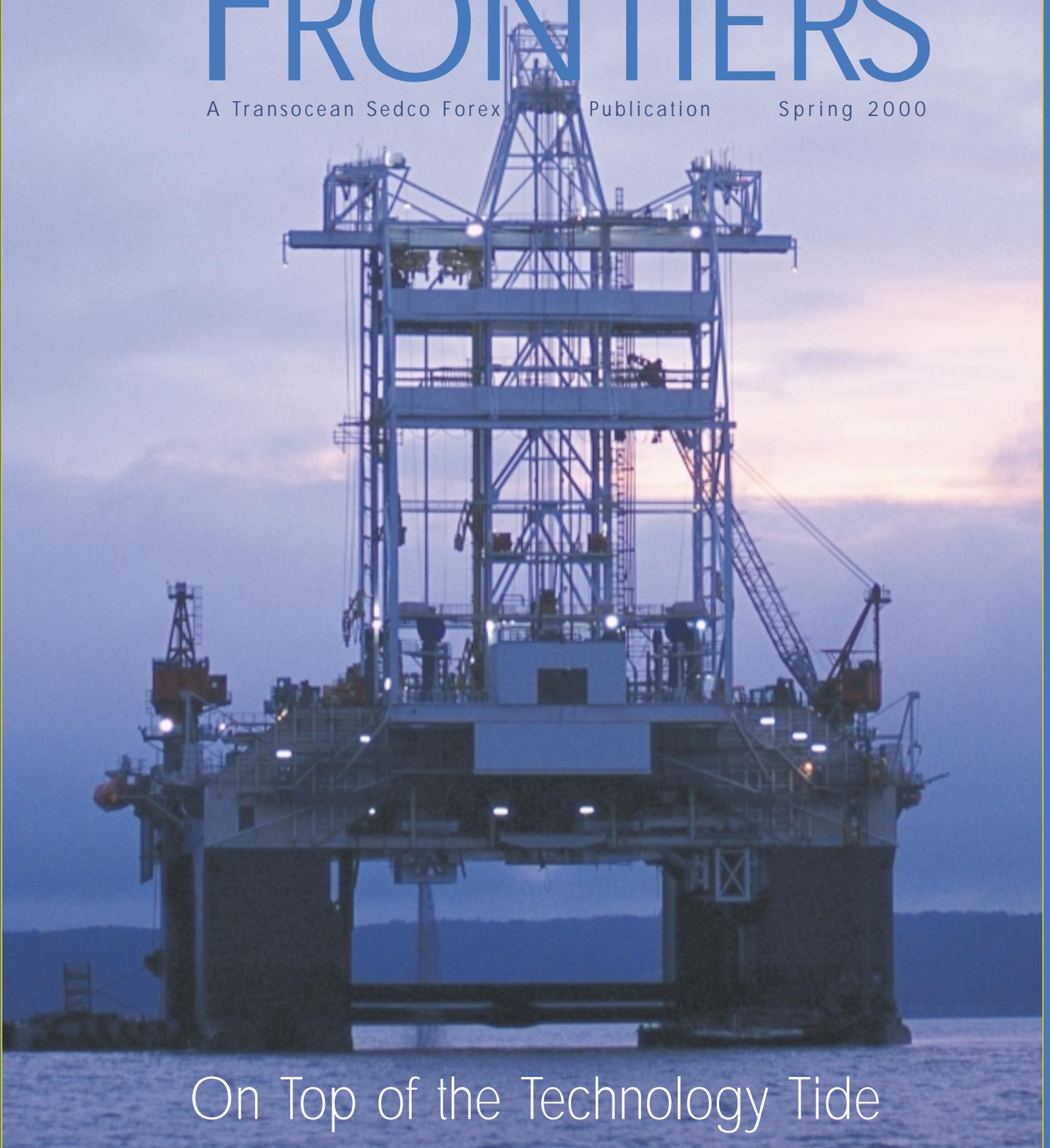
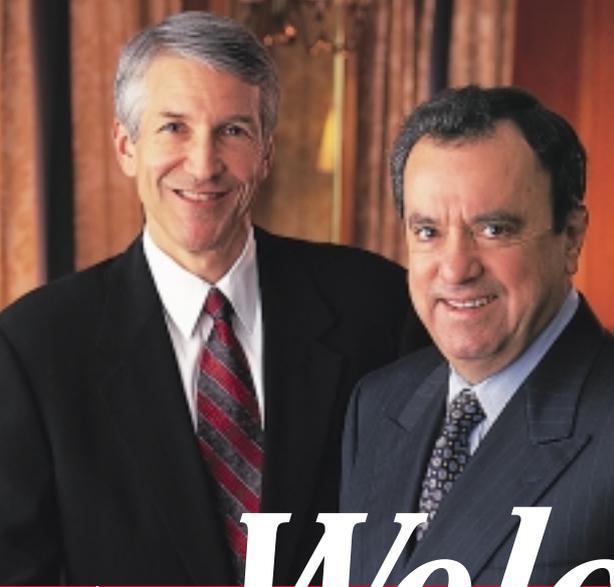


OFFSHORE FRONTIERS

A Transocean Sedco Forex Publication Spring 2000



On Top of the Technology Tide



Victor E. Grijalva, Chairman (right),
J. Michael Talbert, President, CEO

Welcome

Never has there been a more exciting time to work for Transocean Sedco Forex.

Employees' creative spirit and sense of teamwork are evident every day in the outstanding work performed across our global offshore drilling fleet. This spirit comes to life in the first edition of *Offshore Frontiers*, which features some of the company's latest technological advancements that occurred during the first quarter of 2000. The newbuild *Sedco Express-class* semisubmersibles and *Enterprise-class* drillships, as well as the upgraded *Transocean Marianas* and the *Sedco 600* series of rigs have made major strides toward setting new industry standards for deepwater drilling.

Also during the first quarter, employees responded by e-mail with feedback about our working core values and mission of being the premier offshore driller, and those responses were being evaluated at press time of this publication. In another e-mail request, employees enthusiastically helped name the company's publications in a global contest, and we congratulate the six winners and thank everyone who entered.

All these developments indicate that our spirit of teamwork and our business focus are stronger than ever. These developments could not come at a better time. We believe that our industry is beginning to experience a balance of supply and demand of crude oil that has been absent since late 1997. This trend should drive ongoing growth in demand for offshore drilling rigs. Already since the start of the year, several units that had been idle have returned to work in the North Sea, Southeast Asia, West Africa and U.S. Gulf of Mexico.

In short, we have the people, the assets, the technologies, the values, the mission and the environment in which to succeed. For those reasons and many others, we think you'll agree: there has never been a more exciting time to work for Transocean Sedco Forex.

Handwritten signature of J. Michael Talbert, President, CEO.

Handwritten signature of Victor E. Grijalva, Chairman.

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Spring 2000

Volume 1. Number 1



Inaugural Edition

Offshore Frontiers will be published quarterly for our employees, retirees, customers and other key audiences.

Also published quarterly for employees will be *On Location*, designed to keep up with offshore personnel around the world.

Submit ideas, comments and articles for the next issues of *Offshore Frontiers* and *On Location* BY JUNE 15, 2000 to:

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Visit us at our Web site:
www.deepwater.com

On the Cover:
The *Sedco Express* near Brest, France, is leading the way in redefining semisubmersible rigs.

FEATURES

Transocean Sedco Forex is in deepwater. But with technological advances we have pioneered, we're not in over our heads. Our customers now have powerful new tools for exploring and drilling in deepwater frontiers. This inaugural *Offshore Frontiers* edition introduces our headline-making rigs.

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Industry's first Tri-Act derrick

Capable of operating in 8,500 feet of water

Targeted ef

Sedco Express:

Advanced ultra-deepwater semi • Lower overall mud costs • Enhanced communications • Faster penetration rates



Redefining Semisubmersible Rigs

At first glance from the arriving crew boat, the well-lit rig miles away on the frothy bay could be any semisubmersible arriving or departing from the DCN shipyard near Brest, France.

But from just a mile out and minutes before dawn in February, the gleaming *Sedco Express* lights make one thing clear: This is no ordinary-looking offshore drilling unit. And the work that the rig and her two sister units are about to carry out will write an extraordinary chapter in the history of deepwater drilling.

From innovative pontoons that house main engines, winches and other equipment to the top of their distinctive 190-foot Tri-Act derricks, the *Sedco Express*, *Cajun Express* and *Sedco Energy* are built to drill faster and more efficiently. Customers now have a powerful new tool to explore for oil and natural gas reserves in the deepwater frontier.

The *Sedco Express* stands tall on her pontoons on the bay, with old World War II German U-boat bunkers silent on one nearby shore and a modern French nuclear submarine base busy on the other. As the crew boat arrives, contractors and employees can be seen putting the finishing touches on advanced equipment on deck.

Unlike most semisubmersible rigs, the *Sedco Express* derrick stands on the aft end of the rig, instead of in the middle of the deck. What makes the derrick area even more exceptional is that it is a hub for time- and cost-saving parallel work processes. Instead of sequential drilling steps taken on a conventional rig, the patent-pending Tri-Act derrick can conduct triple activity by drilling, making up the next set of tubulars at one station and laying down tubulars at a second station.





Triple, Double-Time

“Our goal is to use parallel work processes and other efficiencies to reduce total well-construction time by 25% or more,” says *Sedco Express* Rig Superintendent Mike Prati. “One of the keys to our success will be this rig’s ability to run triple sections of drill pipe for a section total of 135 feet, compared with the industry standard of 90 feet. We will also run triple sections of 41-foot casing and double sections of 65-foot riser, while conventional rigs still run single sections.”

Standing a Semi on Its Side

To support these scaled-up operations, the Tri-Act derrick area has the setback capacity of 2,550 metric tons — equal to the entire deckload of a conventional semisubmersible. “Imagine taking all the tubulars on the *Sedco 712* and standing them back in the derrick area on one end of the rig. That’s what you have with the *Sedco Express-class* rigs, plus 30,000 square feet of unobstructed deck space,” Prati says.

