aker H-3	18 3/4 in., 10,000 psi
C. Kirk Rhein, Jr. *(Semi)*	1976/1997	3,300	25,000	Prep for India	Aker H-3	18 3/4 in., 10,000 psi
Transocean Driller *(Semi)*	1991	3,000	25,000	Brazil	F&G L-1033 E. Pacesetter	18 3/4 in., 15,000 psi
Falcon 100 *(Semi)*	1974/1999	2,400	25,000	U.S. GOM	F&G L 900 Pacesetter	18 3/4 in., 15,000 psi
Sedco 703 *(Semi)*	1973/1995	2,000	25,000	Australia	Sedco 700	18 3/4 in., 10,000 psi
Sedco 711 *(Semi)*	1982	1,800	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Transocean John Shaw *(Semi)*	1982	1,800	25,000	UK N. Sea	F&G 9500 E. Pacesetter	18 3/4 in., 10,000 psi
Sedco 712 *(Semi)*	1983	1,600	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Sedco 714 *(Semi)*	1983/1997	1,600	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Actinia *(Semi)*	1982	1,500	25,000	India	F&G L-1033 E. Pacesetter	18 3/4 in., 10,000 psi
Sedco 601 *(Semi)*	1983	1,500	25,000	Indonesia	Sedco 600	18 3/4 in., 10,000 psi
Sedneth 701 *(Semi)*	1972/1993	1,500	25,000	Angola	Sedco 700	18 3/4 in., 10,000 psi
Transocean Winner *(Semi)*	1983	1,500	25,000	Nor. N. Sea	GVA 4000	18 3/4 in., 15,000 psi
Transocean Searcher *(Semi)*	1983/1988	1,500	25,000	Nor. N. Sea	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
Transocean Prospect *(Semi)*	1983/1992	1,500	25,000	UK N. Sea	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
J.W. McLean *(Semi)*	1974/1996	1,250	25,000	UK N. Sea	Zapata SS-3000	18 3/4 in., 10,000 psi
Sedco 704 *(Semi)*	1974/1993	1,000	25,000	UK N. Sea	Sedco 700	18 3/4 in., 15,000 psi
Sedco 706 *(Semi)* (To be upgraded)	1976/1994	1,000	25,000	UK N. Sea	Sedco 700	18 3/4 in., 10,000 psi
Jackups • 25						
Trident 9	1982	400	20,000	Vietnam	Modec 400-C-35	13 5/8 in., 10,000 psi
Trident 17	1983	355	25,000	Vietnam	Modec 300-C-38	13 5/8 in., 10,000 psi
Trident 20	2000	350	25,000	Caspian	Keppel Fels CS Mod. V	18 3/4 in., 15,000 psi
D.R. Stewart	1980	300	25,000	Italy	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
George H. Galloway	1984	300	25,000	Italy	F&G L780 Model II	13 5/8 in., 10,000 psi
Harvey H. Ward	1981	300	25,000	Malaysia	F&G L780 Model II	13 5/8 in., 10,000 psi
J.T. Angel	1982	300	25,000	Indonesia	F&G L780 Model II	13 5/8 in., 10,000 psi
Randolph Yost	1979	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Roger W. Mowell	1982	300	25,000	Malaysia	F&G L780 Model II	13 5/8 in., 10,000 psi
Ron Tappmeyer	1978	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Shelf Explorer	1982	300	20,000	Malaysia	CFEM T2005-C	13 5/8 in., 10,000 psi
Interocean III	1978/1993	300	25,000	Egypt	Sonat Orion-Cantilever	13 5/8 in., 10,000 psi
Transocean Nordic	1984	300	25,000	India	CFEM T2600-1	13 5/8 in., 15,000 psi
Trident 2	1977/1985	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Trident 4	1980/1999	300	25,000	Nigeria	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Trident 6	1981	220	21,000	Vietnam	Modec 300-C-35	13 5/8 in., 10,000 psi
Trident 8	1982	300	21,000	Nigeria	Modec 300-C-35	13 5/8 in., 10,000 psi
Trident 12	1982/1992	300	25,000	India	Baker Marine BMC 300-IC	13 5/8 in., 10,000 psi
Trident 14	1982/1994	300	20,000	Angola	Baker Marine BMC 300-IC	13 5/8 in., 10,000 psi
Trident 15	1982	300	25,000	Thailand	Modec 300-C-38	13 5/8 in., 10,000 psi
Trident 16	1982	300	25,000	Thailand	Modec 300-C-38	13 5/8 in., 10,000 psi
C.E. Thornton	1974	300	25,000	India	Marathon LeTourneau 53-C	13 5/8 in., 10,000 psi
F.G. McClintock	1975	300	25,000	India	Marathon LeTourneau 53-C	13 5/8 in., 10,000 psi
Transocean Comet	1980	250	20,000	Egypt	Sonat Cantilever	13 5/8 in., 10,000 psi
Transocean Mercury	1969/1998	250	20,000	Egypt	Sonat Cantilever	13 5/8 in., 10,000 psi

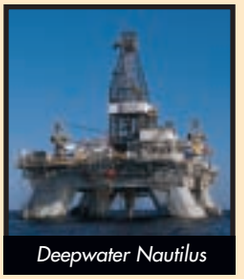
TYPE AND NAME	YR. ENTERED SERVICE	WATER DEPTH CAPACITY[1] (IN FEET)	DRILLING DEPTH CAPACITY (IN FEET)	LOCATION	DESIGN	BOP RATING
Non-U.S. Drilling Barges • 2						
Hibiscus	1979/1993	25	16,000	Indonesia	Heavy Swamp Barge	13 5/8 in., 10,000 psi
Searex 4	1981/1989	21	25,000	Indonesia	Swamp Barge	13 5/8 in., 5,000 psi
Other • 2						
JOIDES Resolution *(Research Drillship)*	1978	27,000	30,000	Worldwide	Earl & Wright Sedco 400	N/A
Sedco 135D	1966/77/01	600	De-watering	Brazil	Earl & Wright Sedco 135	N/A
Held for Sale • 3						
Charley Graves	1975	500	20,000	Thailand	Self-Erecting Tender	13 5/8 in., 10,000 psi
Searex 6	1981/1991	25	25,000	Cameroon	Swamp Barge	13 5/8 in., 10,000 psi
Searex 9	1981	400	20,000	Congo	Self-Erecting Tender	16 3/4 in., 5,000 psi

** As of November 2006, for most units, whether wholly or partially owned, managed, chartered or under joint venture.*
[1] Nominal ratings subject to limiting environmental conditions and, in some cases, extended by supplemental equipment.


Discoverer Spirit


Deepwater Pathfinder


Discoverer Deep Seas


Deepwater Nautilus


Sedco Express

TRANSOCEAN: DEEPWATER INNOVATOR

Transocean's unparalleled technical leadership in ever-greater water depths includes the:

- First offshore jackup drilling rig
- First self-propelled jackup
- First turret-moored drillship
- First dynamically positioned drillship for exploration
- First dynamically positioned semisubmersible
- First fourth-generation semisubmersible
- First rig to drill year-round in the North Sea
- First semisubmersible for sub-Arctic, year-round operations in the Barents Sea
- First semisubmersible for year-round drilling West of the Shetland Islands in more than 4,000 feet of water
- First deepwater semisubmersibles with patented Tri-Act derrick
- First ultra-deepwater drillship with patented dual-activity drilling system
- First drillship capable of working in 10,000 feet of water

DRILLING RECORDS

Transocean holds 19 of the past 23 world records for drilling in the deepest waters. Our ultra-deepwater drillship *Discoverer Deep Seas* set the current world water-depth record in 10,011 feet (3,051 meters) of water in the U.S. Gulf of Mexico (GoM) working for Chevron.

Other world records include:

- The deepest well ever drilled offshore at 34,189 feet (9,189 meters) by the drillship *Discoverer Spirit* while working for Chevron, Anadarko Petroleum Company, BHP Billiton and Nexen Petroleum USA, Inc.
- The world water-depth record for a moored rig in 8,951 feet (2,728 meters) of water by the *Deepwater Nautilus* in the U.S. GoM while working for Shell.
- The world's deepest subsea well completed in 8,960 feet (2,733 meters) of water by the *Deepwater Millennium* in the U.S. GoM for Anadarko.
- The *Deepwater Nautilus* set the deepest subsea tree in 7,570 feet (2,307 meters) of water by a moored semisubmersible rig in the U.S. GoM for Shell.







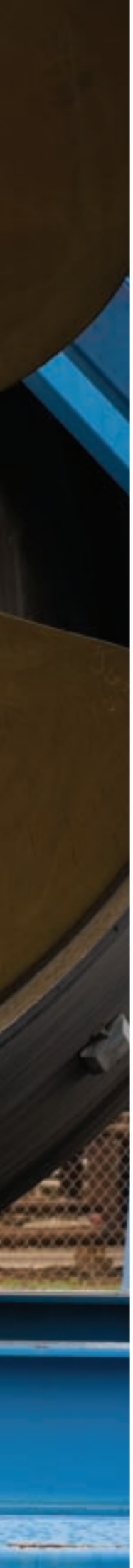





Left to right, this page:
First Row: Charley Graves, Deepwater Millennium
Second Row: Falcon 100, Sedco 707, D.R. Stewart
Third Row: Trident 15, Discoverer 534, Deepwater Horizon
Fourth Row: Transocean Nordic, Deepwater Frontier, Transocean Comet
Fifth Row: Transocean John Shaw, Harvey H. Ward, Trident 9

AMELIA YARD DOES WHAT IT TAKES

Nicholas Guidry, Roustabout



What does it take to keep the largest fleet of semisubmersibles and drillships operating in the U.S. Gulf of Mexico (GoM)?

