



OFFSHORE FRONTIERS

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Award Recipients Shine Bright

Vietnam: Wake Up and
Smell the Opportunity!

Ho Chi Minh's Hot!
6 Ways to Chill Out

Looking Back at Project Mohole

Xin Chao, Vietnam!



Bob Long
CEO

Welcome

Our success at Transocean has always been a direct result of our more than 21,000 dedicated employees who work hard every day to provide the best offshore drilling service in the industry. This edition of *Offshore Frontiers* showcases a special group of Transocean people – our 2007 FIRST Excellence Award recipients – whose remarkable efforts as individuals and teams to live by the company's FIRST core values have inspired their co-workers to do the same. We proudly welcomed them to Houston last June to celebrate this important accomplishment, and I look forward to everyone having the opportunity to meet them here in our company magazine.

Our FIRST Excellence Award recipients did not achieve their success alone. They got where they are today because of the strong culture of training and development at Transocean. As we move forward in this highly competitive industry, fostering this culture is more crucial than ever before. I ask each of our employees, regardless of your position or location, to take an active interest in helping each other succeed – whether it's supporting someone with a career development opportunity or taking the time to help someone understand an everyday safety procedure. The talent and experience of our workforce across all functions is the key to delivering top results to our customers.

Our team in Vietnam is just one great example of working together to train and develop their people and, by extension, achieve operational excellence. This region, one of fastest-growing in Southeast Asia, is featured in this edition.

Also significant is the historic Mohole Project, which is profiled in our history section. Transocean was recently elected to the Offshore Energy Center's Hall of Fame as a Technology Pioneer on the project.

As we wrap up 2008 and look into 2009, I thank every employee for their continued commitment to providing operational excellence and achieving our vision of providing an incident-free workplace. I'm proud to be on your team.

A handwritten signature in white ink, appearing to read 'R. Long', written in a cursive style.

Robert L. Long
Chief Executive Officer

December 2008

Volume 9
Number 2

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

Offshore Frontiers is published twice a year for employees, customers and other key audiences.

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OFFSHORE FRONTIERS

2 Star Power: FIRST Excellence Award Recipients

FIRST Excellence Award winners are selected each year for going “above and beyond” in demonstrating the company’s FIRST core values. While the 2007 recipients hail from every corner of the globe, we think they’re really out of this world!

35 Good Morning, Vietnam!

A lot has changed in Vietnam since Transocean began operations there in the 1980s. What hasn’t changed is the company’s commitment to providing its people with opportunities to develop their careers.

40 Chill

It’s hot year round where Transocean operates in southern Vietnam, but there’s no shortage of ways to unwind. Check out six to try while you’re in Ho Chi Minh City (still popularly called Saigon).

41 Looking Back: Project Mohole

The Mohole Project is widely acknowledged as setting the stage for ultra-deepwater drilling. With Transocean recently elected to the Offshore Energy Center’s Hall of Fame as a Technology Pioneer on the project, here’s a look back at this historic effort.

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What does it take to be environmentally responsible in the drilling industry? Ian Hudson, Transocean’s Corporate Environmental Manager, submitted an article that was published in *Drilling Contractor* magazine with a response to this question.

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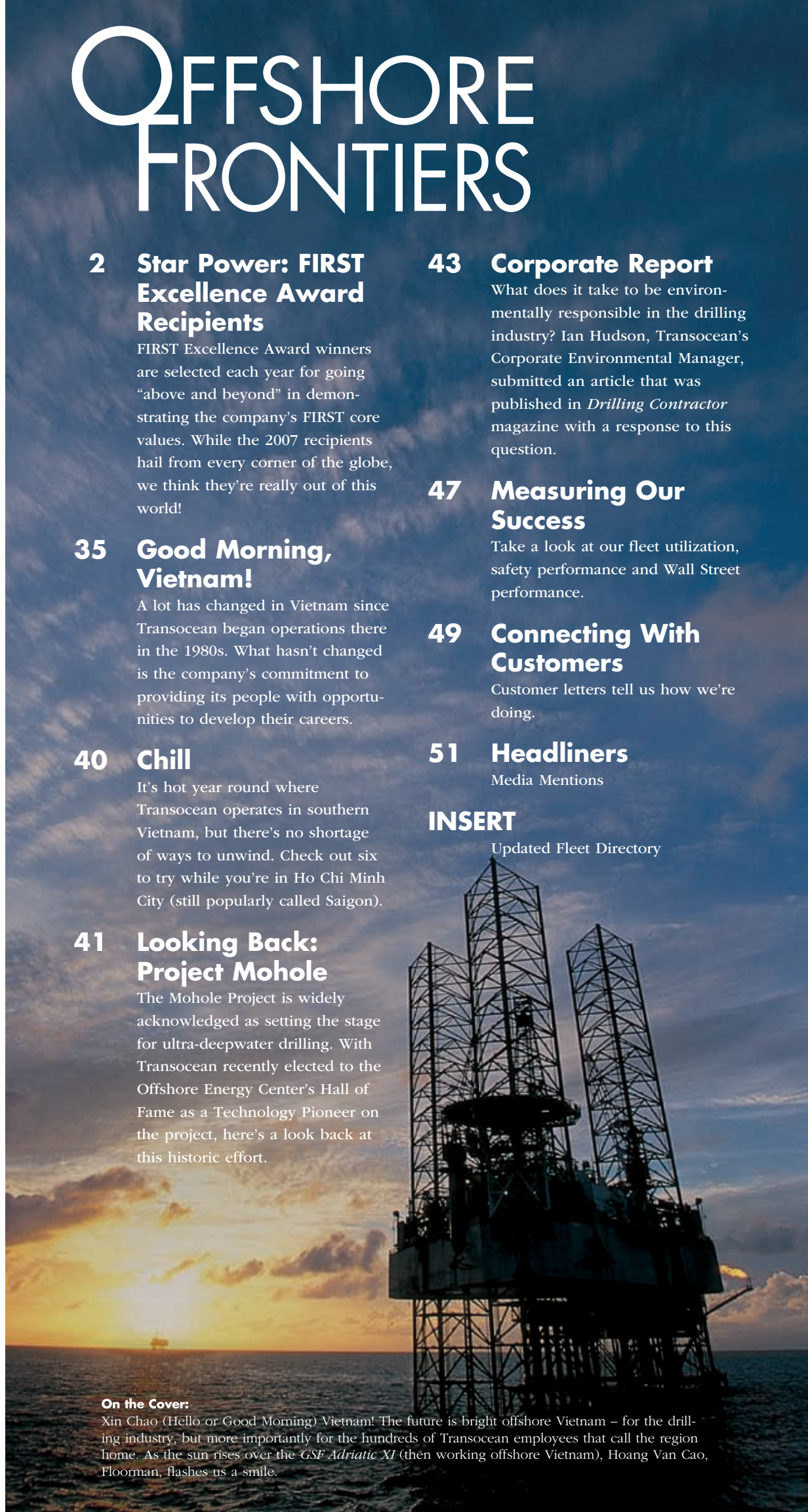
Media Mentions


INSERT

Updated Fleet Directory

On the Cover:

Xin Chao (Hello or Good Morning) Vietnam! The future is bright offshore Vietnam – for the drilling industry, but more importantly for the hundreds of Transocean employees that call the region home. As the sun rises over the *GSF Adriatic XI* (then working offshore Vietnam), Hoang Van Cao, Floorman, flashes us a smile.



A Transocean award trophy is shown against a dark, starry night sky. The trophy consists of a globe on a stand, with a curved, perforated metal band arching over it. The word "Transocean" is visible on the stand. To the right, a bright sun or star is partially visible, creating a lens flare effect. The overall scene is set against a backdrop of a starry night sky with a curved horizon line.

In astronomy, a supernova is a stellar
cellence Award winners – selected
core values (Financial Discipline, Integ
of just that. Bursting onto the scene in
tow – this year's 28 award recipients
Houston Petroleum Club. Winners got
proud to feature them here in *Offshore*
pretty bright!

— Courtney Wilcox
Reporting by Theresa Parker

Star Power

explosion so luminous that it can briefly outshine an entire galaxy. FIRST Excellence Award recipients (FIRST stands for Integrity, Respect, Safety and Technical Leadership) – are the Transocean equivalent of Hollywood stars. This year, 10 recipients from all around the world this June – many with family members in tow – were celebrated at a four-day event that culminated at an awards dinner at the Reliant Ballroom in Houston. The recipients were given the star treatment – paparazzi included! – to honor their achievements. We're looking for more stars in the future. Put on your sunglasses, because the following pages are sure to get

SPECIAL THANKS TO THE
2007 REVIEW COMMITTEE:
All titles as of review period

Bill Ambrose, Maintenance and Technical Support
Walter Cabucio, Operations Performance
Ed Collins, Compliance Administration
Stacey Earley, Contracts
Dan Hansen, HR Worldwide Operations
Iain Hope, Marketing, Floaters
Todd Jordan, Risk Management*
Dado Matkins, Global HR Applications & Services
Jimmy Moore, QHSE
Darrell Pelley, Engineering Services
Matt Schwartz, Internal Audit
Garry Taylor, Finance
Brian Wolf, Materials Management


*Todd was a FIRST Excellence award recipient, but didn't know he was nominated and didn't have any part in his selection. The review committee kept his nomination a secret from him and judged it separately from the other submissions.

NOMINATE 2008!

For the past nine years, Transocean's FIRST Excellence Award has recognized Transocean employees, teams and rigs that have gone "above and beyond" in applying the company's core values to their work, and to instill those values into all the people who surround them. Nominations can be submitted by any company employee supported by their Business Unit or corporate vice president. You can find more information about the FIRST Award along with 2008 nomination forms when they are available at Transocean's intranet, *RIGCentral* (www.rigcentral.com) in the "Safety and Excellence" section. We're looking forward to the 10th anniversary of the FIRST awards, and hope you are, too!

PHOTO OP

Visit the Employee Photo Gallery at *FIRST Online* (<http://FIRST.RIGemployees.com>) to view online slideshows of this year's FIRST Excellence Award welcome luncheon and dinner awards ceremony in Houston. The gallery is located in the "Employee Updates" section.



When Raimundo joined the company 30 years ago, he set a personal goal to become an assistant driller. He worked through the ranks as roustabout, floorman and derrickman and achieved his goal. For the past 15 years, Raimundo has played a role in mentoring other people on the *Sedco 710's* drill floor, many of whom are also now in leadership roles with the company.

“Raimundo takes the time to pass on his knowledge to the less experienced crew members. He maintains the respect of Transocean and client teams due to his professionalism, experience and ready-to-help attitude,” said Rob Saltiel, Executive Vice President, Performance.

In addition to sharing his experience, Raimundo is a role model for promoting a strong safety culture. In 2007, the *710* achieved a full year with no recordable injuries, no serious injury cases and no serious near hits – with excellent reliability. Raimundo takes safety to heart. “Safety is truly a core value at Transocean. I take care of my team and co-workers. Nobody gets hurt on my watch,” he said.

Raimundo said Transocean is a great place to work not only because of its safety culture but also because of the opportunities it provides for employees to move up and grow with the company. He felt very proud to receive the FIRST Excellence award. “It’s good to know that the company is recognizing my work. It means a lot to me and my family. I have never been happier in my offshore life.”

RAIMUNDO ALMEIDA

Assistant Driller, *Sedco 710*

AMU - South America



MARVIN MULLINS

OIM, *Deepwater Navigator*

AMU - South America

If there's one thing Marvin has learned in 28 years with the company, it's to be personally accountable and see tasks through to completion in a satisfactory way. "Follow-up is everything," he said on the sign-off to all his e-mail correspondence.

Following up is what helped Marvin and his *Deepwater Navigator* team achieve a total downtime of only 1.00 percent in a three-year period as the well-established drillship changed clients five times and went through three shipyard periods.

The *Navigator's* team credits Marvin with establishing an excellent safety and performance culture. "Marvin is a safety leader who ensures consistent, quality participation in the START process. He reviews and provides excellent feedback on THINK plans developed by his crew. He has challenged his team to be safer and to rigorously follow the company's management systems," said Rob Saltiel, Executive Vice President, Performance.

The first person Marvin called with news about receiving the award was his dad in Natchez, Mississippi, USA, who also worked in the drilling industry. "It's a good feeling to know that I have contributed over the years to the type of company Transocean has become," Marvin said. "You can't find another company that handles mergers as well as we do. And the core values are something you can live with at work and at home. I'm proud to say I work for Transocean."

