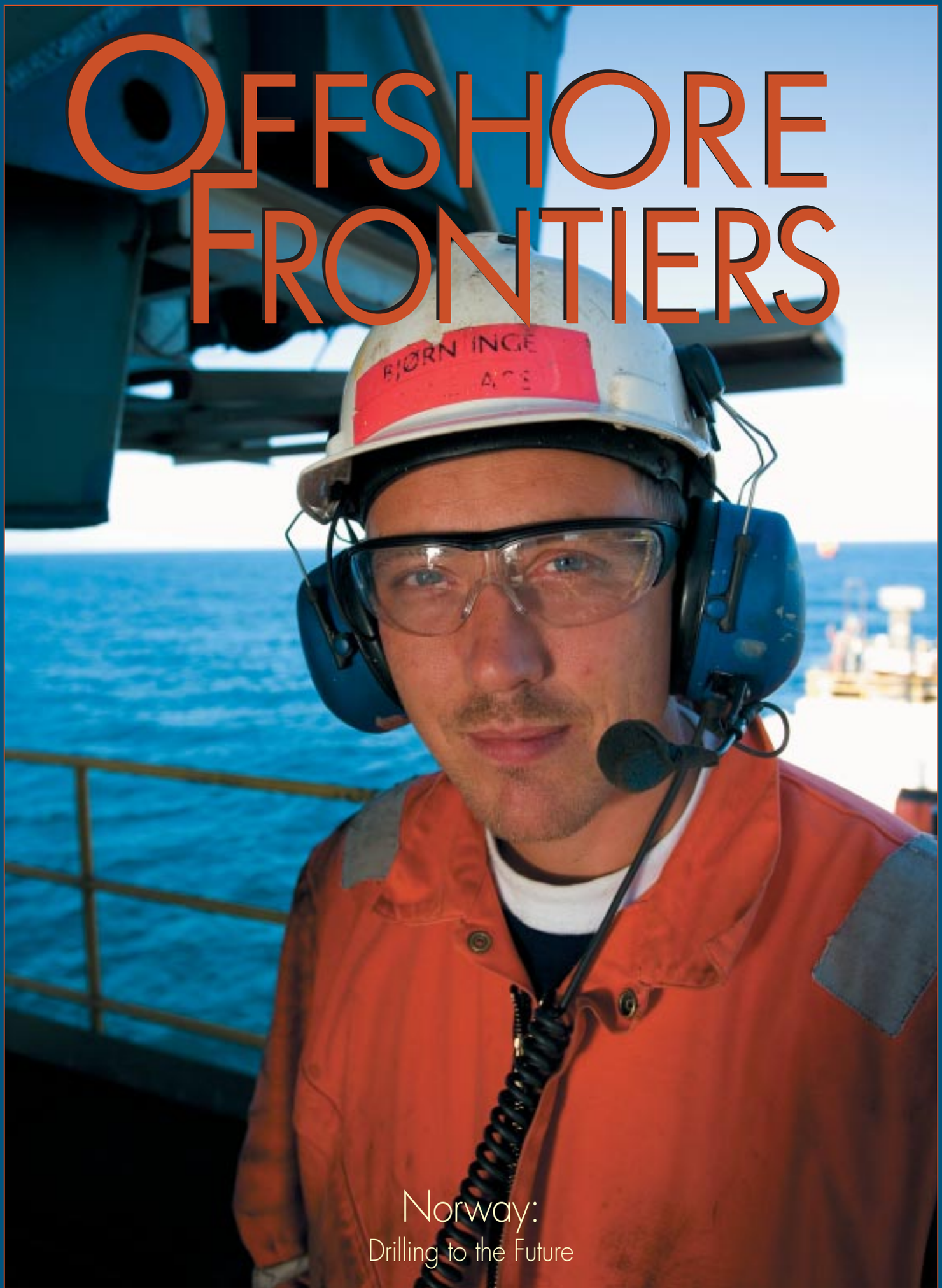
Offshore Frontiers



Norway:
Drilling to the Future

A Transocean Inc. Publication

February 2006

Robert L. Long
President and CEO

Welcome

Norway, the world's third-largest oil exporter, has achieved several offshore milestones, many supported by Transocean's safe, efficient and environmentally-protective operations.

The *Polar Pioneer* crews, for example, drilled the first production well on the Troll field and went on to construct a world-record horizontal well for Norsk Hydro. That achievement helped make the difference in part of the field being deemed commercial. Last year, the *Transocean Arctic* became the world's first semisubmersible to drill a sidetrack well through a subsea well's production string on the Norne field for Statoil, opening a new route to raising petroleum-recovery rates for our client. In addition, the *Transocean Searcher, Transocean Leader* and *Transocean Winner* have played key roles in our clients' successes in Norway.

Also important is our shared vision with our customers of an incident-free environment as recognized by the *Polar Pioneer* in 2001 becoming the first contract mobile offshore drilling unit to receive Norsk Hydro's upstream HS&E award.

Outside of Norway, employees on the jackup *Trident 8* and *JOIDES Resolution* scientific coring drillship achieved the Transocean Safety Vision by not having a single work-related safety incident in 2005. Also last year, employees worldwide reduced Transocean's TRIR (total recordable incident rate) to 1.06 incidents per 200,000 hours worked, the lowest TRIR in the company's history and down from 1.29 the year before. With additional progress, we can achieve our 2006 goal of 0.90 TRIR which remains the same as last year.

I appreciate everyone's contributions toward making Transocean the premier offshore drilling company and wish you a successful — and incident-free — 2006.

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Transocean

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

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

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On the Cover:
Complete with headset and safety gear, Bjørn Inge is ready for another day of work in the Barents Sea as an Assistant Crane Operator on the Arctic-class semisubmersible *Polar Pioneer*. A former fishing vessel steerman, he changed careers to offshore drilling, because "this is a good job, something is happening all the time, and there are people here from different countries."

FEATURES

The promise of finding and developing crude oil and natural gas remains greater in Norway than in any other country on the Northwest European Continental Shelf. And Transocean, a harsh-environment drilling pioneer, serves clients in Norway with deep experience and a flexible, five-rig fleet.

DEPARTMENTS

Polar Pioneer: *Barents Sea*

NORWAY: *Drilling to the Future*

When Johnny Polderman began work as a Floorman on Norway's Ekofisk discovery in 1969, little did he know what lay ahead for the country.

From that first offshore oilfield to the world's third-largest oil exporter, Norway has drilled its way into the energy future as few other countries have done. Not only did Norway's leaders find enough capital to do the job, they blazed new trails in technology at just the right time.

The 1970s saw Norway's shipbuilders create innovative companies to support offshore oil and gas projects. In the 1980s, offshore drillers including Transocean introduced the latest-generation of harsh-environment semisubmersible rigs. The 1990s brought world offshore drilling records that turned previously non-commercial fields into success stories, including the Polar Pioneer's *horizontal-drilling records on the huge Troll field.*

Along the way, Norwegian society has greatly benefited from the production of millions of barrels of crude oil equivalent.

"It has been a tremendous experience for me, personally," says Polderman, who became a Rig Manager in 1982 and has been Rig Manager of the Polar Pioneer *semisubmersible rig since summer 2003.*

Looking out from his office at Stavanger's harbor, Polderman's optimism is well founded for who knows what next major discovery will be made in Norway? The promise of finding and developing oil and natural gas remains greater here than in any other country on the Northwest European Continental Shelf.

One Way or the Other

The Ekofisk, Statfjord, Gullfaks, Troll, Heidrun and now Kristin, Åsgard, Ormen Lange and Snøhvit fields were discovered from the south to the north of Norway. And in one way or another since the 1970s, Transocean Norway has been involved — from planning and rig construction to drilling more wells than any offshore drilling contractor.

Since 1983, when ODS-Petrodata began counting wells and when three Transocean semisubmersible rigs were launched, Transocean has drilled 40% of almost 1,600 Norwegian offshore wells. That is more than twice as many as the next offshore drilling contractor.

This deep experience is matched by the flexibility of the Transocean fleet, which today includes the *Polar Pioneer, Transocean Arctic, Transocean Leader, Transocean Searcher* and *Transocean Winner.*

Take, for example, the *Transocean Arctic*, the world's first semisubmersible rig to operate in sub-arctic conditions providing year-round drilling services.

Norway's leading exploration rig for years, making key discoveries such as Kristin and Goliath, the *Arctic* went idle when the Norwegian rig market experienced a downturn and most exploration programs were suspended in 2002.

But the *Arctic* has returned to operations after a 2004 upgrade that enables crews to carry out well completions. Now, she can store four subsea "x-mas trees" onboard at the same time. In addition, all rigging and running of trees and the BOP (blowout preventer) is done on the fully enclosed cellar deck.

"The whole startup and performance of the *Transocean Arctic* has been a success," says Norway Sector Manager Geir Sjoberg. "It's like a Swiss Army knife, with a large variable deck load, HPHT (high-pressure, high-temperature) capabilities, able to work in -20 degrees Celsius (-4 degrees Fahrenheit) and run x-mas trees. Now, if there is a market downturn, it should not be one of the first rigs to be stacked."

Don't Ask, Do Stop

In Norway, as elsewhere in the world, Transocean remains focused on safety.

When Jimmy Moore moved from Houston to Stavanger in 2004 as Operations Manager, two major rig upgrade projects were underway, plus the *Polar Pioneer* was undergoing a special periodic survey and upgrades of its own, preparing for the Snøhvit field development in the Barents Sea. Although operations have not been fully incident-free, Moore has been

Roar Dahl, Driller, controls automated drilling equipment on the Polar Pioneer *in the Norwegian part of the Barents Sea.*

impressed with the safety culture from the shipyard to drilling locations.

"We are serious about running an incident-free operation, and it takes everyone's commitment to get there," he says. "Don't call and ask if you can shut the rig down. First, shut the rig down and then call. That needs to get into everyone's mind. Everyone is empowered. If they feel the operation needs to be stopped, they need to interrupt it."

That safety mindset is especially important as the rig market is very much in an upturn and as Norway moves to encourage exploration and development offshore in many ways.

The signs of the times include the latest rig-sharing club led by Statoil and the reactivation of the *Transocean Winner* under a three-year contract with Norsk Hydro that is scheduled to start by the third quarter of 2006.