Most people will say correctly that it takes personnel: everyone on Transocean's 10 GoM rigs, plus shore-based support teams. But if you ask North American Division Manager Tim Juran, he will add to the top of the list the 33 people at the Amelia, Louisiana, supply yard.

"They move thousands of feet of pipe and riser through the Amelia yard annually," says Juran. "People do not realize the huge amount of work that gets done there, because it goes so smoothly. We couldn't be helping clients achieve their objectives and setting world offshore drilling records without the support of Base Manager Ronnie Arceneaux, Division Materials Manager Janet Leblanc and their teams."

Forty-Five Years of Taking Orders

About a two-hour drive past the swamps west of New Orleans and across bayou after bayou, workers at the Amelia yard have, for almost 45 years, ordered, invoiced and shipped parts, equipment and supplies to Transocean rigs.

Each week, the yard sends about 100,000 pounds of materials to the GoM rigs, or an average of 10,000 pounds per rig. That figure does not include the heaviest items, drill pipe and riser. The Amelia yard keeps on hand some 4,000 joints of 31-foot-long drill pipe with each joint weighing more than 900 pounds.

The hardest task, says Leblanc, a 2004 FIRST Excellence Award recipient, is managing ever-longer lead times for equipment due to the strong demand for offshore drilling.

For example, thrusters for the company's six DP (dynamically positioned) rigs in the GoM have to be ordered from Finland a year and a half before they are actually needed. Drill pipe is sourced from France.

"For drill pipe, you're looking at 2007 before you can get any delivered," Leblanc notes during a crawfish boil at Amelia for procurement managers from Houston and materials personnel who get together once a year for planning. "You just have to plan ahead and order as early as you can."

That's where EMPAC, the company's inventory and procurement system comes in. With accurate input from Materials Coordinators on the rigs, the computer-based system has become essential to managing the rapid pace of getting the right parts to the right rigs on time.

Delivering the Goods Safely

When a rig contacts the Amelia yard, Arceneaux's team springs into action, dressing riser and loading drill pipe on short notice to ensure the unit can begin work on schedule.

"We do our best to help the rigs as quickly as possible," Leblanc says. "Sometimes, that means working long days and weekends, but we get the job done."

With so much activity, working safely is always a challenge. But the Amelia yard quietly maintained a zero TRIR (total recordable incident rate) year-to-date at October 2006 and sustained zero TRIR since August 2004. The last SIC (serious injury case) occurred in August 2003.

Also taking place under the leadership of Arceneaux, Leblanc and their teams is a successful inter-rig program that helps track and transfer parts, equipment and supplies between rigs.

Each rig's warehouse contains up to $2 million in equipment-related inventory, so it's almost always faster and much less costly to move a part needed by a rig directly from another Transocean unit than from shore.

Since the initiative was launched three years ago, savings have exceeded more than $4 million. But that's only parts savings. It doesn't include the much larger financial benefit of keeping rigs on dayrate by minimizing downtime.

The Future Holds Growth

The Amelia yard's future points to growth.

That's partly due to changing requirements, such as the enhanced mooring systems for the *Deepwater Nautilus* and *Transocean Marianas.* Then, there are the moored semisubmersible rigs *Henry Goodrich* and *Jack Bates* which are scheduled to join the GoM fleet.

And, there are plans for Transocean's three newbuild enhanced *Enterprise-class* drillships to start work in the GoM in 2009 and 2010. Those rigs will have newly designed systems, from hex mud pumps to the most advanced top drive in the business.

With such expansion, the Amelia yard will need to keep learning on the fly by working with new vendors, shippers and rig personnel.

No one seems worried, however, as Team Amelia has delivered time and time again ever since the yard opened in 1962.

"Our philosophy has always been to do whatever it takes to support the rigs," Leblanc says. "Whether it's 8 a.m. Monday or midnight on Friday; we know that without the offshore teams, there would be no supply yard."

TOP Course: *No*

Josh Morse's grandfather, a Chevron contractor, had told him that working offshore could be a great career. Working two-weeks-on-two-weeks-off was enticing, and he certainly enjoys working outdoors. But the young man, in search of a career wasn't sure what it would be like working on a rig in the U.S. Gulf of Mexico.

Attending the Transocean TOP (Training for Optimum Performance) course at Amelia, Louisiana, answered all of his questions, and then some. After 11 long days that included firefighting and survival training, Morse left with several training certificates and an attitude to help him succeed on the marine crew of the semisumbersible rig *Deepwater Nautilus*.

"The classes gave me a heads up about what's to come," said Morse aboard the *Deepwater Nautilus* in August, just weeks after the course.

"I felt we had learned an entire semester of college here in 11 days," said another graduate of the course, originally known as "Entry Level Start-Train."

TOP attendees stay seven days at the training center, four days at a hotel, and the maximum class size is 18. The center has scheduled 35 classes for 2006, and 52 classes next year, with no holidays for instructors, four of whom work two weeks on and two weeks off.

So, the course is no walk in the park for anyone.

Getting Immersed in the Rig Way of Life

"TOP graduates will tell you that the course is downright tough," says North America Division Training Manager Rene Rodrigues. "The students spend 12 hours a day learning skills and competencies. Then, they spend evenings going through the elements of the HSE (Health, Safety and Environment) and OJT (On the Job Training) programs including the reference material."

The rigorous routine has its roots in a project that began nine years ago when rig management selected the TOP courses with coordination help from then Corporate Training Director Dado Matkins.

Today, hands-on training is provided in fall-protection and cargo-handling courses. Students also safely climb towers with the ladder-climbing device, practice 100% fall protection, secure loads and ride the personnel basket. There is training on the correct use of hand tools,

Walk in the Park

Marine Instructor Wendell Usie addresses TOP students at the Louisiana Technical College — Young Memorial Campus — at Morgan City, Louisiana.

and plans call for assembling-disassembling valve manifolds. Fire-fighting and survival training are also part of the course. The course outline is reviewed annually with the NAM Division Management and newly promoted Operations Development Manager Logan Puckett, for improvement opportunities. In his new role, Puckett advises on operational needs and ensures the TOP course outline meets attendees' needs.

At the training center, the classroom has computers, an LCD projector with surround-sound, rig models and large pictures of North America Division rigs. Sleeping accommodations — six-person rooms, described as "cozy" — are designed to start the process of close interaction on a rig offshore. On weekends, the North America Amelia yard is used for hands-on practical exercises.

Showing What You've Learned

Although each day has its share of quizzes and exams, the big events are the practical competence assessment (PCA) and the final exam the last two days of the course. The PCA requires students to physically demonstrate the competencies and skills learned in the course. Students show instructors what they can do by donning the full-body harness, tying oilfield knots and using the HSE manual. They also describe the company's core values and the THINK, START and FOCUS processes. They rig loads, use no-drop tools, identify hazards and use air hoses in a safe manner. In all, there are 31 PCA performance requirements for which students receive grades of A, B, C or D.

After successfully completing the PCA, studying starts for the final examination, which has 66 questions. As with the PCA, the final exam must be successfully completed to graduate.

Putting It Into Practice

In the end, graduates know that they have not only earned a job but have embarked on a career of continuous learning that is essential to making Transocean the safest and best drilling contractor.