JEFF SHEPARD

Manager, Subject Matter Expert Team
Houston

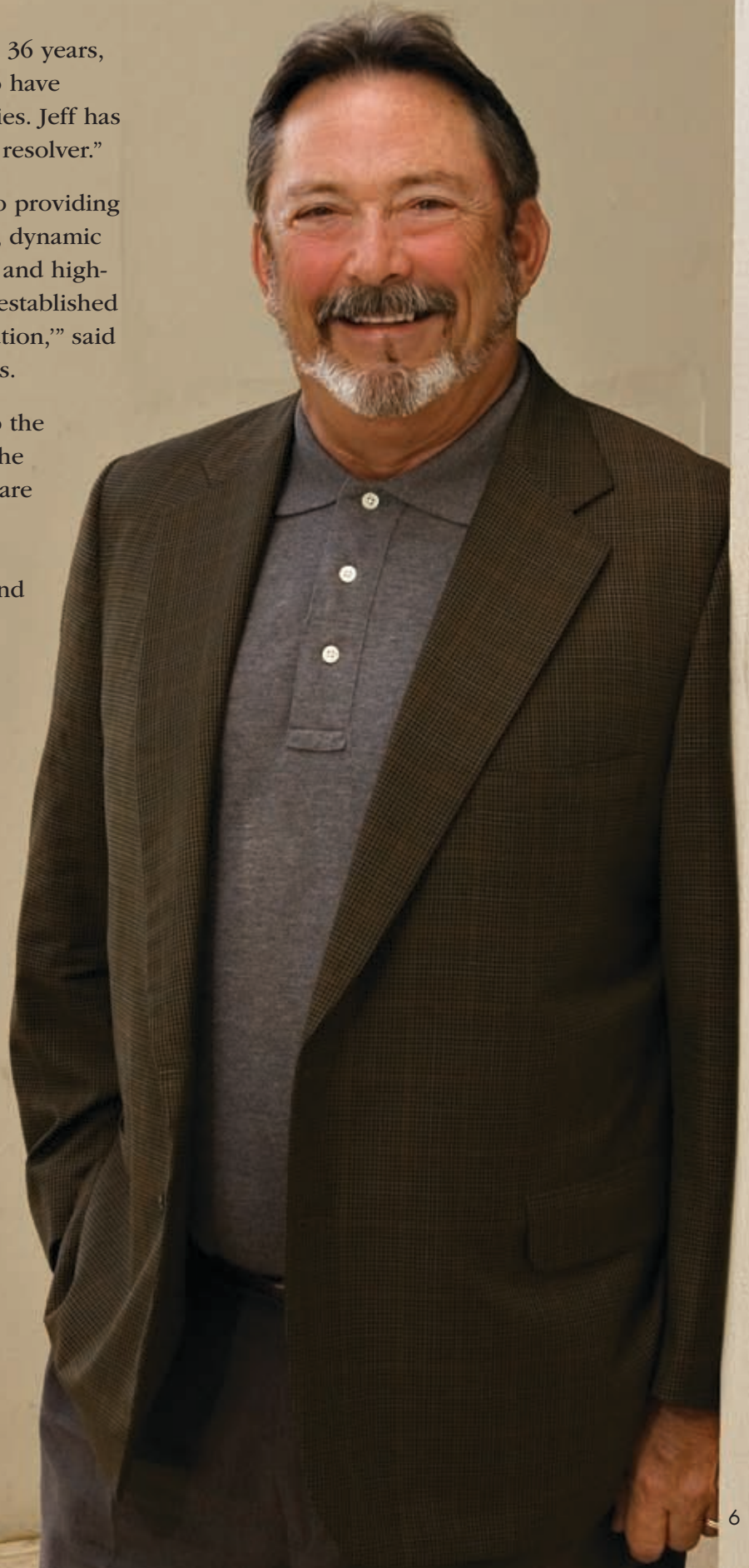
When you've been with a company for 36 years, chances are you're among those who have helped set standards and write policies. Jeff has filled that role well, earning a reputation as "the resolver."

"From successfully modifying the *GSF Explorer*, to providing expert advice on technical subjects like tubulars, dynamic loads on handling equipment, quality assurance and high-pressure hoses or corrosion protection, Jeff has established himself as the one who will always find the solution," said Arnaud Bobillier, Executive Vice President, Assets.

It seemed a natural transition for Jeff to head up the newly formed Subject Matter Expert team after the November 2007 merger. "Subject-matter experts are valuable resources. Many people have left the drilling industry over the past 25 years. Those who remain active have a depth of experience and knowledge that can greatly assist in strengthening Transocean's ability to maintain its technical leadership," Jeff said.

His greatest satisfaction comes at the end of each day knowing that he helped someone achieve his or her objectives. "Through greater understanding of a particular subject, people are able to do their jobs more effectively."

Jeff said there is no equal when it comes to the quantity and quality of expertise among Transocean employees. "There are many technical challenges ahead in our industry and our pool of experts can provide the resources available to pursue them. Transocean is one of the few companies that champions technical achievement. That means greater opportunities for career advancement and recognition that simply are not available with other companies in this business."







DAWN BURTON

QHSE Integration Administrator

Houston

Dawn has excelled in all of her assignments during her six years in quality and safety training, from coordinating training schedules to breaking in a new software system for requests and records, to most recently helping ensure a smooth transition in the merger integration and communications process.

“Dawn’s personality, commitment to work and desire to help others have played a major part in the success of the QHSE team, and has had a profound effect on our efforts to support operations worldwide,” said Tony Johnson, Senior Manager, QHSE.

The best part of the job, Dawn said, is interacting with people worldwide. “It’s been great to build relationships with people I’ve never met face-to-face, yet feel like I know so well.”

EME Division QHSE Manager Eddie McWilliams said Dawn does the right thing every time. “Dawn has always strived to ensure that she understands the needs and requirements of personnel traveling to and from QHSE workshops, and takes care of them.”

As Dawn goes about making sure Transocean employees have the information and skills they need to be successful, she, too, never stops learning. “The on-the-job training at Transocean is great. I am learning so much as I go. My skills are growing as I work with many different cultures and personalities, and take on new tasks,” she said.

RENE RODRIGUES

Manager, Training and Development

AMU - North America

Rene began his drilling adventure with the company as a roustabout in India 26 years ago and soon found his true passion in training. Since 2003, he has managed the company's training facilities in Houston and Amelia, Louisiana. After the November 2007 merger, he assumed the additional role of overseeing the speedy build-out of the Park 10 offices to accommodate the full Gulf of Mexico operations team.

"Rene's leadership has enabled the training department to improve its impact and reach to our offshore and shore-based workforces. His attention to detail and technical understanding have greatly improved the company's training focus and content," said Rob Saltiel, Executive Vice President, Performance. "Rene is described by his team as a selfless manager. He is always willing to stop and teach others."

"I love to share my experience and knowledge and learn from other people. I have the best team in the world. I can go on vacation knowing everything will run smoothly without me," said Rene, who is looking forward to the department's next big challenge: Training personnel who will staff the company's newbuild drillships.

Rene began working at the company straight out of college and said he never felt the need to apply anywhere else. "If you put in the effort, you get back from the company what you put in. I know that what I do for Transocean is appreciated."

GSF COMPACT DRILLER

LARRY MARTIN

APU - North East Asia

The *GSF Compact Driller* is all about performance. With its offline handling capability, the rig is constantly batch-set drilling up to 10 wells then moving on to the next batch. In 2007, the rig drilled a total of a half million feet. The *GSF Compact Driller* has also turned in an impressive safety performance, achieving five years without a SIC (Serious Injury Case).

This performance led the client, Chevron, to declare the *GSF Compact Driller* as “the best performing jackup rig on the planet!”

“The Compact Driller has always been impressive with the professionalism, processes, and safety focus that exists on the rig. The folks do things the right way,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

As Barge Master, Larry Martin plays an important role in coordinating the rig’s frequent moves. He was nominated by crew members to receive the award on their behalf. “I was very proud to represent the *Compact Driller*,” said Larry, who recently celebrated 35 years with the company. “It takes the whole rig team to achieve this. They are all hard workers with a great attitude of cooperation.”

The rig enjoys a low turnover rate among its crew and sustains an excellent onboard succession plan. In 2007 alone, the *GSF Compact Driller* promoted three assistant drillers to driller, trained and promoted a Thai mechanic to a stand-alone position in Vietnam, released a night toolpusher to become an OIM in Vietnam, released an OIM to become a rig manager in the Middle East and released two barge masters to support Houston operations.

“Anybody who wants to move up has the opportunity to advance,” Larry said. “Career opportunities and technology leadership are what Transocean is all about.”

The long list of Carl's engineering accomplishments in his 27 years with the company reads like a historic account of industry breakthroughs. He is probably best known for reengineering the design of riser recoil systems on the *Discoverer Seven Seas* and *Discoverer 534*, which helped usher in enhanced Enterprise-class drillships.

More recently, Carl tackled the challenge of reducing the heavy downtime incurred with top-drive systems. The solution required a complete reengineering of the system. He authored the specs for a new, more efficient and robust system now known as the Modular Derrick Drilling Machine initially for the enhanced Enterprise-class drillships. The system has been installed on the newbuild *Discoverer Clear Leader* and the test results look promising.

"Carl has developed a reputation for understanding complicated systems better than the ones who designed them," said Arnaud Bobillier, Executive Vice President, Assets.

He also understands the importance of sharing his knowledge. "Carl's mentorship within the Mechanical Engineering team is evident in the performance of junior engineers. As an example, Aaron Barr, design engineer, has developed a high level of proficiency in the design and evaluation of riser recoil systems under Carl's leadership. That's critical knowledge to be passed on to the young engineers who are the future of the engineering department," said Pharr Smith, Vice President, Engineering and Technical Services.

A second generation Houstonian, Carl said he enjoys his job at Transocean, solving problems in his little office upstairs and venturing out to the rigs.

He was honored to be recognized for his work by his co-workers and Transocean. "All the years I have worked here, I have been treated very well. The benefits, compensation and working environment have always been very inviting."





CARL HOCK

Sr. Project Engineer, Engineering Support
Houston

GSF ADRIATIC VIII RONNIE SOWERS

EAU Gulf of Guinea



The *GSF Adriatic VIII* recently celebrated its 12th year of continuous service for ExxonMobil in Nigeria. In 2007, the rig also completed 12 years without a SIC (Serious Injury Case) and was voted ExxonMobil's best operation in Nigeria. The rig's accomplishments were showcased at the client's annual drilling conference for its outstanding performance and development of nationals.

"ExxonMobil monitors rig performance closely, sets high expectations and provides continuous feedback to the rig managers and crews. The client consistently ranks the rig very high in all areas of activity and commends the rig manager and supervisory team for outstanding leadership," said Ricardo Rosa, Senior Vice President, Europe and Africa Unit.

"The rig crew focuses on the selection and development of its members," said Ronnie, Rig Manager – Performance, who accepted the award on behalf of the rig crews (Driller John Bull Enoma had been nominated to travel to Houston and receive the award, but was not able to get a visa in time). "As a result, all supervisory positions are filled by internal promotion with only the entry-level positions being offered to external candidates. The crew is 95 percent Nigerian, including a senior toolpusher, with only nine expatriates assigned to the rig. This focus on people development is also reflected in the high level of training compliance which stood at 92 percent in 2007."

"It's the operating performance and safety record of rigs such as the *GSF Adriatic VIII* which make Transocean stand out as a premier drilling contractor," Ronnie said.

HILDE NYGÅRD

Sr. Rig Accountant
EAU - Norway

Hilde has a gift for numbers and a passion for learning. The combination has laid the foundation for a successful 23-year career with Transocean.

“Hilde not only has excellent knowledge of Transocean’s accounting policies and Sarbanes-Oxley requirements, but also a solid understanding of rig operations and equipment. These competencies contribute to the quality of her financial reporting and forecasting, and empowers her to make suggestions for improvements and cost savings,” said Ricardo Rosa, Senior Vice President, Europe and Africa Unit.

Case in point: When Hilde worked with the *Transocean Arctic* and *Polar Pioneer* teams to organize a business proposal and expedite the approval process to purchase anchors. The purchase was reimbursed by the client and saved a minimum of one month of anchor rental for both rigs, a value in excess of \$60,000 USD.

A self-made accountant, Hilde did not have an accounting degree when she began with the company. She credits Bob Scott who hired her and the company accountants who served as mentors to help develop her skills. Hilde thrives on the challenge of finding better ways to do things and loves learning about the rig equipment and processes.

“When I first started learning about the equipment I would see an item on the invoice for \$20,000 and initially think it must be this huge piece of machinery. Then I see it and it’s this tiny thing in a plastic bag. It helps to have a visual of what’s written on paper.”

Hilde said her job may be about numbers, but it’s the people she works with that makes her job so enjoyable. “People make Transocean a good place to work. There are so many different nationalities and so many nice people. I really enjoy that.”



BEN COLE

Asset Manager, *Discoverer Enterprise*

AMU-North America

For most of 2007, Ben was the rig manager for the *Discoverer Enterprise*. During his time in that role, he made a huge impact in leading the turnaround of the rig's performance for a very demanding client – reducing downtime and safety incidents while improving rig efficiency.

“Ben's assignment as rig manager of the *Enterprise* began a transformation of the rig's performance. His passionate and charismatic leadership had an overwhelming effect on the rig's operations and personnel as a whole,” said Rob Saltiel, Executive Vice President, Performance.

Ben's leadership team brought the *Enterprise's* Key Step Measures (KSM) back so that the rig increased its KSM performance rating from 88 percent in 2006 to 97 percent in 2007, being top among 5th-Generation rigs for tripping casing and best of the *Enterprise*-class vessels for tripping pipe and running riser.

Now the asset manager for the *Enterprise*, *Discoverer Spirit* and *Discoverer Deep Seas*, Ben focuses on the maintenance and support of the rigs and equipment and manages the rigs' budgets, forecasting and procurement. He joined the company in 1999 as a design engineer in the Marine and Structural group. Other roles have included operations manager and construction manager for the *Deepwater Nautilus* hurricane repair project.

Ben enjoys working with offshore personnel to make a positive difference for the client. “The most satisfaction that I get out of my job is being able to make a difference and seeing what value my effort has on the success of the rig or project,” he said. “Transocean has provided me with numerous opportunities to grow and develop over the years, and I have been fortunate to work with a lot of employees who are committed to upholding the core values of the company.”

GSF RIG 105

MOHAMED BARAKET

APU - Egypt and Middle East

The crews and supervisors on the jackup *GSF Rig 105* have always shared the same goal – achieving an injury-free workplace. In July 2007, the rig celebrated 16 years without incurring a SIC (Serious Injury Case) or recordable incident – a truly remarkable record in the industry.

“The personnel have truly led the pack when it comes to safety. They exemplify this rig’s passion for doing the right thing and not accepting the unacceptable. On the environmental front, the rig has been working its entire life of 34 years in a highly environmentally sensitive area of the Red Sea and has had no environmental incidents recorded against her operations since this information has been tracked by the company,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.