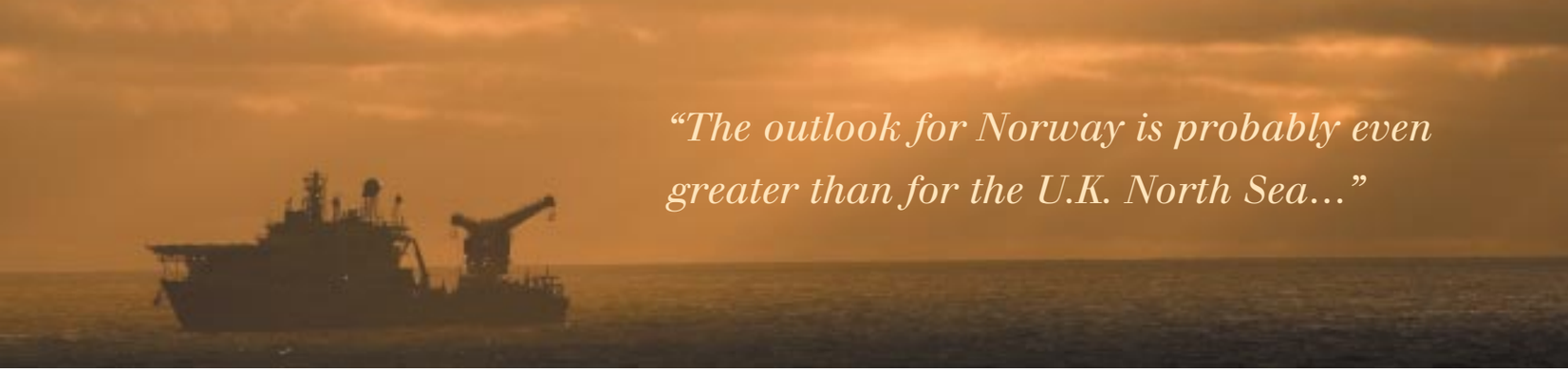
"The outlook for Norway is probably even greater than for the U.K. North Sea, because there is so much acreage with exploration activity, especially off mid-Norway and the Barents Sea," says Doug Halkett, North Europe Division Manager. "It's an extremely healthy market. The government has played a proactive role in many ways, including tax breaks that allow oil and gas companies currently not in a taxable position to have 80% of their exploration costs subsidized by the government."

Record Performances

Meanwhile, Transocean rig crews are doing their part to improve efficiency and reduce costs by building on record successes.

For instance, the *Transocean Leader* had the fastest completion in Statoil's history with an H-X tree on the Nordflanken development in 9.2 days and achieved a world-record run of 17.5-inch hole of 7,410 feet (2,258 meters) for ConocoPhillips' Heidrun drilling operations, both in 1999.

The *Polar Pioneer* — launched as the world's first, 4th-Generation



semisubmersible rig in 1985 — broke new ground drilling on the giant Troll field. There, crews constructed a world-record horizontal well of approximately 23,000 feet (7,000 meters) that bypassed natural gas on top of an oil layer. That was just one of many achievements that Norsk Hydro used to transform a reservoir not deemed profitable with vertical wells into Norway's largest oil-producing field.

Not to be outdone, the *Transocean Winner* drilled a 12-inch section on top of the reservoir of a Statoil well in the Åsgard field in three and a half days, using a rotary-steerable drilling tool. Normal time without the tool: seven and a half days.

The *Winner's* 36 wells and the same number of complicated rig moves on the Åsgard field, with its tremendous amount of subsea infrastructure, further demonstrate Transocean's penchant for efficiency and flexibility.

The *Transocean Searcher* is today working on Åsgard as one of Norway's most experienced completion drilling rigs and one of the most advanced in communications with its high-tech Onshore/Offshore Communication room. In addition, the *Searche*r played a key role on the Alpha Nord project, which was completed 90 days ahead of schedule and with a cost savings of approximately $123 million USD (NOK 800 million), one of Statoil's best-performing projects.

And in 2005, the *Transocean Arctic* became the world's first semisubmersible to successfully drill a side-track well through a subsea well's production string on the Norne field for Statoil. As a result, Statoil's recovery factor has been significantly increased, maximizing the value of its fields while expanding opportunities for this offshore drilling innovation.

Another success has taken place in the Barents Sea. There, the *Polar Pioneer* has kept its part of the Snøhvit LNG project on track with batch drilling and completion work on 10 wells for Statoil without a single, unplanned discharge or spill to the sensitive environment.

Seas of Opportunity

These and other offshore drilling achievements, along with a strong rig market, led to long-term contracts which in turn attract new employees.

Inger Aase, Norway Human Resources Manager, says experienced drilling personnel are in greatest demand, but development opportunities exist across all departments.

"We have employed more than 380 people since the spring of 2004, mostly offshore," she adds.

One of them was Tor-Leif Førde, a BCO (Ballast Control Operator) on the *Transocean Leader*.

"This is a job for the future," says Førde, who previously worked for the Norwegian Coast Guard as a navigator, diver and inspector of fisheries. "It looked like now was a good time for a change."

Heine Naterstad, a Floorman, currently on the *Polar Pioneer*, joined the company in 2004 as a Roustabout on the *Transocean Arctic*, after working in an aluminum plant. During his off time, he studies at the Stavanger Offshore, Marine & Technical College.

"Perhaps, someday I will become a Toolpusher. Time will show," says Naterstad.

Why did he join Transocean?

"Transocean is the largest drilling company in the world," Naterstad says. "And they have good contracts on their rigs."

Term contracts.

Per rig, the average contract duration as of January 2006 for Transocean's five-rig Norway fleet is almost three years, with the longest extending to November 2010 for the *Transocean Arctic*.

Polar Promise

Even more harsh-environment drilling rigs are needed in Norway, as well as Russia, which seeks to develop huge arctic reserves off its shoreline that accounts for one-fifth of the world's continental shelf.

In the Russian sector of the Barents Sea, Gazprom's Shtokmanovskoey or "Shtokman" project by itself holds more natural gas than all of the Norwegian continental shelf combined.

For now, the focus remains on Norway, especially two frontier areas: the Barents Sea and off the country's middle coast.

If ENI's Goliath discovery is indeed the first major oil find in the Barents Sea to be developed, Norway's energy future will become a topic of even greater discussion.

Polderman, the *Polar Pioneer* Rig Manager, looks forward to it.

"Every morning when I get out of bed, I love to get to my job," he says.

Norway and Transocean: drilling to the future, day by day.

Transocean FIRSTS *in Norway*

1984

The *Transocean Nordic* becomes the first jackup built to withstand Norway's harsh offshore conditions, including waves of almost 100 feet, 84-knot winds and temperatures as low as 5 degrees Fahrenheit (-15 degrees Celsius).

1985

The Arctic-class *Polar Pioneer* becomes the world's first, fourth-generation semisubmersible rig.

1986

The *Transocean Arctic* becomes the world's first semisubmersible rig to operate in the sub-Arctic with year-round drilling operations.

1987

The *Polar Pioneer* becomes the first rig in Norway to drill in more than 1,400 feet (427 meters) of water, operating for Norsk Hydro in 1,402 feet of water.

1988

The *Transocean Searcher* finishes work on the Tommeliten field, becoming Norway's leading completion-drilling rig.

1994

The *Polar Pioneer* drills the first production well on the giant Troll field.

1997

The *Polar Pioneer* completes the world's first subsea multilateral with re-entry access on the H-3 well in Norsk Hydro's Troll field.

1999

The *Transocean Leader* finishes the fastest completion with an H-X tree in Statoil's history on the Nordflanken development in 9.2 days.

2001

The *Polar Pioneer* becomes the first contract offshore drilling rig to receive Norsk Hydro's upstream HS&E (Health, Safety and Environment) award.

The *Transocean Prospect* reaches four years without a single lost-time incident.

2003

The *Polar Pioneer* constructs a world record horizontal well of approximately 23,000 feet (7,000 meters) in measured depth.

2005

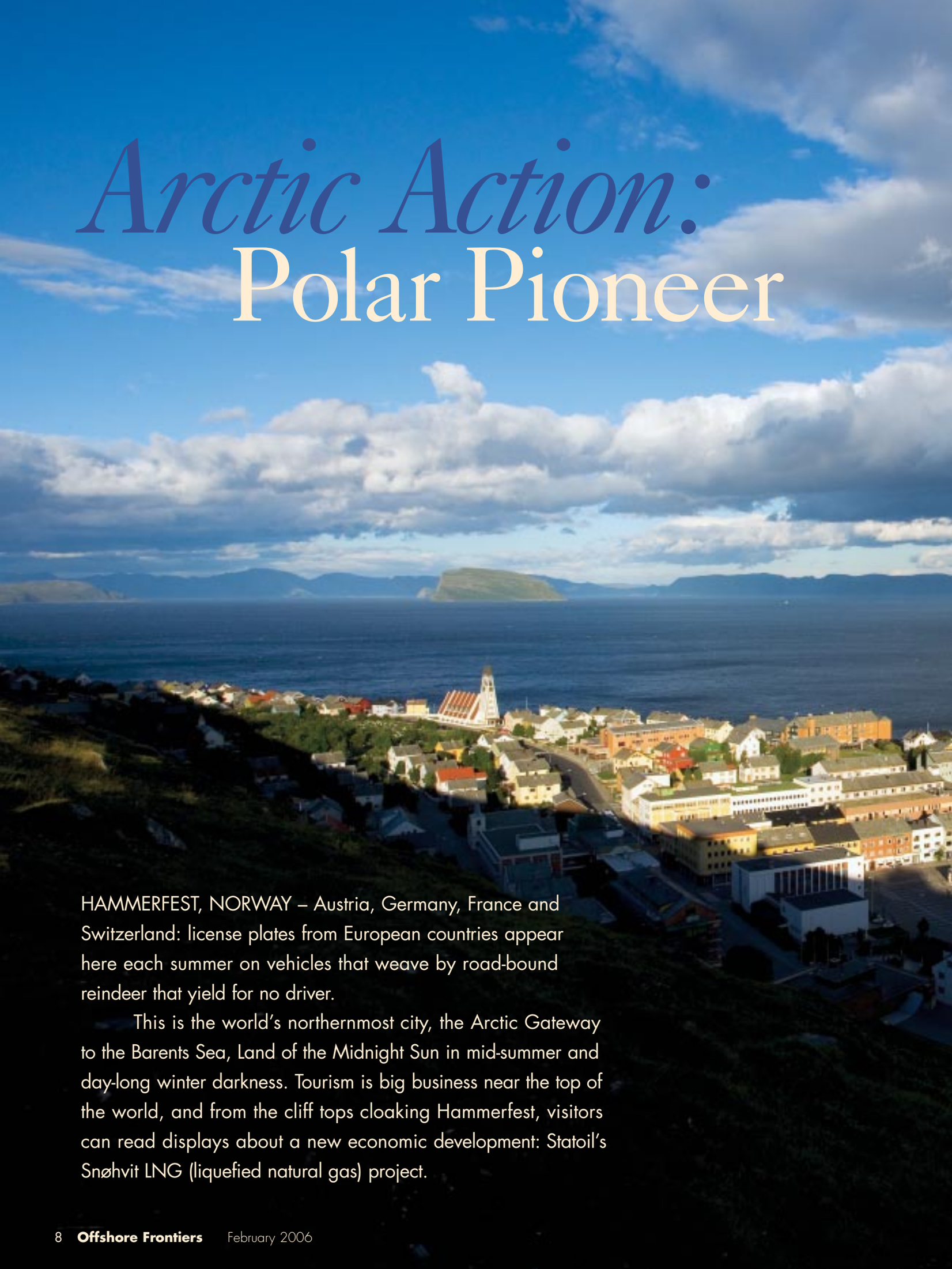
The *Transocean Arctic* becomes the world's first semisubmersible to drill a sidetrack well through the subsea well's production string on the Norne field for Statoil. Crews pioneered the Through Tubing Rotary Drilling (TTRD) technique.