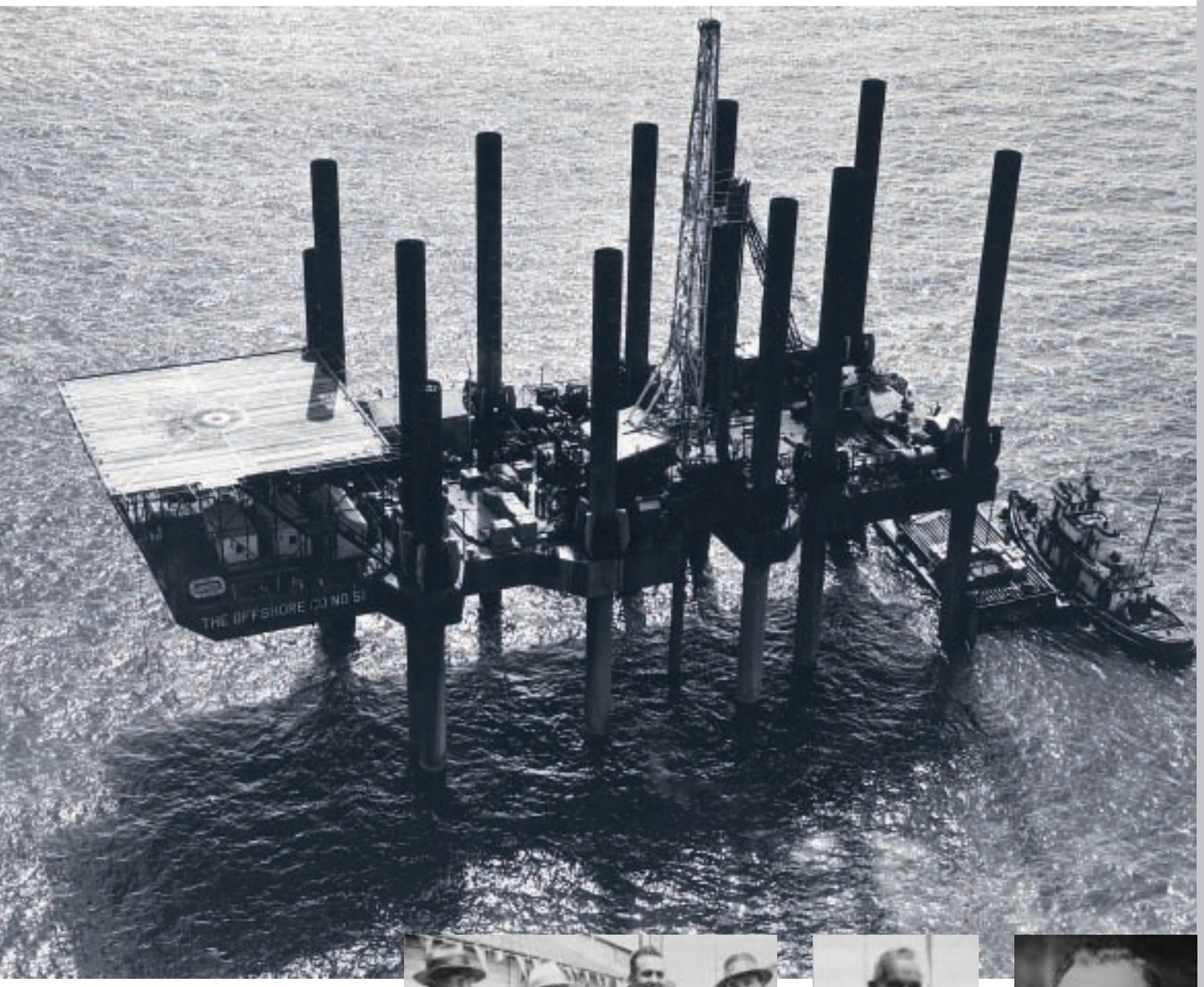
Morse agrees. "I would like to make a career of it. Transocean is a great company. It has great people to work with and is very safety oriented."

Leading the Way

Transocean:

The First 20 Years

19



Left to right: J.W. Bates, Sr., George M. Reading, Jack Bates, Jr. and C.E. Thornton; William P. "Bill" Clements; T.S. Stoneman.

This is the first in a multi-part series about how Transocean Inc. and its predecessor companies launched the most innovative drilling rigs and set by far the most deepwater drilling records. For a pdf copy of this article, please contact Guy Cantwell at gcantwell@houston.deepwater.com.

26 - 1946

If you search the history books before 1946, you won't find much mention of offshore drilling units, because there were no true offshore drilling rigs at the time, only swamp barges and an assortment of clever contraptions for their time. But you will find several Transocean predecessor companies, grappling with industry challenges and led by entrepreneurs with a vision to succeed on one of the greatest of all oil industry frontiers: the ocean.

At the time, oil was replacing coal as the number one fuel, revolutionizing transportation. In such times lived the company's founding fathers. Witnesses of the Great Depression, World Wars I and II and the Korean Conflict, they eschewed milquetoast and useless talk. And they certainly didn't spend much time wringing hands over risk taking.

One company father, T.S. Stoneman, joined Danciger Oil and Refining Company and wrote a $5,000 personal check for a steam-driven land rig in 1926. Then he put the bill on his expense account. He would later help form The Offshore Company, which would launch the world's first mobile jackup, *Rig 51*, in the U.S. Gulf of Mexico, along with scores of even more innovative offshore drilling rigs.

Meanwhile, Raymond Godet and Amedee Maratier, French engineers involved in mining Romanian and Iraqi deposits in the 1920s and 30s were about to make their mark by importing drilling technology to Paris. There, they hooked up a German drilling rig to a steam boiler, just as World War II broke out. Three years later, Forex was formed as the first French company to be entirely dedicated to oil drilling.

As one account noted, there were only three people in the project with drilling experience from Iraqi fields. One, Marcel Fonade, noted that it was a "totally unknown profession that people viewed with suspicion, and only the adventurous were attracted to it."

When the fledgling company brought a diesel rig that the French army had recuperated and set it to work in the Upper Pyrenees in Trie-sur-Baiise, Comminges people found it odd for drillers to work so far from home.

Even farther from the Pyrenees, was another offshore drilling pioneer, William P. "Bill" Clements of Texas who would form Sedco, a company that would later merge with Forex and make deepwater drilling a household name in the business. Clements would also serve as U.S. Deputy Defense Secretary, return to Sedco as Chairman of the Board and then become elected as Governor of the state of Texas.

The son of an oilman who went broke in the 1932-1933 Depression, Clements was attending Southern Methodist University engineering school in Dallas, Texas, but he felt he could do better since he had previously worked in a South Texas oilfield.

In an interview for the "History of Sedco," Clements said that at the time university engineering graduates were making $100 a month. "I had been in the field for 15 months and was making $150, $160/month. I thought, 'Why am I doing this?' So I went back to the field and started working on drilling rigs."

And then there are the founders of Reading & Bates, J.W. Bates, Sr., a Dartmouth University graduate who was not above skinning mules in the California oilfields, and George M. Reading, a mining engineer and University of California graduate. They met in 1930 and based a company on three rigs purchased on credit.

The two met while at a Shell predecessor company operating in the U.S. Mid-Continent area, Bates as General Superintendent and Reading as a drilling contractor.

Their names, according to one historical account, were "synonymous with contract drilling in the states of Texas, Oklahoma and Kansas. As the business grew, strengthened by good personnel and fast drilling, a new generation Bates was beginning to absorb experience on the rig floor. And the boss' kid, Jack Jr., was eager to learn — until he was called for more pressing duty in World War II."

With so many pioneers and predecessor companies, it's no wonder that Transocean today provides the world's largest and most technically advanced offshore drilling rigs.

For each of these leaders, there are scores more who helped pioneer the rigs and drilling processes that made Transocean's success a reality. Some of them will be profiled in the next segment of "Transocean: Leading the Way 1947 - 1967.

Fun, Fishing, Food, Fellowship

Catch It All at the Annual Gulf Coast Tournament

It all started as a way for some hands to get together during their off time, relax and do some competitive fishing in the early 1990s. In 1994, it became an officially sanctioned event of the company's Gulf Coast Division with vendor sponsors and families invited.

In 2006, the 12th Annual Transocean Gulf Coast Division Fishing and Golf Tournament welcomed more than 900 employees and their families. There were 36 boats of two-person crews, 100 golf teams, 120 poles for kids to join in their own tournament, 3,500 pounds of crawfish for Saturday lunch with no leftovers, and plenty of door prizes.

The event began at Ms. Ethel's Cabins in Zolle, Louisiana, in 1991and moved to Griffin's Lodge in 1992 and 1993 on the Toledo Bend Lake on the Texas/Louisiana border. As attendance grew, a bigger place was needed. Cypress Bend Park fit the bill and continues to turn into Transocean City on the second weekend in April. Attendees camp at the park, stay at the Cypress Bend Resort where the golf tournament is held and fill up other hotels and cabins nearby.

Nora Dossett, Administrative Assistant at the Amelia, Louisiana, Supply Base, has helped organize the event since the beginning. "The company has approved this event each year so that we can do something to thank employees for their service and dedication," she says. "In talking with the employees and their families, they all say the same thing. They enjoy meeting and socializing with other employees and their families. They all know that we are family and our family only gets bigger each year."

It's All in the Details

Nora is a woman of detail, says Kathy Kenny, QHSE Administrator, Gulf Coast Division, who has brought her grandkids to the event. "Nora makes everybody feel welcome. My grandkids were three and five at the time. The activities were nonstop with fishing in the morning and games in the afternoon. They conked out from exhaustion at night. Each received a door prize — you would have thought they had won a million bucks, they were so excited."

Kenny doesn't join in the golf or fishing but loves the food. "I'm not a fisherman, I'm an eater."

No problem there. Take a look at the menu.

On Friday night, Hadco serves up fried catfish, potato salad, bread and salad. Something they've been doing since the beginning. "Let me tell you something, those people can cook some fish," says Dan Wiggins, Ballast Control Operator, *Transocean Amirante*, who organizes the fishing tournament. To go along with the melt-in-your-mouth fish, Tesco, a 12-year event supporter, stirs up the jambalaya and white beans.