Derrickman Mohamed Baraket, who was chosen to represent the crew in receiving the award, said the crew members have adopted a safety-first attitude. “The rig’s leaders are always willing to accept new ideas from the crew and provide the best training and tools to do our jobs safely.”

Looking at operational performance for 2007, the rig incurred only 0.68 percent of unplanned repair downtime for the year which was well below the company’s target of 0.90 percent.

GSF Rig 105 has worked for Petrobel for more than 20 years, and safety pays off in many ways. For example, as a result of the rig’s high level of operational and safety performance, Petrobel has extended the contract until 2011.

Mohamed said the crew was happy to learn of the merger with Transocean. “The company has an excellent reputation for providing opportunities for personnel to move up in their careers,” he said, adding that he recently received his drilling engineer qualification and has joined one of the company’s fast track career development programs.

CHARLIE AITCHISON

Division Marine Superintendent
APU - North East Asia

Need a rig moved? Call Charlie. Since joining the company in 1986, he has perfected the skill of safely and efficiently moving rigs and excels in training barge masters to become masters of their own moves.

“Charlie loves to share knowledge and never tires of watching barge masters progress from tentative rookies to confident rig movers,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit. “As for performance, you know you are in good hands when Charlie is at the helm in any rig move. He will get you there safely.”

Charlie coordinates the moves of 10 rigs in Northeast Asia, including those in Cambodia, Thailand and Vietnam. In 2007, he spent 260 days out of the office, with most of that time offshore. He said receiving the FIRST Excellence award gave him a lift in being recognized as doing something right.

Originally from Edinburgh, Scotland, Charlie has spent his adult life on the high seas. Before giving his talents to the oil industry, he worked in the marine industry on general cargo ships, containers, tankers, supply vessels and anchor handlers. Through it all, Charlie said what he loves most is people development.

“I am a great believer in people. They are what make the company great. The best kick I get out of my job is when the training gets across to them,” he said. Charlie’s experiences will soon be available in paperback form as he writes a new training program for rig moves.





TRIDENT 6 TANG LENH CHUONG APU - North East Asia

The numbers on the *Trident 6* are impressive. Downtime of only 0.40 percent. Total recordable incident rate of zero and three years without a serious injury case. The *Trident 6* is also one of the few rigs in the fleet that reduced its inventory offshore from one year to the next.

“The rig team feels that they have achieved these results by building a team that cares about each other, works well together and communicates with each other. The crew wants to be on the rig and wants the best for the rig. They have pride in what we they achieved,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

Chuong, who was chosen to represent the crew in receiving the award, agrees. “The core of the performance is the people on the rig. Everyone works together as a team to deliver excellent service to the client.”

The crew members were happy and surprised to learn of the FIRST Excellence award. “They were proud and honored and eager to share the news with their family and friends,” Chuong said.

Transocean’s safety and career training systems are the best, said Chuong, who is in the rig engineer training program. “You never feel like you are alone. Whenever you need help to solve a problem, all you have to do is make a phone call and someone is there to help you.”

BRIAN SMART

Project Administrator

AMU - South America

For the past three years, Brian has implemented project team work procedures to improve the work flow and coordination between the division's projects, procurement and finance teams.

"Last year, Brian invested some of his time off to work on the *Falcon 100* project. This helped reduce project costs and avoid penalties associated with the client's acceptance of the rig in Brazil. Suppliers and third parties have also acknowledged his thoroughness and honesty in their dealings with Transocean," said Rob Saltiel, Executive Vice President, Performance.

The *Falcon 100* project required a huge amount of equipment and tools to meet the client's needs. Working closely with the client as well as the project and operations teams, Brian was able to revise the contract and save a substantial amount of money. He made sure the contract included deals for special delivery allowances to avoid potential penalties, acceptance test delays and fines.

Originally from Scotland, Brian has been with the company since 1975, working as a materialsman. His knowledge of equipment expedites rig upgrade projects. "I enjoy project work – having a rig come in for upgrades and sending it out better than it was."

Brian's colleagues consider him a master in his field and laud his natural skill to teach and guide people.

"Brian's dedication to his work, to achieving safe operations and to the development of junior employees certainly makes our job much easier and more enjoyable," one co-worker said during the FIRST Excellence nomination process.

Brian said you could have knocked him over with a feather when he learned of the FIRST Excellence honor. "It was very unexpected. You could give the FIRST Excellence award to every person I work with. They are all deserving."



URSULA GOUNER

HSE Manager
AMU - North America

Treat a person as he is, and he will remain so. Treat a person as he could be, and he will become what he should be.”

The variations of the saying span time from the German philosopher and poet Johann Wolfgang von Goethe in the 18th century to today’s former NFL coach and sports TV commentator Jimmy Johnson. It’s also how Ursula approaches her daily HSE duties.

“Ursula is a leader who shines. Her dealings with people are beyond reproach and she sets an example to all those who come into contact with her. She never allows conflict or personal preferences to distract her from being polite, understanding and reflecting the company in the best light,” said Mac Polhamus, Division Manager, North America.

Ursula started her career with Transocean seven years ago on the *Transocean Amirante*, working as a medical assistant and HSE representative. She came onshore in 2006 as a HSE coordinator and was promoted to manager in 2007. As lead trainer, she has been instrumental in the successful rollout of the Next Step program, implementing Transocean’s safety management system to all legacy GlobalSantaFe rigs in the North America Division.

“It was a big job made even more difficult by an ambitious timeline, but the rig personnel stepped up to the challenge. We are all Transocean now,” she said.

Working for Transocean has introduced Ursula to many opportunities. “It’s not just a place to earn a living. The company offers many ways to progress as a well-rounded individual. The colors process, for example, helps you understand personalities and how best to communicate with co-workers, family and friends. The leadership courses teach you how to listen in a hectic world and resolve conflict. You can grow at home as well as at work.”

EDDIE MCWILLIAMS

Division QHSE Manager

APU - Egypt and Middle East



Eddie is passionate about safety. His team took the Egypt and Middle East (EME) Division from a dismal safety performance to setting safety standards in only two years. Last year, the division was awarded legacy GlobalSantaFe's Safety Performance Excellence Award for having the most improved safety performance in 2006.

"Eddie's enthusiasm for a strong safety training effort is evidenced by his tireless spirit and countless hours devoted to training sessions, coordinating and improving safety management courses for project work and necessary safety leadership enthusiasm that the Egypt division has come to embrace," said Gary Bauer, EME Division Manager.

The first step was getting people to believe that change could happen, said Eddie. "The safety management tools were there; we just had to get people to use them and start to believe that we could improve safety. We made people more accountable and got rid of the 'it's not my fault' tendency."

Eddie, originally from Scotland, has been with the company for 36 years filling various roles from painter, roustabout, floorman, crane operator to safety training coordinator and QHSE manager.

He had heard that the FIRST Excellence Award wasn't given lightly and he was proud to be among the recipients. Eddie said none of his success could happen without the support of his wife and daughters. "It's great to work for a company that recognizes the importance of family."

MUNISH SETHI

Lead System Analyst

HQS

M

unish has earned a reputation as the “go-to” guy when it comes to system software advice or problem-solving. His work involves supporting the company’s financial system and engineering applications.

“Munish has a unique ability to work behind the scenes, understanding the smallest details of vastly complex systems, yet still able to explain these systems like a human being in an easily understood way,” said John Truschinger, Vice President and Chief Information Officer.

In 2007, Munish was dedicated to installing the company’s Global Planning System (GPS). The management tool provides a way to analyze projected revenue and expenses to develop a market outlook for next year. That sounds promising, but the system didn’t deliver at first. Not a problem. Munish just redesigned it and got it back on track to go live in September 2008.

“The first-round launch of the GPS did not go well. Key elements were lacking and it was hard to use. It needed to be redesigned to address core issues so that management can easily use it to make important financial decisions,” Munish said.



Originally from New Delhi, India, Munish came to the United States as a student in 1990. After receiving his bachelor’s degree in computer science and MBA from Angelo State University in San Angelo, Texas, he joined a company that provided contract systems service to Sonat, a legacy-Transocean company. In the days before PeopleSoft, the contract team worked to develop a custom financial application for the company. In 2001, the contract company staff members were asked to become permanent employees.


“My job is extremely challenging and I love it,” Munish said. “Everyone on my team works just as hard as I do. We all provide the same level of support 24/7 because we know how important it is to provide our internal customers with the tools they need to move the company forward.”

MUMBAI YARD

BANKEY LAL, SUDHAKAR ANCHAN

APU - India



A large, polished black sphere sits on a grey granite pedestal in the foreground. The sphere is highly reflective, showing the interior lights and architecture. The background features a curved wall with recessed lighting and a large yellow circular light fixture. The overall atmosphere is modern and professional.

In January 2008, the Mumbai Yard completed four years without a recordable incident. That's quite an achievement given the yard's 24/7 operation to move materials to nine rigs on the east and west coasts of India. In 2007, the yard team played a key role in establishing a new working relationship with ONGC, negotiating an integrated services contract for five jackup rigs. At the end of 2007, the modestly sized staff of 13 also pulled off quite a feat, moving to a larger yard without additional manpower and without stopping operations.

Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit, credits Bankey and Sudhakar with leading the yard team's success in safety and operational performance.

"Sudhakar's knowledge, energy level and care for people have earned him tremendous respect. He is not only passionate about the yard, but also takes care of Transocean equipment, making sure every asset of Transocean is well protected. Bankey is nick-named 'marshal' by his yard crew because he never hesitates to stop an operation if he considers it unsafe."

Sudhakar and Bankey say the yard is the heart of the rigs. "We weren't looking to win an award, but to give our best performance. We worked hard and got excellence," said Sudhakar, who has been with the company for 12 years.

"Transocean's safety culture is one of its greatest strengths," said Bankey, who has been with the company for 10 years. "Safety and all the core values are not just something you do at work. FIRST is also found in my home with my family."



GSF RIG 134 JUDE STA MARIA APU - East Asia Pacific

"Malaysia boleh." In English, it means, "Malaysians can." The crew of *GSF Rig 134* certainly showed that in 2007. The rig celebrated two safety milestones – seven years without a SIC (Serious Injury Case) and three years without a recordable incident. There was no turnover in personnel and downtime was kept to only six hours.

The rig enjoys excellent client relations and has received numerous letters of praise and recognition from clients including PCPP, Petronas Carigali, Talisman Energy, EPMI and CTOC.

"The *134* has performed within its operating budget successfully while undergoing many major upgrade modifications over the past five years that have greatly enhanced the quality of the rig performance while reducing maintenance costs," said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

The crew voted for Jude, RSTC on the rig, to accept the award on their behalf. "Jude's dynamic, proactive and helpful nature and attitude have contributed significantly to *Rig 134's* FIRST Excellence achievement," Deepak said.

Jude has been with the company 12 years and with the rig since 2001. He served as a night warehouseman and had been assisting safety training coordinators with translations during the night safety meetings. "The OIM made an offer I couldn't refuse," Jude said. "He said there was an opening for an RSTC. I told him I had no formal training in this area. He said the company would provide the training and that I start tomorrow. We know you'll make it, he said. He showed a lot of confidence in me."

The safety record, good client relations and low turnover are not just because of an individual effort, Jude points out. "It is a collective effort by the crew. No matter how good the policies and procedures are, they won't work if the crew doesn't work together to deliver excellent performance."

Jude said receiving the award gives the crew a great feeling of pride. "After the announcement was made, a roustabout came up to me and said this shows the world what we Malaysians can do. Malaysia boleh."



TODD JORDAN

Director, Risk
Houston

Among the thousands of details that need to be taken care of during a merger, one of the most important is to bring both fleets under the same insurance coverage. Todd and his team were able to consolidate the GlobalSantaFe program into the Transocean program effective day one, achieving a premium savings of \$40 million.

“Todd worked very hard and with great skill between announcement and completion of the merger to bring the GSF fleet into the program by close so as to capture 100 percent of the potential savings in insurance premiums,” said Anil Shah, Vice President and Treasurer.

The fact that Todd used to work at GSF helped facilitate the process. “I was familiar with the GSF fleet and the people. It turned out to be very valuable on both sides,” he said.

Todd worked at GSF in the Risk department for four years before joining Transocean three years ago. He and his staff of five coordinate and manage the purchasing process for property, casualty and liability insurance for the rigs. They also work with operations around the world to review all drilling contracts and provide certificates of insurance. The team relies on a third-party administrator to help manage claims.