Today, Iain Hope, manager of the *Sedco Energy*, which is a few miles away at the DCN shipyard for final outfitting, is visiting the *Sedco Express*, which was built at the same yard. These rigs and the *Cajun Express*, constructed at a Singapore shipyard, are “very exciting and challenging technical achievements,” Hope says. “In order to create a step-change improvement in deepwater drilling performance, you need the same type of advanced equipment and parallel work processes that the *Sedco Express* rigs have in common with the *Enterprise-class* drillships.”

For example, crewmembers use state-of-the-art electronic controls to operate the deck riser gantry crane, two deck pipe-handling machines, twin stations for casing and iron roughnecks and the drawworks. Advanced software — like the kind General Motors uses with precision to insert screws into vehicles moving down assembly lines — supports tubular-handling equipment on the *Sedco Express* rigs.

This drilling-related software can “learn” certain steps of the well-construction process, so that it can become more automated. For example, each time one of the pipe racking systems stands a tubular back into the setback area, the equipment “remembers” how far it traveled to deliver the pipe or casing and “knows” how far to travel to place the next section.

Communication Supports Teamwork

Effective communication between crewmembers is crucial on any rig, but even more so on the high-specification *Sedco*





Express units. “One of the rigs’ major advantages is the consolidation of work stations, so that people can work more closely together,” Hope says. “Instead of having separate cabins for mud logging, drilling and wireline logging, as you would on a typical semisubmersible, this rig has integrated them into a well-construction center, where drillers and assistant drillers work alongside measurement-while-drilling and logging-while-drilling personnel, among others.”

The *Sedco Express* rigs’ fluid management system, which includes 7,500-psi mud pumps, are designed to lower overall mud costs and increase penetration rates up to three times, depending on hole size. “In the pontoons, we can hold more than 6,030 barrels of weighted mud in reserve,” Hope says. “This capacity, in addition to that in the deck box storage, give us an impressive 11,700 barrels of total mud storage, plus 6,175 barrels of brine and base oil storage.”

Yet another advantage is the fluid engineering center, which regroups the mud analysis lab, mud logging services and mud mixing and cementing equipment control consoles. Most other semisubmersibles have separate stations. Conventional rigs also lack a mud analysis lab. So, they must send fluid and mud samples to an onshore facility, a process that can take days. “Like everything else, this arrangement allows a better integration of services and enhanced communications,” says Marty Hebert III, *Cajun Express* Rig Manager.

[From the World Cup to Offshore](#)

Work on the *Express-class* rigs is made easier by a closed-circuit television (CCTV) system similar to the one used at the 1998 World Cup in Paris, France. With 65 cameras, 15 monitors and 96 channels, the system lets personnel see virtually every step of a job on the rig.

“Anybody, anywhere on the rig can know what is happening through the CCTV, the integrated public announcement audio system, the ‘distributed control network’ and the rig-area computer network, which is a Gigabit, Ethernet system,” explains Senior Project Engineer Don Coonrod.

Supporting the rig video network, as well as two other networks for controls and communications, are banks of computers, capable of conducting 100,000 control transactions each second.

[Powerful Pontoons](#)

Beneath the deck, the pontoons are home to the main engines, mud storage, BOP multiplex control system, air compressors and anchor winches. This layout provides another major



improvement, compared with conventional semisubmersible rigs. “By relocating equipment in the pontoons, the rig has a better weight distribution than a standard semisubmersible,” Hope says. “The end result is better stability.”

Briskly walking down the “bowling alley,” a corridor that runs through the middle of the rig below deck, Hope knocks on piping on the wall. “Composite material,” he explains. “Using lighter-weight composite materials for the fluids piping saved a lot of weight, and there is no corrosion,” he notes.

The pontoons are also home to four thruster pods, which have a rated capacity of seven megawatts each. They provide the rig with full redundancy and the Classification Society’s highest rating of DP Class 3 for a dynamically positioned unit. The total power of the four thrusters would provide enough electricity for a town of 120,000 people. A great advantage is that the motor located inside the thruster pod eliminates the need for gearboxes and bearings, which increases overall power efficiency and lowers long-term maintenance costs. The thrusters can also be removed and installed at sea, unlike other rigs that normally move to port for time-consuming maintenance thruster work.

Planning, Planning, Planning

Up on the 30,000-square-foot unobstructed deck area of the *Sedco Express*, John Kozicz, Technical Manager, describes some of the planning that went into producing the *Sedco Express* rigs. “First we were, and still are, supported by a senior management team that has a corporate strategy to be forward-looking with technology, and we have a very strong engineering program,” Kozicz says.

“In addition, from early on, we involved the drill crews, other people across the company and our customers in the process of planning the *Sedco Express* rigs to make sure that we came up with a strong, robust design. Take the double-hulls for the pontoons and supporting columns, for example,” he adds. “They are designed to minimize any leaks and stability threats from incoming water due to a collision.”

In the living quarters area, the use of an isolating shock absorber lessens noise and vibration, making life offshore easier for all the crewmembers. Also, software produced with help from the Massachusetts Institute of Technology contributed to the design of lighter weight riser, which is thinner in the middle and thicker on each end. The design saves 10% to 15% in riser and buoyancy weight of an 8,000-foot riser string of 5.5 million pounds.





“One of the Best Decisions I’ve Ever Made”

It’s not just the engineers and rig managers who are upbeat about the *Sedco Express-class* rigs. The deepwater units have generated a great deal of excitement both among the crews that will be working on the rigs and the three major petroleum companies that have secured them under multi-year contracts.

“Choosing the *Sedco Energy* as one of our newbuild candidates is one of the best decisions I’ve ever made at Texaco,” says Roger Jenkins, Area Drilling Team Leader for Texaco Deepwater U.S. Gulf of Mexico. “We are absolutely confident in the rig’s ability to perform and to allow well construction costs to be significantly lowered.”

He should know. Jenkins and his team put Transocean Sedco Forex engineers through a battery of scenarios about how the *Sedco Energy* would perform in challenging conditions. “Every question we’ve ever had about the function of the rig’s equipment has been answered,” he says. “We’ve never been able to stump the engineers who designed this rig.”

Aiming for a Smooth Launch

Now, it is almost time to operate the next generation of semi-submersible rigs.

“Everyone who has contributed to the launch of these rigs deserves a great deal of credit,” says Don Ray, Senior Vice President, Technical Services, at Transocean Sedco Forex. “The industry will be watching to see how we can take offshore drilling to the next level with not one but three new, high-specification semisubmersible rigs. I believe we have the right mix of people, equipment and training to make it happen.”

Texaco’s Jenkins will certainly be among those watching during the third quarter, when the *Sedco Energy* is scheduled to arrive for work offshore West Africa under a five-year contract, instead of the Gulf of Mexico, as originally planned. Also during the third quarter, the *Sedco Express* is expected to arrive for Elf in West Africa, and the *Cajun Express* is slated to begin service in the Gulf of Mexico for Marathon.

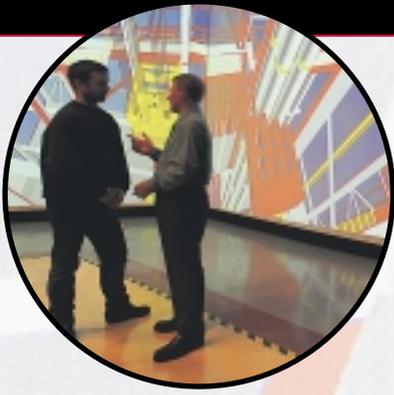
“Opportunities to take offshore drilling to a new level only arise once every 10 years or so,” Jenkins says. “We all have a role to play to ensure a smooth transition. As the operator, we are already advancing our planning for logistics and drilling to help the rig move smoothly from well to well.” Likewise, Transocean Sedco Forex is working to once again prove its commitment to delivering first-class technology and cost-efficient drilling services for customers.

Setting the Standard

for Deepwater

Pipe-Handling Training





Nestled in the foothills of the Pyrenees Mountains of southwestern France is one of the offshore drilling industry's most advanced simulators for training crews in pipe-handling operations during deepwater drilling.

The company's training center at Pau, France, prepares the entire supervisory drill crews to work in the well-construction center of the Express-class high-specification semisubmersible rigs. Crews train at actual drilling consoles, controls and instrumentation, where they emulate pipe-handling operations seen in real time on 18-foot-tall projectors using three-dimensional graphics. "The concept is the same as pilots and co-pilots that train to safely fly the new Boeing 777 planes," says Deepak Munganahalli, Director of Training for Transocean Sedco Forex. "They use training simulators, and we are playing a similar, key role in making people more confident and competent in operating the pipe-handling equipment." The \$1.5 million simulator system has consoles for the driller, assistant driller and the derrick operator. In addition, the simulator is used for training in Deepwater Well Control. Already more than 75 people have been trained on the simulator for Express-class pipe-handling operations. By the first week of July, an upgrade of the simulator will allow training of drilling crews of the Enterprise-class ultra-deepwater drillships. "We are learning that communications during pipe-handling operations is very important to the launch of this next generation of deepwater semisubmersibles and drillships," Munganahalli says. "People are really pulling together in teams to master some fairly complex technology that is going to help usher in an entirely new era of efficiency for our customers."

Industry's first dual-activity rig

Capable of drilling in up to 10,000 feet of water

Ta

The *Discoverer Enterprise*

Advanced ultra-deepwater drillship • Uses longer pipe stands • Automated pipe-handling • Improved drilling efficiency



rise

Dual Activity in Action

Just before midnight on a calm January night on the deepwater Gulf of Mexico, Dan Reudelhuber's eyes light up when asked to describe the ultra-deepwater drillship *Discoverer Enterprise*.

"I have been working on this project for three years," says Reudelhuber, Senior Project Engineer, "and every time I walk onto this rig, I am always impressed with something that I have never seen before."





Operators like BP Amoco want to use the most advanced ultra-deepwater drilling rigs to more quickly and efficiently tap potentially large reserves.



"The Enterprise-class units have two drilling work stations. That is quite an advantage."

Don Ray, Senior Vice President, Technical Services

Today, some 700 feet from Reudelhuber's office, a work boat that by itself would normally look large now appears to be just the size of a bathtub toy, sitting next to the giant drillship, where it is discharging its cargo of drill pipe.

Cranes load the pipe onto conveyors that deliver it to the tubular stand areas at mid-ship.