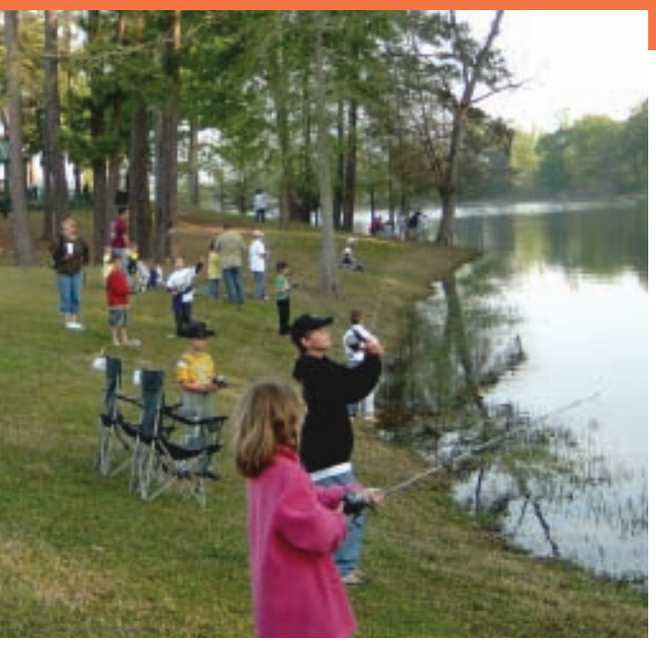
On Saturday, T3 Energy, who has supported the tournament even before it was called a tournament — about 15 years in all — prepares hamburgers, hot dogs and sausage po-boys. Tesco makes fried pork skins and for the last couple of years, ExPert Riser Solutions and Delmar have boiled a "boatload of crawfish," as Kenny describes it, and all the fixings. Saturday evening is reserved for a steak dinner prepared by Transocean shore-based leadership.

"All the Park 10 managers enjoy being on the other side, serving the hands," says David Matlock, Operations Manager. "I'm glad the company takes the time and spends the money in recognition of their hard work."

"If you go hungry, it's your own fault," warns Wiggins, who was on the *Transocean 96* when the tournament got going and he assisted with the fishing tournament.

Ready, Set, Fish

Each two-person boat pays an entry fee of $110, with the $10 going into the pot to reward the biggest lunker. Top places are determined by the weight of the teams' stringers of fish, all of which must be alive at the time of weigh-in. At least one member of the team must be a Transocean employee and all teams must follow state



Clockwise from left: Kids vie for the biggest catch, whether fish, turtle or tree limb. Transocean managers take the heat during Saturday night's steak grill. Personnel get a chance to visit on land instead of rig. The event has become a favorite for Transocean families, attracting more than 900 people last April.

and lake rules such as meeting length limits. The fisherpersons (there are a few females who join in) start out at first safe light on Saturday morning and stay on the lake fishing until about three in the afternoon.

This year, the big lunker award went to Dal Harris, Materials Coordinator, *Deepwater Nautilus*, and his dad, Dal Harris, Sr. The senior Harris hooked an 8 lb., 14 oz. bass — a record for the tournament. "It was really windy that day. I remember saying to myself that it was going to be difficult — that we were going to have to stay out in deep water to win this thing, because a storm had blown through the night before and apparently blew the big fish off of their beds in shallow water," Dal Junior says, setting the scene.

"My dad hung the big lunker toward the last hour of the tournament. That was nice to see," he continues, revealing the type of lure that caught the big one — a black and blue jig with a black and blue trailer. "We had a good stringer before the big one was caught, but it was nice to throw a few back to put the big one in the boat's live well."

For the Harris men, entering the tournament was a natural. "I love fishing. I would do it everyday if I could," Dal Junior says. "This was the second year our team participated. I think we came in fourth the year before. The good atmosphere, the crawfish and the lake — that's what makes the tournament weekend fun. It's a great time of the year, too. Everybody has been isolated for the winter and the spring is that first good sign of relaxing outside — not too cold or hot."

While the grown-ups head out on the lake to fish, the kiddos fish in a cove near the pavilion. One hundred and twenty poles were given out to contestants this year. "Every year we bring more poles and every year it's still not enough," Wiggins says. Prizes are given for biggest, smallest, longest and shortest catch, be it fish, turtle, weed or stick.

The golf tournament was added four years ago and the fishermen do their part to support it. "We give out five rods-and-reels to the golfers who have the worst scores," Wiggins says. "It's our way of saying they should think about trying another hobby."

Having Fun Is Hard Work

Planning for the next tournament begins the day after the last one ends as Dossett and Carolyn Clement, Supply Management PA Administrator, Amelia Base, book the resort and pavilion. Then they set to work securing all the vendor donations, which range from door prizes to soft drinks and beer, to picking up the green fees and cooking. "Nora and Carolyn do all the hard work," Wiggins says. "They're the reason the tournament is like it is today."

Wiggins' wife, Doris, daughter, Rochelle, and son, Ryan, also volunteer to help keep things running smoothly during the weekend. "We help check everybody in and hand out wrist bands so they can participate in the door prize drawings," says Doris. Door prizes feature the latest "gizmos of the year" as Kenney calls it, such as TVs, DVD players, CD players, video game chairs and Mp3 players.

Vendors also set up games of chance for kids to

play all day long. "You've got to keep the kids occupied; otherwise they'll get bored." There seems to be no danger of that. In addition to the games, each of the rig teams — blue, green and red — set up booths to give away caps and T-shirts with rig logos. "This year, the green team (*Discoverer Enterprise, Deepwater Horizon, Falcon 100* and *Transocean Marianas*) raffled off a flat-screen TV," Doris reports. "They made $5,000 and will donate that to charity. It really is like a family fair atmosphere."

Sue Landry, Radio Operator, *Deepwater Nautilus*, is another faithful volunteer. "It's a lot of work, but also a lot of fun. Before the event there are a lot of things to set up. Plans are made for where team tents will go, booths for registration, children's activities, prize distribution, band, food and of course beverages.

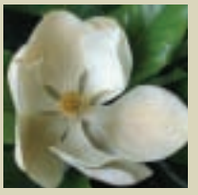
"Also, we make sure all our golfers don't go hungry or without liquids to help them have a fun-filled day. We all do whatever needs to be done. It doesn't matter if it's helping the guys put up tents, ice down drinks, set up registration or unload the truck full of supplies and prizes. It's all a labor of love for sure," Landry says.

"I attend the event because it's a great time to see and meet people you may talk to for years and never actually have a chance to meet," she continues. "Also you get to see people you do know from the office and rigs that you have worked with at some point over the years. It's sort of like a big reunion for us all."

"The best thing about the event is that it's a family affair and no one goes home hungry, thirsty, without bags full of stuff and friendships old and new," Landry says. "You can golf, fish, eat, drink, dance and play games for a couple of days every year. Who would want to miss that opportunity?"

If you don't want to miss out on the fun, plan now to attend the 13th annual tournament set for April 13-15, 2007.






Welcome to Cypress Bend

Cypress Bend Park in Louisiana is nestled in 114 acres of oak and pine trees along the Toledo Bend Lake, the fifth-largest man-made reservoir in the United States with 205,000 acres of water and 1,200 miles of shoreline. Just over a mile away from the park is the Cypress Bend Golf Resort & Conference Center which offers 95 luxurious hotel rooms and suites, an 18-hole championship golf course, spa and outstanding restaurant and lounge.

The leisure services desk at the resort will provide arrangements, directions and advice for area sightseeing, bicycling, boating, cocktail lake cruises, as well as water and beach sports at the nearby Cypress Bend Park and Pavilion.

The area also has abundant sightseeing and shopping opportunities including the following attractions:

Hodges Gardens: One of the country's largest privately owned gardens, the 4,700-acre property encompasses landscaped and natural gardens. Bicycling and mountain biking are allowed as are dogs on leash. Enjoy the gift shop and picnic areas.

Natchitoches: The oldest permanent settlement in the Louisiana Purchase, Natchitoches was founded in 1714, four years before New Orleans. The movie *Steel Magnolias* was written about the town and filmed here. The downtown historic district features many homes and buildings on the National Register. Gift shops, antique shops, cafés and fine dining are just some of the town's pleasures.

Plantations South of Natchitoches are the Beau Fort Plantation, Magnolia Plantation and Melrose. Beau Fort and Magnolia have beautiful gardens and extensive antique collections. Melrose was founded by Marie Therese Coincoin, a former slave. Yucca House at Melrose is the only example of African architecture on the North American continent. In the 1940s, the famous primitive painter, Clementine Hunter, was a cook at Melrose and her paintings are featured throughout the house.

Armadillo Junction: The open-air market is just 11 miles east of Toledo Bend. You'll spend hours shopping for antiques, collectibles, local folk art and crafts, plus souvenirs.

And what's a trip to Louisiana without attending one of its legendry festivals? The Cypress Bend area has several including three in April.

- Natchitoches Jazz/R&B Festival (April) with four stages of entertainment on the banks of the scenic Cane River in downtown Natchitoches
- Louisiana State Fiddlers Championship at Rebel State Commemorative Area in Marthaville
- Main Street Market & Antique Show held at Prather Coliseum on the campus of Northwestern State University

For a more complete listing, go to **www.louisianatravel.com** or **www.natchitoches.net** for festivals around the state.

Updated Storm-Relief Efforts Put People First

When the U.S. Gulf Coast entered the 2006 hurricane season in June, you could feel the tension from the southern tip of Texas to the Florida Keys. Residents wondered if this year would bring the same kind of turmoil and devastation that the 2005 season wrought with hurricanes Katrina and Rita. But the new season also brought a sense of resolve for companies like Transocean determined to use lessons learned to bolster emergency plans.

"In August, when Tropical Storm Ernesto looked like it might be a threat to the Gulf in late August, we started pulling files and began our hurricane-response process," says Amy Smith, Manager of North America Human Resources. The files included an up-to-date list of employees and their emergency contacts.

While Ernesto became a hurricane, it weakened and passed over Florida into the Atlantic. Hurricane Katrina last year was another matter as the storm disrupted GoM operations at a time of rising demand for rig personnel.