From left to right: Edvin Hustavnes, Rig Superintendent, Polar Pioneer*; Tove Muravez, Administration Head; Johnny Polderman, Rig Manager,* Polar Pioneer*; Eva Lysvold, Medic,* Polar Pioneer*; Geir Sjoberg, Norway Manager; Inger Aase, Norway Human Resources Manager; Jimmy Moore, Norway Operations Manager; Asbjorn Olsen, Rig Manager,* Transocean Leader.





Arctic Action: Polar Pioneer



HAMMERFEST, NORWAY – Austria, Germany, France and Switzerland: license plates from European countries appear here each summer on vehicles that weave by road-bound reindeer that yield for no driver.

This is the world's northernmost city, the Arctic Gateway to the Barents Sea, Land of the Midnight Sun in mid-summer and day-long winter darkness. Tourism is big business near the top of the world, and from the cliff tops cloaking Hammerfest, visitors can read displays about a new economic development: Statoil's Snøhvit LNG (liquefied natural gas) project.

Hammerfest, Norway, in August

Polar Pioneer, *Barents Sea*

With a name like Snøhvit (Snow White), the project may sound idyllic, but the story is of more than a passing interest.

Europe's first LNG development, Snøhvit is one of the most important energy projects in Norway and the world. It boasts the largest subsea natural gas pipeline, built to connect offshore wells to an LNG terminal on the island of Melkøya next to Hammerfest.

With a white-capped sound dotted with jagged mountain islands as a backdrop, tankers are scheduled to dock at the terminal in 2007 and then ship LNG to Spain and the United States, marking Norway's first natural gas exports beyond Europe.

But first, gas-production wells have to be drilled and completed almost 90 miles (140 kilometers) to the north of Hammerfest. There, the Arctic-class Transocean semisubmersible rig *Polar Pioneer* has been hard at work as the first rig to conduct year-round drilling and completion operations on a Barents Sea project.

Statoil's timing in locking up the rig under a term contract couldn't have been better, as the Snøhvit project and other drilling assignments for the rig come at a pivotal time in Norway's energy history.

"The Snøhvit project that the *Polar Pioneer* is working on is important because it is seen as a stepping stone to other arctic projects," says Geir Sjoberg, Transocean's Norway Sector Manager. "It may be that one day our client will be part of Gazprom's Shtokmanovskoey or 'Shtokman' project in the Russian sector of the Barents Sea."

Setting the Arctic Standard

The costs of such large projects and the challenges of the Barents Sea are not for the faint of heart.

While ice floes and high seas are not normally a problem here, due to the Gulf Stream's effect, it takes an Arctic-class rig to work in heavy snow storms, -0.4 degrees Fahrenheit (-18 degrees Celsius) winter temperatures and winds up to 50 knots an hour. For 20 years, the *Polar Pioneer* has set the standard for working in these conditions off Norway with a focus on safe, effective operations designed to protect people and the environment.

The rig's crews have been tested often and have overcome everything that Norway's harsh environment can dish out. Rig Superintendent Edvin Hustavnes was onboard during the winter of 1987 when temperatures plunged to 8.6 degrees Fahrenheit (-13 degrees Celsius) and 50-knot winds whipped the seas.

"The rig was pretty new then," Hustavnes recalls. "We fired up the two boilers and put all the steam on the rig floor, the pipe deck and the casing deck. Because the rig is fully enclosed, we managed to get the temperature to 68 degrees Fahrenheit (20 degrees above zero Celsius). Everyone was happy with the way it worked. That's why it's a great rig… great people, great processes. It's one rig, one team."

Rig Manager Johnny Polderman visits the *Polar Pioneer* once a month, making three "puddle-jumper" flights from Stavanger to Hammerfest, then taking a helicopter to the rig. Along the way, he thinks about his team and how to keep everyone pulling in the same direction.

"The expectations from our President and CEO Bob Long all the way down the road are in our vision, mission and goals," Polderman says. "This focus makes for better safety and operational performance on the rig. It ensures that everyone keeps focused to continue to achieve the Safety Vision of incident-free operations."

Pioneering Processes

Also helping keep people safe and operations effective are Norwegian regulations. Automated tubular-handling equipment virtually eliminates "hands-on" drilling. And weather conditions are monitored to determine how long a person can work outside alone before being replaced.

Much of these processes and technology have been pioneered by the *Polar Pioneer*.

"This rig was one of the first to have an automatic catwalk machine for mechanically handling riser and drill pipe," says OIM Horst Burger, who has been with the *Polar Pioneer* for 20 years. "But it doesn't matter what type of equipment and technology you have, if you don't have the right people — and we have some very good people."

To protect those crews from bitter-cold winters, the rig also has enclosed drilling and life-raft areas, plus built-in heating plates in walkways and heated hand rails.

As for environmental protection, rig features include double-barrier drain systems that can capture rainfall and water used to clean decks. That water, plus all used mud cuttings and waste, are shipped to shore so that they never reach the Barents Sea, one of the world's richest fishing and spawning areas.

"I believe that we're setting a standard by drilling here in zero-discharge mode," Burger says.

On the Snøhvit project, the batch drilling and completion work on 10 wells, including one CO_2 injector well, requires intense planning and coordination between *Polar Pioneer* drilling crews, the client and third-party companies.

During batch drilling last August, Senior Toolpusher Åge Petter Nilsen appreciated the efficiency

of having onboard all the 30-inch conductors and equipment for well sections for three wells per template. With three templates to run, a great deal of equipment was moved to and from the rig in bulk shipments saving time.

Other batch drilling and completion efficiencies included running and pulling the blowout preventer (BOP) less often.

"You just run the BOP one time, instead of three," Nilsen says. "When you are running the same type of casing and production tree with the same crews, you are more familiar with what you are doing, so the efficiency is better."

First Things First

Pioneering offshore drilling is not new for the rig's crews.

Before working on the Snøhvit project, the *Polar Pioneer* was a workhorse rig on the giant Troll project for Norsk Hydro for 10 years, starting with production well number one in 1994. The rig achieved several firsts, including production well number 100 — a horizontal main wellbore drilled with three branches in the same quadruple well.

That well's "tight junction" design helped the client to reach the Troll field's thin oil layer, most which varies from 36-43 feet (11-13 meters), at far less cost and time than from a typical, single subsea wellbore. *Polar Pioneer* crews went on to drill a main wellbore with four branches.

Another "first" was a horizontal well of just under 23,000 feet (7,000 meters) from the rig floor to total depth (RKB-TD) on the Troll field with a reservoir depth of 5,905 feet (1,800 meters). The keys to that success included the use of measurement while drilling (MWD) and the Baker Hughes Inteq AutoTrak steerable rotating system, says Nilsen, the Senior Toolpusher.

"We were able to rotate the drillbit while drilling and do measurement at the same time," Nilsen notes.

"Also, we used EMIN, a friction-reducing chemical of about 1-2% of the drilling mud. Normally, we stopped horizontal drilling about 2.2 miles (3,500 meters), but we put EMIN in which helped us slide beyond 3.7 miles (six kilometers). It also reduced rotation torque."

Adds Rig Superintendent Hustavnes: "We drilled in a kind of a loop with 360 degrees turn using directional drilling with the steerable AutoTrak system for Norsk Hydro. It is quite a good technology."

Back to the Barents

While the *Polar Pioneer* in August 2005 was working at 71.35 degrees North Latitude and 21.50 degrees East Longitude, the rig has drilled even farther north in the Barents Sea. In 1987, crews were drilling an exploratory well near Bear Island, which today is in an area that is off limits to drilling, due to temporary government regulations over environmental concerns.

"That's the farthest north anyone has drilled offshore Norway," Hustavnes says.

Drilling thousands of miles from large industrial areas presents logistical challenges.

Parts that reach rigs off of Norway's southern coast in a day can take two weeks to make their way to the *Polar Pioneer* in the Barents Sea.

"Everyone works together," says Esben Wisborg, Transocean's Hammerfest Supply Base Coordinator/ Purchaser, as he picks up visitors at the Hammerfest airport. "Also, we share base space with Statoil, which helps with access to supplies."

Looking at the Future

In town, Hammerfest visitors in August arrived to the "hooooom" of cruise ship fog horns and the squeal of large tour bus brakes. On the town's main road, which hugs the sound, an Austrian sports car swerves, missing a reindeer's massive antlers. Just behind, a smiling man on a bicycle rides by.

He won't stop and read Statoil's cliff-top Snøhvit displays. Nor is he likely to hear about the *Polar Pioneer* drilling on its part of the project, which will be completed this year (2006). But when he reaches North Cape, and celebrates having pedaled to Europe's northernmost point, out in the distant Barents Sea he will see more than water, wispy clouds and perhaps whales.

He may be looking at Norway's petroleum future.

Transocean Leader Radio Operator Erling Winje stays on top of the ever-changing weather.

Seeking Success at Sea

Transocean Leader

Transocean Leader Assistant Driller John-Ivar Jakobsen loves to drive "anything with wheels." But when the former sailor tried an onshore job as a truck driver, something was missing.

Saltwater.

"I needed to see the sea," recalls Jakobsen as the *Transocean Leader* last August drilled farther off Norway's west coast than any other rig in the country's history. "I can't imagine doing anything else today except the offshore business. I feel like I have even more family offshore."

Jakobsen's love for offshore drilling typifies *Transocean Leader* crewmembers, who seek success at sea through teamwork and respect.

Chief Electrician Ian Corse, who hails from the Aberdeen area, in Scotland, U.K., also feels a sense of community on the *Transocean Leader*.

"They are always trying to make the accommodations better by adding things like DVD players in our rooms," Corse says. "Telephone calls and Internet access are freely available and there are two computers for general use."

Such concern for people also is spelled out, and often updated, in government regulations for everything from noise, lighting and ergonomics to automatic pipe-handling equipment.

"They set very high standards in Norway," says OIM Dale Harris, who is from the United Kingdom. "To work here, you need the best."