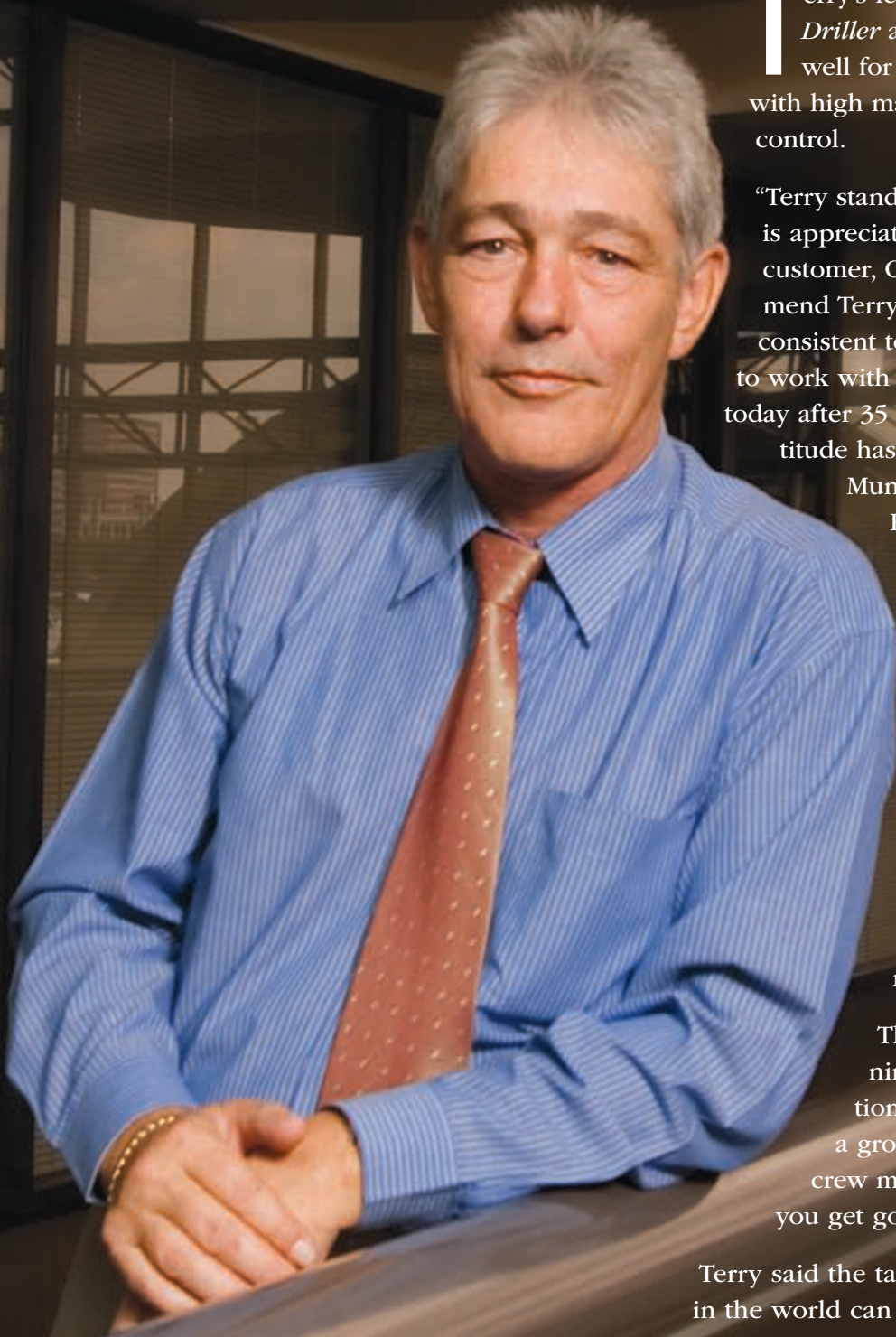
The Risk team interacts with a wide variety of personnel each day. “We communicate with the highest levels of senior management as well as deal directly with operations staff in the field. Risk is in the Finance department but it is closer to operations than any other department in the Finance group. My team and I like that exposure to all aspects of the company,” he said.

TERRY BROWN

Rig Manager Performance

GSF Compact Driller

APU - North East Asia



Terry's leadership has helped the *GSF Compact Driller* achieve an excellent safety record, perform well for the client, keep downtime to a minimum with high maintenance standards and exhibit good cost control.

"Terry stands out as an exceptional rig manager who is appreciated by people all around him. Our largest customer, Chevron, never hesitates to praise and commend Terry for his excellent efforts. He has delivered consistent top performance since the first day he came to work with Santa Fe in the North Sea and continues today after 35 years of service. His positive 'can do' attitude has enhanced our operations," said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

Terry has worked in 14 different countries during his career with the company. He is proud of the *GSF Compact Driller's* achievements, which earned the rig its own FIRST Excellence award this year. "The rig has drilled 322 wells and 3.5 million feet in the Gulf of Thailand without a SIC (Serious Injury Case) up to the end of 2007 and still going strong. Also the rig has drilled 300,000 feet of hole in the past two years with no recordable incidents."

The keys to the rig's success have been planning, great teamwork and open communication, Terry said. "We talk individually and as a group about what the goals are and give the crew members 100 percent support. That's how you get good results."

Terry said the talent at Transocean is impressive. "No one in the world can match this company."

PATRICK RANNOU

Sr. HR Manager
EAU

Patrick plays a critical role in recruiting, training and developing staff.

“Every day, Patrick is making difficult decisions about people movements and career changes with the aim of matching the company’s needs with employee desires to make the assignments a success,” said Ricardo Rosa, Senior Vice President, Europe and Africa Unit.

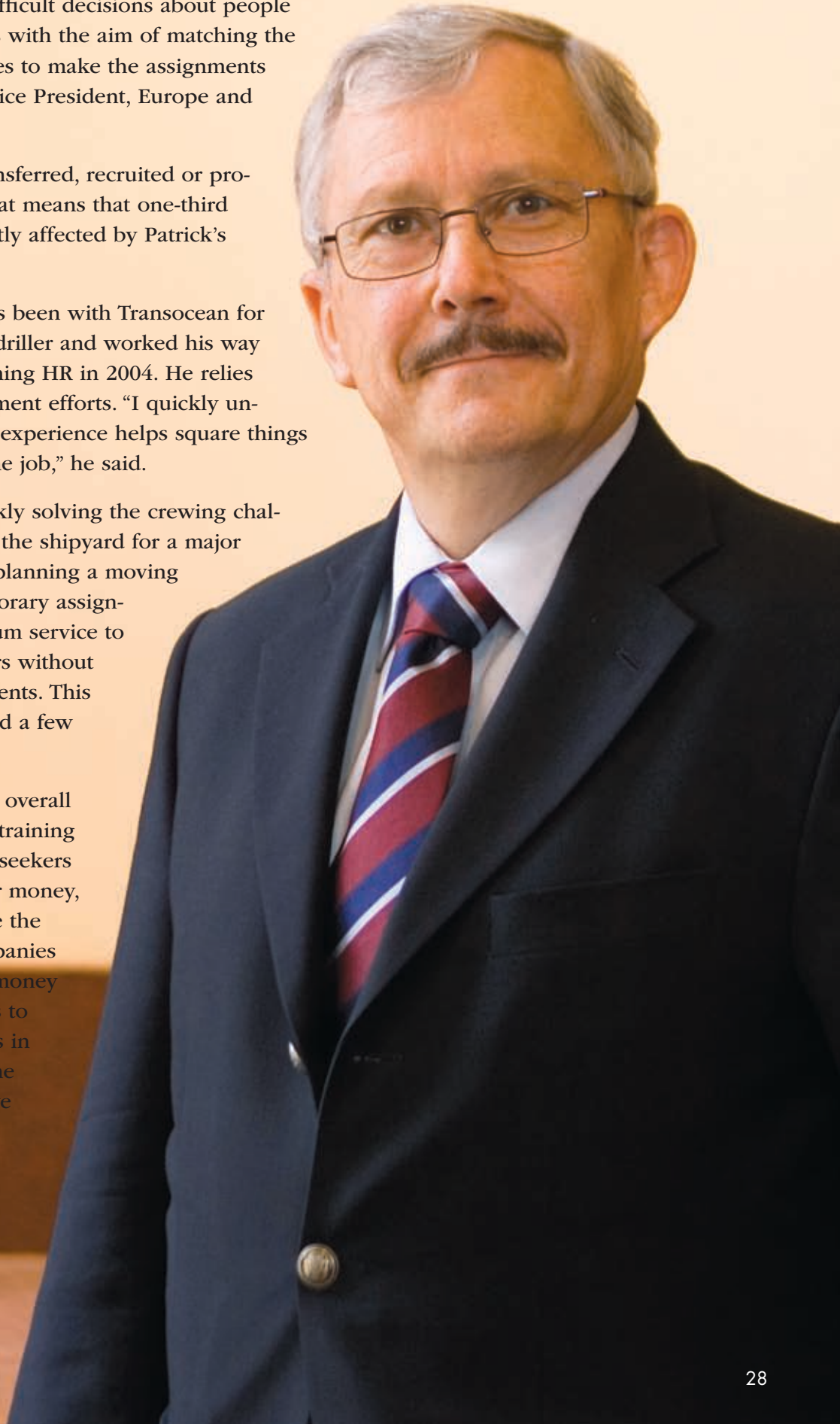
In the past three years, Patrick has transferred, recruited or promoted more than 1,900 employees. That means that one-third of the EAU’s workforce has been directly affected by Patrick’s decisions and recommendations.

A native of Brittany, France, Patrick has been with Transocean for 34 years. He joined the company as a driller and worked his way up to rig manager and OIM before joining HR in 2004. He relies on his field experience to help recruitment efforts. “I quickly understand the needs of the rig. My past experience helps square things properly to find the right person for the job,” he said.

His rig experience was helpful in quickly solving the crewing challenge of the *Sedco 702* while it was in the shipyard for a major upgrade. Repeated delays made crew planning a moving target. Patrick was able to juggle temporary assignments of personnel to provide maximum service to the other rigs in need of team members without jeopardizing the *S702*’s crew requirements. This not only saved money, but also plugged a few manpower gaps in the operating fleet.

Patrick said Transocean offers the best overall package – good compensation, career training and a safe working environment. “Job seekers may be lured by what looks like better money, but they soon realize it doesn’t include the proper training or safety culture. Companies can pay more because they don’t put money into training. I always ask new recruits to think about where they see themselves in a few years. Transocean can provide the necessary support to help them achieve their goals.”

This support, Patrick said, is the very reason for his personal success at the company. “This award was made possible because of the support of my HR team,” he said.



TERRY BURNS

OIM, Searex IV

APU - East Asia Pacific



M

meet Terry, core values coach extraordinaire. "Not only does Terry live the core values, but he has been very successful at engaging those around him to live them," said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit. "His ability to know and evaluate people, mentor, coach and motivate them, develops trust and ensures they give their most to the common goals of the rig."

Terry has made a difference in the thinking of the supervisors and crew of the *Roger W Mowell*, a previous FIRST Excellence winner, *Searex IV*, a FIRST Excellence nominee, the *Hibiscus* and lately the *Jack Bates*.

"Already on *Jack Bates*, his influence on people behavior, morale and motivation is obvious. We have no doubt that he will help improve the rig's safety performance the same way he did on other rigs in the past," Deepak said.

Terry, who has been with the company since 1981, said he likes the challenge of bringing people together and building a team. "I start out by finding each crew member's strengths and weaknesses. I get to know each individual person and find out from their supervisors what they're capable of, then, I make up the crew teams based on their strengths," he said.

Originally from the Houston area, Terry has traveled to Angola, Indonesia, Malaysia and now Australia. He said it has all been good. "It's a way of life. It's all my family has ever known and Transocean has always treated me right."



RON SWAN
Senior Project Manager
HQS

Ron has earned a strong technical reputation in the development of specialized drilling and pipe handling equipment. Crewmembers on distressed rigs know that Ron is always there to help.

“Ron is respected throughout Transocean as the pipe-handling and top-drive subject matter expert, often being called upon to participate in providing advice and technical solutions to upgrades and as part of incident investigation,” said Les Smiles, Director of Maintenance.

With the company for eight years, Ron managed the Modular Derrick Drilling Machine (MDDM) top drive project in 2007. MDDM design allows all major top-drive components or modules to be removed and replaced quickly. Today, it can take days to do this job, but the new unit is designed for four-hour motor replacements and six-hour replacements of the main shaft and bearing unit.

“The new design is radically different than the top-drive systems we currently have in place on our rigs. With improvements such as redundancy of operation-critical components, capacity for drilling load increases and modularization to make quick repairs, this unit is expected to take one of the most important pieces of drilling equipment to the next level of performance for Transocean and our clients,” Ron said.

Originally from Scotland, Ron said he likes being involved with a highly motivated team that strives for operational and safety excellence. “It’s great to work with the client in a joint development which perfectly matches Transocean’s strategies and ambitions to maximize drilling safety, efficiency and operational uptime.”

Ron said core values make Transocean number one in the industry.

“Transocean core values are at the center of every part of our business – projects support post project, operations and eventually technical support. The core values are a fundamental part of our daily business.”

INTEROCEAN III MOHAMED SABER

APU - Egypt and Middle East



Although the *Interocean III* received a FIRST Excellence award in 2006 for exceptional performance, the EAU management team felt compelled to nominate the rig again in 2007 for its sustainability in continuing operational excellence.

“The crews and supervisors on the *Interocean III* have achieved a remarkable milestone by being awarded the First Excellence award for the second year in a row. This clearly demonstrates that the IO3 rig team did not sit back on their previous achievement, but instead, continued their commitment to excellence,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

The *Interocean III* safety record reflects this commitment. In October 2007, the rig crews achieved four years with no serious injury cases, and in April 2008, achieved three years with no recordable incidents. The rig has also gone three years without incurring an environmental incident. “These figures illustrate the commitment and passion of the rig’s full team from the management group all the way down to the painter and steward on the rig,” Deepak said.

The *Interocean III* rig crews chose Mohamed Saber, Toolpusher, to represent them. Mohamed has been with the company for 25 years starting as a roustabout and was one of the first employees in Egypt to be enrolled in a legacy fast-track training program. He has strong family values and believes that the support of his wife and family encourages him to do the same for his family on the rig.

“Transocean encourages an environment of one team; one family. They treat people right and provide training opportunities to help people improve and reach their goals,” he said.

GSF KEY SINGAPORE

KEN SHAKESBY

APU - Egypt and Middle East

During its 15 years of working in Egypt, the *GSF Key Singapore* crews and supervisors have strived to achieve the goal of an injury-free workplace. In February 2008, the rig celebrated five years without incurring a SIC (Serious Injury Case). "This has been accomplished while drilling some of the most challenging, high volume, world-class gas wells in the Nile Delta area of the Mediterranean Sea," said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

On the operations side, the rig achieved an impressive 0.34 percent of unplanned repair downtime for 2007, which was well below the company target of 0.9 percent. The rig's Flat Spot Tracking performance achieved an improvement of 5.3 percent during 2007 over what it accomplished the previous year.