"When Katrina happened, it was a new type of event for us," Smith says. "We had a lot of new employees with incomplete information about them, such as how to reach them or their relatives in case of an emergency."

Another challenge was updating families about personnel on DP (dynamically positioned) drillships and semisubmersibles that moved out of the way of storms.

"We had a lot of calls from families onshore wanting to find out the status of their loved ones," Smith recalls.

So when Rita blew in a month later, a new plan was in place to have crews on the fleet of six DP rigs call home to let them know they were okay and moving out of the way of the storm. "This really helped decrease the number of calls and the level of anxiety for everybody," Smith says.

Thanks for Caring

The two hurricanes, mostly Katrina, interrupted the basics of life — shelter, food, water, transportation and access to money — for many employees in Louisiana, Mississippi, Alabama and Texas. HR teams worked with Rig Managers, Operations Managers, Amelia management and others to assist employees. The Amelia Supply Yard and Training Center in Louisiana became hurricane central helping employees obtain advance checks and offering a place to sleep before going to work on rigs offshore.

And when the travel agency in New Orleans that supports Transocean's GoM operations needed a place to keep working, the North America Division headquarters at Park 10 in West Houston set them up in temporary office space.

Helping the Community Recover

In addition to helping its employees and others, Transocean also provided personnel with more than $600,000 to replace or repair personal property. This amount included matching funds up to $50,000 set up for employees who made donations through the company credit union.

Transocean also made a $100,000 donation to the American Red Cross a few days after Katrina made landfall.

Reflecting on Katrina one year later, H.L. Poole, Maintenance Supervisor on the ultra-deep-water drillship *Discoverer Enterprise*, says most of the crew on his rig have gotten their homes back together with the exception of a couple of guys who lived either in New Orleans or in the surrounding area. Asked what lessons he learned, Poole sums it up well for the Transocean family. "If I had to sum it up in a word, it would be RESPECT. Respect for what Mother Nature can and will do without a moment's notice. It shows you what can happen to something as trusted as a home."

Hurricane tracking photo courtesy of NASA

Connecting with Customers

Deepwater Millennium

We would like to recognize the outstanding performance of the *Deepwater Millennium's* crews. During the course of the completion operations on Kerr-McGee's AT 37 #1 ST1 well, we encountered many challenging operations. Through good communication, planning and execution, we made it through the ups and downs without any major issues. All of us were on a learning curve and we feel that with the positive attitude that the Transocean crews displayed between themselves and the service crews, we were able to accomplish our goals in a safe and environmentally efficient manner. We always have room for improvement, but we feel that we have started off on an exceptionally good start. Please pass on to your crews our appreciation for their help and desire to achieve our completion goals that incorporated many "world record" activities. You truly have risen to the occasion.

Sincerely,
Dennis McDaniel
Sr. Completion Engineering Advisor
Kerr-McGee Oil and Gas Corp.

Ken Scott
Co. Man
Kerr-McGee Oil and Gas Corp.

Sedco Express

As we pass the milestone of the *Sedco Express* being one year officially on contract with BP Angola, I just wanted to express my appreciation for all that has been achieved in a very challenging 12 months. Together we have constructed some of the best wells ever in the history of the industry. That has been done without a single "Days Away from Work Case."

So please pass on my congratulations to your team. I look forward to building on this good start and exceeding even these substantial achievements in the next 12 months!

Best regards,
C. Graham Stewart
Resource Development Manager, Angola
Sunbury, U.K.

Deepwater Discovery

ExxonMobil and Transocean's *Deepwater Discovery* have very successfully partnered together for 14 out of the past 27 months drilling deepwater exploration wells off the coast of West Africa. During this period, we completed drilling operations on a total of seven wells; two directional wells in Nigeria, three multi-legged high-angle wells in Nigeria, one deep HTHP well in Nigeria and one deep HTHP well in Equatorial Guinea that included a gas well test. Total footage drilled was over 28,000 meters.

Over the total program, we experienced one minor incident resulting in a TRIR of 0.24 and one minor spill. The rig operated in 2005 and 2006 without a recordable safety incident and reached a one-year milestone without a recordable safety incident in March 2006. This personifies ExxonMobil's vision of "Nobody Gets Hurt."

Operating performance by the *Deepwater Discovery* during the ExxonMobil work program was outstanding. The rig management team, both office and rig based, along with all the rig crews, are to be commended for their can-do attitude, professionalism, cooperativeness, honesty and fairness as they consistently worked to meet our objectives in a safe and efficient manner. All wells were successfully drilled and evaluated within budget. Overall, non-productive time averaged 11.6% of which only 2.1% was due to rig equipment.

These safety and operating measures represent ExxonMobil pacesetter performance for deepwater exploration drilling. In recognition of this performance, ExxonMobil has contributed $5,000 toward an "End of Program" award, jointly matched by Transocean, which will be utilized for entertainment and gym equipment on the rig.

We look forward to future opportunities for working with the *Deepwater Discovery* team. The partnership has been enjoyable and one of the best operator-contractor relationships all of us have ever experienced.

Sincerely,
Dennis Hining, Field Drilling Mgr.
Lothar Niggeman, Engineering Mgr.
Jim Holub, Operations Supt.
Glenn Tesch, Operations Supt.
ExxonMobil

Transocean Rather

Firstly, forgive my late "thank you," but as I started to review names of people that have touched upon this project I found it worth the time to gather together as many as I could on this mail.

On Friday, September 8, 2006, the *Transocean Rather* went off contract after finishing the drilling operations of the Benbecula prospect in the Atlantic Margin. The well was a challenging deepwater exploration operation including:

- anchoring at 1200 m with a pre-laid anchor spread
- conductor jetting operations
- narrow fracture margins.

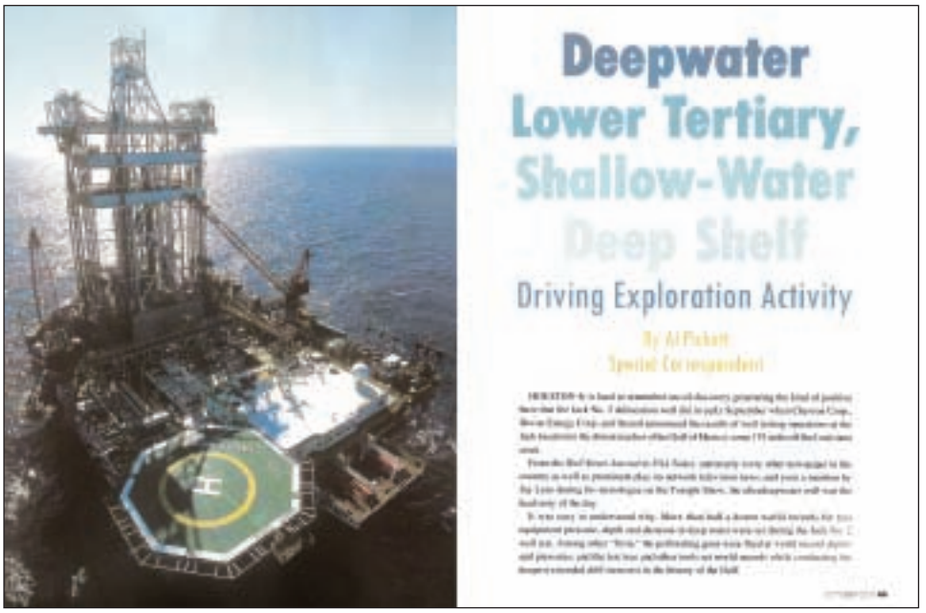
The activities revealed many challenges along the way and all the activities were performed in a controlled manner. During the Benbecula well, all parties showed a strong dedication to the safety culture on board fronted by Transocean's campaign 'Personal Responsibility for Safety' (PRfS) and

rigidly applying risk assessments of tasks (THINK planning) and the observation program (START reporting).

I wish to thank all the people who were involved in the planning and execution of the Benbecula well for your efforts and for achieving a safe operation. I hope you enjoyed it as much as I did!

Please pass my regards on to your staff working offshore.

Best regards,
Rune Alterås
Sr. Well Engineer
A/S Norske Shell



The Cajun Express *led off the* American Oil & Gas Reporter's *deepwater feature story in October 2006.*

Transocean John Shaw

On behalf of the Nexen Management team, I would personally like to thank everyone involved for their contribution to the successful installation of the first Buzzard concentric water injection well which was completed.

To my knowledge, this completion design is an industry first, and effectively combines two water injection wells into one well, which provides water injection on both the tubing and annulus. The cost savings to the Buzzard project in the use of this concept runs to several million pounds.

It is a credit to all concerned in achieving this significant milestone in the Buzzard project and a clear indication of the commitment and professionalism of the entire team. A first-class performance all round.

Keep up the good work and the excellent safety standards and please pass on this message to all of our service providers.

Thanks Again and Well Done.

Regards,
Colin Gibson
Drilling & Completions Manager
Nexen Petroleum (UK) Ltd.

Transocean Richardson

We are now just a couple of days away from the completion of an extremely successful Drilling and Completion campaign with the *TO Richardson* on Baobab. On August 7th 2003 the *Richardson* departed the Gulf of Mexico, and November the 11th that year the first well was spudded. In the nearly two and a half years since then there have been too many notable achievements to mention here along with a few difficult days on some challenging wells.