South Pole to Success

That has been especially true in the Norwegian frontier areas ever since the first people to reach the South Pole, Norway's Roald Amundsen and British explorer Sir James Clark Ross, reported vast numbers of whales in the Antarctic. The hunt was on in 1923, when the Hvalfangerselskapet Rosshavet (Rosshavet Whaling Company) was formed. Years later, that company would become part of Transocean ASA of Norway, a predecessor of Transocean Inc.

Experiences taught by the sea and from managing

On the drillfloor, *Transocean Leader*

some of the world's most challenging drilling assignments led seasoned offshore veterans to help newcomers on the *Transocean Leader* so that the team achieved a 0.85 TRIR (Total Recordable Incident Rate) for last year. That performance made the *Leader* one of 34 Transocean rigs that beat the company's 2005 TRIR target of 0.90.

The 2005 performance is notable, considering that a four-month union strike had halted operations on the *Transocean Leader* and two other Transocean semi-submersible drilling rigs until November 2004. The government stepped in and ended the strike over nationalization issues just before the offshore drilling market began a significant resurgence.

"Today, one third of the crews on the *Transocean Leader* are from the United Kingdom, and we're very glad to have them, especially in this market of strong and growing rig demand," says Norway Sector Manager Geir Sjoberg.

Adds Jakobsen, "Whether you are Norwegian or British, there are no problems as long as people do their jobs and are safe. There are a lot of experienced guys from Britain on the rig."

Overcoming Differences

Of course, teamwork takes time and effort.

For their part, Norwegians know about linguistic land mines, having learned English in school and from using it on the job.

"There are differences," says Jakobsen. "In Norway, we don't say, 'please,' so when we are working together, it sounds like we are ordering people around. I told the guys on my crew, 'Even though it sounds like I am commanding you, I am not. It's just a translation issue.' "

Harris, the OIM, is studying the Norwegian language, working as much on his delivery as on his accent.

"When you come to someone else's country, if you just make an effort to learn the local language you will receive respect," Harris says. "We may never be fluent, but at least they will see we are trying."

Adds Ballast Control Operator (BCO) Tor-Leif Førde, who lives at Gothenburg, Sweden, and who joined the company this summer: "Everyone has to work together, and so far it's working, absolutely. The crew is working very well together."

One reason why different nationalities function as a Transocean team is that personnel unite around common core values, policies and procedures. For example, the

continued on page 24

"There are always new challenges and new ways to do things. We have a good team and we are always helping each other out."

Transocean:

A World *of* Experience

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

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

5th-Generation Deepwater Drillships

5th-Generation Deepwater Semisubmersibles

Other Deepwater Drillships
Other High-Specification Semisubmersibles
Other Semisubmersibles
Inland Barges
Other Deepwater Semisubmersibles
Other Drillships
Jackups
Tenders

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

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





TRANSOCEAN FLEET

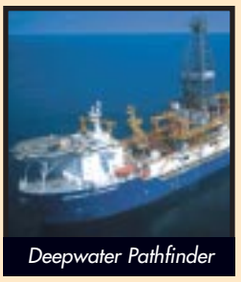
BY TYPE AND WATER-DEPTH CAPACITY - AS OF FEBRUARY 14, 2006*

TYPE AND NAME	YR. ENTERED SERVICE	WATER DEPTH CAPACITY[1] (IN FEET)	DRILLING DEPTH CAPACITY (IN FEET)	LOCATION	DESIGN	BOP RATING
High-Specification Floaters • 5th-Generation Deepwater • 13						
Discoverer Deep Seas *(DP Ship)*	2001	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Discoverer Enterprise *(DP Ship)*	1999	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Discoverer Spirit *(DP Ship)*	2000	10,000	35,000	U.S. GOM	Discoverer Enterprise	18 3/4 in., 15,000 psi
Deepwater Discovery *(DP Ship)*	2000	10,000	30,000	Nigeria	RBF/Samsung	18 3/4 in., 15,000 psi
Deepwater Frontier *(DP Ship)*	1999	10,000	30,000	Brazil	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Millennium *(DP Ship)*	1999	10,000	30,000	U.S. GOM	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Pathfinder *(DP Ship)*	1998	10,000	30,000	Nigeria	Conoco/Reading & Bates	18 3/4 in., 15,000 psi
Deepwater Expedition *(DP Ship)*	1999	10,000	30,000	Brazil	Rauma Repola Arctic	18 3/4 in., 15,000 psi
Deepwater Horizon *(DP Semi)*	2001	10,000	30,000	U.S. GOM	RBS-8D	18 3/4 in., 15,000 psi
Cajun Express *(DP Semi)*	2001	8,500	25,000	U.S. GOM	SFXpress 2000	18 3/4 in., 15,000 psi
Deepwater Nautilus *(Semi)*	2000	8,000	25,000	U.S. GOM	RBS-8M	18 3/4 in., 15,000 psi
Sedco Energy *(DP Semi)*	2001	7,500	25,000	Nigeria	SFXpress 2000	18 3/4 in., 15,000 psi
Sedco Express *(DP Semi)*	2001	7,500	25,000	Angola	SFXpress 2000	18 3/4 in., 10,000 psi
Other Deepwater • 15						
Deepwater Navigator *(DP Ship)*	2000	7,200	25,000	Brazil	Earl & Wright Sedco 400	18 3/4 in., 15,000 psi
Discoverer 534 *(DP Ship)*	1975/1991	7,000	25,000	India	Sonat Discoverer	18 3/4 in., 10,000 psi
Discoverer Seven Seas *(DP Ship)*	1976/1997	7,000	25,000	India	Sonat Discoverer	18 3/4 in., 15,000 psi
Transocean Marianas *(Semi)*	1998	7,000	25,000	U.S. GOM	Sedco 700	18 3/4 in., 15,000 psi
Sedco 707 *(DP Semi)*	1976/1997	6,500	25,000	Brazil	Sedco 700	18 3/4 in., 15,000 psi
Jack Bates *(Semi)*	1986/1997	5,400	30,000	Australia	F&G L1020 Trendsetter	18 3/4 in., 15,000 psi
Peregrine I *(DP Ship)*	1982/1996	5,300	25,000	Brazil	Gusto Pelican	16 3/4 in., 10,000 psi
Sedco 709 *(DP Semi)*	1977/1999	5,000	25,000	Angola	Sedco 700	18 3/4 in., 15,000 psi
M.G. Hulme, Jr. *(Semi)*	1983/1996	5,000	25,000	Nigeria	F&G 9500 E. Pacesetter	18 3/4 in., 15,000 psi
Transocean Richardson *(Semi)*	1988	5,000	25,000	Ivory Coast	GVA 4500	18 3/4 in., 15,000 psi
Jim Cunningham *(Semi)*	1982/1995	4,600	25,000	Nigeria	F&G 9500 E. Pacesetter	18 3/4 in., 15,000 psi
Sedco 710 *(DP Semi)*	1983	4,500	25,000	Brazil	Sedco 700	18 3/4 in., 10,000 psi
Transocean Rather *(Semi)*	1988	4,500	25,000	UK North Sea	GVA 4500	18 3/4 in., 15,000 psi
Transocean Leader *(Semi)*	1987/1997	4,500	25,000	Nor. N. Sea	Aker H-4.2	18 3/4 in., 15,000 psi
Sovereign Explorer *(Semi)*	1984	4,500	25,000	Trinidad & Tobago	GVA 4000	18 3/4 in., 15,000 psi
Other High-Specification • 4						
Henry B. Goodrich *(Semi)*	1985	2,000	30,000	E. Canada	Sonat/Mitsui SES-5000	18 3/4 in., 15,000 psi
Paul B. Loyd, Jr. *(Semi)*	1987	2,000	25,000	UK N. Sea	Aker H-4.2	18 3/4 in., 15,000 psi
Transocean Arctic *(Semi)*	1986	1,650	25,000	Nor. N. Sea	Marosso 56	18 3/4 in., 15,000 psi
Polar Pioneer *(Semi)*	1985	1,500	25,000	Nor. N. Sea	Sonat/Hitachi	18 3/4 in., 15,000 psi
Other Floaters • 23						
Sedco 700 *(Semi)*	1973/1997	3,600	25,000	E. Guinea	Sedco 700	18 3/4 in., 10,000 psi
Transocean Legend *(Semi)*	1983	3,500	25,000	Korea	Bingo 3000	18 3/4 in., 10,000 psi
Transocean Amirante *(Semi)*	1978/1997	3,500	25,000	U.S. GOM	Aker H-3	18 3/4 in., 10,000 psi
C. Kirk Rhein, Jr. *(Semi)*	1976/1997	3,300	25,000	U.S. GOM	Aker H-3	18 3/4 in., 10,000 psi
Transocean Driller *(Semi)*	1991	3,000	25,000	Brazil	F&G L-1033 E. Pacesetter	18 3/4 in., 15,000 psi
Falcon 100 *(Semi)*	1974/1999	2,400	25,000	U.S. GOM	F&G L 900 Pacesetter	18 3/4 in., 15,000 psi
Sedco 703 *(Semi)*	1973/1995	2,000	25,000	Australia	Sedco 700	18 3/4 in., 10,000 psi
Sedco 711 *(Semi)*	1982	1,800	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Transocean John Shaw *(Semi)*	1982	1,800	25,000	UK N. Sea	F&G 9500 E. Pacesetter	18 3/4 in., 10,000 psi
Sedco 712 *(Semi)*	1983	1,600	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Sedco 714 *(Semi)*	1983/1997	1,600	25,000	UK N. Sea	Sedco 711	18 3/4 in., 15,000 psi
Actinia *(Semi)*	1982	1,500	25,000	India	F&G L-1033 E. Pacesetter	18 3/4 in., 10,000 psi
Sedco 601 *(Semi)*	1983	1,500	25,000	Indonesia	Sedco 600	18 3/4 in., 10,000 psi
Sedneth 701 *(Semi)*	1972/1993	1,500	25,000	Angola	Sedco 700	18 3/4 in., 10,000 psi
Sedco 702 *(Semi)*	1973/1992	1,500	25,000	Australia	Sedco 700	18 3/4 in., 10,000 psi
Transocean Winner *(Semi)*	1983	1,500	25,000	Nor. N. Sea	GVA 4000	18 3/4 in., 15,000 psi
Transocean Searcher *(Semi)*	1983/1988	1,500	25,000	Nor. N. Sea	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
Transocean Prospect *(Semi)*	1983/1992	1,500	25,000	UK N. Sea	Trosvik Bingo 3000	18 3/4 in., 15,000 psi
Transocean Wildcat *(Semi)*	1977/1985	1,300	25,000	UK N. Sea	Aker H-3	18 3/4 in., 10,000 psi
Transocean Explorer *(Semi)*	1976	1,250	25,000	UK N. Sea	Aker H-3	18 3/4 in., 10,000 psi
J.W. McLean *(Semi)*	1974/1996	1,250	25,000	UK N. Sea	Zapata SS-3000	18 3/4 in., 10,000 psi
Sedco 704 *(Semi)*	1974/1993	1,000	25,000	UK N. Sea	Sedco 700	18 3/4 in., 15,000 psi
Sedco 706 *(Semi)*	1976/1994	1,000	25,000	UK N. Sea	Sedco 700	18 3/4 in., 10,000 psi
Jackups • 25						
Trident 9	1982	400	20,000	Vietnam	Modec 400-C-35	13 5/8 in., 10,000 psi
Trident 17	1983	355	25,000	Vietnam	Modec 300-C-38	13 5/8 in., 10,000 psi
Trident 20	2000	350	25,000	Caspian	Keppel Fels CS Mod. V	18 3/4 in., 15,000 psi
D.R. Stewart	1980	300	25,000	Italy	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
George H. Galloway	1984	300	25,000	Italy	F&G L780 Model II	13 5/8 in., 10,000 psi
Harvey H. Ward	1981	300	25,000	Malaysia	F&G L780 Model II	13 5/8 in., 10,000 psi
J.T. Angel	1982	300	25,000	Indonesia	F&G L780 Model II	13 5/8 in., 10,000 psi
Randolph Yost	1979	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Roger W. Mowell	1982	300	25,000	Malaysia	F&G L780 Model II	13 5/8 in., 10,000 psi
Ron Tappmeyer	1978	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Shelf Explorer	1982	300	20,000	Indonesia	CFEM T2005-C	13 5/8 in., 10,000 psi
Interocean III	1978/1993	300	25,000	Egypt	Sonat Orion-Cantilever	13 5/8 in., 10,000 psi
Transocean Nordic	1984	300	25,000	India	CFEM T2600-1	13 5/8 in., 15,000 psi
Trident 2	1977/1985	300	25,000	India	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Trident 4	1980/1999	300	25,000	En route to Nigeria	Marathon LeTourneau 116-C	13 5/8 in., 10,000 psi
Trident 6	1981	220	21,000	Vietnam	Modec 300-C-35	13 5/8 in., 10,000 psi
Trident 8	1982	300	21,000	En route to Nigeria	Modec 300-C-35	13 5/8 in., 10,000 psi
Trident 12	1982/1992	300	25,000	India	Baker Marine BMC 300-IC	13 5/8 in., 15,000 psi
Trident 14	1982/1994	300	20,000	Angola	Baker Marine BMC 300-C	13 5/8 in., 10,000 psi
Trident 15	1982	300	25,000	Thailand	Modec 300-C-38	13 5/8 in., 10,000 psi
Trident 16	1982	300	25,000	Thailand	Modec 300-C-38	13 5/8 in., 10,000 psi
C.E. Thornton	1974	300	25,000	India	Marathon LeTourneau 53-C	13 5/8 in., 10,000 psi
F.G. McClintock	1975	300	25,000	India	Marathon LeTourneau 53-C	13 5/8 in., 10,000 psi
Transocean Comet	1980	250	20,000	Egypt	Sonat Cantilever	13 5/8 in., 10,000 psi
Transocean Mercury	1969/1998	250	20,000	Egypt	Sonat Cantilever	13 5/8 in., 10,000 psi