Here, a 264-foot derrick houses the *Enterprise-class* drillship's core competitive advantage over other ultra-deepwater drillships — the dual activity system. For the first time in the offshore drilling industry's history, two drilling systems, supported by dual pipe-racking systems and iron roughnecks, work at different tasks simultaneously. Designed to reduce the cost of a typical deepwater development project by up to 40%, the company's proprietary dual-activity system is best described as twin, vertical drill pipe "factories."



"The team that invented this system...really knew what they were doing," says Dan Reudelhuber, Senior Project Engineer.

Off to an Impressive Start

Having completed a plug-and-abandonment job in late 1999 in 35% less time than a conventional rig, the *Discoverer Enterprise* has impressed the 150 to 170 people who work on the drillship. "The team that invented this system — including Bob Scott and Bob Herrmann — really knew what they were doing," Reudelhuber says.

Inside the nearby driller's cabin, just across from the 80-foot-by-80-foot drill floor, the driller and two assistant drillers coordinate the making up of drill pipe in 135-foot-long stands, compared with the industry standard of 93-feet. These crewmembers operate near-silent joystick controls. Four-quadrant-gear drawworks with regenerative braking systems steadily move pipe into position to be connected and pushed into the well. Gusts sound as giant spaghetti-like hydraulic lines help drive automated pipe-racking

systems between tubular setback areas and two, independent rig rotary tables.

Unseen amid the rumbly-clank of connections being made and the churning drawworks are six, 7,000-horsepower dynamic positioning thrusters beneath the drillship that keep the vessel in position. Even during a once-in-10-years Gulf of Mexico storm

with 60-knot winds, the dynamic positioning system is designed to keep the *Discoverer Enterprise* safely on location, connected to the well at the sea floor more than 6,700 feet below. On a calm day, only barely noticeable tremors can be felt on the helideck.

Making waves across the industry, however, are parallel pipe-making and casing operations off the critical path of the drill floor. While many competitors are adding automated pipe-handling machines on

bigger versions of existing rigs, their newbuild rigs are based on the same basic offshore drilling process that has not changed for more than four decades. "They still only have one drilling system, one apparatus for running the pipe," says Don Ray, Senior Vice President of Technical Services. "However, the *Enterprise-class* units have two drilling work stations. That is quite an advantage."

Customer-pleasing Performance

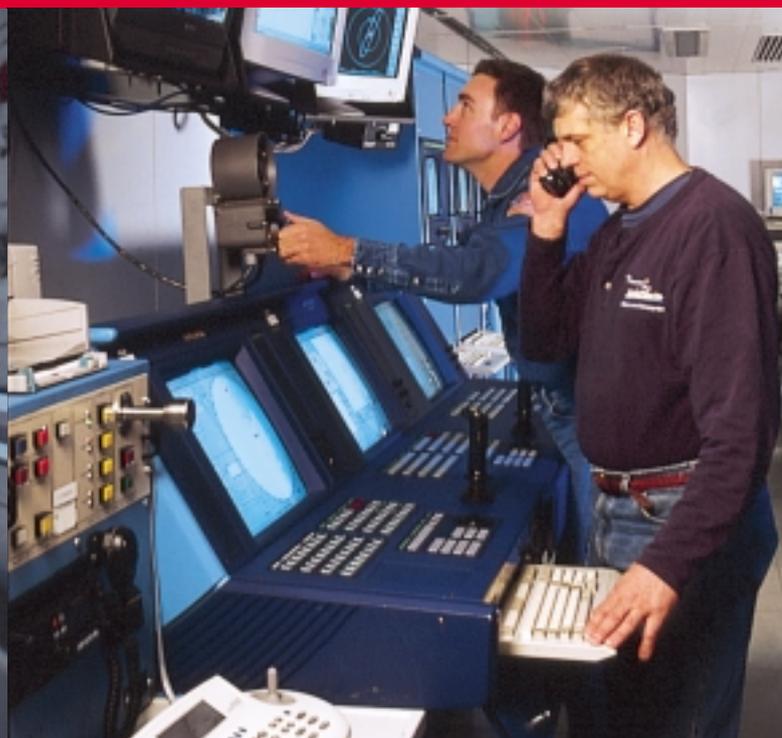
Dual activity is the reason that BP Amoco chose to make the *Discoverer Enterprise's* first well-construction assignment an appraisal well for the Crazy Horse field, which is estimated to hold one billion barrels of crude oil reserves. Operators like BP Amoco want to use the most advanced ultra-deepwater drilling rigs to more quickly and efficiently tap potentially large reserves, which produce oil more quickly than other fields, providing a faster return on their investment.

Unocal's Spirit Energy 76 division and Chevron,



"We are getting ready to go to the next level by learning how to use the *Enterprise* units to their full potential and then finding more efficient ways (to drill) than we ever imagined."

Don Ray, Senior Vice President, Technical Services



The aft rotary of the *Enterprise-class* rigs can be used to back-lay and j-lay pipeline. So, operators can save even more time and expense.

which have contracted for the *Discoverer Spirit* and *Discoverer Deep Seas*, respectively, also look forward to utilizing these more cost-effective well construction tools in the Gulf of Mexico. The *Discoverer Spirit* is scheduled for delivery in the third quarter, and the *Discoverer Deep Seas* is due on location during the fourth quarter.

Despite three weeks of downtime in late January and early February due to a software problem and BOP repair, drilling on the *Discoverer Enterprise* is in full swing. "We expected some initial challenges early in the use of the rig, and we are learning from them," Ray said. "Now, we are getting ready to go to the next level by learning how to use the *Enterprise* units to their full potential and then finding more efficient ways than we ever imagined."

For example, an operator who needs a pipe-laying barge may have to schedule the entire well-construction process around the availability of that barge. However, the aft rotary of the *Enterprise-class* rigs can be used to back-lay and j-lay pipeline. So, operators can save even more time and expense by eliminating the need for a pipe-laying barge, whose dayrate could exceed that of the drillship.



A Whole New Drilling World

The additional flexibility of the *Enterprise-class* rigs increases the need for effective planning and teamwork all along the well-construction services chain that includes suppliers and customers. Because the *Enterprise-class* rigs can construct deepwater wells more quickly than conventional rigs, operators will likely be challenged to accelerate their drilling schedules.

"The whole timetable for offshore drilling is going to change," Ray predicts. "There is plenty of room to look at everything in a new way. If you drill one well 30% earlier, that means that you are going to need to start the second well that much faster to maintain your efficiency gain. The more quickly you drill, the faster you will need to arrange to drill the next wells."

Everyone aboard the *Discoverer Enterprise* is dedicated to and excited about ensuring their part of the accelerated drilling process. "There's no doubt that dual activity can help set all kinds of records," Reudelhuber says.

Press Box

Media Mentions

Discoverer Enterprise: Changing the Way the World Explores for Energy

"This revolutionary drillship has been engineered from the top of its derrick to its thrusters to optimize ultra-deepwater well construction and field development performance."

Cover story of Upstream
Special News Section
December 1999
Pipeline Magazine

3-D Software Reduces Design Time for Offshore Drilling System

Not only are the *Enterprise-class* drillships innovative, the process it took to design it was too.

"By using 3-D plant modeling software, Power Management Inc. completed the design and documentation of the world's deepest offshore drilling system in an estimated 17,000 hours less than if the project had been done with 2-D CAD. In addition to saving time, creating a 3-D model resulted in better overall design."

By Ivan Curriel, president, Power Management Inc., New Orleans
December 1999
World Oil magazine

Completion Times Improve for Drillship Series

"Construction of the Discoverer Spirit, which is the second in the series, took 19 months, and it has just arrived in the Gulf of Mexico. No problems have been reported. Unocal praised the performance achieved with the vessel. We managed to reduce our own fabrication time for the Spirit by five months, compared with the Enterprise. That represents a 25% improvement."

Juan Carlos Perez, Executive VP, Commercial & Marketing
Astilleros Espanoles, parent company of the Astano shipyard where the drillships were built
January 2000
Offshore magazine

Balcony dining in the French Quarter.



Mardi Gras mania!



Dining on board with Alvin Lee III, Chief Steward, Discoverer Enterprise.



The best way to experience Louisiana culture onboard the *Discoverer Enterprise* comes at dinnertime. Delta Catering takes lots of seafood, crawfish, okra, red beans, rice and spices and whips up Cajun specialties such as gumbo, jambalaya and etouffee. "And catfish. We always have catfish," says Captain Joe Donnelly, a native of Boston, Mass., who hadn't tasted gumbo until his career brought him to the Gulf of Mexico.

Crews work two or three weeks onboard. When it's time for two or three weeks off, helicopters set passengers down in Venice, La. From there, crewmembers hop in their vehicles and drive home to all parts of Louisiana, Texas, Mississippi and Alabama. Donnelly reports that about half the Transocean Sedco Forex employees assigned to the drillship call these Gulf Coast states home. Others travel 1 1/2 hours to the New Orleans Airport to fly all over the country.

Granted, there's more to Louisiana life than food, but it seems the most appropriate place to start when describing the state that serves as the onshore launching pad for the crew members of the *Discoverer Enterprise* and other Transocean Sedco Forex Gulf of Mexico rigs.

LOUISIANA WAY OF LIFE

TALK ABOUT GOOD.

Once onshore, where are the best places to get your fill of Cajun cooking? Just about any place in New Orleans, especially in the French Quarter. Antoine's, for example, is the state's oldest, continuously operating restaurant since 1840.

A random sample of *Discoverer Enterprise* crew members revealed these picks. For fine dining, it's K-Paul's Louisiana Kitchen in New Orleans where Chef Paul Prudhomme has been creating culinary works of art since 1979.

The restaurant is located in an 1834 refurbished building, and Chef Paul stands by his rule of no freezers in the kitchen. Only fresh ingredients, which means the menu changes daily. Try a blackened seafood or wild game dish. And save room for the sweet potato pecan pie.

For a more laid back atmosphere, the crew recommends Ralph and Kacoo's. The restaurant began serving up seafood in 1969 and now has seven locations, including New Orleans, Baton Rouge, Bossier City and Metairie. Featured specialties are crawfish,



gumbo, alligator, crab, shrimp and oysters. Also, Joe's Original Crab Shack on Lake Ponchartrain seems to be a favorite, along with the Port of Call, located off the beaten tourist path of the French Quarter in New Orleans.