Throughout the programme the dedication of the Transocean crews and management, and their desire to achieve exemplary performance, has always been evident. The continual improvement in rig operational efficiency has contributed to the overall success of the Baobab project. Safety performance has been outstanding, and the *Richardson* has set a safety benchmark that CNR use throughout all its other drilling and completion operations. As you may be aware CNR has secured the *Transocean Prospect* for a two-year contract in the North Sea — the *Richardson* has set them a tough act to follow. It is likely that, in the months to come, those involved with the *Prospect* may well become sick of hearing me compare them to the *Richardson*!

CNR would like to thank all those involved for their contribution in making the wells of Baobab Phase 1 the successful and safe operation that it has been. I would be delighted to use the *Richardson* and its people again on future CNR operations. We wish all crew and management the same success, and safety, in their next contracts.

Best Regards,
David Spooner
Manager, Drilling & Completions, U.K. & International
CNR

Interocean III

I suppose your computer will not show the subject title where I wrote in Japanese "有難う." That word is pronounced, "A-LI-GA-TO," and it means "Thank you very much."

We have drilled to target and set all the casing without any injury to anyone. This is my first priority. I will never forget this well and you. We plan to do a drill stem test and a temporary plug and abandonment next.

I wish your continuous success and cooperation, and please let me say again, "A-LI-GA-TO."

Jun Hosomi
Operations Manager
AOC

Corporate Report

New design drillship pushes operations depths to meet future needs

This October 2006 Offshore Magazine *story by Gene Kliewer, International Editor, is reprinted with the publication's permission*

To build the drilling rig of the future, designers need to know what the operations of the future will require. It also helps to know what works today and what needs improvement. These were two of the main questions at Transocean when the decision was reached to plan the rig for the future. Before two clients signed long-term contracts for three newbuild enhanced Enterprise-Class drillships, Transocean decided to launch design work to push the technology. What provided the last impetus was information from oil and gas operators. Those operators shared programs for wells that cannot be drilled with existing equipment, and this was the final bit of data that resulted in the work now being done on a rig that can meet those next-generation operating parameters.

Transocean spent time studying the demand for ultra deepwater rigs and the prospects which would require them, and concluded that "there is going to be extensive, long-term demand for rigs like the Enterprise-class, and for more robust, higher-capacity, efficient rigs," according to Mike Hall, vice president, engineering and technical services. Once Transocean started working

Below: Rendering of Transocean's new drillship *Clear Leader*. (Inset) One of the areas requiring development is the top drive system.

on the design, it sent employees to its West African, Brazilian, and Gulf of Mexico customers to identify what they wanted to see in such a rig.

What came out of those meetings was that another *Discoverer Enterprise* would not meet all the demands expected in the near future. "So, we started to identify enhancements," says Hall. There were four big areas in which significant enhancements are being addressed. They are the top drives, mud systems, tree-handling capacities, and power management. The practical results will be seen on the *Discoverer Clear Leader* when the drillship debuts in 2009, according to the current schedule.

Tree handling

Transocean says the Enterprise-class rigs have extensive subsea tree/BOP handling systems. The newbuilds, two that will work for Chevron and one for Hydro, will have even more capacity. "Operators want not just one or two trees, they want three or four assembled, tested, and on the deck ready to go," says Hall.

The *Discoverer Clear Leader* has an initial contract with Chevron, and Chevron wanted enhanced dual-activity capacity. So, the rig will have two complete BOP stacks, lower marine riser packages, pods, etc. As Transocean sees it, dual activity works especially well in the top-hole stage. The concept is for one rotary to drill the top hole — jetting in casing, drilling out, pulling up, running the next casing — while the main rotary is testing and lowering the BOP stack. In this way, by the time the top hole is done and waiting on cement, the BOP is at the bottom waiting to be moved into place.

"In deepwater, you save as much as three to four days testing and running the BOP and riser," says Hall. This can be valuable especially in the GoM where the distance between wells may be short. Hall says that while it may be only a six-hour sail to the next location, it can require three or four days to complete the preparation and maintenance required on the BOP stack.

"Not on all the wells, but on the well-planned ones with little or no transit time between well locations, we sometimes find ourselves with the top-hole finished and we are still running the BOP," says Hall. "In some cases, the BOP is not ready, and that's just changing ram rubbers, annular elements … the basic things that have to be done every time you start a new well. So, we and Chevron considered the idea of two BOP stacks. That way, you have one BOP stack on the deck ready to go. When you pull one BOP up and set it back, you move the other one out and you save all the time spent on normal between-well maintenance. We will have this dual BOP arrangement on two of the three newbuilds. When you consider the economics, if it saves even half the time we expect, it pays for itself very early in the drilling contract."

Efficiency

One significant result of the work being done on the *Clear Leader* design is a more efficient drilling and material-handling operation. That is perhaps best illustrated in the tree handling process. In the rig of the future, production trees will be assembled nearer the well center and will not require as much handling on the rig. The handling system allows for fully assembled trees to be delivered to the rig and lifted onboard in one lift. The system is designed to handle large trees weighing up to about 100 tons. In addition, several trees can be fully tested and ready to go.

This drive for efficiency extends into most of the rig's subsystems. For instance, the mud system will have excess capacity. Transocean typically uses six shale shakers on its drillships but plans for 10 on the new generation deepwater rigs. In this design, if there is a problem with one of the shakers, it can be bypassed without shutting down operations because of the extra capacity. The design extends into the entire cuttings handling process. Not just the shale shakers, but also the rest of the cuttings-cleaning system all the way to the storage capacity for cuttings after they have been cleaned.

"To retrofit such things, it is hard to find space," says Hall. "It is not something that was designed in and you end up using a lot of undesirable space in order to accommodate the extra equipment. In the case of the new design, there is a lot of space being dedicated to this equipment. And, we are incorporating the latest cuttings-management technology.

"The rig is being designed to accommodate all the equipment," says Paul Tranter, vice president of performance and operations at Transocean. "That is going to make it easy to install."

There are issues surrounding mud handling on rigs without sufficient capacity or deck space. There may be room only for a small tank to catch cuttings, and it may be necessary to slurry the cuttings in order to pump them up to where the tank was placed. In the new design, Transocean is planning to avoid this. In addition to having sufficient tank space to catch cuttings, an auger system is planned to move the dry cuttings into a container placed at the same level as the cuttings outflow.

"From our perspective, it is just providing space at the right elevation rather than having to do some unusual pumping or crane handling," says Hall. "The operators provide all the cuttings handling equipment, and the technology is changing rapidly. When the first rig is delivered in three years, the equipment may not look the same as it does now. With input from operators and equipment suppliers, we are taking into account the expected changes and will have enough space for it."

Top drive

The top drive was identified as an area needing improvement. The Enterprise-class rigs were designed with 1,000-ton drilling centers. The new drillships will have 1,000-ton crown blocks/traveling blocks and 1,250-ton top drives. On the top-drive side, Transocean is working with Aker Kvaerner MH to develop a more robust top drive than those currently available. One objective of the new design is to limit maintenance requirements so drilling operations are not interrupted. Maintenance would be done as time becomes available rather than on regular intervals. The design approach is to use sealed components and automatic lubrication, along with heavy-duty components that do not require maintenance as often.

"We were seeing units on our Enterprise-class rigs with a life of less than three years before requiring shop time and rebuilding," says Hall. "It is not because of bad designs, but because of the way we are using rigs these days. The equipment is designed to API specifications, but it is designed under rules written around usage factors existing in the 1950s and 1960s. When you take a dual-activity rig today, that top drive is working much more of the time and it is working near its rated capacity much more of the time."

As an example, Hall cites Transocean's experience with the 750-ton unit on the Enterprise-class units. Much of the time, the unit is drilling with 600 to 700 tons, and tripping loads exceed 700 tons.

"We are operating right there near rated capacity most of the time and we are simply wearing the machines out much faster," he says. "Recognizing that, we are putting in components which should have 10 years-plus life, even if they are used at their rated load a large percentage of the time."

Transocean and AKMH are looking at another aspect of the top drive, modular design. The target is to have large, modular components which can be removed and replaced with another — on the rig and in a short time. Heretofore, a top drive failure might require a disassembly of the unit while it was hanging in the derrick, or complete removal and shipment to a shore-based shop.

"We are designing the new unit to have a lot longer life between overhauls and to require less intrusive maintenance. If something does happen, we are designing it to be much easier to repair and to be repaired always in the field, never on shore," says Hall. "With existing units, if something goes wrong and you have a spare top drive, you still may be looking at three days or more of downtime. If you do not have a complete spare unit, a main bearing replacement, for example, typically means taking the unit to the shop. Getting it there, fixing it, getting it back to the rig, and getting it reinstalled can consume six to seven days, minimum.

"If we have all the spare modules for the new unit on the rig, the longest out-of-service time we expect is on the order of eight hours to change out anything — gear box, main bearings, shafts, whatever."