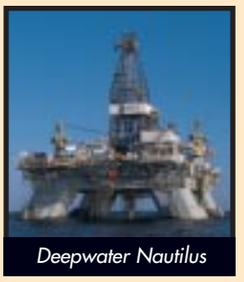
TYPE AND NAME	YR. ENTERED SERVICE	WATER DEPTH CAPACITY[1] (IN FEET)	DRILLING DEPTH CAPACITY (IN FEET)	LOCATION	DESIGN	BOP RATING
Self-Erecting Tenders • 4						
Charley Graves	1975	500	20,000	Thailand	Self-Erecting Tender	13 5/8 in., 10,000 psi
Searex 10	1983/1994	450	21,000	Angola	Self-Erecting Tender	13 5/8 in., 10,000 psi
Searex 9	1981	400	20,000	Congo	Self-Erecting Tender	16 3/4 in., 5,000 psi
W.D. Kent	1977	400	20,000	Malaysia	Self-Erecting Tender	13 5/8 in., 10,000 psi
Non-U.S. Drilling Barges • 3						
Searex 6	1981/1991	25	25,000	Cameroon	Swamp Barge	13 5/8 in., 10,000 psi
Hibiscus	1979/1993	25	16,000	Indonesia	Heavy Swamp Barge	13 5/8 in., 10,000 psi
Searex 4	1981/1989	21	25,000	Indonesia	Swamp Barge	13 5/8 in., 5,000 psi
Platform Rigs • 1						
Cliffs #1	1988/1998		18,000	Singapore		
Other • 2						
JOIDES Resolution *(Research Drillship)*	1978	27,000	30,000	Worldwide	Earl & Wright Sedco 400	N/A
Sedco 135D	1966/77/01	600	De-watering	Brazil	Earl & Wright Sedco 135	N/A

** As of February 14, 2006, for most units, whether wholly or partially owned, managed, chartered or under joint venture.*
[1] Nominal ratings subject to limiting environmental conditions and, in some cases, extended by supplemental equipment.


Discoverer Spirit


Deepwater Pathfinder


Discoverer Deep Seas


Deepwater Nautilus


Sedco Express

TRANSOCEAN: DEEPWATER INNOVATOR

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

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

DRILLING RECORDS

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

Other world records include:

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














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

This page, from top: Olve Skeie, Roughneck; Ole Jakob Lauritsen, Roughneck; and OIM Dale Harris. Opposite page, left to right: Richard Grant, Toolpusher; and Johnny Engmo, Driller.

continued from page 16

THINK, START and FOCUS safety processes help personnel to achieve zero incidents of any kind.

"If we use THINK planning tool, no one should get injured," Harris says. "Once a week, we stop to do a dropped-object inspection. And when we do a lift, half the deck is barriered off. It has worked very successfully. But these are only tools and processes. They are only as good as the people who use them."

That includes the client. Fortunately, the *Transocean Leader's* focus on safe, effective and efficient operations is supported by Statoil, which has contracted Norway's deepest water-depth capable semisubmersible rig through September 2008.

"If I tell the guys to take a half hour just to discuss dropped objects, the client endorses that," says Harris. "It's a pleasure to work with a client that does that, and the feedback from the crews is that you are serious about safety."

Learning to Lead

Employees like Erling Winje, Radio Operator, also are serious about learning to keep on top of industry trends.

On the job and at home in Kristiansund, where he is an amateur radio operator, Winje tries to apply what he has learned in radio and wireless communications.

"The amateur radio and the commercial part of my job are almost the same," says Winje who joined the company last summer after working in coastal radio operations for the Norwegian Meteorological Institute on Svalbard in the Norwegian Arctic.

"In our hobby, we build antennas, and we also work with them on the rig," he notes. "The radio procedures at home help keep me sharp when I am on the job. Sometimes we have to repair something here on the rig, and that, too, is part of my hobby."

Adds Jokobsen, the Assistant Driller: "there are always new challenges and new ways to do things. We have a good team and are always helping out each other. Leadership is focused on making things safe and sound and to improve. Even if you have done things one way for 20 years, today they are listening to improvement ideas."

Listening and learning: two more keys to success at sea on the *Transocean Leader*.

This page: Dr. Ian Hudson, SERPENT Project Director. Opposite page: from top, grey reef shark, Ensfield Development, Australia; and wolfish, Barents Sea.

SOUTHAMPTON, U.K. — In a narrow room, two computer screens blink beside a video-editing machine. Ten video tapes are stacked on a desk near a cardboard box full of dozens of other tapes. Even more tapes line the shelves. Everything is set for SERPENT Project Director Dr. Ian Hudson's favorite task — studying marine life at the SERPENT Project's headquarters at the U.K.'s National Oceanography Centre.

He turns on a video player and an eel slithers onto the screen, but unlike the toothy, green eels known to the public, this one has a pointed nose like a gar fish.

"We think they're called scissor-nosed eels, but I've never seen anything like this species," Hudson says. "It's swimming at 553 meters (1,814 feet), so it's unlikely to be a gar fish."

If not for the SERPENT Project, scientists could not have studied so many species of marine life so quickly, including the eel and 20 other species new to science. Taken by cameras on ROVs (remotely operated vehicles) controlled at sea from Transocean drilling rigs and other offshore units, the footage is as informative as it is colorful.

In addition to potentially new species, there are more than 20 new behaviors of marine creatures that scientists have found amid some 1,000 hours of videotape sent to SERPENT. The project's name stands for Scientific and Environmental ROV Partnership using Existing iNdustrial Technology.

SERPENT Discoveries Add Up

"The law of averages says that something astounding is going to come and we're going to see it on videotape taken with an ROV camera," Hudson says. "Just receiving tapes for the first time and not knowing what's on them — that's the buzz I get."

Underwater Image Competition

Because they work at sea, ROV operators and even some Transocean personnel have observed more marine life during a two-week hitch offshore than scientists have in years.

As a way to catch up, an underwater image and video competition has been added to the International Deep-Sea Biology Symposium at the National Oceanography Centre which will be held in July (see related article below). All Transocean employees are invited to participate in the competition, which will have cash prizes for winning entries.

As a founding member of the SERPENT Project, Transocean employees also are encouraged to send videotape of marine life to Dr. Hudson and his team at any time during the year. So far, Transocean rigs that have submitted still images and video include the *Transocean Leader, Transocean John Shaw, Paul B. Loyd, Jr., Discoverer Deep Seas, Jack Bates, Sedco 703, Sedco Express, Transocean Rather, Jim Cunningham, Sedco 714, Henry Goodrich* and *J.W McLean*.

Other SERPENT Project founding members are BP, the National Oceanography Centre and Subsea 7.

Marine activity can take place at an astonishing pace, a point Hudson makes by showing two bottles on the seafloor. Each contains pieces of fish, a standard scientific bait used when observing scavenging sea animals. Within minutes, hundreds of amphipods and isopods that look like grubs you'd find under an old log in the woods have completely filled both bottles.

"If you put a dead fish on the sea floor, these guys will clean it to the bone in about a day," Hudson says.

Fast forward to a fish walking on the seabed on its fins, which is common for some species to conserve energy. But this Australian animal also uses two antennae or "arms" in front to sense food and dangers, including predators, while moving around. Hudson has never seen it before, and so it's added to the list of sea-life behaviors new to scientists.

"Once we have a database collected of these animals, we plan to make it searchable online," Hudson says.

Already, the SERPENT Project shares scientific research with constituents ranging from schoolchildren working on research projects to petroleum companies seeking new drilling site visual surveys and assessments.