LET THE GOOD TIMES ROLL:

Sight of partying pretty much 365 days a year, the French Quarter is probably most famous for the annual pre-Lenten carnival, Mardi Gras. The first Mardi Gras parade was held in New Orleans in 1838. The 2000 celebration was said to have packed about two million visitors into the French Quarter during the two-week mega-party. How can they tell? By a scientific calculation of the tonnage of garbage collected.

JAZZ IT UP!

What is a party without great music? The name "jazz" was given to music with a New Orleans origin in 1915. Along with good food on every corner within the quarter, you'll find equally good music every day. One of the best times to let the music move you is during New Orleans' annual Jazz and Heritage Festival in early May. This year will mark the 31st such celebration. Louisiana's music heritage also includes rhythm and blues, southern rock, rockabilly and zydeco. The accordion and washboard sounds of zydeco are guaranteed to get your feet a-moving.

THEY'RE BITING TODAY!

If you prefer to get your heart racing by landing the big one, then this here's the place for fishing. Louisiana is called the Sportsman's Paradise. You're never far away from water — be it lakes, bayous, swamps, rivers like the mighty Mississippi, or the Gulf.

Onboard the *Discoverer Enterprise*, you'll find frustrated fishermen who can't dangle lines from the drillship because they may interfere with the thrusters that help the vessel maintain position in deepwater. Crewmembers have to wait until they get onshore where Donnelly reports "they'd fish in a puddle of rain" if given the chance. But the crew's top vote for best place to fish in Louisiana is the Toledo Bend Reservoir on the state's northwest border with Texas. It's one of the largest manmade reservoirs in the country and hosts the Oilman's Bass Classic Invitational each September.

TALKING BIG BUSINESS:

Enjoying life is only one of the state's major industries. Shipping, petrochemical plants, and oil and gas refineries top the list of the state's global contributions. Louisiana has one of the busiest port systems in the world. Much of the nation's petroleum and grain is shipped out of the port in New Orleans. The state also ranks high in

the production of cotton, minerals, forest products and furs. And of course we always come back to food. Louisiana provides much of the nation's rice, sweet potatoes, soybeans and pecans. Fishing as a business is also a major industry. A quarter of all the fish landed in the United States come from Louisiana's coastal waters. Only Alaska's fishery is larger.

ONE SMART PURCHASE:

Louisiana is steeped in history. Spanish explorer Alvarez de Pineda "discovered" the mouth of the Mississippi in 1519. The area's governmental units were originally church units set up by the Spanish in the late 1600s. That's why the state's county areas are still referred to as parishes. Explorer La Salle was the one who named the region "Land of Louis" in honor of King Louis XIV of France. While other states' civil law is based on English common law, Louisiana's was influenced by Spanish law and remains based on France's Napoleonic Code.

The Cajun culture was born with the arrival of Acadian families from Nova Scotia in the late 1700s. The United States made the \$15 million Louisiana Purchase in 1803, and Louisiana became the 18th state in 1812. The state's role in the American Civil War and the many colorful politicians that have come and gone since then have shaped an interesting history. Baton Rouge, the state's capitol, is a gold mine for history buffs.

BEAUCOUP ATTRACTIONS:

For a look into the past, tour a swamp in a *piroque* (Cajun canoe), stroll through a New Orleans cemetery to look at incredible stone and wrought iron works, or visit a plantation home for a glimpse at the Old South. To celebrate the present, visit one of the new attractions in New Orleans.

The *Discoverer Enterprise* travel guides recommend a nice way to spend the day. Visit the Aquarium of the Americas to see a 10-foot sand tiger shark, among other interesting sea creatures. Then hop a paddle boat and head to the Audubon Zoo. Before you check out the rare white alligator, enjoy a picnic lunch of muffalettas under centuries-old oak trees in Audubon Park.

If it's springtime, enjoy the azaleas in bloom. If it's summertime, find the nearest shade and watch out for those hurricanes — the storm and the drink. If it's fall, get ready for some football — college is best. And in winter, warm your senses with a pot of gumbo and all that jazz.

NOW THAT'S LIVING; LOUISIANA STYLE.





Transocean Marianas Keeps Making Deepwater Records

In the U.S. Gulf of Mexico, the *Transocean Marianas* has extended its string of world records for deepwater drilling by a moored semisubmersible. After setting three world deepwater mooring records last year, the upgraded high-specification semisubmersible set another milestone in January 2000 by drilling in 7,529 feet of water using a mooring system with suction-anchor technology.

All the records were achieved for Shell, which has praised the *Transocean Marianas* team for using parallel work processes, teamwork and technology to drill wells faster as part of the operator's Drilling the Limit program.

The *Transocean Marianas*, which was converted in 1998 from a fire-fighting and crane-support vessel, has set other notable achievements. The rig holds the Gulf of Mexico record for a semisubmersible drilling a well from spud to total depth at a rate of 1.7 days per 1,000 feet.

"Everyone likes to set records, but we're not stopping with what we've achieved so far," says Rig Manager Bill Wainwright. "There's always a way to improve the drilling process, and we're looking forward to helping Shell to continue to do just that."

Press Box

Media Mentions

Shell on Trail of Well Perfection

"The Marianas is one of our best teams, and we thought they were doing well to begin with, but they've been able to take the number of days (to drill a well) per 1,000 feet from about four or five to around one-and-a-half to two."

Dave Lawrence,
Shell E&P Vice President
As quoted in *Upstream*,
International Oil & Gas
Newspaper,
February 25, 2000

Atypical Planning Process Cuts Drilling Costs for Shell

"We have drilled four wells since (the initial Boris Prospect) with the same Transocean Marianas crack crew and sustained the same degree of perfection. They have cut their previous average drilling time of six days per 1,000 feet below the mud line to two days. That's a huge performance improvement. And in deepwater, time is money."

Don Jacobsen, Drilling
Manager Shell E&P Co.
Week of April 3, 2000
Oil & Gas Journal

Sedco 600 Series First with "Surface Stack" Drilling in Indonesia



The *Sedco 601* and *Sedco 602* have advanced far beyond their original operating depth of 1,500 feet and now can work in more than 6,000 feet with a new way of offshore drilling called "surface stack" drilling. Asia Region Manager Mike Unsworth explains that "surface stack" drilling is being pioneered by Unocal and Transocean Sedco Forex. "We believe we are the first drilling contractor to reduce the time and cost of running a BOP and riser through several adaptations of existing technology, including the placement of the BOP in the moon pool, instead of at the ocean floor," he says.

Sedco 601 and *Sedco 602* crews have worked with Unocal to reduce drilling-related time and costs. The rigs have also set a blistering pace, drilling 110 wells since 1998 while working offshore Indonesia. The *Sedco 601* drilled 40 wells in water depths between 1,700 feet and 6,300 feet during the last 18 months, following the success of the *Sedco 602* in drilling in water depths of up to 4,000 feet.

"These achievements are a big credit to the rig crews, whose innovation and work have been carried out without a single lost-time injury," says Unsworth.

Legacy of Leadership

***Discoverer 534* and *Discoverer Seven Seas* Extend Deepwater Legacy**

The *Discoverer 534* and the *Discoverer Seven Seas* achieve yet another milestone in their long legacy of deepwater drillship firsts this year with approximately 25 years of world-class performance.

The *Discoverer 534* reaches its 25th anniversary in 2000 and the *Discoverer Seven Seas*, at one year younger, is right behind. Combined, these dynamically positioned drillships have operated in virtually every deepwater market in the world. Long before deepwater drilling became the bright spot of the offshore drilling industry, the rigs were pioneering this last offshore frontier for a variety of operators. The drillships also have set numerous deepwater records and have worked the great majority of the time, since being launched.

Congratulations to both drillships and their crews, past and present, for a long history of great performance. And, good luck with setting more world records while continuing to serve customers with world-class deepwater drilling expertise.

Built in 1975 by Mitsui Engineering & Shipbuilding of Osaka, Japan, the *Discoverer 534's* steady performance includes a 1996 world record for working in 7,612 feet of water in the U.S. Gulf of Mexico. Petrobras, Shell, Amoco, Mobil and Conoco are all on the list of customers served by the *Discoverer 534* over the years. More recently, the rig drilled the discovery well at BP Amoco's Crazy Horse field in the U.S. Gulf. The rig's current schedule includes a systems upgrade before continuing under contract in the U.S. Gulf for BP Amoco.

The *Discoverer Seven Seas*, built in 1976, also by Mitsui, began setting world water-depth records almost from the start. The first of the rig's seven records came in 1977, when it worked in 4,346 feet of water in the Congo. The next year, in Spain, the rig set another world record at 4,441 feet of water, and in 1979, it achieved a world record at 4,876 feet in Newfoundland. Another three consecutive years of water-depth records came in 1982 at 5,624 feet in France, as well as 6,448 feet and 6,592 feet in 1983 and 1984, respectively, both off the U.S. East Coast. The *Discoverer Seven Seas* also achieved a world record in 1987, working in 7,520 feet of water in the U.S. Gulf of Mexico. The crew reports that the rig has never been out of work, since coming out of the shipyard, apart from scheduled maintenance and surveys. Today, the *Discoverer Seven Seas* is working for Petrobras offshore Brazil, and will be for the next two years.





People FIRST

What's in a Name? Prizes!

Employees of Transocean Sedco Forex have risen to the occasion once again to solve a deep quandary—what to call the new company's publications. Employees from around the world submitted more than 230 nominated names for the company magazine you are now reading, a rig report newsletter (*On Location*) and a global e-mail bulletin (*FIRST On-Line*). Six winners were chosen by a panel of judges from Investor Relations and Communications, Marketing, Rig Operations, Human Resources, Training, Senior Management and Support Staff, as well as external communications professionals.

When drilling, you sometimes have to go deeper to realize the full impact. The same could be said for this contest. There were more winners than the six who received prizes. Each winner will receive a reimbursement for dinner for two up to \$150. More important, each of the six employees will receive a \$500 check made out to his or her favorite charity. As you'll see from the winners' profiles, some very good causes will benefit. And finally, all 7,300 Transocean Sedco Forex employees benefit from having a communications program based on employee input.