There is a safety aspect to the modular design, too. It is being designed to sit on the rig floor which means none of the work will have to be done in the derrick. The only height involved will be the height of the top drive, itself. That means scaffolding 15-20 ft high

Comparison of Discoverer Enterprise (Enterprise-class) and Discoverer Clear Leader (enhanced Enterprise-class) drillships

	Discoverer Enterprise	*Discoverer Clear Leader*
Operating Water Depth	10,000 ft (3,048 m)	12,000 ft (3,660 m)
Drilling depth capacity	35,000 ft	40,000 ft
Storage Capacities: Riser storage	10,000 ft	12,000 ft
Cranes	4 ea x 75 mt	4 ea x 100 mt
Major Drilling Equipment		
Dual Activity Derrick	2 x 1050 tons	2 x 1300 tons
Top Drive	2 x 750 tons	2 x 1250 tons
Rotary	2 x 60.5 inch/1000 ton	1 x 75.5 inch/1000 ton (fwd) 1 x 60.5 inch/1000 ton (aft)
Drawworks	2 x 1000 tons CE EH-V	2 x 1000 tons NOV AHC
Motion Compensation	2 x crown mounted	2 x Active heave drawworks
Drilling mud/completion fluids system		
Liquid mud/completion fluids	15,400 bbls	20,000 bbls
Active mud	6,000 bbls	8,000 bbls
Reserve mud	9,000 bbls	11,600 bbls
Slugging tanks	400 bbls	400 bbls
Mud pumps	4 x 7500 psi triplex	5 x 7500 psi NOV HEX
Shale shaker	8 x Brandt LCM-2D	10 x Brandt LCM-3D
Subsea and well control		
Marine Riser (21 in x 75 ft joints)	Class F (2.5mm lb) couplings	Class G (3mm lb) couplings
Blowout preventer	1 x 15k psi x 18-3/4 inch	2 x 15k psi x 18-3/4 inch
Diverter	2 x 60 inch bore	1 x 72 inch bore (fwd) 1 x 60 inch bore (aft)
Well test provisions:		
Wellbore fluid storage	125,000 bbls	125,000 bbls
Tree handling	1 x 75 ton	simultaneous 3 x 100 mt

rather than climbing a third of the way up the derrick to a special parking area and possibly requiring a riding belt.

The most complex technical challenge being met involves the power supply. While much of the new hardware on the drillship is an extension or extrapolation of the existing equipment, the power plant design is not. "It is the most interesting challenge and where we are genuinely doing something different," says Tranter.

Transocean is working in partnership with Siemens to develop a revolutionary electrical-distribution system that will provide enough power under all conditions to every area of the rig. More important, the system will significantly help reduce the risk of power loss or "blackouts" during operations. For example, its enhanced fault-tolerant design will provide greater power availability compared with conventional redundant systems.

In addition, Transocean's Advanced Generator Protection System will enable the power plant to counter more effectively any electrical problems, should they arise. Kongsberg is providing the DP (dynamic positioning) and control system, and Rolls Royce is supplying the thrusters.

"All of these things have to be completely integrated to give us the reliability we want," Tranter says. "If any one part of the system breaks, everything halts. So, integrating all of these has been a challenge."

Transocean Inc. Announces Management Appointments

Transocean Inc. (NYSE:RIG) has announced several appointments within the company's senior management team with each appointment effective October 18, 2006.

Jean P. Cahuzac has been named President of Transocean Inc. Mr. Cahuzac, who previously served as Executive Vice President and Chief Operating Officer of the company, will report to **Robert L. Long**, who will continue to serve as Chief Executive Officer of Transocean Inc. and as a Director of the company. Mr. Cahuzac joined a predecessor company of Transocean in 1979 and has held various international technical and senior management positions in the oil and gas industry over the past 27 years. He holds a degree from Ecole des Mines Saint Etienne and the French Petroleum Institute.

Steven L. Newman has been named Executive Vice President and Chief Operating Officer of Transocean Inc. Mr. Newman previously served as Senior Vice President of Human Resources and Information Process Solutions. He joined the company in 1994 in the Corporate Planning Department and has served as Vice President of Performance and Technology and in several regional and division operations roles. Mr. Newman holds a Bachelor of Science degree in Petroleum Engineering from the Colorado School of Mines and earned an MBA from the Harvard University Graduate School of Business.

David J. Mullen has been named Senior Vice President of Marketing and Planning for Transocean Inc. Mr. Mullen previously served as Vice President of the company's North and South America Unit. Mr. Mullen has 25 years of experience in the oil and gas field including 22 years with Schlumberger Ltd. He originally joined Transocean in 2001 as Vice President of Human Resources before rejoining Schlumberger in 2002 as President of Schlumberger Oilfield Services for North and South America. He holds a degree in Geology from Trinity College in Dublin, Ireland, and a Master's degree in Geophysics from the College of Galway, Ireland.

Robert (Rob) J. Saltiel has been named Senior Vice President of the company's North and South America Unit. Mr. Saltiel, who joined the company in 2003, previously held the position of Senior Vice President of Marketing and Planning. Prior to joining Transocean, he served as Vice President of Corporate Marketing for Nabors Industries and began his career as a process engineer for ExxonMobil. He later joined McKinsey & Company as a consultant to energy clients in the upstream, downstream and oil services segments.

Mr. Saltiel holds a Bachelor's degree in Chemical Engineering from Princeton University and an MBA from the Kellogg School of Management at Northwestern University.

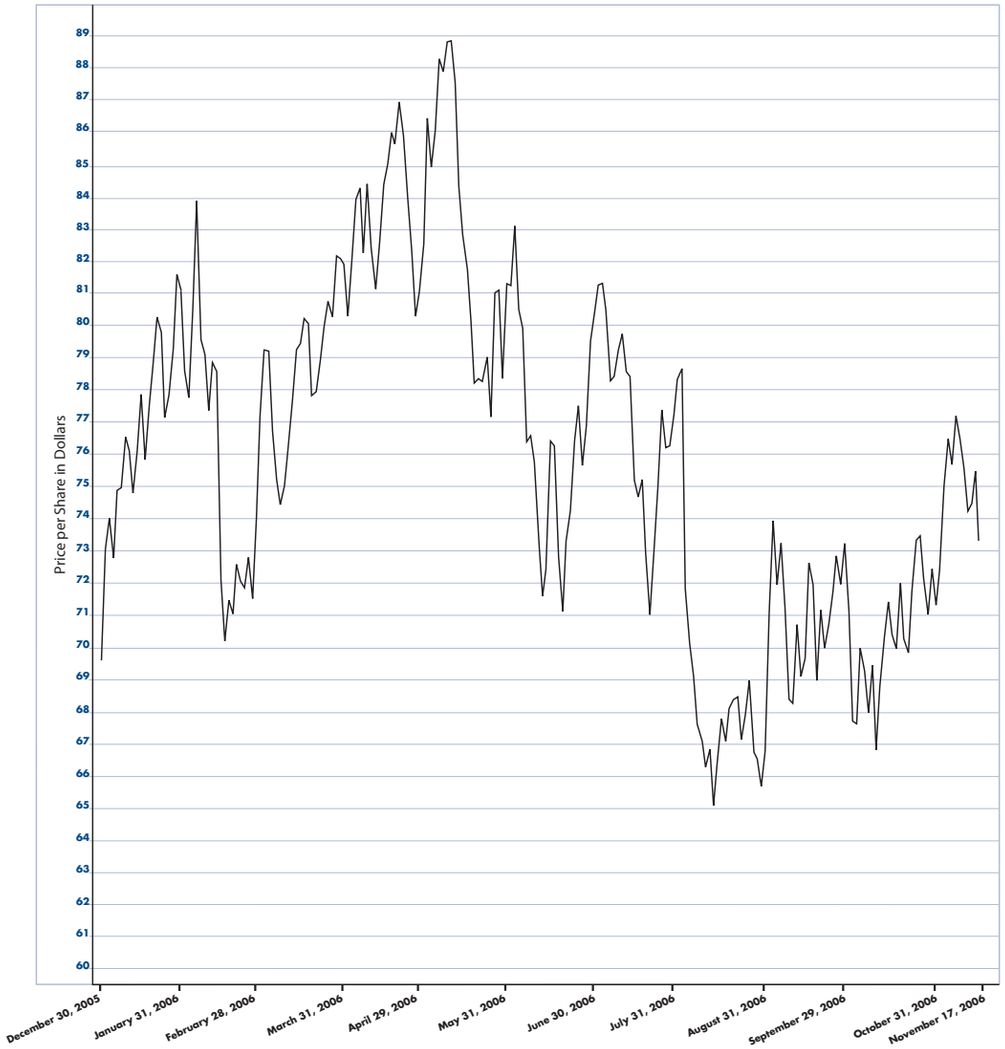
Finally, **Ian Clark** has been named Vice President of Human Resources for Transocean Inc., reporting to Jean Cahuzac, President, effective December 16, 2006. Clark joined a predecessor company in 2000 as Region HR Manager for Africa and Middle East following a 20-year career with the Schlumberger group in positions of increasing management responsibility. From 2001 to 2004, he served as District Manager for Nigeria. From 2004 to July 2006, he was Director, Compensation and Benefits, and last July, he became Manager of the North East Asia Division in the Asia Pacific Unit.

Clark earned a Bachelor's degree in Electrical and Electronic Engineering from Heriot Watt University in Edinburgh, Scotland, and earlier this year graduated from the Advanced Management Program at Harvard Business School. He is a member of the Society of Human Resources Management, the Society of Petroleum Engineers, the Society of Professional Well Log Analysts and he is an Associate Member of the Institute of Electrical Engineers.