The *GSF Key Singapore* rig crews chose Ken, the rig's Barge Master, to represent them at the FIRST Excellence awards ceremony. "In only three years, Ken has made a great impact with his training ability. He is seen as a father figure to most of the 'kids,' as he calls them, on the rig," Deepak said.

Originally from England, Ken has worked in Egypt since 1978. He said the rig has a family-oriented environment. "Just as I would help my own family members with what they need, I do the same for the crew members. If there is something I can do to make their job easier or more efficient, then I will do that. I'm very patient and spend a lot of time listening," he said.



CHRISTIAN LASSUS

OIM, *C.E. Thornton*

APU - India

Christian is a man of action. When he came to the jackup rig *C.E. Thornton* almost six years ago, it had a high turnover rate in personnel. After being trained by Transocean, many people left for other companies. Christian set his sights on building a strong team.

“Christian has an eye for people development and a passion to build the future workforce. His commitment and dedication toward work and his capabilities to harness his experiences – lessons learned over the years and putting them to use effectively when it comes to planning ahead for upcoming operations – has propelled the *CET* to operational excellence,” said Deepak Munganahalli, Senior Vice President, Asia and Pacific Unit.

During his 31-year career with Transocean, Christian has discovered the key to building a good team and achieving positive results – communication. “I believe in being open and honest with each crewmember, letting him or her know up front what’s expected and giving constructive feedback on job performance,” he said.

His FIRST Excellence Award nomination form adds: “Christian has earned the respect of the client, supervisors, crews and managers through the expectations and standards that he sets; the energy and enthusiasm that he brings to the operation; his personal involvement and concern in developing and mentoring his people; and the tangible results that are achieved as a result of his efforts and dedication.”

Under his leadership, the rig has achieved two-plus years of incident-free operations and minimal downtime despite the challenges inherent with long-lived equipment.

Christian is proud of the rig crew’s achievements and proud to receive the the FIRST Excellence award.

“Transocean has helped me build this team. The company attracts the best and provides training that is second to none in the industry.”



ERIC QUINN
Performance Toolpusher, *Sedco 710*
AMU - South America

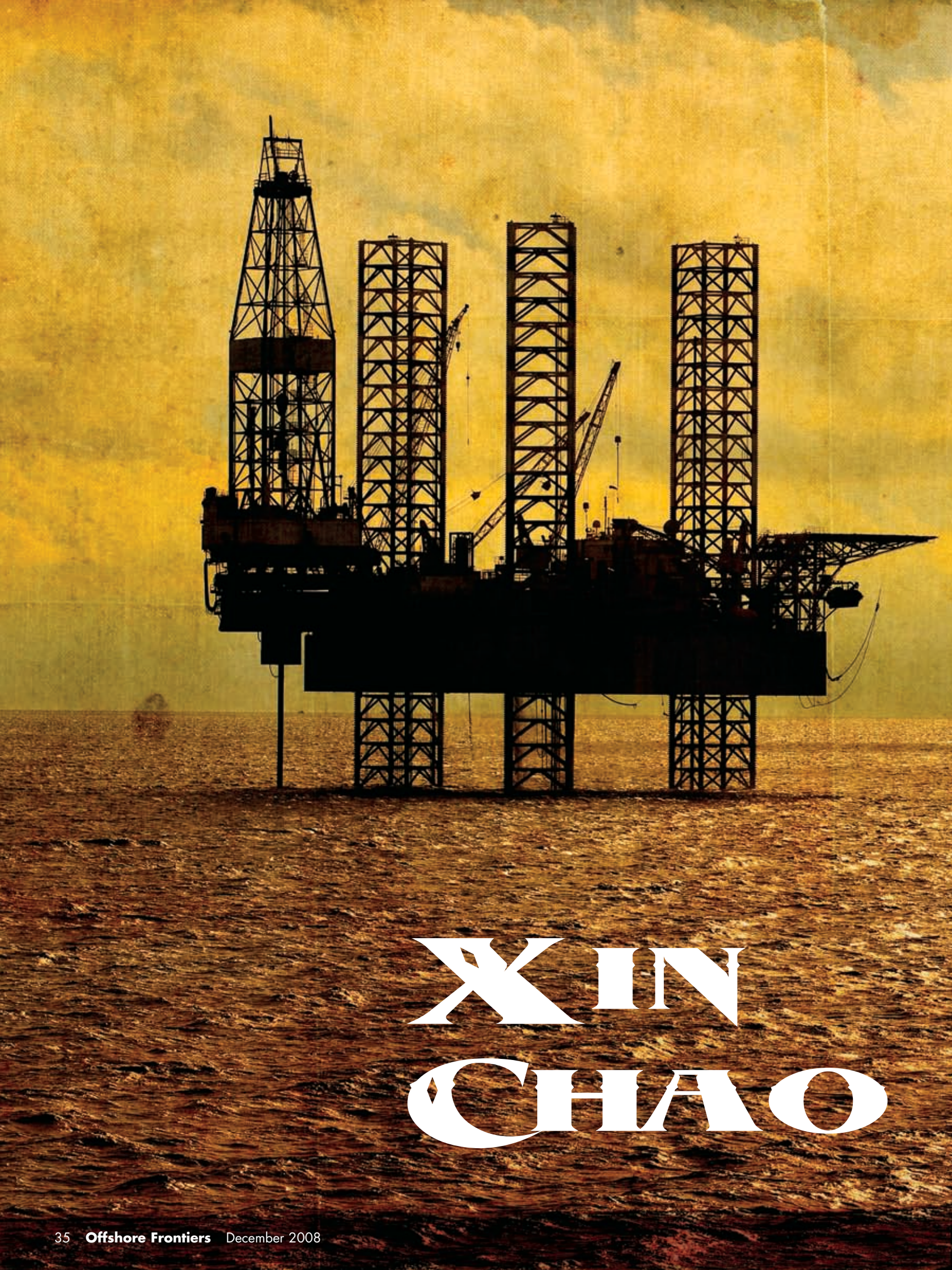
Eric has made a great impact on the *Sedco 710's* excellent performance.

“He has touched all the bases when it comes to demonstrating the core values. He is relentless in improving spending efficiency in the drilling department. His honesty has gained the respect of the entire rig and our client. Eric has been an excellent mentor to those who are new to their positions – and he has done so with a calm and patient manner. He is a true safety leader and deserves much credit for advancing the rig’s safety culture. And his technical leadership has been singled out by the client for his suggestions and solutions to problems faced in both drilling and completions operations,” said Rob Saltiel, Executive Vice President, Performance.

Originally from Halifax, Canada, Eric has been with Transocean for 28 years and a toolpusher since 1983. He has enjoyed working in Canada, Ireland, Scotland, Suriname, Guiana and now Brazil.

“The people on the *710* are exceptional,” Eric said. “One auditor who travels rig to rig said he has never seen a rig crew work together that well.”

Eric said he has stayed with Transocean his entire career because it’s the best. “You won’t find better training or better career opportunities than what Transocean offers.”



XIN CHAO

When Joe Tyler began his drilling career in the late-1970s, he never dreamed he'd end up in Vietnam. But then, he never really dreamed he'd end up very far outside of his home country at all – until one morning, opportunity knocked: He started work at Transocean.

“From working on a land rig operation, I moved offshore working for Transocean,” Joe said. “I knew Transocean was the company for international opportunities.”

Today, as he begins his role as Transocean's Regional Operations Manager in the hustle and bustle of booming Ho Chi Minh City (still popularly called Saigon), what hasn't changed is the company's commitment to providing its people with international prospects.

WAKE UP AND SMELL THE OPPORTUNITY

“For most of the people that come to work for us, their dream is to go international,” said Joe.

“And the developing workforce in Vietnam is very, very intelligent and very, very exportable. I think we're a leader in providing education and training, and we're a leader in providing opportunity.”

“If you have the experience and potential, I think you have a lot of chance to be promoted and moved around the world,” said Nguyen Thi Hoa, Sector Controller. “I believe I have a chance to prove myself here at Transocean.”



VIETNAM!

- Courtney Wilcox



VIETNAM AT A GLANCE*

COUNTRY NAME

conventional long form: Socialist Republic of Vietnam
 conventional short form: Vietnam
 local long form: Cong Hoa Xa Hoi Chu Nghia Viet Nam
 local short form: Viet Nam

LOCATION: Southeastern Asia, bordering the Gulf of Thailand, Gulf of Tonkin, and South China Sea, alongside China, Laos and Cambodia

CAPITAL: Hanoi

INDEPENDENCE: Sept. 2, 1945 (from France)

FLAG: red field with a large yellow five-pointed star in the center

POPULATION: 86,116,560 (July 2008 est.)

LIFE EXPECTANCY AT BIRTH: 71.33 years

CLIMATE: Tropical in south; monsoonal in north with hot, rainy season (May to September) and warm, dry season (October to March)

ETHNIC GROUPS: Kinh (Viet) 86.2%, Tay 1.9%, Thai 1.7%, Muong 1.5%, Khome 1.4%, Hoa 1.1%, Nun 1.1%, Hmong 1%, others 4.1% (1999 census)

RELIGIONS: Buddhist 9.3%, Catholic 6.7%, Hoa Hao 1.5%, Cao Dai 1.1%, Protestant 0.5%, Muslim 0.1%, none 80.8% (1999 census)

LANGUAGES: Vietnamese (official), English (increasingly favored as a second language), some French, Chinese, and Khmer; mountain area languages (Mon-Khmer and Malayo-Polynesian)

CURRENCY: dong (VND)

NATURAL HAZARDS: occasional typhoons (May to January) with extensive flooding, especially in the Mekong River delta

MAJOR INFECTIOUS DISEASES: hepatitis A, typhoid fever, dengue fever, malaria

OIL - PRODUCTION: 324,000 bbl/day (2007 est.)

OIL - PROVED RESERVES: 3.3 billion bbl (1 January 2007 est.)

NATURAL GAS - PRODUCTION: 6.86 billion cu m (2007 est.)

NATURAL GAS - PROVED RESERVES: 184.7 billion cu m (1 January 2006 est.)

*Statistics pulled from the CIA World Fact Book, updated Nov. 6, 2008



Page 36 (L to R): Joe Tyler, Regional Operations Manager; Mai Dong Duy at work on the *GSF Adriatic*
 Above (L to R): Bui Quoc Thu, Driller, and Tran Thanh Hoan, Assistant Driller, on the *Trident 9*; Early

What has changed is Vietnam. Apart from the blur of the seemingly millions of motorbikes that have become a constant and iconic thread in the region's cultural fabric, the old Vietnam stereotypes (war, economic stagnation) have long ago faded into the history books.

In fact, since the approval of an economic reform package (called "doi moi" or "renovation" in English) in 1986, Vietnam has become one of the fastest-growing economies in the world – and certainly the fastest in Southeast Asia.

"We knew Vietnam had arrived when they were chosen to host the Miss Universe pageant," Jim Martin, former NEA Division Manager (retired in September), joked (The 2008 pageant aired live from Nha Trang, Khanh Hoa, Vietnam, on July 14 and was very popular in the country). "But really, Vietnam has been expanding by leaps and bounds. It's just a booming economy. There are all kinds of incentives for manufacturing, movie production ... it's just wide open. They've built all of these huge resorts and they're really targeting tourists."

With this economic stimulation came Transocean. The company has operated in the region since the late 1980s and currently has offices in Ho Chi Minh City (its representative office where most client relations occur) and Vung Tau, a quiet beach town about two hours south by car (the functional and logistics base). At the time this article was written, the company had six rigs in the region with two about to depart (the *GSF Adriatic XI* to operate offshore Indonesia and the *Trident 9* for shipyard work in Singapore).

According to Jim, the market regularly fluctuates here.

"We've had as many as 10 rigs here and it's a flexible market," he said.

Rig operations have been safe, and with solid operational results for the company's customers, which lately have included



XI; Nguyen Thi Hoa, Sector Controller. morning work on board the GSF Adriatic XI; Drilling operations on the Trident 9; Nguyen Van Quan at work on the Trident 9; Angelito Miranda, Chief Accountant in Vung Tau.

Japan Vietnam Petroleum Company (JVPC), Vietsovpetro, Petronas Carigali, Cuulong JOC, Hoang Long JOC, and Lam Son.

Several rigs operating in the region have earned FIRST Excellence Awards for their stellar operations and safety performance over the past few years, including the *Trident 6*, *Trident 9* and *Trident 17*.

With a downtime record of 0.4 percent, zero recordable incidents and three years without a SIC (Serious Injury Case), Garry Lewis, *Trident 6* Rig Manager, talked about what made this rig stand out from the crowd to earn a 2007 award (see page 18).

“What led to this award is how the rig has come together as a good team. The first six months I was with the rig [starting in January 2006], we had some major turnover, and then we managed to get the right people into the right positions to make the synergy between the guys work better,” Garry said. “We got more personal commitment from our people by spending more time with them, involving them in the day-to-day operations and getting their opinions. We’ve maintained a direct, personal contact with them, and from the management side, that’s the thing. Our people then feel more a part of the decisions and are happier with their positions, with their careers. It doesn’t take long for that to start reflecting in the performance through to the operational side and the safety side.”

But beyond maintaining a world-class operation and safety performance, the biggest challenge right now, according to both Jim and Joe, is retaining employees due to a very competitive market.

“There’s a lot of competition in the market and this goes from our Roustabouts to our OIMs,” Joe said. “Our strat-

“IF YOU HAVE THE EXPERIENCE AND POTENTIAL, I THINK YOU HAVE A LOT OF CHANCE TO BE PROMOTED AND MOVED AROUND THE WORLD,” SAID NGUYEN THI HOA, SECTOR CONTROLLER. “I BELIEVE I HAVE A CHANCE TO PROVE MYSELF HERE AT TRANSOCEAN.”

egy has been to show people that Transocean is an international company, we lead the industry in training people and we provide opportunity.”