Having grown from one full-time person, Dr. Hudson, to four fully employed staff members, three Ph.D. researchers and a host of students working on Master of Science and Bachelor of Science degrees, the SERPENT Project office in Southampton increasingly needs new video of marine life. So do project partners at Louisiana State University, Texas A&M University, the University of Sydney, Western Australia, and more elsewhere in the world.

Any underwater images or video can be useful, as long as they are of good quality, meaning well lit and preferably original and unedited images or tape straight from the camera. Any videotape format can be submitted, including VHS, SVHS, DVD, DVCAM, MiniDV, Quicktime, AVI or MPG.

For additional information about the SERPENT Project, please visit its website at: http://www.serpentproject.com.

Underwater Image and Photography Competition Opens
Reprinted from FIRST On-Line

Transocean employees are invited to participate in a global underwater image and videotape competition that will be unveiled during the 11th International Deep-Sea Biology Symposium at the National Oceanography Centre, Southampton, U.K., during July 9-14. The best biological and technical images in each of five categories are eligible to receive the following prizes: 1st = £500 ($875 USD), 2nd = £300 ($525 USD) and 3rd = £200 ($350 USD). Transocean employees should pay special attention to Category 4 for shots of vessels and rigs at work.

In addition, images and video that do not receive cash prizes can be eligible to obtain high commendation by a judging panel. The winning and highly commended entries will be used to promote the symposium and will be part of its showcase publication. Also, any winning images produced by Transocean personnel will be featured in the company magazine *Offshore Frontiers*.

Sponsored by BP and Kongsberg Maritime, the competition seeks images that capture the marine environment and its exploration in dramatic, informative and dynamic ways. New techniques that challenge the normal way the ocean is viewed are encouraged. In addition to visual impact, the images and video will be judged on their importance to science, the novelty and rarity of the subject and most of all how the essence of the deep ocean is captured.

Anyone who wishes to enter can do so by reading the competition rules and downloading and submitting an entry form for each entry from http://www.serpentproject.com/imagecomp.php. All entries must be received by the competition by June 9, 2006. Only three entries per category are permitted from each individual.

JOURNEY TO THE TOP OF THE WORLD

For years, the petroleum industry has worked offshore Norway advancing ever northward. So, too, have many visitors exploring one of the world's most remote and interesting regions. But once you reach Hammerfest, Norway, the world's northernmost city, what is there to do? Plenty. In addition to its claim of being virtually on top of the world, Hammerfest and its county of Finnmark offer tourists a whole summer slew and winter sleigh of activities.

Esben Wisborg, Base Coordinator/Purchaser for the Transocean semisubmersible rig *Polar Pioneer*, who was raised in Hammerfest, says it's a very nice little town with almost no trees and some rough weather. "In the summer, we have two months (May-July) of constant sun 24/7 and reindeers in the street. In the winter, we have the dark period with no sun at all (November-January), a lot of snow and the moon creating a special blue light."

Wisborg serves as our guide to things worth seeing and doing at the top of the world.

Join the Club.

Become a member of the Royal and Ancient Polar Bear Society. For a nominal fee, you can visit the society's museum to learn more about Hammerfest's proud tradition of arctic hunting and fishing. Exhibits feature stuffed polar bears — the town's mascot — along with seals, lynx, puffins and wolves. The only requirement of society membership is to have visited the museum. You'll receive a diploma, membership card, stickers, small statues and the famous polar bear pin. It serves as your proof of having visited this remote place.

Wisborg admits he's not a member, that it's more of a tourist thing. Word has it the society, formed in 1963 by two businessmen, remains true to its prerequisite of membership. Many people, including the late Elvis Presley, have written to the society requesting membership, but were turned down for not meeting the condition of visiting the museum in person.

Go on a Snowmobile Safari.

Rather than having visitors head out willy-nilly on snowmobiles, Hammerfest and surrounding towns have come up with the brilliant idea of hosting snowmobile safaris. Wisborg says it's a much safer way to enjoy the winterscape. You're provided with all the gear — snow suit, helmet, gloves, boots and a guide. Other snow activities include downhill and cross-country skiing, ice fishing on one of the mountain lakes, dog sled trips and reindeer races. In all, one website lists 66 different activities with regular departures each week in Finnmark during the winter.

Go Fishing.
The Hammerfest harbor is ice-free all year long thanks to the warming effect of the Gulf Stream. This also keeps midwinter temperatures mild, which arcticly speaking, means only going slightly below freezing. Average temperatures during the summer are in the 60s Fahrenheit (15 degrees plus Celsius). So fishing is a year-round sport. Wisborg (shown below) says visitors are always surprised by the amount of cod and pollack that can be caught on boat tours. Another favorite is flyfishing in the lakes and rivers teeming with salmon and trout. Tourist websites readily guarantee a catch.

Catch a Festival.
The land of the midnight sun could also be called the land of the festivals. While most festivals in Finnmark towns occur in the summer, there are some unique events other times of the year as well. In March, the longest dogsled race (1,000 kilometers or 621 miles) takes place in Alta and the Arctic Giant Snowmobile Enduro happens in Vardø. The town of Vardø stirs things up in April with an organized Snowball Fight.

Perhaps the largest spring festival is the Easterfestival in Kautokeino in April. It celebrates the history and culture of the Samis, the indigenous people of the Arctic who are famous for their historical nomadic lifestyle of reindeer herding.

Hammerfest Days arrive in July with the world's northernmost sand volleyball tournament — the Arctic Open — played in the center of town. The festival celebrates the town's birthday. This year it is 217. Wisborg says plenty of Hammerfest beer is served and a birthday cake is made to serve all 10,000 residents.

Photo: Trym Ivar Bergsmo/www.visitnorthcape.com

Another favorite festival of Wisborg is the Midnight Rock Festival in Lakselv. The three-day outdoor music festival features Norway's most popular rock bands performing beneath the midnight sun.

Have Some Fish and a Cognac.
Wisborg recommends dining on any number of seafood specialties such as cod, pollack, whale, salmon, halibut and king crab. Meat lovers feast on grouse in a special brown sauce, hare and reindeer. Beef eaters sometimes find that the reindeer steak tastes better than the bovine version. And the town has a French-made cognac named after it.

Admire the Resolve of the People.
Hammerfest is home to the *Gjenreisningsmuseet* (Reconstruction Museum), which tells of the dramatic events that happened in the area during World War II. Finnmark was an important deployment area for the Germans. At the war's end in October 1944, Hitler gave the order to implement the "Scorched Earth" policy. Finnmark residents were forced to evacuate their homes.

About 25,000 people from Hammerfest and other Finnmark communities became cave dwellers and refugees in the mountainside as their homes and town buildings were burned to the ground. Although told by the government of Norway to wait for its assistance in rebuilding the town, the residents were determined to begin right away. Almost all of the town's people returned home during the summer of 1945, marking perhaps the largest civil disobedience action in Norwegian history. The museum invites you to "See how the inhabitants created their new homes through optimism, a strong belief in the future and hard determination."

Take in a Movie.
Drive your snowmobile into the world-famous outdoor snow cinema during the Sami Film Festival which takes place during the Easterfestival mentioned earlier. Reindeer skins keep you warm as you wait for the blue light to fall over the tundra before the screening can begin. If the cold or scary movies get to be too much for you, retreat to one of the *lavvus* (reindeer-skin tents) that surround the snow cinema.

Journey to North Cape.
One of the best ways to see the seaside or the countryside is to take a ship cruise or a summer drive to *Nordkapp* (North Cape), about three hours from Hammerfest by car, if you don't have to stop for every reindeer. When driving through northern forests and crossing wide fjords, keep an eye out for wildlife, including foxes, reindeer and sea eagles. When you arrive at North Cape, Europe's northernmost point (71° 10' 21" latitude and 25° 47' 40" longitude), take time to have a lunch at the nearby hall and visit its museum which tells about the many tourists who have come here for hundreds of years.

Gazing out across the cliffs, visitors encounter the same feeling of wonder expressed by the priest and scientist Francesco Negri in his diary in 1664 during his North Cape stop: "... here I am at the North Cape, Finnmark's northernmost point, the very end of the world!"

Photo: Frode Kristiansen/www.visitnorthcape.com

Sustaining Ocean Resources Takes Leadership

Norwegians feel a deep appreciation for the seas that have produced livelihoods and food sources for generations. To protect their invaluable ocean resources, people in Norway, including personnel of Transocean and its clients, have been leaders in sustainable development, particularly waste recycling and pollution prevention.

"Our employees feel that they are contributing to a better environment for their country by recycling, and proof of this is the increased rate of recycled material," says Tellef Nygård, QHSE Manager in Norway.

Here are those figures. During 2005, four Transocean rigs in Norway recycled 465 tons of materials including metals, cardboard, paper, plastic and wood, in addition to drilling-related waste products. The total figure represents approximately 55% of all such materials, up from about 33% in the late 1990s.

From years of environmental awareness and by waste recycling, Transocean has motivated personnel to identify and deal with any sources that could result in an unintended spill.

For example, the *Polar Pioneer* drilled in zero-discharge mode on the Snhovit project to avoid any unintended spills in the Barents Sea, one of the most environmentally sensitive areas off Norway's northern coast. The contributions of many employees at all levels helped protect this part of the world where low temperatures and other factors provide perfect habitats for fish resources.

The most recent audit of the *Polar Pioneer* by the Norwegian Pollution Control authority showed that the rig had zero non-conformities and only four minor observations. And, the client was favorably impressed.

People FIRST

"Statoil recognized the *Polar Pioneer* crews for their work and proactive attitude concerning waste segregation and avoidance of spill to the environment," Nygård notes. "All of our rigs in Norway share common environmental goals, so cooperation and support from our clients has been outstanding."

Transocean began waste segregation and training offshore in 1993 in anticipation of Norwegian environmental regulations, regarded as the most stringent in the world. The roustabout crew and crane operators ensure that waste containers are segregated correctly and shipped to shore. At five onshore bases, a waste-management contractor hired by the client verifies the segregation, registers the waste amounts and ensures they are sent to authorized recycling and disposal facilities.

Also, waste is segregated and recycled from onshore offices.

Materials are recycled for as long as it is possible to produce a second-hand material that can be useful. The number of times anything can be recycled depends on the material itself. Metals can be melted several times, while cardboard and paper will decrease in quality after a few recycling processes.

"The new trend in Norway is to recondition and reuse drilling fluids," Nygård says. "Most of the waste-management contractors operate such plants on the supply base or even by installing units on the rigs. This will reduce cost for transport and final disposal. At the same time it will give huge benefits for the environment."

Connecting with Customers

Transocean Richardson

It is with great pleasure and pride that CNR International congratulates all crew members and management of the *Transocean Richardson* on two significant achievements.