Measuring Our Success

Transocean Stock Price Performance

December 30, 2005 to November 17, 2006



The price of Transocean common stock closed at $73.39 on November 17, 2006, compared with $69.69 on December 30, 2005. The company's stock trades under the symbol RIG on the New York Stock Exchange.

Transocean Fleet Utilization YTD 2006

By Rig Type	**Utilization**			
	First Quarter	Second Quarter	Third Quarter	Nine Months Ended Sept. 30, 2006
5th Generation Deepwater Floaters	92%	89%	88%	90%
Other Deepwater Floaters	83%	70%	75%	75%
Other High-Specification Floaters	89%	98%	93%	94%
Total High-Specification Floaters	87%	81%	82%	83%
Other Floaters	73%	74%	86%	78%
Jackups	91%	93%	96%	93%
Other Rigs	58%	62%	76%	64%
Total Drilling Fleet	**82%**	**81%**	**87%**	**83%**

Transocean Safety Performance YTD September 2006	
By Unit	**TRIR***
Asia and Pacific Unit	0.86
Europe and Africa Unit	0.94
North and South America Unit	0.89
Company Total	**0.86**

**Total Recordable Incident Rate per 200,000 hours worked.*

4 Greenway Plaza Offices Unveil New Look

On November 6, 2006, CEO Bob Long led Houston employees in dedicating and touring the newly remodeled offices at 4 Greenway Plaza, starting with a blue-ribbon-cutting ceremony replete with refreshments.

The remodeling effort, led by Robbie Pratt's Facilities' team, includes a new ground-floor lobby with a receptionist area fronted by a six-ton granite "kugel" ball fountain of the world, a global map of Transocean rigs and two video screens showing TV programs about Transocean. The granite ball fountain states up front for visitors: "…an incident-free workplace — all the time, everywhere."

Downstairs, a new Transocean Wellness Center provides the latest in exercise equipment, from weight-lifting machines to stationary bicycles and treadmills. Center registrants received a complimentary Transocean visor and towel.

Upstairs, new offices with glass doors and walls provide an open look with improved lighting while meeting rooms allow for teams to work together and with others around the world via video conferencing. Also, larger kitchens for coffee breaks and lunches have areas for visiting and TVs. Employees who moved received a Starbucks gift card, welcoming them to locations which feature all new furniture and telephones.

"We appreciate the assistance and patience of everyone during the transition from the old offices to the new ones," said Pratt. "It has taken a tremendous amount of work to get to this stage, and I am proud of everyone who participated."

By the end of the year, everyone in the Greenway Plaza complex will be working from 4 Greenway Plaza.

For information about the video map and TV programs about Transocean, please contact Guy Cantwell, Manager, Corporate Communications, at gcantwell@houston.deepwater.com.

CEO Bob Long presides over the dedication ceremony for the remodeled 4 Greenway Plaza lobby and offices.

Vice President and Controller, David Tonnel surveys the new "kugel" ball fountain in the 4 Greenway Plaza lobby.

Meeting the Expectation — ZERO

The following 29 rigs achieved Zero TRIR* for the nine months ended September 30, 2006:

Asia and Pacific Unit:

Actinia
Roger W. Mowell
Shelf Explorer
Transocean Nordic
Randolph Yost
Trident 2
Trident 6
Trident 12
Trident 15
Trident 17

North and South America Unit:

Discoverer Deep Seas
Discoverer Spirit
JOIDES Resolution
Sedco 135D
Sedco 707
Transocean Amirante
Transocean Driller

Europe and Africa Unit:

Deepwater Discovery
Interocean III
Searex 10
Sedco Energy
Sedco Express
Sedco 711
Sedneth 701
D.R. Stewart
Transocean John Shaw
Transocean Winner
Trident 4
Trident 14

**Total Recordable Incident Rate per 200,000 hours worked.*

Press Box
Media Mentions

Quest for Oil Goes to the Ends of the Earth

One hundred and forty miles out into the Gulf of Mexico, the most high-tech drill ship in the world is drilling a well 4,300 feet below the water.

The equipment being pushed down into the ocean from Transocean's Discoverer Deep Seas ship must pass through a canopy of salt, and even the latest seismic technology cannot clearly reveal what is underneath.

...Chevron has agreed to pay double the current $245,000 a day to hang on to the Discoverer Deep Seas when its lease on it expires within the next two years. The vessel is one of only 10 rigs in the world capable of drilling in 10,000 feet of water and the only one that has gone beyond 10,000 feet in drilling for oil.

Financial Times
October 9, 2006

Deepwater Delivers

The romance of deepwater exploration is undeniable. During the past decade, monster finds have been made in deepwater's Golden Triangle of the Gulf of Mexico, offshore Brazil and offshore West Africa.

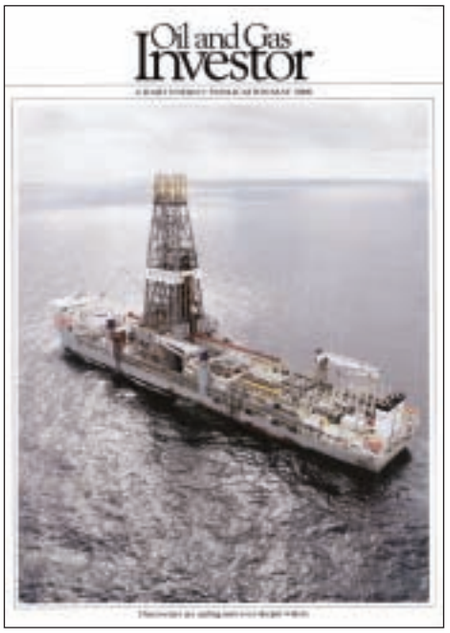
And the quest is just beginning…

"…The biggest single factor driving deepwater activity is the success that operators have been having," says Robert Long, chief executive officer of Houston-based Transocean Inc. "The three major deepwater areas — the Gulf of Mexico, Brazil and Africa — are delivering on their potential."

Oil and Gas Investor Magazine
May 2006

Improving Ultra-deepwater Performance

Transocean claims 19 of the past 23 world records for drilling in the world's deepest waters. That the company has been able to amass such an enviable record is no coincidence; it's the result of corporate vision and planning for tomorrow. A couple of recent examples show how the company is investing in rig performance improvements that will enable it to drill safely in even deeper waters in the near future.



The May 2006 edition of Oil and Gas Investor *Magazine featured the* Discoverer Deep Seas.

Already thinking how best to equip the latest generation of floaters, Transocean is focusing on the next-generation top drive. A nine-member Top Drive System/Pipe Handling System (TDS/PHS) performance team was formed to study the possibilities and challenges of developing systems that would exceed even those systems used in the company's record-setting performance to date…

…Called the Modular Derrick Drilling Machine (MDDM), the prototype top drive of the future is being built based on Aker Kværner's original design with considerable input from Transocean's engineering team…

…User input played a key role in the final design.

"The first-hand comments and suggestions from our rig crews really made a difference in the project, and we will continue to involve them along with other Transocean resources for feedback and assistance," said Project Manager Ron Swan of Transocean, noting the contribution of maintenance and drilling experts from across the company…

…While world records look nice in the company's trophy case, Swan was quick to note, "Our team is dedicated to getting systems right the first time, that perform as our clients expect every time. The company's reputation as the technical leader in the eyes of our clients and employees demands no less."

2006 Global Offshore Report
E&P Magazine
Dick Ghiselin, Technical Director
September 2006

Going Deeper

On the open top deck of the Discoverer Deep Seas, all eyes were on a drill bit 12 inches in diameter and slick with mud.

The bit had reached down through 4,300 feet of water in the Gulf of Mexico and penetrated nearly 3 miles into the ocean floor…

The well is just one of six being drilled as part of the first phase of a Chevron oil field 140 miles off the coast of south Louisiana… The Tahiti field, as Chevron has named it, is expected to begin producing oil and gas in 2008.

While companies have been able to drill in water deeper than 4,000 feet for some time, only in recent years has technology evolved to the point that the industry can extract oil from such depths. Now that it's possible, the race is on to drill wells in deep portions of the Gulf while coming up with technology to expand the industry's reach even further…

"That's one of the biggest trends that we're seeing right now. There is a big interest in deep water and deep water has increased the petroleum production in the Gulf significantly," said Transocean spokesman Guy Cantwell. "The demand for our deep-water rigs is very strong. It's the strongest we've seen in 30 years or more."

The New Orleans Times-Picayune
September 3, 2006


Make the Right Move
When it comes to your career you want to make the right move. At Transocean you can do just that.
We are the largest and most experienced offshore driller worldwide, with industry-leading positions in ultra-deepwater and harsh-environment drilling. At Transocean you can work with some of the most advanced rigs in operation in the world, operations that set records in technical firsts, efficiency and safety.
We also have some of the most experienced people in the industry so you will have the opportunity to learn from and share with some of the best minds anywhere. And we offer competitive salaries, bonuses, benefits, equal time off (usually 28 days off for 28 days worked offshore) and the industry's best on-the-job training program.
Visit the Career Opportunities section of our website at www.deepwater.com/CareerOpportunities.cfm for a list of job openings and to contact us about working with Transocean.
Transocean®
www.deepwater.com

www.deepwater.com

4 Greenway Plaza
Houston, Texas 77046
713.232.7500