The team makes sure that people understand Transocean is in it for the long haul, and that they can build a career here.

“What I tell some of the Vietnamese guys that I’m developing is that, sure, they maybe could go somewhere else and sometimes make a little more money, but Transocean is in it for the long term,” said *Trident IX* Rig Manager Terry Jewitt.

“A good thing about Transocean is that it’s stable,” said Garry. “We’re here, we’re stable, we’re working for a long time. The crews know that we’re going to be here for quite awhile and we’re not moving every week. It helps a lot to have more time to do things.”

In addition to stability, the Vietnam team works to provide support and development opportunities. Hiring people who want to grow – and helping them do so – is a top priority, said Lewis.



Above (L to R): Garry Lewis, *Trident 6* Rig Manager; Japok Rentap, Floorman on the *Harvey H Ward* which was working offshore Vietnam at the time of our photo shoot; Graham Robertson, *Shelf Explorer* Rig Manager, and Mike Hoagland, *Trident 16* Rig Manager.

“I’ve personally always wanted that next job, so the people that I want around me and to work for are the self-motivated people,” he said. “I want to see what their goals are in the industry, and what assistance I can give them to get there.”

“THERE’S A LOT OF COMPETITION IN THE MARKET AND THIS GOES FROM OUR ROUSTABOUTS TO OUR OIMS,” JOE SAID. “OUR STRATEGY HAS BEEN TO SHOW PEOPLE THAT TRANSOCEAN IS AN INTERNATIONAL COMPANY, WE LEAD THE INDUSTRY IN TRAINING PEOPLE AND WE PROVIDE OPPORTUNITY.”

Mike Hoagland, Rig Manager on the *Trident 16*, tells his rig supervisors that it’s the people who “train up” their co-workers, especially nationals, that he wants to keep. Hoagland spent nearly 26 years working offshore prior to his stint as a Rig Manager, and is proud to have worked hard developing many company employees – including Transocean’s very first Thai Driller – Booncherd Prasong – offshore on the *Trident 15*, who started in catering and worked his way up from Derrickman to Assistant Driller to Driller.

“He’s probably ready for a Toolpusher position now,” Mike smiled. “We’re always trying to ingrain the importance of that kind of development in all of our people.”

For *Shelf Explorer* Rig Manager Graham Robertson, working as a Rig Manager for Transocean was a dream job. Stuck in a “frustrating” job at a competitor company, the development opportunities, as well as support system at Transocean, were the big draws.


“My previous employer pointed fingers when things went wrong and clients got upset, whereas Transocean will say ‘what can we do to help,’” he said. “I know that with Transocean I have support, a solid foundation and systems in place, and get to work with people that have 25 to 30 years of experience.”

And they are always recruiting, said Joe.

“I recently went through a BOSIET [Basic Offshore Safety Induction Emergency Training] and helicopter safety training refresher course, and one of the instructors for the Vietnamese group approached me about coming to work for Transocean,” he said as he answered a phone call from the gentleman and made an 11:00 appointment to interview him the next morning.

“Nowadays, it’s about survival,” he said.

He wasn’t referring to the safety training course, but rather to the hundreds of Transocean employees needed to contribute to the success of the company’s operations in the region every single day.

“We put a lot of time and investment in our people. They are our biggest assets in this competitive market.” 

CHIHI

Notre Dame Cathedral

Ho Chi Minh City was occupied by France in 1859 and remained under its rule for close to 100 years. During that time, the city was heavily influenced by the French — as evidenced by a number of French-inspired buildings and wide boulevards. The Notre Dame Cathedral, one of the most prominent structures in the city, is one of the reasons Ho Chi Minh City became known as the “Paris of the Orient.” Visiting Notre Dame Cathedral is both an informative look into the city’s past, as well as a calming interlude from the busy city beyond its walls.

Ben Thanh Market

If you’re looking for some retail therapy, the best treatment in Ho Chi Minh City is Ben Thanh Market. Packed with hundreds of stalls where people are selling everything from teapots to T-shirts, it’s a cure-all for any shopper’s needs. And when the indoor market closes, the area outside comes to life to offer customers night shopping.

Reunification Palace

If Austin Powers is the human definition of being stuck in the ‘60s, Reunification Palace in Saigon, built between 1962 and 1966, could be his architectural counterpart. The building, known as the site of official handover of power during the Fall of Saigon (April 30, 1975), is a throwback to the days when the president of South Vietnam called it home. The impressive digs include conference rooms, banquet halls, a cinema, underground tunnels, a telecommunications room featuring a host of 1960s phones and typewriters and, of course, the mod recreation room where the president and his guests used to kick back and relax.

It’s hot year round where Transocean operates in southern Vietnam, but there’s no shortage of ways to unwind (as long as you’re not attempting to cross the street). We spent time in the country’s biggest city, Ho Chi Minh, where we learned the ins and outs of major tourist sights, spas and, of course, got some retail therapy. Here are a few of the highlights.

Pho

If a day of shopping and sightseeing has worked up your appetite (and, perhaps depleted your funds), you can’t go wrong with a big, comforting bowl of Pho (pronounced “fuh”) — Vietnam’s famous, and inexpensive, noodle dish. Pho24 (named for the number of ingredients they use) is a popular chain — so popular that it has expanded outside of the country in recent years — that’s sure to please, but if in doubt, just stop at a place with a large crowd around it.

Spahhhhhh

Whether you need to detox (Aquatic Body Detox treatment), de-plane (Jet-Lag Unwind treatment) or just plain decompress (Oriental Zen treatment), Vietnam’s Aqua Day Spa in the Sheraton Saigon Hotel has something for you. Saigon is chock full of day spas offering the highest-quality treatments at reasonable prices, but we found treatments here — from start (the rose petal foot scrub) to finish (warm herbal tea) — extra special!

Cu Chi Tunnels

When it was not possible to be above ground due to American attacks on the area during the Vietnam War, the people of Ho Chi Minh’s Cu Chi district dwelled — and planned their attacks — in this elaborate system of underground tunnels. Today, visitors are allowed to crawl around in the safer parts of the tunnel system. Be warned: You will get dirty!

Leading the Way Transocean:

This is the fourth in a multi-part series about how Transocean and its predecessor companies launched the most innovative drilling rigs and set by far the most deepwater drilling records.

Project Mohole has been widely acknowledged as setting the stage for ultra-deepwater drilling. Employees at Transocean predecessor companies Waterfall Inc. and Global Marine Inc. were responsible for this historic effort. In their honor, Transocean was recently elected to the Offshore Energy Center's Hall of Fame as a Technology Pioneer for Project Mohole: Phase I.

The following article was submitted by author Clyde Bureson based on information that appears in his book, *Deep Challenge* (available at Amazon.com).

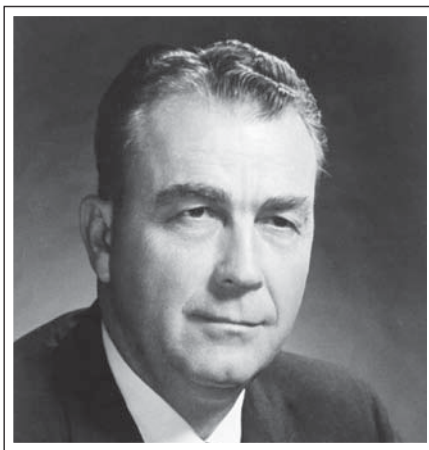


In 1909, after a massive earthquake in Croatia, seismographs across Europe recorded a double set of tracings.

The assumption was that there had been two closely linked shocks. Then a professor at the University of Zagreb proposed a monumental theory. The two shockwaves were actually one, traveling through the earth at two different speeds. One, moving in the earth's crust, was slower than the other, which passed through a more dense stratum beneath the crust. He postulated that the earth's outer surface "floated" on a flexible layer of rock.

Subsequent tests showed this to be the case and the boundary between the earth's crust and mantle was named the "Mohorovicic discontinuity" after the daring professor. In time this was shortened to "Moho" or, even briefer, "M."

In 1956, in a letter to *Science* magazine, Dr. Frank B. Estabrook proposed boring through the earth's crust into the Moho. This was no small task as the crust averages about 24-miles thick. Deep in the ocean, however,



Bob Bauer

the crust thins to less than 30,000 feet. Making hole in the sea floor three miles down, though, seemed impossible.

Later in 1956, professors Harry Hess and Walter Munk began seeking a breakthrough geophysical experiment. Dr. Monk suggested obtaining a sample of the earth's mantle. Dr. Hess brought up the matter for discussion at a meeting of the American Miscellaneous Society, called AMSOC. AMSOC meetings were less than formal and even wild ideas got a serious hearing. Sampling the mantle

struck a note, and a committee was formed to explore this possibility.

Then, in 1957 during a conference in Toronto, a Soviet scientist stated that his nation had the equipment to do the job and was seeking a site. The Russian announcement sparked American competitive drive and Project Mohole was born.

Drilling down 25,000 feet had been done. Phillips Petroleum Company sank a well in Pecos County, Texas, over that depth. The problem was to drill in 15,000 feet of water. Not to mention finding a way to move the drill string

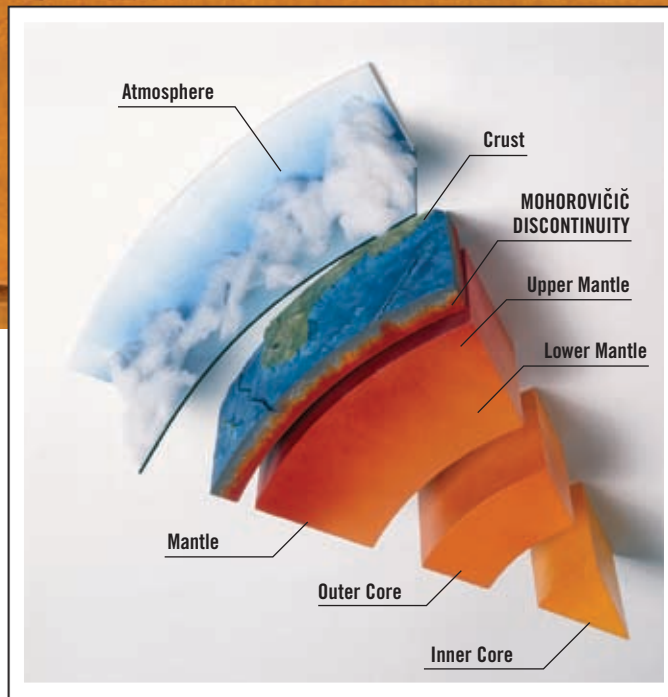


in and out of the well bore as the need arose.

The National Science Foundation (NSF) convened a meeting and A. J. Field, an engineer with Waterfall, Inc., predecessor company to Global Marine, showed a film. *CUSS I*, floating unanchored, was drilling in 200 feet of water. The film inspired a frenzy of activity.

Bob Bauer, who oversaw the *CUSS I* offshore effort and was a natural leader of men, visualized a marine drilling company that would take on all challenges. *CUSS I* was the first step. If *CUSS I* and her team could do what no one had done before, the concept of deepwater drilling would be a proven fact.

Waterfall, Inc., which was to become Global Marine, had the only tested means of accomplishing the Mohole Project goal. So the firm was contracted to modify *CUSS I* to carry out the project's first phase. This was to demonstrate the feasibility of working at unprecedented depths. Dynamic positioning in the water, a heave-compensation system for the drilling platform, and a means of reentry into the hole had to be designed and perfected. Bob



Bauer's conviction, business sense, and steadfast leadership played a crucial role in driving the team forward.

By March 9, 1961, *CUSS I* was successfully drilling in 3,100 feet of water.

Later that same month, the *CUSS I* team brought up a core from a depth of 11,000 feet. What had been a daunting challenge had been met.

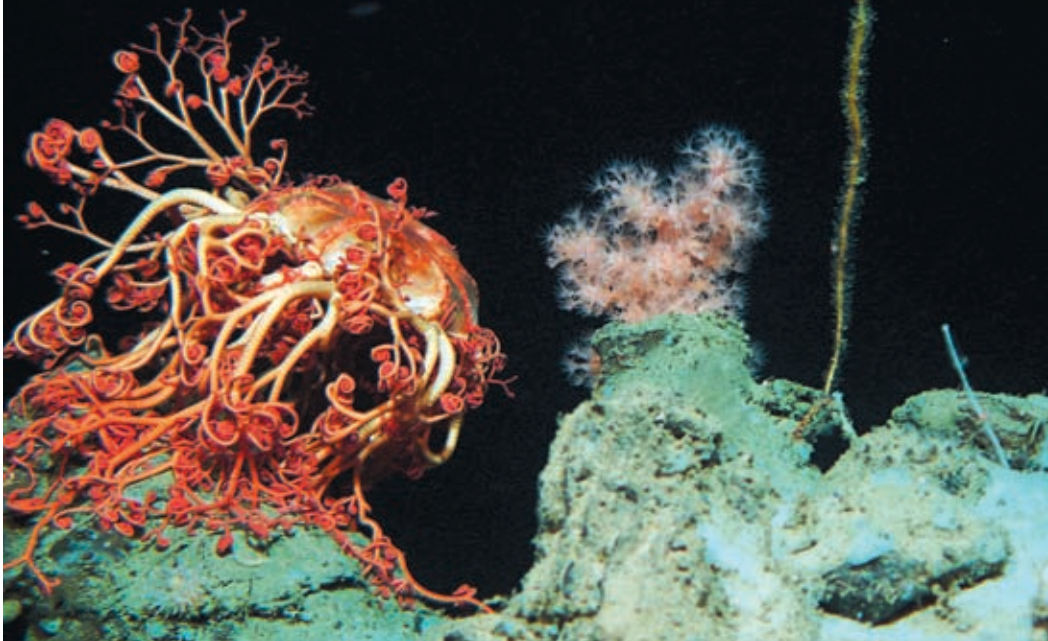
Project Mohole fell victim to political pressures, cost overruns, poor vendor selection, and financial constraints caused by the war in Vietnam. The only success coming from the entire venture was due to the work of dedicated men who showed the world what could be done. Bob Bauer and his colleagues ushered in the age of deepwater drilling. †

The Ocean Star Museum's Hall of Fame induction ceremony was originally scheduled on Sept. 13, 2008, and canceled due to Hurricane Ike. The museum, located in Galveston, Texas, is in the process of rebuilding and at press time the ceremony was tentatively rescheduled for January 2009. Following the ceremony, a plaque honoring this achievement will be on permanent display at the museum.

