

CONTRACTOR NEWS

Atwood rigs complete two years without LTI



The deepwater semisubmersible Atwood Hunter is one of Atwood Oceanic's rigs that achieved two years without an IADC Lost-Time Incident. The contractor's entire fleet was LTI-free for the past two years while recording more than 4.1 million manhours of operation among its four semisubmersibles, two jackups, one semisubmersible tender-assist drilling unit and one submersible, plus two managed platform rigs. A major upgrade to the Atwood Hunter completed in December 2001 enabled the rig to operate in 5,000 ft in mild environments.

ATWOOD OCEANICS COMPLETED two years without an IADC Lost-Time Incident fleet-wide as of 27 Nov 2004. Atwood's fleet includes eight drilling rigs and two managed platform rigs. Atwood posted a total of 4,171,144 manhours of safe operations throughout its fleet, which consists of four semisubmersibles, two jackups, one semisubmersible assist unit and one submersible.

"This milestone event was accomplished through the dedication, commitment and professionalism of our employees," said **John Irwin**, Atwood's President and CEO.

The contractor's rigs currently operate in the US Gulf of Mexico, Australia, Malaysia, Egypt, Vietnam, Japan and Myanmar. ■

Pioneer Drilling acquires drilling companies

SAN ANTONIO, TEXAS-based **Pioneer Drilling** will acquire a fleet of five drilling rigs and related equipment from **Allen Drilling Company** for \$7.2 million in cash. Allen Drilling owns a yard in Woodward, Okla. The rig fleet consists of five mechanical units rated from 500-800 horsepower and capable of drilling to depths of 6,000-10,000 ft. **Dixon Allen**, President of Allen Drilling, will become Pioneer's Oklahoma Division Manager.

Pioneer also completed the acquisition of seven drilling rigs and related equipment from **Wolverine Drilling** in Kenmare,

North Dakota. Purchase price was \$28 million in cash. Wolverine owned seven mechanical rigs rated from 500-1,000 hp capable of drilling from 7,000-15,000 ft. **Robert S Blackford**, Wolverine President, will become Pioneer's North Dakota Division Manager.

Additionally, Pioneer signed a one-year daywork contract for its 1,000 hp electric rig, which is the final stages of construction. The rig was mobilized to Utah in mid-December and is operated under its North Dakota Division. ■

Patterson-UTI Energy to acquire Key Energy assets

PATTERSON-UTI ENERGY will acquire the US land drilling assets of **Key Energy Services**. The assets include 25 active land rigs in the Permian Basin, San Juan Basin and Rocky Mountain regions, as well as 10 stacked rigs. Also included is related drilling equipment, four yard facilities and a rig moving fleet consisting of approximately 45 trucks and 100 trailers. Patterson will pay Key Energy \$62 million in cash.

Rowan sells aviation division

ROWAN COMPANIES IS selling its **Era Aviation** subsidiary to **SEACOR Holdings**. Purchase price is approximately \$118.1 million in cash. Era provides helicopter services for oil and gas operations in the Gulf of Mexico and Alaska, as well as firefighting, tours and utility activities in the western US and Alaska. Era also operates a fixed wing commuter airline and charter business in Alaska with a fleet of 81 helicopters and 16 fixed-wing aircraft. Rowan intends to utilize a portion of the proceeds to make a \$60 million contribution to its defined benefit pension plan and to pay a special dividend to shareholders of \$0.25 per share.

Transocean announces contracts

TRANSOCEAN'S DRILLSHIP Deepwater Pathfinder was awarded an 11-well exploration program offshore Nigeria under a sharing agreement between Nigerian subsidiaries of **Devon Energy**, **ConocoPhillips**, **ExxonMobil** and **Royal Dutch Shell**. The estimated 475-day program commenced December 2004, following the rig's completion of a drilling project in the US Gulf of Mexico.

ChevronTexaco awarded a two-year contract for the semisubmersible rig **Cajun Express** beginning in June 2005, and awarded the drillship **Discoverer Deep Seas** a one-year contract extension starting January 2006. Revenues of approximately \$151.3 million could be generated from **Cajun Express**, with revenues of approximately \$87.6 million from the **Discoverer Deep Seas**.

Murphy Oil awarded an estimated 120-day contract for the semisubmersible **Transocean Marianas** for a one-well drilling program in the US Gulf of Mexico. The contract was expected to commence in direct continuation of the rig's current drilling program, on or around December 1, 2004. ■