The Winners

George Fraser
Dynamic Positioning Operator
Sedco 709, Nigeria

George submitted the name *Drilling Frontiers* for the company magazine for employees and customers. The judging panel altered it a little to *Offshore Frontiers*, which was okay with George. "The reasoning behind my choice is quite simple," he says. "The company intends to focus on drilling wells in 'frontier' locations, be they deepwater and/or harsh environments, capitalizing on the experience gained over the many years in these areas."

George has been with the company a little more than 11 years. As a dynamic positioning expert, it is his job to make sure the *Sedco 709* stays in position over the designated drilling location. He monitors and records the status of various equipment and systems involved in

station keeping. He also maneuvers the rig while on location for different stages of the program, from initial set up at a new location to skidding the rig for running and retrieving the BOPs, to moving the rig between drilling locations and ballasting operations.

Entering the naming contest was an opportunity George says he couldn't pass up. "As the saying goes, 'nothing ventured, nothing gained,'" he says, adding, "the prizes offered were worthwhile, and it is gratifying to know that whoever won, a good cause was going to benefit."

George says the charity he chose is the Special Care Baby Unit at York Hospital in York, England, because: "My son was born prematurely, and the care and treatment that he, my wife and I experienced there were excellent."

The donation will help support families with premature and very ill babies, including a clothes lending service. "It's a very important aspect because finding clothes for very small babies is hard," George says.

As for his company-supported night on the town, George has chosen the Barn Again in Leazes Arcade in Newcastle Upon Tyne. "The food is excellent, and my wife and I have very fond memories of eating there."

Wolf Krusemark
Captain

Discoverer 534, Gulf of Mexico

Wolf was one of four employees who submitted the name *On Location* for the righthand newsletter. "*On Location* is synonymous with what we do. The rigs are on top of things, and it's part of my job to make sure that we stay 'on location' when we are drilling," he explains.

Wolf has helped navigate his rig on top of things for nine years. As captain, or ocean-going master in marine terminology, he oversees the drillship's marine-related maintenance, regulatory compliance and lifesaving equipment and ensures the vessel's watertight integrity.

Wolf and Chief Mate Dan Fuller both entered the name because they thought they had a good idea and because of the opportunity to donate \$500 to charity. The captain plans to donate his check to the Porter Leath Children's Center in Memphis, Tennessee, a charity that the crew of the *Discoverer 534* has supported in the past with their donations.

"My wife and I were living in Memphis a couple of years ago when we learned about the work Porter Leath does from a friend who served on the center's board. They do what nobody else wants to do," Wolf says. "They help children and



Wolf Krusemark



Mike Wilburn

teens who have been affected by domestic violence, AIDS and drugs."

The captain and his wife dined at Kinkead's in Washington, D.C. "It was great and we surely appreciated it," he reports.

Dan Fuller
Chief Mate

Discoverer 534, Gulf of Mexico

Dan, who has been with the company for four years, saw entering the contest as an opportunity to add to the charitable reputation of the *534*. As the drillship's chief mate, Dan's duties are focused on navigation, positioning, maintenance and safety. He thought *On Location* was most appropriate

because "that's where our crewmembers spend half of their lives."

Dan says the generous \$500 award will be donated to the Footprints Food Pantry in Kittery, Maine. "It is a small, community food bank run by fine local folks with the goal of enabling people to get back on their feet during rough times. They have helped countless families."

As for dinner? "My wife, Jennifer, and I will be enjoying a dinner of calimari, courtesy of Transocean Sedco Forex, somewhere in Boston's Italian north end, possibly followed by a Red Sox game at Fenway. Any remaining funds will be donated to Chuck E. Cheese, courtesy of our two-year-old son, Gavin. Thanks again to the company for sponsoring such a generous contest."

Mike Wilburn
Engineering Manager
Enterprise-Class Newbuilds,
Houston

Mike submitted two winning names: *On Location* for the righthand newsletter and *FIRST On-Line* for the e-mail bulletin. He says he likes the idea of having different publications for different segments of the company. "And any chance to provide input to something new the company is doing is always enjoyable."

Mike has been with the company for 18 years and has done his share of providing input to new projects. Having managed the engineering and major equipment delivery efforts for the *Discoverer Enterprise*, he is currently handling those responsibilities for the next two *Enterprise-class* vessels.

In determining the entries, Mike says he thought the names needed to carry something about the publication's purpose. "For the e-mail, a name with on-line in it carries the idea of getting information electronically — in real time. Plus, on the rigs, on-line

means something is working and carrying out its purpose. For the righthand publication, on location brings to mind being offshore or in a foreign location. Also, the term on location means that the rig and crew are in the right spot and carrying out their tasks.”

Mike has decided to donate the \$500 to Child Advocates of Houston because he admires the work they do. Child Advocate volunteers are assigned by juvenile court judges to work on behalf of abused children and act as a communications link between the child and the system.

“Out of all the crimes that are committed, child abuse is probably the one that people have the least tolerance for, but is at the same time very common. Did you know that child abuse is the number one killer of children under four? Children are usually unable to do anything about the abuse, so they need an ‘advocate’ to help them receive any assistance that is available,” says Mike.

For dinner, Mike’s wife has selected Vargo’s in Houston. “It is near our house, and they have swans and peacocks (on the grounds, not on the menu!). I sometimes dodge the peacocks who have meandered out on the road on my way to work in the morning, but I have never been to the restaurant.”

Mark Diehl
Senior Project Manager
Deep Seas Engineering Site Team
Astano Shipyard, Spain

Mark also submitted the name *On Location* because he thought it aptly described most employees’ jobs. “On location is where we work, what our clients pay us for,” he says. Mark continues to be on location in Spain where he managed the design and construction of the vessel part of the *Discoverer Enterprise* and *Discoverer Spirit*



Juliana Chua



Mark Diehl

and is now managing the construction of the vessel part of the *Discoverer Deep Seas*.

As *Offshore Frontiers* went to press, Mark was still contemplating which charity to bestow the \$500 donation. “I will most likely give it to one of the Houston area churches,” he says. As for dinner, Mark says he plans to take advantage of that perk on his next visit to Houston. The only requirement? “We want some place quiet.”

Juliana Chua
Office Administrator
Field Support, Singapore

Juliana sent in the name *FIRST Online*. “It seemed the appropriate name as the announcements will be conveyed via e-mail, and this form of communications will always keep employees the ‘first to know.’” She says entering contests is one of her favorite past-times. “In this instance, I felt the company had initiated the contest and it was only fair that the employees made an effort to participate. Basically, it is fun to see the contributions by individuals.”

Juliana has been with the company for 16 years. As office administrator, she handles multiple duties for Field Support Manager Dave Simpson and his team. Affectionately known to the team as “Mama San Julie,” she takes care of local staff payroll and coordinates international staff housing, travel, visas and immigration. She also created the Field Support web page, which she now maintains.

The \$500 award will be given to the Kwong Wai Shiu Hospital, Juliana says. “The donation will be useful for medical supplies. The hospital is a non-profit charitable organization that provides long-term care for chronically ill patients. Most of the patients are at a ripe old age. They are accepted by the hospital irrespective of race, religion and financial circumstances.”

Juliana will be dining high above Singapore in the Compass Rose at the Westin Stamford Hotel. “The restaurant is located on the 70th floor of the hotel, which is incidentally reported in the *Guinness Book of World Records* as the highest hotel in the world. The restaurant offers exquisite, picturesque day and night views of Singapore. Shouldn’t this be a good enough reason to dine there?”

Indeed it should.



Hats Off to People FIRST!

People FIRST will be a regular feature in *Offshore Frontiers*, and we'd like to hear from you regarding who to include. Do you know of one or more co-workers who go above and beyond their duties by serving the community as well? Or maybe your rig or division recently rallied in support of a charity. You can send an article or just the facts and we'll take it from there. If your article is published, we'll send you a Transocean Sedco Forex hat. It's our way of saying thanks and hats off for a job well done! Send in your articles and story ideas to Guy Cantwell, Manager of Corporate Communications, gcantwell@deepwater.com.

Hats Off to the Sedco 712!

The first Hats Off to People recipient is Howard Meredith, OIM, of the *Sedco 712*, who submitted the following article that appeared in the *Aberdeen Press and Journal* about a charity raffle sponsored by the rig's crew during the December holidays.

Rig workers from Transocean Sedco Forex dug deep into their pockets over the festive season for disadvantaged kids.

A total of 90 men working on the *Sedco 712* rig, 132 miles east of Shetland raised more than £1700 for the Aberdeen branch of the Royal Society for the Prevention of Cruelty to Children from a variety of special events.

Organizer Dennis Pirie, Maintenance Supervisor, said these included quizzes, raffles and games.

"I would say that about 90% of the lads are family men, and that is why we wanted the money to go to children.

"At Christmas there are lots of kids that do not have very much so it is nice to be able to contribute to those who don't. The charity has promised to keep us in touch with what they do with the money."

Congratulations to Howard Meredith, Dennis Pirie, Tom Blackie and the entire Sedco 712 crew on a job well done!



Dennis Pirie presents a check to Jenny Henderson and Lynne Boyd, both of the Aberdeen branch of the Royal Society for the Prevention of Cruelty to Children.

People
FIRST

Connecting with Customers

Setting New Performance Levels

I wish to express Anadarko's sincere appreciation for the performance of the *Transocean 96* drilling crew on our Grand Isle 116 #2 well. Reaching a 19,160-foot measured depth for a subsalt well in 38 days establishes a new benchmark for this play. This record performance was matched with no LTIs or MMS violations to complete a job well done. We reached our first incentive plateau at 10,000 feet, 17 days ahead of schedule. At total depth, we were another 35 days faster than planned for a combined 52 days under target.

The results on this well demonstrate the success of a team effort and "can-do" attitude. The support of Transocean Sedco Forex and all the service providers is greatly appreciated. We look forward to continuous improvement on the next well and the challenges of setting new performance levels in the subsalt trend.

*Sincerely,
Robert A. Meize
Division Drilling Manager
Anadarko*

Bucking the Cold Stack Safety Incident Trend

On behalf of Texaco North Sea UK Co., I would like to commend the *Transocean John Shaw* team who worked with us on the Galley Workover and the Captain Appraisal drilling campaign, and contributed so positively to a successful operation.