Corporate Report

ENVIRONMENTAL RESPONSIBILITY

WHAT DOES IT TAKE TO BE ENVIRONMENTALLY RESPONSIBLE IN THIS INDUSTRY?



By Ian Hudson, Transocean



WE HAVE COME A LONG WAY IN THE DRILLING INDUSTRY over the last few years in both technology and HSE performance. As pressure mounts to find more petroleum and to open up new areas for exploration drilling worldwide, our industry is experiencing an unprecedented period of growth, with many newbuild offshore drilling rigs set to start work in the coming three years. During such periods, it is important to focus on all aspects of the offshore drilling business, and a key area at the forefront of new exploration is environmental protection.

Transocean has been a key founding partner in a scientific research project called SERPENT for the last six years. SERPENT uses drilling rigs around the world's oceans to collect data on the marine environment and ecosystems.

This story is reprinted with permission from the publisher of the September/October 2008 edition of Drilling Contractor magazine

CHANGING VIEWS

One major improvement area in our environmental performance is best summed up by the fact that containment losses have been dramatically reduced from hundreds of barrels in past decades to just milliliters in the vast majority of incidents today. Transocean records every loss of containment irrespective of whether it is contained on-board or escapes to the environment, no matter the product or amount. The belief that you can't manage what you don't measure led the company to measure spills to this small scale and to set a 2008 goal of a 30% reduction in loss-of-containment incidents.

"We firmly believe an incident-free workplace is achievable, and many rigs in our company have worked in excess of eight years without a single loss-of-containment

event of any type," said Adrian Rose, vice president, QHSE. "While we continue to see consistent reporting of different fluids spilled to the amount of 0.01 liter, this is an extremely encouraging development for our industry."

In general, this improvement is not understood by the public; however, those of us closer to the industry know we have made the safety of our people and the protection of the environment integral parts of our mission.

COMMITMENT AND CONSISTENCY

As the world's largest offshore drilling contractor, Transocean believes that environmental protection is a core value that requires performance beyond just compliance with international and local legislation and an environmental management system (EMS).

Environmental responsibility can be called by many different terms, but the one consistent theme is reducing impact on the environment in which you work or the cumulative impact of your company's activities. This is certainly easier said than done, and the drivers behind being environmentally responsible are varied.

One common way to help place your business in context is through the operation of an environmental management system, but this means much more than just having a system; it means assurance that the system in place is working at all levels, all the time, and is understood by the people that use it day in and day out.

A system that resides on paper and does not translate into action will not reduce any environmental footprint. Many companies like Transocean, within our industry, have been operating an EMS to the ISO 14001 standard for a number of years since the 1990s and have achieved some level of success in improving environmental performance. Still, it is easy to be complacent and stop continuously improving just because initial targets have been achieved.

An EMS needs to help a company improve as it experiences growth. Transocean's EMS is helping to provide a single standard on a worldwide scale where the company operates 136 offshore drilling rigs, with 10 more under construction, and over 30 offices and facilities in 34 countries. This makes it the single largest standard in the offshore drilling industry.

Benefits of such an approach include global consistency, the ability to move from location to location without complication, reliability for our clients and regulators, and a chance to equally compare locations with a single standard to help drive continuous improvement. What makes this system successful is not just a manual, it is the awareness and buy-in to achieve a common goal that "Our Environment is Our Responsibility." We believe that if you are able to explain why you want to protect the environment in which you work and get employees' buy-in upfront, people will do what is required of them in any management system because they feel it is the right thing to do – not because it is a company or regulatory requirement.

To reach every rig in the Transocean fleet, an environmental awareness DVD and a computer-based training module have been developed for the orientation process

at each location. From the moment people join Transocean, they know that environmental responsibility is taken seriously, and this is backed up by this message from Robert L Long, Transocean chief executive officer: "We want our operations to have as little impact on the environment as possible, and that objective is an important part of achieving an incident-free workplace across our entire operational fleet and company. Environmental responsibility is one part of what makes us a successful company."

Because awareness starts by understanding the place you work, Transocean has also enhanced this element through alliances with external stakeholders.

JOINING FORCES

The company has been a key founding partner in a scientific research project called SERPENT for the last six years (www.serpentproject.com). The project uses drilling rigs located around the world's oceans to collect important data on the marine environment to enable a better understanding of its complex ecosystems. This project brings our rig crew and office crew first-hand visual experience of the environment and in a way in which they can see why we want to ensure our impact is kept to the smallest degree possible within the scope of a drilling operation. We don't pretend there is not an operational impact, but we are honest in the way we control those impacts, and that starts with understanding, awareness and accountability.

Recently, Transocean also joined forces with the Gulf of Mexico Foundation to further stimulate awareness about the Gulf as a tremendous ecosystem and to continue to send a strong message within the company that we are always looking for ways to learn more about the environment and how we can better ensure it is protected. This alliance also allows our employees to take an active volunteer role in environmental stewardship on their own time as we participate in coastal restoration projects and educational awareness. The Foundation also allows Transocean to have active dialogue with its clients and industry regulators who are involved. Find out more at www.gulfmex.org.

With strong awareness, you can build your system at the local level – where it matters. Every rig and office

in Transocean has a Green Team, a dedicated group of people tasked with specific responsibilities functioning as environmental champions in their own workplace. The teams are encouraged to develop new initiatives, drive participation and help ensure the consistent application of company procedures and equipment.

Green Teams have been in operation in Transocean for more than five years, and their ideas have reduced the company's impact on the environment.

"Some of these results include reductions in engine emissions and fuel consumption by 30% through improved anchor management techniques," said Ian Hudson, Transocean's corporate environmental manager. "Other results include the removal of disposable cups offshore and recycling partnerships with local communities that help to provide jobs and security to people with mental and physical disabilities."

Projects like Can-Do and Wood Recycle in the UK and Recycle the Gulf in the US have been supported by Transocean operations for several years. Recently, the company's rigs operating in the Gulf of Mexico passed a Recycle the Gulf milestone, recycling over 1.5 million bags of material with only 10 bags of material unable to be recycled. "This is a truly strong statistic that shows our offshore crews really understand the importance of good waste management and the ability to support a cause that benefits the community so positively," Mr. Hudson noted.

While much of Transocean's work takes place offshore, it is important to show that onshore support staff is playing a role as well. Transocean offices are stepping up to the plate with recycling programs, environmental awareness events for employees and their families, energy-saving PC window screens and double-sided printing and lighting sensors. These efforts help to ensure the environment is considered in every part of our business, not just offshore.

MAKING WASTE MANAGEMENT A BIG DEAL

Transocean believes that waste management has to be a "cradle-to-grave" process. By tracking what we bring to a location, how it is used and ultimately where it is disposed of and by whom, ensures that waste is managed responsibly from the moment it leaves a Transocean loca-

tion. We practice this system on a global level, even in areas where local standards are not in place. By seeking out new vendors and new opportunities, local standards have been strengthened and new infrastructure has arisen through collaboration with local companies and regulators to set up new waste management facilities in places where standards or equipment were not in place.

One success story is Transocean's Egypt Middle East Division. There, all waste is segregated in color-coded bins on location. It is then brought to shore to be collated and sent to a series of approved recycling centers employing local people and disposal sites managed to a high standard of professionalism. Through a rigorous audit program, personnel ensure these high standards are maintained, and most let rig crews know that their efforts on waste segregation are making a difference.

CALCULATING YOUR CARBON FOOTPRINT

One of the largest global environmental issues is emissions. Different emissions vary from rig to rig and with the operational activity. Transocean has been measuring its carbon footprint for more than five years and reports this information to the Carbon Disclosure Project (CDP), the world's largest and most respected repository for climate change-related information representing over \$57 trillion of institutional investors. This reporting helps to ensure accurate carbon measurement, gives a roadmap for improvement and informs investors about a company's progress and future strategy.

The CDP also provides a key opportunity to learn from other major companies undertaking a range of emissions-related projects. Transocean recognizes it does not have all the answers and seeks to work with companies and organizations outside of its sector to better understand what can be achieved to reduce the effects of climate change and its impact on our business.

"In 2007, the company's carbon footprint was 2.37 million tons, and, while it is important to create a baseline, we are mindful that reductions of any type require work in many areas such as engine loading, fuel management, maintenance and equipment upgrades," Mr. Hudson said. "We are active in all these areas, as well as continuous emissions monitoring, and our goal is to continue to develop a short-, medium- and long-term emissions

strategy that delivers emissions reductions, fuel consumption benefits to our clients and reduced maintenance to our engines.”

Climate change legislation is also changing fast, and being able to respond in a proactive manner is important to companies. External partnerships help to increase the ability to gather information, expand a company’s network and enhance environmental performance. With dedicated environmental advisers across the entire company, Transocean recognizes that to achieve consistent results requires the ability to form a team that involves as many people in the company as possible.

The strength of this approach lies in people and not purely in systems. As Transocean people make the right choices, demonstrate leadership and take environmental responsibility seriously, this, above all else, will ensure environmental performance continues to improve and lead.


MAKING POSITIVE CHANGES TOGETHER

When it comes to protecting the environment, it is not about who is doing more or less; it is about what we can achieve together as an industry. If every drilling contractor is successful, then we will really be making a significant impact. If we do this in isolation as a public relations exercise, we may realize some short-term benefits, but, in the long run, we will remain where we are and with no means to really drive improvement.

If we can find a way to reduce our losses of containment to the environment, whether it is with hose standards, containment measures or inspection regimes, we need to share those thoughts across our peer group. If we make a breakthrough on reducing waste or emissions, we should not be afraid of sharing our efforts so that everyone can reap the same benefits.

Small changes can make for large gains, if everyone is willing to make the change. Such changes might be to the products we buy and use. Transocean has implemented a number of global green product substitutions. Examples include BOP fluid across its entire fleet, removing harmful products where possible and helping to streamline the supply chain and reduce waste footprints by increased rationalization, bulk buying and packaging control. Mak-

ing these small product changes across the whole fleet has helped to realize real benefits for the company and for the environment.

Whether your company’s focus is recycling, containment, emissions or all of the above, we need to ensure we keep pushing the boundaries of performance and share our best practices when they have real benefits for the industry. 



For a company of Transocean’s size – it operates 136 offshore rigs, including the *Transocean Marianas* seen above, and has 10 more under construction – an environmental management system is needed to help provide a single standard on a global scale.

Measuring Our Success

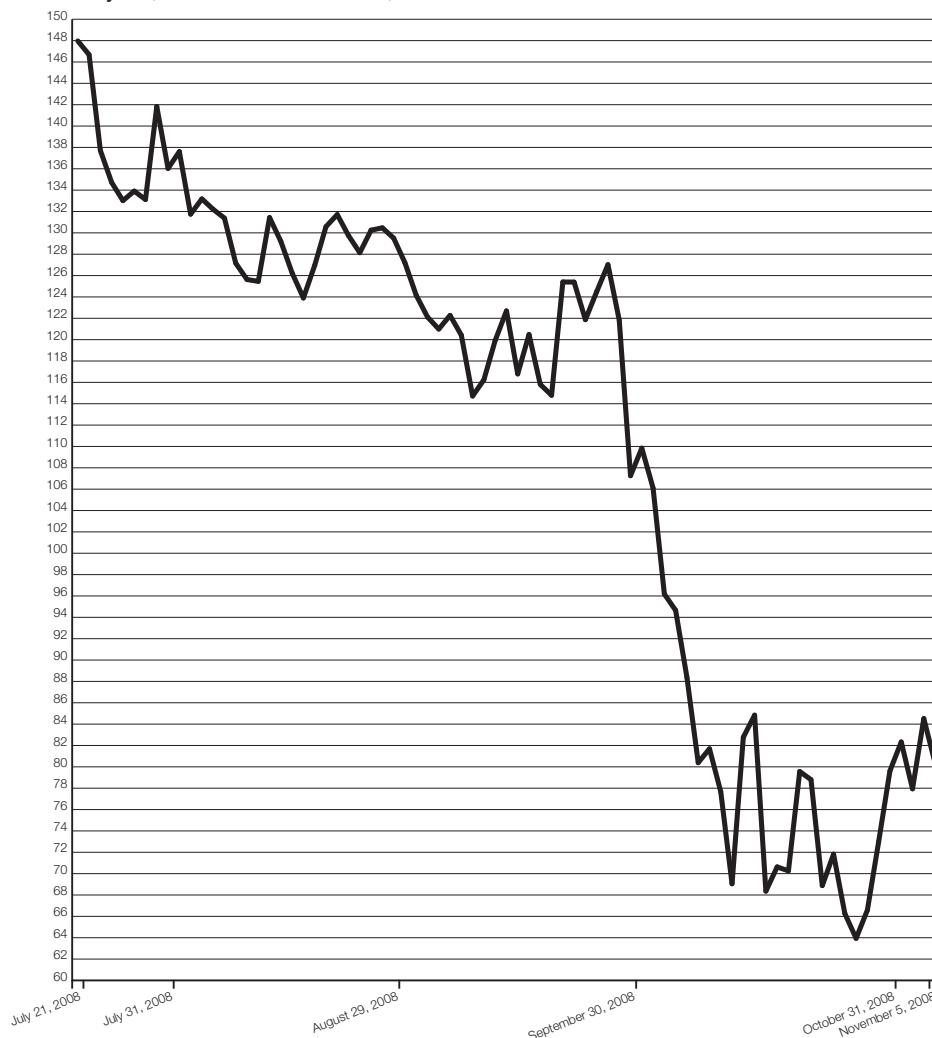
Fleet Utilization*

	Three months ended			Nine months ended September 30,	
	Sept. 30, 2008	June 30, 2008	Sept. 30, 2007	2008	2007
High-Specification Floaters:					
Ultra Deepwater Floaters	93%	87%	99%	93%	98%
Deepwater Floaters	68%	81%	76%	76%	78%
Harsh Environment Floaters	98%	98%	85%	97%	93%
Total High-Specification Floaters	83%	86%	86%	86%	88%
Midwater Floaters	88%	82%	92%	86%	95%
High-Specification Jackups	87%	91%	100%	93%	100%
Standard Jackups	93%	89%	89%	92%	85%
Other Rigs	100%	100%	98%	100%	99%
Total Drilling Fleet	89%	87%	89%	89%	89%

*Average daily revenue is defined as contract drilling revenue earned per revenue earning day in the period. A revenue earning day is defined as a day for which a rig earns dayrate after commencement of operations. Utilization is defined as the total actual number of revenue earning days in the period as a percentage of the total number of calendar days in the period for all drilling rigs in our fleet.