On the 17th of November 2005, the *Richardson* achieved one year without a lost-time accident. Such a feat is commendable on any rig, but in particular the achievement of the *Richardson* is outstanding. During the year, there have been changes in personnel, promotions within crews, and continuing integration and training of local crews. The operations ranged from running subsea trees, drilling and completing difficult wells, and coiled tubing acid and fracturing operations, through to simultaneous operations with construction vessels and combined operations over a live production manifold.

Reaching one year without a lost-time accident has been achieved by the commitment of all the crew and management of the *Richardson* to operate safely and follow the safety-management systems of Transocean.

The *Richardson* has also reached another milestone — two years since the spud of the first well of the Baobab development. During those two years, eight production and two injection wells have been successfully completed, with a further three wells all close to completion. CNRI and Transocean have learned much over that time and overcome a number of significant challenges. The rig performance has continually improved, in all aspects. For example, the BOP running times are now less than half those on the early wells.

The link between safety and performance is evidenced in no better way than the achievements of the *Richardson* team, especially over the last 12 months. In the remaining months of the Baobab well programme, CNRI look forward to working with and supporting all the crews and management of the *Richardson* in continuing to deliver outstanding performance by always working safely.

Martin Cole
Vice President & Managing Director
David Spooner
Manager, Drilling & Completion (Africa), CNR International

Deepwater Discovery

Please accept ExxonMobil's compliments and appreciation for the outstanding drilling and testing operation conducted by the Transocean *Deepwater Discovery* team on our recently completed Esmeralda Exploration well in Equatorial Guinea. This was a complex well with high pressure and high temperature requiring seven casing strings which utilized for the first time Vetco's MS-700 Fullbore 2 subsea wellhead design.

Although the *DWD* crews had several surprises both in formation type as well as formation pressure, they performed exceptionally well by closely monitoring the well and adapting to and catching each change in a timely manner. The bottom line is that even though this was a high-pressure well with pressures different from the prognosis, we had no well control problems and were able to drill into unknown pressure and get our casing shoes in the most optimum locations.

At the time of well spud, no well test operations were planned for the well. Near the end of the well, ExxonMobil's Business Unit requested a flowing well test be performed. These operations were planned and successfully completed in five weeks, start to finish, including a massive equipment mobilization.

Transocean's 5th-Generation drillship Deepwater Frontier *was featured on the cover of the November 2005 edition of* Offshore Magazine.

The rig crews expeditiously offloaded equipment as it arrived to free up supply boats and worked well with our testing contractor to rig up the equipment quickly.

All drilling and testing operations on the well were completed safely, spill free, on schedule, and under budget with only 7.7 % total non-productive time.

We appreciate Transocean's efforts and commend the *Deepwater Discovery* rig crews' performance on this well. Congratulations to the entire Transocean team on a job well done.

Sincerely,
Dennis Hining
Field Drilling Manager, Worldwide Ventures, ExxonMobil

Trident IV

I would like to take this opportunity to thank all of you at Transocean for a first-class job done on our well in Tunisia. I am pleased to report that the well was drilled and abandoned eight days ahead of the planned time with zero accidents, zero incidents and zero environmental issues. This

is a remarkable achievement given our remote location and the various nationalities that were involved with the well. Your rig management and crews performed to the highest standards and are to be congratulated for the professionalism shown on this well. I hope in the near future to again have the pleasure of picking up a Transocean rig for our future wells in the UK and Trinidad. Please pass this on to the OIM and crews of the *Trident 4*; it has been my pleasure to have worked with them.
Regards,
Brian Brown
Drilling Superintendent
Petro-Canada

Sedco 711
Over the last month the Pierce team, together with well engineering, have drilled and completed the fourth and final water injector on South Pierce. This well was integral to the Pierce water injection project which included topsides refit of the FPSO, installation of subsea injection lines and a 50/50 expenditure of £152.2 million ($274 million).

Generally, wells don't get much more challenging than on Pierce where we encounter unstable overburden shales and depleted reservoir making it challenging to find and set a casing shoe in a very thin Sele shale just above reservoir. The reservoir section requires the devotion of people in the team to be on call 24 hours a day to ensure we build angle to horizontal, steer around the diapir, keep the wells within the reservoir and cross cut the sands to ensure we get optimal coverage for injection/production sweep (all learnings incorporated from the first water injector A7Z).

The well has come in above our base expectation case, within the range of uncertainty modelled, approximately 18 days ahead of schedule and has just undergone injection testing. Injection testing was limited by the ability of the cement pumps to pump more than ~11,500 bbl/day @ 3,100 psi (low case was 5,000 bbl/day matrix injection, base case was 10,000 bbl/day and high case was 20,000 bbl/day in a well rated to 6,000 psi). Although it looks like it will be possible to get up to 20,000 bbl/day once the well is hooked up to the FPSO, the long-term strategy for LA1 has always been to manage water injection rate due to its close proximity to the A1 producer, and in the context of wider field management for developing an even sweep of oil to the producers around South Pierce.

The Pierce subsurface and well engineering teams have now delivered four water injectors capable of taking water (as per initial injection tests and subsequent injection rates before the issues with the topsides and A7Z tree). The teams took the initial learnings from the poorer quality A7Z well and applied these to subsequent wells and delivered these wells ahead of planned drilling/completion time and under budget.

Overall, this is a very good result for LA1 and it is to the credit of the teams involved that such a result has been achieved.

Many thanks to all involved.
Andrew Winter
Opportunity Delivery Leader/
Senior Petrophysicist Central
Asset - Pierce, Shell UK Ltd

J.W. McLean
Guys, as you sail away from Callanish and Brodgar, on behalf of the GBOU (Greater Britannia Operating Unit), I'd just like to say a big "Thank You" to you and your crews for your excellent execution of the BritSats drilling programme. You have had your challenges over the last 14 months. These have not been simple wells to drill and complete. However, the way you have responded and worked with the onshore teams to meet these challenges, which has resulted in the programme being completed ahead of schedule and well under budget, is exceptional. Many thanks for a job well done!
PS: Finlaggan/Enochdu is a key GBOU well this year as well.....so please keep up the good work!
Regards,
Ken Henderson
Manager, GBOU, ConocoPhillips NSBU

Sedco 712
...on behalf of the Nexen Aberdeen Operations Management team, I would just like to add my own personal thanks to everyone who has contributed in making the Blackhorse well a safe and successful operation.

The completion of this well without any safety-related incidents or injury to personnel is a creditable achievement especially as the rig is still less than one year from coming out of a long cold-stacked period. This achievement is a clear reflection of the commitment, dedication and professional approach of all personnel that have worked on the 712 during the Blackhorse well.
Regards,
Colin Gibson
D&C Superintendent
Nexen Petroleum UK Ltd.

As the Blackhorse well draws to a close, I would like to pass on my congratulations for a job well done. Your team has completed an HTHP well with no safety incidents in a virtual "best in class" performance. We suffered one unfortunate incident of downtime which I know we have all learned something from and the same can be said for the loss of base oil at the end of the well. It was great to see that we implemented the lessons learned from the Yeoman test and avoided any major spills during the testing operation. Please pass on my congratulations to the entire team.

I would encourage you to celebrate this success in an appropriate fashion with the onshore/offshore team to recognize the effort and results achieved.
Regards,
Brad Muir
Nexen Global Drilling & Completions Manager

Corporate Report

New Technology Investment — Going to the Next Level

By Bill Ambrose, Manager, TDS/PHS Performance Team, Houston

Just over a year ago, Transocean launched an effort to improve operational uptime and performance from top drive and pipe-handling equipment in the fleet, assembling a 15-member TDS/PHS (top-drive system/pipe-handling system) Performance Team.

While the initial effort was focused on improving existing equipment, very quickly the team realized that new equipment would be necessary to go to the next level in drilling performance that will far exceed that of today's tools. The results: two efforts to dramatically improve top-drive performance for Transocean and our clients — the next-generation top-drive and new pressure-balanced wash pipe packing.

Next-Generation Top Drive

In January 2005, North America and South America Unit (AMU) operations asked the TDS/PHS Performance Team to look for a top drive to meet a client's drilling program requirements. Initial reviews revealed that no top drive on the market would meet all of the drilling or maintenance goals for the drilling program or Transocean. So Ron Swan, known as one of our pipe-handling experts, assembled a performance specification outlining the company's goals for a "Next-Generation Top Drive."

Input was solicited and received from Engineering and worldwide Operations to incorporate improvements in all aspects of the specification. The result was an aggressive and demanding specification that was released to several potential vendors in March 2005 to develop conceptual design proposals for a prototype unit.

Artist rendering of the MDDM next-generation top drive.

"Many of the vendors initially believed we were 'over the top' in our requirements," said Swan, the Project Manager. "It was not until August 2005 when preliminary engineering was nearly complete that they realized the specification goals could actually be achieved."

The performance specification gave way to very innovative designs to meet the targeted 0.1% annual top-drive downtime and modularization for component change-out times.

Simple, reliable and redundant were the specification principles for the final design proposed by Aker Kvaerner MH (AKMH) which was selected as the preferred design to move into the prototype stage. The Modular Derrick Drilling Machine (MDDM), being designed for manufacture by AKMH with significant input and contribution from Transocean, will achieve the following:

- All major components (modules) able to be removed and replaced quickly (i.e., motors in four hours, main shaft and bearing unit in six hours);
- 1,250-ton hoisting capacity with a significantly increased main bearing rotational load capacity for 10 years of service without an overhaul;
- Redundant lubrication system with online oil monitoring;
- Automated greasing system;
- Work platforms to eliminate man-riding operations;
- Dual water-cooled AC motors delivering 2,400-horsepower and over 100,000 ft-lb of continuous drilling torque;
- Dual and redundant drives;
- Interchangeable gear box for future torque and RPM requirements for casing drilling or deep-well and extended-reach drilling;
- Universal dolly to fit all rigs;

- Online condition monitoring and troubleshooting system; and,
- Offline load path inspection.

In October 2005, an agreement was reach with AKMH to deliver a 1,250-ton MDDM prototype by the end of the first quarter of 2007. A contract award ceremony and series of detailed engineering kick-off meetings were held the week of October 24 at AKMH's facility in Kristiansand, Norway.

This joint vendor and client development is an exciting and refreshing project approach that brings Engineering and Operations personnel together throughout the design and manufacturing of the equipment to make certain it meets all the needs down to the end users on the rigs. Supporting Swan on the project are the following Transocean team members who bring deep and diverse experience:

- Maintenance supervisors: Oliver Dickie and Paul Deter;
- Electrical and Controls: Tom Harrower, Owen Jenschke and Terry Loftis;
- Toolpushers: Greg McGee (*Deepwater Horizon*) and Mike Davis (*Discoverer Enterprise*);
- Mechanical engineers: Carl Hock and Jim Keel;
- Safety Advisor: Chris Schofield (EAU); and,
- Field Support: Graham Ferries (EAU) and Terry Ridgway (AMU).