All operations were carried with a high degree of professionalism and, most important, in an excellent safety environment. The rig was brought out of cold stack to commence the contract, and it was quite clear that during the

intervening period, the crews had been working very effectively to improve safety awareness. A rig start-up from cold stack is more often than not associated with a very poor safety record. The crews should be congratulated on bucking the trend.

Both of our senior drilling supervisors, Dave McCall and Mike Willis, have had nothing but praise for the performance of the rig and the attitude of the crews. The operations on the Captain Appraisal wells involved a lot of top-hole drilling and BOP handling, which are more safety sensitive than most drilling operations. The crews managed these operations effectively, safely and with a positive attitude.

I would like to thank the *John Shaw* team for their efforts and their excellent performance to date. I would be very happy to work with the rig again in the future, should the opportunity arise and would strongly recommend the rig to any operators who are considering taking her on contract.

*Yours truly,
Dave Downie
Well Operations Leader
Drilling & Subsea Group
Texaco North Sea UK Co.*

Achieving Excellence

Total Oil Marine Drilling Department would like to thank all the personnel who have been involved in well 210/15a-6 Operations. Thank you for your excellent achievement concerning safety and efficient operations.

Good luck to all of you in your next Ireland Operations. Hope to work with you again in the future.

*Jean-Paul Guidoni
Total Oil Marine
Drilling Department*

Outstanding Performance

On behalf of CABGOC, we would like to personally congratulate *Trident XIV* rig personnel for the outstanding performance on the South Sanha Drilling Program from May 1997 through March 2000. The program scope of drilling 14 wells was completed ahead of the original forecast.

The good drilling performance was also accompanied by an excellent safety record, that included the rig achieving five years without a lost-time accident in September 1999. Additionally, we would like to thank all the onsite personnel for the many time-saving ideas and suggestions that originated on the rig. Our involvement with the operation of the *Trident XIV* has been a truly gratifying experience.

Please accept this electronic planner as a token of our appreciation for a job well done. We look forward to our continuing relationship and an accident-free working environment.

*Regards,
Rick Jones/Les Green
Drilling Superintendent
Chevron*

Two Years of Safety and Counting

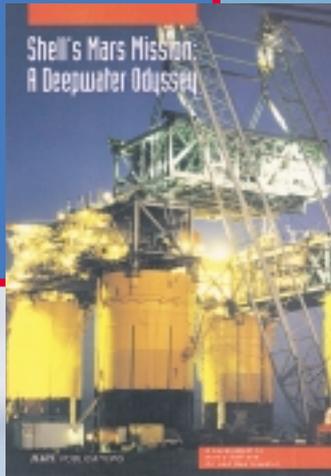
On behalf of Wintershall Noordzee B.V., I would like to congratulate Transocean Offshore (North Sea) on achieving a safety milestone of two years without an LTI with the rig *Transocean Nordic*.

I believe this achievement, together with the rig's earlier achievement of 100 percent compliance with the Transocean SMS, reflects the high level of commitment shown to safety by staff at all levels in your organization and particularly with regard to the crew on board the *Transocean Nordic*. This level of

Press Box

Media Mentions

A special Hart's edition, published in December 1999, detailed Shell's Mars project and the role *Transocean Richardson* played in its success.



“The Mars pre-drill development program began in the fourth quarter of 1993, with Sonat's semi-submersible *George Richardson* (now the *Transocean Richardson*) contracted to perform the challenging work. Given the size of the reserves and the initial investment required, there was an enormous incentive to deliver high-rate, high-ultimate-recovery wells on time and within budget.”



commitment is demanded routinely by the drilling industry, but is one that many only aspire to.

The new challenge for the *Transocean Nordic* crew and the organization in general is to extend this milestone as long as possible. Winterhall Noordzee wishes you every success in achieving this goal and we look forward to assisting you to achieve it through mutual cooperation in our current rig campaign.

Yours faithfully,
P.A. Barnett
Operations Manager
Wintershall Noordzee B.V.

Focusing on a Job Well Done

Please pass on my compliments to the drill crew on tour the early morning of Sunday, March 19; in particular Russell Valli (driller), Simon Rodda (toolpusher), Al Fermin (toolpusher), and yourself (Chuck Hodkins). Because of their alertness, expertise and professionalism, the well kick taken at 0200 hrs. that morning was handled without incident. The kick was detected quickly and the well was shut-in. The well was then

controlled and killed according to procedure.

As everyone is aware when drilling an exploratory well, it takes people who are focused on their job (especially in the early morning hours). You guys have proven it again. Job Well Done!!!

Regards,
Mike Bunyak
Petroleum Authority of
Thailand
Exploration and Production
(PTTEP)

Corporate Report

Company Internet Site Serves Wide Audience

The Transocean Sedco Forex external Internet Web site at www.deepwater.com has been updated to include more accessible and timely information to all company stakeholders. The company's Internet home page is designed to serve as the first stop in external audiences' search for Transocean Sedco Forex information.

Everyone from investors to prospective employees can learn about the company through more than 20 sections at the site. Investors can track the current price at which the company's stock is trading, read the latest news release and order an Annual

Report to Shareholders and other materials. Prospective employees can view the latest job postings, submit their resumes and obtain the name and number of a recruiter in their area. Customers can instantly see what rigs are available for hire and what markets they are located in through a global map of the fleet and a table that includes initial specifications of rigs.

Audiences, including students, can also learn about the company's history and senior management, or just hone in on special sections about the *Sedco Express-class* and *Enterprise-class* rigs, plus the research vessel *Joides Resolution*.



Minita Orta, Marketing Secretary, Houston, surfs the Transocean Sedco Forex site at www.deepwater.com for the latest news and information about the company.

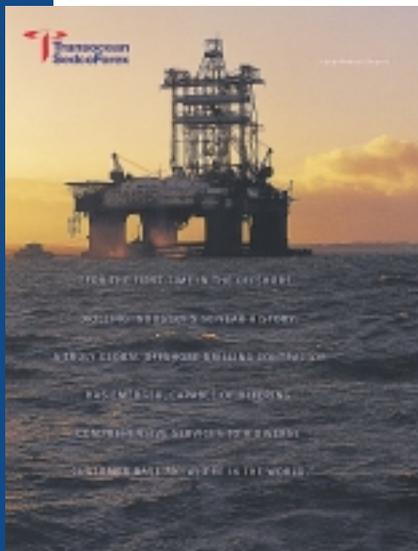
The company's Internet Web site will be periodically expanded with targeted enhancements such as automatic e-mails of news releases to people who request them.

Annual Report, Proxy Statement Mailed

The company's 1999 Annual Report to Shareholders and Proxy Statement have been mailed to shareholders. The Annual Report provides shareholders with insight to the advantages of the merger of Transocean Offshore Inc. and Sedco Forex Holdings Limited. It also includes discussions of the company's financial and operational performance. "This year, the Annual Report focused on the unique attributes of Transocean Sedco Forex, including our global fleet and markets," said Jeff Chastain, Director of Investor Relations and Communications. "The report provides shareholders with a good introduction to the company." Anyone who needs to order a copy of the 1999 Annual Report

to Shareholders can obtain one by sending a written request and return mailing address to: Transocean Sedco Forex, Investor Relations, Room 1117, 4 Greenway Plaza, Houston, Texas 77046.

The Proxy Statement alerts shareholders to the May 11, 2000, Annual General Meeting of Transocean Sedco Forex, Inc. The meeting at the Renaissance Hotel in Houston will include a presentation on the company, and Chairman Victor E. Grijalva and J. Michael Talbert, President and Chief Executive Officer, will participate in a question-and-answer session. The meeting's business matters include the re-election of four directors.



Press Box

Media Mentions

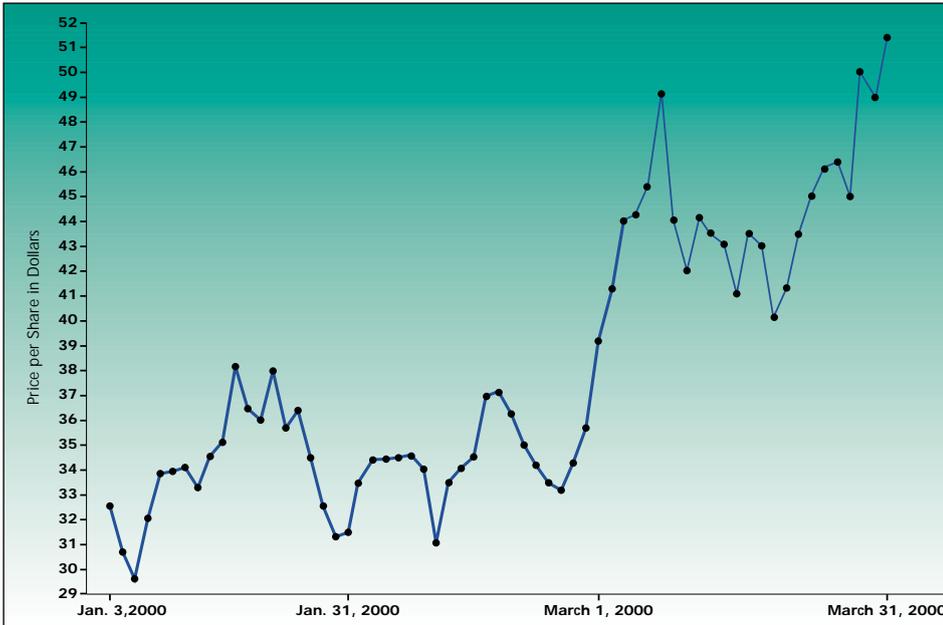
[J. Michael Talbert, President and CEO, was the lead-off industry expert quoted in the February 2000 issue of *Hart's E&P*. Editor in Chief Mark Thomas reported on mobile rig trends and the time lag from oil price recovery to higher rig utilization.](#)

"A Salomon Smith Barney survey indicates that 70% of respondents plan to increase spending levels during 2000. So John Q. Customer has not forgotten about the offshore drilling business. Rather he is just adhering to a historical pattern of behavior," Talbert said.