Transocean Stock Price Performance

July 21, 2008 to November 5, 2008



The price of Transocean common stock closed at \$80.35 on November 5, 2008, compared with \$147.97 on July 21, 2008. The company's stock trades under the symbol RIG on the New York Stock Exchange.

2008 Safety Targets

- 🎯 Zero Fatalities
- 🎯 0.87 TRIR
- 🎯 0.29 SIC Rate (5 percent reduction over 2007)
- 🎯 30.00 Potential Severity Rate (greater than 5 percent reduction over 2007)

A Message from Adrian Rose, VP QHSE

We've had a challenging year in QHSE as we've worked hard to bring the Transocean's Safety Management System to all corners of our operation following the late-2007 merger. With more than 21,000 employees scattered across dozens of countries, it's a huge undertaking to ensure everyone is on the same page when it comes to safety. In fact, our original plan was to conduct 200 sessions with 8,000 employees in 19 locations in 10 languages, and the scope broadened beyond even that. We've completed 222 sessions with over 9,000 employees and still have three sessions to go! I'm proud to report that our "Next Steps" integration process has progressed rapidly, successfully and is nearing completion ... six months ahead of schedule! This accomplishment is a testament to the employees who were already so committed to operating safely, and were eager and willing to learn and adopt the new policies and procedures with a "can do" attitude. As we wrap up the last phase of our integration around the world, I wanted to take a moment to say a huge 'thank you' to all participants, as well as all the 40 "champions" who served as trainers at "Next Step" sessions. We appreciate your time and effort, and most of all the resounding enthusiasm for achieving Transocean's safety vision. I know you'll continue to work hard each day to achieve an incident-free workplace ... all the time, everywhere.

Transocean Safety Performance

by Unit and Division YTD Oct. 31, 2008	TRIR*	SIC**
Asia and Pacific Unit (APU)	0.79	0.31
East Asia Pacific Division (EAP)	1.87	0.87
Egypt and Middle East Division (EME)	0.58	0.11
India Division (IDI)	0.52	0.31
North East Asia Division (NEA)	0.83	0.28
Europe and Africa Unit (EAU)	0.88	0.32
Gulf of Guinea Division (GGA)	0.73	0.45
North Sea and Mediterranean Division (NSM)	1.02	0.20
Norway Division (NRY)	1.08	0.72
West Africa South Division (WAS)	0.74	0.26
North and South America Unit (AMU)	1.04	0.24
North America Division (NAM)	1.10	0.11
South America Division (SAM)	0.92	0.46
Company Total	0.84	0.28

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

** Serious Injury Case per 200,000 hours worked.

Meeting the Expectation!

The following 46 rigs achieved zero TRIR (Total Recordable Incident Rate per 200,000 worked) as of Oct. 31, 2008:

ASIA AND PACIFIC UNIT

GSF Parameswara
 Transocean Nordic
 Interocean III
 Transocean Mercury
 GSF Rig 103
 GSF Key Manhattan
 GSF Rig 124
 GSF Rig 141
 GSF Key Hawaii
 GSF Main Pass IV
 C.E. Thornton
 Discoverer 534
 F.G. McClintock
 Randolph Yost
 Trident 12
 Deepwater Expedition
 Trident 9
 GSF Key Gibraltar
 GSF Rig 134
 R.W. Mowell
 Sedco 601

EUROPE AND AFRICA UNIT

Sedco 700
 Sedco Energy
 Trident 4
 GSF High Island VII
 GSF Adriatic VIII
 GSF Baltic
 D.R. Stewart
 Sedco 714
 Trident 20
 GSF Arctic IV
 GSF Galaxy I
 GSF Magellan
 GSF Monarch
 Transocean Leader
 Trident 14
 GSF Adriatic IX
 GSF Adriatic V
 GSF Rig 140

NORTH AND SOUTH AMERICA UNIT

Deepwater Nautilus
 JOIDES Resolution
 GSF Development Driller II
 GSF Celtic Sea
 Deepwater Navigator
 Sedco 710
 GSF Constellation I

Connecting with Customers

GSF Development Driller II

I am pleased to learn that *DD2* reached the milestone of one year without a recordable injury, an extraordinary accomplishment considering that the rig accomplished hydrate remediation work, two workovers, several completions, and jumper installation during that period, and also managed to drill the best well to date on Atlantis.

Safe and reliable operations are at the heart of our forward agenda and this is a great result. Please pass on my congratulations to the whole team.

Well done! Thank you for making a difference.

Tony Hayward
Group Chief Executive
BP

Trident 20 (upon achieving one year without a recordable incident in June)

Petronas management is glad to see the rig is in good condition and well maintained. The level of housekeeping is outstanding, which is one of the contributing factors to our good safety record. We have come a long way to arrive at where we are today and Petronas Management also recognizes that there are a lot of challenges for us operating in this area, which made our safety record achievement even more meaningful.

As our Country General Manager, Mr. M Ridza M Shariff put it:

“It is a great pleasure for me and all the PC(T)SB management team to congratulate Transocean and all the rig crew involved in achieving this record. We all know the difficulties and challenges that we have to face in this region. Drilling this exploration well for example, we were caught by the unexpected high pressure zones, mud losses and ballooning effect, all of which having a significant HSE risk, requiring us to be ever ready and vigilant. We also need to have a lot of flexibility in our plan to accommodate changes as a result of these unexpected events. In the past, we have even had to re-locate our rig due to shallow gas issues.

Despite the technical difficulties being involved in exploration drilling activities in the Caspian with ever-existing uncertainties, we have managed to avoid injury to our personnel and deliver safe operations. Also, during the year there have been changes in personnel, promotions within crews and continuous integration and training of local Turkmen crews. With all these challenges, reaching one year without a recordable incident indeed would not have happened without commitment of all parties involved in implementing the HSE plan.”

Regards,

Mobd Zaki Ibrahim
Drilling Manager
Turkmenistan Development Project

GSF Key Gibraltar

The Transocean jack-up rig ‘*Key Gibraltar*’ has achieved another important marker in the search for an accident-free environment.

The rig has achieved TWO YEARS with out a recordable incident on October 15, 2008.

This achievement was made by hard and conscientious work by the TOGSF, PTTEP, PTTEPI, CPOC & Service Contractor Crews & Supervisors, in excellent cooperation with management of all involved parties.

The rig and crews have worked in three countries, performing well operations for five different asset teams in the past two years, drilling and evaluating 30 exploration wells. The wells ranging from normal pressure, HP-HT wells, installed a tripod platform after completion of exploration well NNN-A04. The TOGSF crews have received TEN (10) ‘Outstanding Performance Incentive Awards’ during the two years, equivalent to one per every three wells.

PTTEP, PTTEPI & CPOC appreciate everyone for the support allowing the crews to perform their work in a safe and professional manner. When everyone pulls together, only good things will happen.



GSF Key Gibraltar

We would like for all of the crews to know how much we appreciate what you have done and to know how proud we are of all of you and your families.

This is a great achievement and we hope the rig will keep-up this Second to None SSHE Performance in the future.

CONGRATULATIONS to all of you and thanks for the diligence in following the safe path and making this achievement possible.

Pornpoch Tiraputra
PTTEP Senior Manager, Drilling Department

GSF Adriatic VIII

I want to pass on my congratulations for the *Adriatic VIII* achieving one year pain free. This is an outstanding accomplishment, achieved by each individual's safety leadership, and another step in our journey to "Nobody

Gets Hurt." Our organizations are working well together in Nigeria and the results show it. Thank you and your management team for your safety leadership and contributions to these results.

Regards,

Harry E. Newman, Jr.
Drilling Operations Manager
ExxonMobil

Congratulations and thanks to all the personnel on the GSF Adriatic VIII for achieving the milestone of one year pain free. This is a significant achievement that is a result of each and every individual's commitment to our vision of "Nobody Gets Hurt." Everyone should be extremely proud of this accomplishment as we continue our journey.

Thanks,

Bill Grieve
Nigeria - Field Drilling Manager
ExxonMobil

GSF Key Manhattan

On behalf of Rashpetco and BG Egypt, we would like to thank everybody onboard the *Key Manhattan* for their efforts and patience over the last few days while we strived to find a way forward with the hole. We appreciate the frustrations and tension a well control situation brings when things are not clear cut. Unfortunately this tends to be the norm!

As we have now decided to abandon the hole section, its timely to say a big thanks to all.

Best regards,

David Millar
Drilling Superintendent

If you've received written kudos from any of our customers please, with their permission, send them to us at corpcomm@mail.deepwater.com. We'll be happy to share them here in Offshore Frontiers.

headliners

MEDIA MENTIONS

Destination, Switzerland

Transocean Inc. Announces Proposed Redomestication From Cayman Islands to Switzerland

Transocean Inc. on October 9 announced that its board of directors has unanimously approved moving the place of incorporation of its group holding company from the Cayman Islands to Switzerland. Transocean's shareholders are being asked to vote in favor of the proposal at a shareholders meeting. If approved by Transocean's shareholders, and subject to the approval of the Grand Court of the Cayman Islands, Transocean expects the change of the place of incorporation to be effective as soon as practicable following

approval from the Grand Court of the Cayman Islands, which could occur in late 2008 or early 2009.

In connection with the change of the place of incorporation, Transocean plans to relocate its principal executive offices to Geneva, Switzerland (collectively, the "Redomestication"). Following the Redomestication, the company expects 14 officers, including Transocean Inc. Chief Executive Officer Bob Long, and a small number of

related support staff will relocate to Geneva. Transocean's operations will continue to be conducted through existing subsidiaries. Houston will continue to be the company's largest office and will also continue to provide corporate, technical and support services to worldwide operations.

Full details of the transactions, and the associated benefits and risks, have been provided in the company's proxy statement with respect to the shareholders meeting.

Transocean Inc. Announces 5-Year Contract for Previously Announced Ultra-Deepwater Drillship

Transocean on October 29 announced that a five-year contract has been executed with a client for a previously announced ultra-deepwater newbuild drillship equipped for drilling in up to 10,000 feet of water depth, upgradable to 12,000 feet of water depth with additional equipment, and constructing wells up to 40,000 feet total depth. The rig is listed in the Transocean Fleet Update Report dated August 5, 2008, along with nine other announced ultra-deepwater newbuild units, as the "HHI Drillship TBN (to be named)."

Transocean Rigs Support New SERPENT Project Video

A new SERPENT Project video features footage of new behaviors by little-known marine life, and many of the fascinating scenes were taken from ROV cameras operating from a number of Transocean's ultra-deepwater drilling rigs in the U.S. Gulf of Mexico. View the video and more information at www.deepwater.com!

Transocean's Enhanced Enterprise-Class Drillships Featured in Supplement to Trade Publications

Transocean ushered in a new era of offshore drilling technology, performance and efficiency with the development and introduction of its three ultra-deepwater Enterprise-Class drillships in the late 1990s and 2001. Now, Transocean has enhanced the Enterprise-Class units and construction of the first five newbuild Enhanced Enterprise-Class drillships,

the *Discoverer Clear Leader*, is complete. An informational supplement to *Offshore Magazine*, *The Oil & Gas Journal* and the *Oil & Gas Financial Journal* was released in August 2008 that discusses the creation and innovation behind the *Discoverer Clear Leader*.

Getting Greener! Transocean Participates in Corporate Eco Forum

Transocean in September participated in the Corporate Eco Forum, an invitation-only event that's comprised of companies who have "demonstrated a seriousness of purpose around the environment as a business strategy," underscoring the company's commitment to corporate responsibility.

Transocean Responds to Hurricanes Ike and Gustav in Gulf of Mexico

August and September were eventful months as Transocean's Houston/Gulf of Mexico operation dealt with the powerful one-two punch of Hurricanes Gustav and Ike. All employees working in the Gulf of Mexico were safe and unharmed following the storms. Transocean's eight self-propelled DP semisubmersibles and drillships all returned to their pre-storm locations and resumed operations quickly. Two moored semisubmersible rigs had moderate damage from the storms – *Deepwater Nautilus* from Hurricane Gustav and the *Transocean Marianas* mainly from Hurricane Ike. Those units, and the *Transocean Amirante*, which had damage to a pre-set mooring system it uses, are back on locations following repairs.



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