



Diamond Offshore orders two jackups for 2008, announces new contracts

DIAMOND OFFSHORE SIGNED a letter of intent for two high performance premium jackups from Keppel FELS. One rig will be built in Singapore and another will be built in Brownsville, Texas. They are expected to have an aggregate cost of approximately \$300 million including spares, commissioning, site supervision and other costs that may be incurred during construction. The rigs will be 350 ft KFELS Mod V B Class (Super) design capable of drilling depths up to 35,000 ft with a 2 million lb hook-load and a 70 ft cantilever reach. Both rigs are expected to be delivered during the first quarter 2008. The letter of intent also provides for an option to build a third jackup.

The contractor also announced that it has two signed and five pending term drilling contracts that would provide total combined revenue of up to \$1.2 billion. The work will be performed in the Gulf of Mexico, Brazil and the UK North Sea. These contracts include three rigs in Brazil being renewed for four-year terms and one for five years. ■

Perforadora Central orders jackup at LeTourneau

PERFORADORA CENTRAL ordered a Super 116E Class jackup to be built at the **LeTourneau** shipyard in Vicksburg, Miss. The rig will be an enhanced version of LeTourneau's Super 116-C class jackup with greater environmental and payload capacity. It will have 511 ft of leg enabling operations in water depths up to 350 ft in benign climates. Delivery is expected during the second quarter 2007. This rig order is the first for LeTourneau from an outside customer since 1992. Rowan acquired the company in 1994. ■

ENSCO sells its Venezuelan offshore barge rig fleet

ENSCO INTERNATIONAL'S subsidiaries have entered into an agreement to sell six of its Lake Maracaibo drilling rigs and related assets to **A P Moller** for \$59 million cash. The sale excludes the ENSCO I barge which is under long-term contract in Indonesia. The company said the sale keeps with its stated intent to de-emphasize specialized assets. The sale was expected to close in June. ■

Weatherford buying Precision divisions

WEATHERFORD INTERNATIONAL signed a definitive agreement to purchase **Precision Drilling Corp's Energy Services Division** and **International Contract Drilling Division**. Weatherford will pay approximately \$2.28 billion consisting of 26 million Weatherford common shares and approximately \$900 million in cash. The cash portion of the consideration is payable in Canadian dollars. Acquired net book value is about \$1.63 billion. The transaction is expected to be completed during the third quarter 2005.

Precision's Energy Services division is a global provider of cased hole and open hole wireline services, drilling and evaluation services (directional drilling, MWD, LWD and rotary steerable systems) and

production services (primarily underbalanced drilling). Weatherford's cased hole wireline and underbalanced segments will be consolidated and strengthened by the transaction and will broaden its open hole wireline and directional capabilities.

The International Contract Drilling division is an international land rig contractor that became a major player in the international market when it acquired the worldwide land drilling assets of **GlobalSantaFe** in May 2004. Precision currently has 48 rigs with a strong presence in the Middle East and North Africa. Weatherford noted that these assets will allow the company to further meet customers' bundling needs in the region. ■

Noble announces new contracts, extensions

NOBLE CORPORATION announced that the Noble Dave Beard ultra-deepwater semisubmersible received a five-year contract from Petrobras for work offshore Brazil. The rig is a semisubmersible hull currently located at **Dalian New Shipyard** in Dalian, China. It will be built as a dynamically-positioned semisubmersible designed to operate in water depths up to 10,000 ft. The contract calls for a dayrate of \$220,000 plus a 15% performance bonus. Noble estimates total capital expenditures on the Noble Dave Beard of approximately \$375 million.

Additionally, Petrobras committed to extensions of the existing contracts for the Noble Paul Wolff, Noble Roger Eason, Noble Muravlenko and Noble Leo Segerius already working offshore Brazil. Terms of the **Petrobras** commitment for the Noble Paul Wolff include a two-year term contract extension through December 31, 2009, with a new dayrate commencing upon upgrade of the unit to 10,000 ft water depth capability, estimated to be January 2007, of \$210,000 plus a 15% performance bonus.

The Noble Roger Eason includes a two-year term contract extension through

April 13, 2009, with a dayrate of \$137,000 plus a 15% performance bonus. The Noble Muravlenko contract includes a two-year term contract extension through February 1, 2009, with a dayrate of \$120,000 plus a 15% performance bonus.

The Noble Leo Segerius contract includes a two-year term contract extension through July 1, 2008, with a new dayrate commencing January 1, 2006 of \$125,000 plus a 10% performance bonus.

The company estimates that it will make capital expenditures on refurbishment, upgrade and contract specific items for the Noble Paul Wolff, Noble Roger Eason, Noble Muravlenko and Noble Leo Segerius in connection with the contract extensions on such units of approximately \$20 million, \$10 million, \$10 million and \$10 million, respectively, with the substantial majority of such expenditures occurring in 2006.

Noble also announced that Petrobras committed to a long-term contract on the Noble Therald Martin semisubmersible, which is currently operating in the US Gulf of Mexico with a dayrate of \$114,000 plus a 15% performance bonus. ■