Measuring Our Success

Transocean Sedco Forex Stock Price Performance

January 3, 2000 to March 31, 2000



Source: New York Stock Exchange
Data reflects daily closing stock prices for Transocean Sedco Forex stock.

The price of Transocean Sedco Forex common stock rose approximately 50% between January 3, 2000, and March 31, 2000, climbing from \$32.81 per share to more than \$51 per share. The increase reflects strong demand for the company's stock, which trades under the symbol RIG on the New York Stock Exchange (NYSE).

Transocean Sedco Forex Fleet Utilization Rates — First Quarter 2000

By Rig Type

Semisubmersibles & Drillships	60%
Jackups	72%
Tenders	33%
Total	62%

Transocean Sedco Forex Fleet Utilization Rates — First Quarter 2000

By Regions

North America	56%
Brazil	82%
Asia	55%
Middle East	53%
Africa	66%
Norway	95%
U.K. & Europe	47%
Worldwide	62%



Ringling in the New Year

Transocean Sedco Forex President and Chief Executive Officer J. Michael Talbert (fifth from left) and his wife, Sharon, spearhead a group ringing the bell that marks the closing of trading at the New York Stock Exchange (NYSE) on January 12, 2000. Also on the podium above the floor of the world's largest stock exchange are (left to right): Andrew Cader of Spear, Leads & Kellogg, the specialist firm that coordinates the trading of RIG shares on the NYSE; Robert L. Long, Transocean Sedco Forex Executive Vice President, Chief Financial Officer and Treasurer; NYSE Chairman and CEO Richard A. Grasso; Brian Toolan of Spear Leads & Kellogg; Jeff Chastain, Director of Investor Relations and Communications of the company; and Jim Coufas of Spear, Leeds & Kellogg. Not shown, is Mary Laidlaw, a friend of the Talberts.

The Big Six

All of the company's newbuild construction projects are taking major steps toward delivery this year.

	Newbuild Project	Customer	Contract Terms	Estimated Delivery
1	<i>Discoverer Spirit</i>	Unocal	5 years	3Q 2000
2	<i>Discoverer Deep Seas</i>	Chevron	5 years	4Q 2000
3	<i>Sedco Express</i>	Elf	3 years	3Q 2000
4	<i>Cajun Express</i>	Marathon	3 years	3Q 2000
5	<i>Sedco Energy</i>	Texaco	5 years	3Q 2000
6	<i>Trident 20*</i>	Elf	3 years	4Q 2000

*Owned by a joint venture; owned more than 50% by the company.

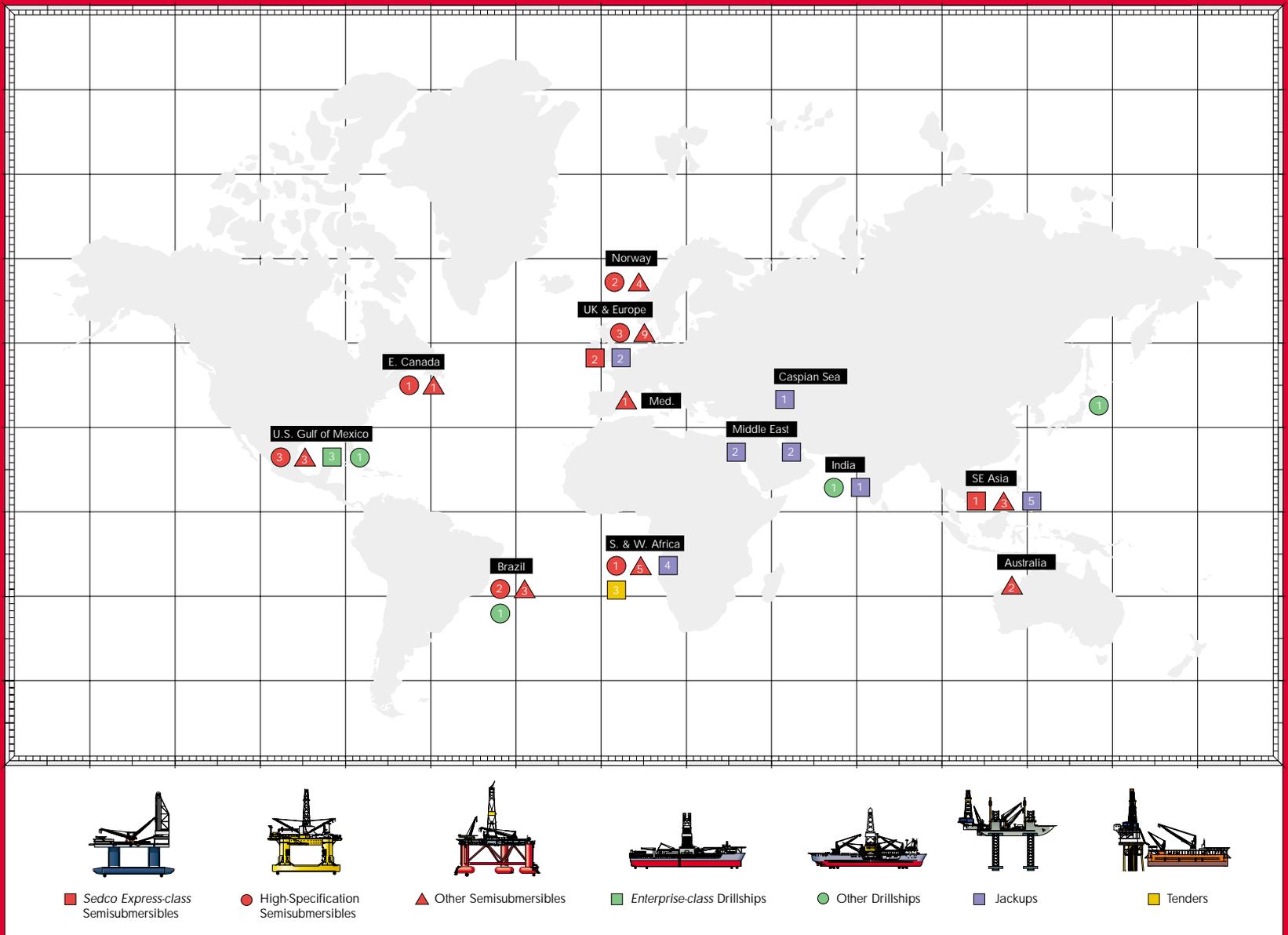
The *Sedco Express* and *Sedco Energy* high-specification semisubmersibles are scheduled for christening during May at the DCN shipyard at Brest, France. The rigs, like the already-christened *Cajun Express*, are scheduled to begin work under separate contracts during the third quarter. The *Discoverer Deep Seas* is scheduled for sea trials offshore Spain, before returning to the Astano shipyard and a trip to the Aker Gulf Marine shipyard near Corpus Christi, Texas, USA, this summer for final construction, including the mud modules, derrick and other installations.



The setting of the dual-activity derrick on the ultra-deepwater drillship Discoverer Spirit in February, marks a milestone in the final stages of construction of the rig at the Aker Gulf Maritime shipyard near Corpus Christi, Texas, USA. Unlike the Discoverer Enterprise, which had its derrick set on the rig in three sections, AGM moved the whole derrick in one piece onto the deck of the Discoverer Spirit.



In Azerbaijan, the Trident 20 is undergoing final outfitting toward becoming the first Western-made jackup to work in the Caspian Sea.



Shawn Southworth, Senior Toolpusher, explains how dual activity works on the Discoverer Enterprise to a group of investment analysts, who toured the ultra-deepwater drillship in early April. From left to right are: Ronnie Gombert of USAA Investment Management, Shawn Southworth, Jim Orser of Luther King Capital Management, Jim Shope of 1838 Investors, Joe Basset of Bank One, and Rahin S. Kassim-Lakha of U.S. Global Investment. In addition, Jon Cole, Executive Vice President of Marketing, Jeff Chastain, Director of Investor Relations and Communications, and Eric Brown, Vice President, General Counsel and Secretary, participated in the tour, which included presentations by several crewmembers and lunch.