During the concept-selection phase, field support and operations provided valuable assistance in general design reviews and conference calls with maintenance and drilling personnel from various divisions.

"The first-hand comments from our rig crews really made a difference in the project and we will make certain to continue the calls to the field and to other valuable Transocean resources for feedback and assistance," Swan notes.

Development and installation of the new MDDM prototype is a large commitment by Transocean to take drilling performance to the next level. Both from personnel and capital expenditure standpoints, the company will devote significant resources to the design, manufacturing and factory acceptance testing to ensure the first MDDM delivers success and performance offshore where it counts.

The Transocean TDS/PHS (top-drive system/pipe-handling system) Performance Team (l-r) includes: Project Mgr. Ron Swan; Oprs. Engr. Carlos Mesquita; Admin. Asst. Georgianne Johnson; Mech. Supvr. Paul Deter; Sr. Design Engr. Owen Jenschke; Sr. Engrg. Specialist Tom Harrower; and TDS/PHS Mgr. Bill Ambrose. Not pictured are: Maint. Supvr. Oliver Dickie; Sr. Mats. Coord. Curtis Doyle; and Sr. Project Mgr. Jim Keel.

As the first venture in the offshore drilling industry to announce a prototype for the next-generation top drive, our team is dedicated to getting it right the first time. Our company's reputation as the technical leader in the eyes of our employees and clients demands no less.

The project is well underway and progress by the team is advancing toward these next milestones:

- November 2006: Start prototype assembly;
- December 2006: Start prototype FAT (factory-acceptance test);
- March 2007: Delivery of unit; and,
- April 2007: Unit arrives for installation on a Transocean 5th-Generation deepwater floater.

Swivel Packing Advances

Another technology advancement is Transocean's swivel-packing project. With drilling pump pressures regularly required over 5,000 psi for challenging and deep wells, standard swivel packings do not perform to a satisfactory level for our clients' drilling programs. So, a review of the existing and emerging technology in wash pipe packings was made by Jim Keel in April 2005. In June, Transocean partnered with Southern Technology & Services and BAL Seal Engineering to move their pressure-balanced wash pipe packing design from paper to prototype.

In November 2005, shore-based testing began on the first prototype. Following a few modifications from the initial tests, two units were manufactured in January 2006. They shipped to the *Deepwater Nautilus* in February for early field trial while shore-based testing continues. Additional units have been ordered for a multi-month field trial on three additional Transocean rigs and results will be reported in the next issue of *Offshore Frontiers*.

Measuring Our Success

Progressing Toward an Incident-free Workplace

Transocean personnel progressed toward an incident-free workplace on several fronts in 2005 and achieved the lowest TRIR (Total Recordable Incident Rate) in the company's history at 1.06 incidents per 200,000 hours worked, down from 1.29 in 2004. Other 2005 safety highlights included:

- The jackup *Trident 8* and the scientific research drillship *JOIDES Resolution* achieved the company's Safety Vision with zero incidents.
- The *Harvey H. Ward* reached three years at zero TRIR.
- Sixteen rigs achieved zero TRIR (recordable incidents) for the year.
- The Europe and Africa Unit's 0.83 TRIR beat the company TRIR target of 0.90, led by the Gulf of Guinea Division (0.46) and the Mediterranean Division (0.71).
- The North East Asia Division also beat the company target with 0.67 TRIR.
- Thirty-four rigs had a TRIR below the company target of 0.90.
- And 45 rigs, or 54% of the 2005 fleet, had a TRIR of less than 1.0.

While 2005 began with a regrettable fatality, Transocean employees went on to reduce SICs (serious incidents cases) by 13.5% and the overall potential severity rate of incidents by 27% for the year.

"Despite many challenges last year, including a rapid increase in offshore drilling rig demand and more total hours worked, employees showed that with significant efforts our Safety Vision is achievable," said Transocean Inc. President and CEO Bob Long. "Everyone's strongest efforts are needed this year as we have more rigs in operation, more expected to return to service and additional shipyard time coming up."

Added Adrian Rose, Vice President, QHSE: "To recognize these outstanding results and learn how to further improve our safety performance, a team of senior management will be holding discussions soon with all Division and Sector Managers. We want to hear what they feel is important to fully achieve our vision of an incident-free environment."

Discussion participants will include Long and Rose, as well as Jean Cahuzac, Executive Vice President and Chief Operating Officer; and Steven Newman, Senior Vice President, Human Resources, IPS (Information Process Solutions) and Treasury. For approximately three weeks starting in mid-February, the dialogue with Division and Sector Managers will be held in Bangkok, Singapore, Mumbai, Aberdeen, Houston and Rio de Janeiro.

In addition to a TRIR target of 0.90, other 2006 safety targets include zero fatalities, an SIC rate of less than 0.30 and a 10% reduction in the actual and potential severity rates.

"I cannot emphasize enough the importance of achieving or surpassing these targets," Long said. "No matter how well we do commercially, we will not be completely successful in 2006 if people get hurt. Our 2005 results confirm that we are headed in the right direction established when our Safety Vision was introduced three years ago, but more importantly, we have demonstrated that this vision is achievable and that we need to keep pursuing it with the utmost urgency."

Achieving the Vision: "Operations conducted in an incident-free workplace — all the time, everywhere."

Transocean 2005 Safety Performance

By Unit	TRIR*
Asia and Pacific Unit	1.22
Europe and Africa Unit	0.83
North and South America Unit	1.37
Company Total	**1.06**

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

Meeting the Expectation — ZERO

The following 16 rigs achieved Zero TRIR* for all of 2005.

Asia and Pacific Unit:
Actinia
Harvey H. Ward
Trident 9
Trident 17
Randolph Yost

North and South America Unit:
Deepwater Frontier
Deepwater Horizon
JOIDES Resolution

Europe and Africa Unit:
Jim Cunningham
George H. Galloway
Interocean III
M.G. Hulme, Jr.
Sedco 706
Sedco 712
Transocean Richardson
Trident 8

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

Transocean Stock Price Performance

December 31, 2004
to February 7, 2006

The price of Transocean common stock closed at $79.48 on February 7, 2006, compared with $42.39 on December 31, 2004. The company's stock trades under the symbol RIG on the New York Stock Exchange.

Transocean Fleet Utilization 2005

By Rig Type	Utilization				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year Ended 12/31/05
International & U.S. Floater Contract Drilling Services Segment:					
5th Generation Deepwater Floaters	90%	92%	94%	86%	90%
Other Deepwater Floaters	75%	80%	83%	79%	79%
Other High-Specification Floaters	91%	90%	99%	100%	95%
Total High-Specification Floaters	83%	86%	89%	84%	86%
Other Floaters	57%	63%	68%	71%	65%
Jackups	94%	94%	98%	89%	94%
Other Rigs	44%	57%	51%	49%	50%
Total Drilling Fleet	**75%**	**79%**	**82%**	**78%**	**79%**

Press Box
Media Mentions

Tesco in pact with Transocean to market its gear

SAN FRANCISCO - Tesco Corp. on Thursday said that it has entered into an alliance with Transocean Inc. to jointly market Tesco's proprietary casing drive system on Transocean rigs.

The deal calls for TESCO and Transocean, the world's largest offshore drilling contractor, to jointly market Tesco systems on a global basis to exploration and production companies.

Reuters News
November 10, 2005

Transocean says rig gets 2-yr Shell extension

NEW YORK - Oil drilling rig company Transocean Inc. on Thursday said Royal Dutch Shell signed a two-year contract extension for the semisubmersible Deepwater Nautilus.

The extension will start in Dec. 2006 and could generate revenues of $310 million, Transocean said.

Reuters News
December 15, 2005

Transocean a Winner off Norway

US rig owner Transocean has signed a three-year contract with Norsk Hydro for the semi-submersible Transocean Winner on the Norwegian continental shelf.

The rig will start operating in October 2006 after the completion of a reactivation programme and Transocean said the contract could generate revenues of about $383 million.

Upstream
December 14, 2005

Transocean to buy back $2 billion in stock

NEW YORK - Transocean Inc. on Monday said it would buy back up to $2 billion of its common stock, as the offshore driller benefits from soaring demand for its rigs and growing cash levels.

The company said it would fund the buyback with current and future cash and would not use debt.

Transocean is expected to generate over $4 billion in cash flow over the next two years, as demand and day rates for rigs continue to jump amid a record oil price environment, Calyon Securities said in a research note…

Reuters News
October 17, 2005

Transocean in $385m deal to supply drill rig to Chevron in Brazil

TRANSOCEAN has clinched a $385m contract from Chevron for a Sedco 700 series semi-submersible rig, which will need to be upgraded for deepwater drilling, writes Martyn Wingrove.

The US contractor will spend about $300m upgrading one of its rigs to meet Chevron's plans for it to be used in Brazil from mid-2008.

Transocean will start work in the second quarter of 2007 to add dynamic positioning systems and replace drilling and loading equipment.

US major Chevron has booked the rig for three years to drill off the Brazil coast, with revenues estimated at $385m, excluding mobilisation costs.

The California group plans to use the rig from mid-2008 on development wells at the Frade deepwater oilfield in the Campos basin offshore Brazil.

It also has options to retain the rig for a further two years, which will bump up Transocean's earnings to $550m.

Lloyd's List
November 30, 2005

Chevron reports oil find in Gulf of Mexico

Chevron said yesterday that it had discovered oil in the deepest well ever drilled in the Gulf of Mexico in a joint effort with three other companies.

The well, drilled to a depth of 34,189 feet, is about 170 miles southeast of New Orleans, in 3,500 feet of water, Chevron said.

The previous record for a gulf oil well was 32,681 feet, said Guy Cantwell, a spokesman for Transocean Inc., whose Discoverer Spirit drill ship sank the new well. The previous record was set by the company's Deepwater Nautilus, he said...

The New York Times
December 21, 2005

Rig floor equipment: Next-generation top drive designed for 50,000 ft wells

Transocean has contracted Aker Kvaerner MH AS to provide a 1,250-ton Modular Derrick Drilling Machine (MDDM) intended initially for Transocean's high-specification drilling rigs. The companies have put considerable effort into identifying the current and future limitations of available top drives and the related design and components.

The MDDM will have 110% more horsepower than the 750-ton top drives developed for the 5th-generation offshore drilling rig fleet. In addition, it is designed to outperform current top drive life expectancy by 50% to 100%.

More importantly, the unit will play a pivotal role in clients' increasingly aggressive well programs. In recent years, these programs have taken top-drives to their operational torque and hoisting limits. The equipment is used at design limits for much longer than originally intended, than when the 5th-generation fleet was launched from 1998 to 2001…

Euromoney Institutional Investor PLC
December 1, 2005


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