Type and Name	Yr. Entered Service/ Upgraded	Water Depth Capability (ft.)	Drilling Depth Capability (ft.)	Location	Design	BOP Rating
<i>Sedco Express-Class Semisubmersibles (3)</i>						
1. Cajun Express	Newbuild	8,500	35,000	Shipyard (Singapore)	SFXpress	18 3/4 in., 15,000 psi
2. Sedco Energy	Newbuild	7,500	25,000	Shipyard (France)	SFXpress	18 3/4 in., 15,000 psi
3. Sedco Express	Newbuild	7,500	25,000	Shipyard (France)	SFXpress	18 3/4 in., 15,000 psi
<i>Other High-Specification Semisubmersibles (12)</i>						
4. Transocean Marianas	1979/1998	7,000	25,000	U.S. Gulf of Mexico	Sedco 700	18 3/4 in., 10,000 psi
5. Sedco 707	1976/1997	6,500	25,000	Brazil	Sedco 700	18 3/4 in., 15,000 psi
6. Sedco 710	1983	6,000	25,000	Brazil	Sedco 700	18 3/4 in., 10,000 psi
7. Transocean Richardson	1988	5,000	25,000	U.S. Gulf of Mexico	GVA 4500	18 3/4 in., 15,000 psi
8. Sedco 709	1977/1999	5,000	25,000	Nigeria	Sedco 700	18 3/4 in., 10,000 psi
9. Transocean Leader	1987/1997	4,500	25,000	U.K. North Sea	Aker H-4.2	18 3/4 in., 15,000 psi
10. Transocean Rather	1988	4,500	25,000	U.S. Gulf of Mexico	GVA 4500	18 3/4 in., 15,000 psi
11. Sovereign Explorer	1984	4,000	25,000	U.K. North Sea	GVA 4000	18 3/4 in., 15,000 psi
12. Henry Goodrich	1985	2,000	30,000	Canada	SES 5000	18 3/4 in., 15,000 psi
13. Paul B. Loyd, Jr.	1991/1993	2,000	25,000	U.K. North Sea	Aker H-4.2	18 3/4 in., 15,000 psi
14. Transocean Arctic	1986	1,650	25,000	Norwegian North Sea	Marosso 56	18 3/4 in., 15,000 psi
15. Polar Pioneer	1985	1,500	25,000	Norwegian North Sea	Sonat/Hitachi	18 3/4 in., 15,000 psi
<i>Other Semisubmersibles (31)</i>						
16. Sedco 700	1973/1997	3,600	25,000	Shipyard (Gabon)	Sedco 700	18 3/4 in., 10,000 psi
17. Transocean Legend	1983	3,500	25,000	Brazil	Bingo 3000	18 3/4 in., 10,000 psi
18. Transocean Amirante	1978/1997	3,500	25,000	U.S. Gulf of Mexico	Aker H-3	18 3/4 in., 10,000 psi
19. Transocean Driller	1991	3,000	25,000	Brazil	L-1033 Pacesetter	18 3/4 in., 15,000 psi
20. Omega	1983	3,000	25,000	South Africa	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
21. Transocean 96	1975/1997	2,300	25,000	U.S. Gulf of Mexico	Pentagon	18 3/4 in., 10,000 psi
22. Transocean 97	1977/1997	2,300	25,000	U.S. Gulf of Mexico	Pentagon	18 3/4 in., 10,000 psi
23. Transocean John Shaw	1982	1,800	25,000	U.K. North Sea	Pacesetter	18 3/4 in., 10,000 psi
24. Sedco 711	1982	1,800	25,000	U.K. North Sea	Sedco 711	18 3/4 in., 15,000 psi
25. Sedco 712	1983	1,600	25,000	U.K. North Sea	Sedco 711	18 3/4 in., 15,000 psi
26. Sedco 714	1983/1997	1,600	25,000	Canada	Sedco 711	18 3/4 in., 15,000 psi
27. Actinia	1982	1,500	25,000	Malta	L-1033 Pacesetter	18 3/4 in., 10,000 psi
28. Drillstar	1982	1,500	25,000	U.K. North Sea	Pacesetter	18 3/4 in., 15,000 psi
29. Sedco 600	1983/1994	1,500	25,000	Vietnam	Sedco 600	18 3/4 in., 10,000 psi
30. Sedco 601	1983	1,500	25,000	Indonesia	Sedco 600	18 3/4 in., 10,000 psi
31. Sedco 602	1983	1,500	25,000	Singapore	Sedco 600	18 3/4 in., 10,000 psi
32. Sedneth 701	1972/1993	1,500	25,000	Congo	Sedco 700	18 3/4 in., 10,000 psi
33. Sedco 702	1973/1992	1,500	25,000	Australia	Sedco 700	18 3/4 in., 10,000 psi
34. Sedco 703	1973/1995	1,500	25,000	Australia	Sedco 700	18 3/4 in., 10,000 psi
35. Sedco 708	1976	1,500	25,000	Angola	Sedco 700	18 3/4 in., 10,000 psi
36. Transocean Winner	1983	1,500	25,000	Norwegian North Sea	GVA 4000	18 3/4 in., 15,000 psi
37. Transocean Searcher	1983/1988	1,500	25,000	Norwegian North Sea	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
38. Transocean Prospect	1983/1992	1,500	25,000	Norwegian North Sea	Bingo 3000	18 3/4 in., 15,000 psi
39. Transocean Wildcat	1977/1985	1,300	25,000	Norwegian North Sea	Aker H-3	18 3/4 in., 10,000 psi
40. Transocean Explorer	1976	1,250	25,000	U.K. North Sea	Aker H-3	18 3/4 in., 10,000 psi
41. Transocean Discoverer	1977/1985	1,250	25,000	U.K. North Sea	Aker H-3	18 3/4 in., 10,000 psi
42. Sedco 704	1974/1993	1,000	25,000	U.K. North Sea	Sedco 700	18 3/4 in., 15,000 psi
43. Sedco 706	1976/1994	1,000	25,000	U.K. North Sea	Sedco 700	18 3/4 in., 10,000 psi
44. Sedco Explorer	1975/1995	1,000	25,000	U.K. North Sea	Aker H-3	18 3/4 in., 10,000 psi
45. Sedco I-Orca	1970/1987	900	25,000	South Africa	Sedco 135	18 3/4 in., 10,000 psi
46. Sedco 135D	1966/1977	600	25,000	Brazil	Sedco 135	N/A
<i>Discoverer Enterprise-Class Drillships (3)</i>						
47. Discoverer Enterprise	1999	10,000	35,000	U.S. Gulf of Mexico	Transocean Enterprise	18 3/4 in., 15,000 psi
48. Discoverer Spirit	Newbuild	10,000	35,000	Shipyard (U.S.)	Transocean Enterprise	18 3/4 in., 15,000 psi
49. Discoverer Deep Seas	Newbuild	10,000	35,000	Shipyard (Spain)	Transocean Enterprise	18 3/4 in., 15,000 psi
<i>Other Drillships (4)</i>						
50. Discoverer Seven Seas	1976/1997	7,000	25,000	Brazil	Sonat Discoverer	18 3/4 in., 15,000 psi
51. Discoverer 534	1975/1991	7,000	25,000	U.S. Gulf of Mexico	Sonat Discoverer	18 3/4 in., 10,000 psi
52. Joides Resolution	1978	27,000	30,000	Worldwide	Sedco 400 Ice 1-B	N/A
53. Sagar Vijay	1985	2,950	20,000	India	Pelican	18 3/4 in., 10,000 psi
<i>Jackup Rigs (17)</i>						
54. Transocean Jupiter	1981/1997	170	16,000	UAE	Sonat Cantilever	13 5/8 in., 10,000 psi
55. Offshore Comet	1980	250	20,000	Gulf of Suez, Egypt	Sonat Cantilever	13 5/8 in., 5,000 psi
56. Offshore Mercury	1969/1998	250	20,000	Gulf of Suez, Egypt	Sonat Cantilever	13 5/8 in., 5,000 psi
57. Transocean III	1978/1993	300	20,000	UAE	Sonat Orion Cantilever	13 5/8 in., 5,000 psi
58. Shelf Explorer	1982	300	25,000	Danish North Sea	CFEM T2005-C Cantil.	13 5/8 in., 5,000 psi
59. Transocean Nordic	1984	300	25,000	German North Sea	CFEM T2600C1 Cantil.	13 5/8 in., 15,000 psi
60. Trident II	1977/1985	300	25,000	India	Marathon LT 116C	13 5/8 in., 10,000 psi
61. Trident IV	1980/1999	300	25,000	Angola	Marathon LT 116C	13 5/8 in., 10,000 psi
62. Trident VI	1981	300	21,000	Nigeria	Modec 300C	13 5/8 in., 10,000 psi
63. Trident VIII	1981	300	21,000	Nigeria	Modec 300C	13 5/8 in., 10,000 psi
64. Trident IX	1982	400	21,000	Thailand	Modec 400C	13 5/8 in., 10,000 psi
65. Trident XII	1982/1992	300	25,000	Brunei	BMC 300 1-C	13 5/8 in., 15,000 psi
66. Trident XIV	1982/1994	300	20,000	Angola	BMC 300 Cantilever	13 5/8 in., 10,000 psi
67. Trident 15	1982	300	25,000	Vietnam	Modec 300C-38	13 5/8 in., 10,000 psi
68. Trident 16	1982	300	25,000	Thailand	Modec 300C	13 5/8 in., 10,000 psi
69. Trident 17	1983	355	25,000	Indonesia	Modec 300C-38	13 5/8 in., 10,000 psi
70. Trident 20	Newbuild	350	25,000	Shipyard (Azerbaijan)	F&G Mod. V	13 5/8 in., 15,000 psi
<i>Tenders (3)</i>						
71. Searex 9	1981	460	21,000	Congo	Tender Assisted, Self-Erecting	N/A
72. Searex 10	1983/1994	450	21,000	Angola	Tender Assisted, Self-Erecting	N/A
73. Searex 11	1983	350	20,000	Singapore	Tender Assisted, Self-Erecting	N/A
<i>Swamp Barges (6)</i>						
74. Searex 4	1981/1989	6.6	16,000	Nigeria	Swamp Barge	13 5/8 in., 5,000 psi
75. Searex 6	1981/1991	25	25,000	Nigeria	Swamp Barge	13 5/8 in., 10,000 psi
76. Searex 7	1980	25	20,000	Indonesia	Swamp Barge	13 5/8 in., 10,000 psi
77. Searex 8	1985/1989	22	20,000	Indonesia	Swamp Barge	13 5/8 in., 5,000 psi
78. Searex 12	1982/1992	25	20,000	Nigeria	Swamp Barge	13 5/8 in., 10,000 psi
79. Hibiscus	1979/1993	25	21,000	Indonesia	Heavy Swamp Barge	13 5/8 in., 10,000 psi

Employee Photo Contest

First Companywide Photography Contest Opens

If you enjoy taking photographs, you can have your images judged by a team of professional photographers and publications designers in the first Transocean Sedco Forex photography contest. The contest is open to any company employee who enters according to the rules.

Rules

1. All entries must be postmarked no later than **September 4, 2000**.
2. No more than two prizes will be awarded to any one employee.
3. Winners will be notified by mail, and their entries will be published in *Offshore Frontiers*.
4. Color, black-and-white and digital photographs can be entered in any format, including printed images and 35 mm or larger slides and transparencies.
5. The judges will determine the number of winning entries for each category.

Categories

At Work: Any photo of people working for the company or of any rig or asset of the company.

Away from Work: Any photo of anyone — employee or non-employee.

Nature: Any scenic image.

Awards

Awards will be given by category for color, black-and-white and digital photography for:

Best of Show: \$300

First Place: \$200

Second Place: \$100

Third Place: \$50

Additionally, all winners will receive a company shirt and cap.

How to Enter

Please complete the following form and mail a copy with each photo to:

Employee Annual Photography Contest
c/o Executive Editor, *Offshore Frontiers*
Room 1108, 4 Greenway Plaza
Houston, Texas USA 77046

Digital entries can be e-mailed to gcantwell@deepwater.com

Employee Annual Photo Contest

Name _____

Title _____

Division, Rig, Office _____

Address _____

City, State, Region, Country _____

Zip Code or Postal Code _____

Title of Photo _____

Category _____

Description of Photo _____

