

# Transocean wins multiple long-term extensions, 5-year newbuild contract



Transocean's deepwater drillship the Discoverer Deep Seas was recently awarded a 2-year contract extension by Chevron. That's expected to commence in January 2008 after scheduled maintenance.

**TRANSOCEAN INC RECENTLY** announced several multi-year contract extensions as well as a 5-year contract for a newbuild.

**BP** American Production has awarded the company's 5th-generation deepwater drillship Discoverer Enterprise a 3-year contract extension, expected to commence in December 2007. This is in direct continuation of the rig's current contract, also with BP.

The Discoverer Enterprise is expected to be used in the US Gulf of Mexico, with possible revenues of \$569 million over the 3-year contract period.

Transocean also has won a 3-year contract extension from **Reliance Industries** for another of its 5th-generation deepwater drillships, Deepwater Frontier, for drilling operations offshore India. The contract is expected to begin around December 2008, following completion of its current operations offshore Brazil, a scheduled 90-day out-of-service time and an existing 2-year contract commitment with Reliance.

Revenues possible over the 3-year exten-

sion could total \$522 million.

Both the Discoverer Enterprise and the Discoverer Frontier are capable of operating in water depths of up to 10,000 ft.

Additionally, Transocean recently announced a 5-year contract for a newbuild and 2 multi-year contract extensions from **Chevron Corp**.

An enhanced Enterprise-class drillship, to be named the Discoverer Clear Leader, will be built in South Korea over an estimated 30-month period for approximately \$650 million. The rig, which will be capable of drilling in water depths up to 12,000 ft, should begin working for Chevron in the second quarter of 2009.

Chevron has also awarded a 2-year and a 2½-year extension to the deepwater drillship Discoverer Deep Seas and the deepwater semisubmersible Cajun Express, respectively. The Discoverer Deep Seas extension is expected to begin in January 2008, and the other in July 2007.

Combined revenues possible from the 3 agreements total approximately \$1.7 billion over  $10\frac{1}{2}$  years.

# KCA DEUTAG recognized by Marathon, BP awards

The Well Engineering Services Division of KCA DEUTAG has won 2 client awards from Marathon Oil and BP.

Marathon Oil awarded KCA DEUTAG the HES (Health, Environment, Safety) Sub Group Contractor of the Year Award for its performance providing wireline services to Marathon's offshore Ireland operations in the Celtic Sea.

The selection was based on 4 factors — visible leadership by management, effective communications, the presence of an established and proactive HSE program and actual safety statistics.

KCA DEUTAG also won an award in the same category in Marathon's European Business Unit finals and was runner-up in the worldwide awards.

**Roger Hodgson**, KCA DEUTAG's Head of Well Engineering Services, said, "Recognition by a client in this manner reflects KCA-DEUTAG's ongoing commitment to delivering incident-free operations."

Separately, KCA DEUTAG and sub-contractor **ISS** have received a Shah Deniz President's Award from BP in recognition of their contribution to the Shah Deniz Gas Export Project in Azerbaijan.

The award was presented in recognition of the snubbing package stack up, function testing, dismantling and storage project undertaken at the Zykh site in Baku. The operation was completed on schedule in February, with no incidents reported.

Additionally, KCA DEUTAG Drilling Norge AS announced that its contract with **Hydro** for production drilling services on 6 of its fixed installations on the Norwegian continental shelf has been extended for 2 years to 1 July 2008. The contract is worth approximately NOK 900 million (about US \$138 million) and is the first of three 2-year options on the 6 platforms.

## Maersk Contractors opens representation office in Houston

Aiming to ensure fast and efficient communication with US clients, **Maersk Contractors** has established a permanent presence in Houston. Beginning in April, **Chris Bailey** is assuming the position of Business Development Manager for North America.



Unit Drilling Company's Rig 112, drilling for Chevron in Wyoming, has worked for 7 continuous years without an OSHA recordable incident.

#### Unit Drilling rig achieves record of 7 years without OSHA recordable incident

Unit Drilling Company's Rig 112 has worked for more than 7 years without an OSHA recordable incident, the company announced.

The IDECO E3000 rig, built in the early 1960s, is capable of drilling up to 30,000 ft and has been working for Chevron in Wyoming throughout the 7-year period.

"It's a rig where the people have made the difference as opposed to modern equipment and automation," said **Rick Heck**, Unit Drilling's Director of Safety, Health & Environment. "This record is a tribute to the crews who have taken ownership of the safety of themselves and each other. Everyone at Unit Drilling is tremendously proud of this achievement."

### **Rowan awarded consecutive contracts**

**ROWAN COMPANIES** announced it has been awarded consecutive drilling contracts from 2 UK-based oil and gas companies for its Super Gorilla-class jackup rig Gorilla VI. The jobs are for work in the North Sea beginning in early 2007. Gorilla VI is scheduled to complete operations offshore eastern Canada during the fourth quarter of 2006, when it will be located to the North Sea.

Collectively, the contracts specify a minimum of 420 days of work and contain options for an additional 530 days. Rowan estimates that minimum drilling revenues from these contracts will be approximately \$127 million. Revenues could be as high as \$311 million if all extension options are exercised.

"We are pleased for this opportunity to move our third Super Gorilla to the North Sea, joining Gorillas V and VII. These contracts evidence our commitment to strategically relocate Rowan's fleet to those areas providing the highest returns," said **Danny McNease**, Rowan Chairman and CEO.

#### Parker Drilling picks up contracts for 3 rigs

**PARKER DRILLING COMPANY** recently announced that 2 of its land rigs and 1 barge rig have been awarded contracts to operate in Bangladesh, Texas and the US Gulf of Mexico.

Land rig 121 was awarded a 1-year contract by **Golden Gate Petroleum Ltd** for work on Padre Island, located in Texas on the Gulf of Mexico coastline. Operations are scheduled to begin this month following completion of the rig's current contract in Mexico and mobilization to Texas. Land rig 121 is a 2,000 hp rig capable of drilling to 20,000 ft.

Parker land rig 225 also recently rigged up in Bangladesh's Bangora field under a 2-well contract for **Tullow Bangladesh Ltd**. The well program is expected to last for approximately 6 months, and the contract includes options for 2 additional wells. Rig 225, which mobilized from an inactive status in Indonesia, is a 2,000 hp rig capable of drilling to 20,000 ft.

Additionally, Parker Drilling was awarded 3 consecutive 2-month con-



Parker land rig 225 recently rigged up in Bangladesh's Bangora field.

tracts for its barge rig 12 by **Gulfport Energy Corp** for work in the West Cote Blanche and Hackberry bays, off the Louisiana coast. The rig was recently upgraded from a workover to a deep drilling barge rig.

#### Atwood Oceanics wins 2-year contract, executes LOI to build new jackup

**ATWOOD OCEANICS** announced that the Vicksburg, owned and operated by its wholly owned subsidiary **Atwood Ocean**ics **Pacific Ltd**, has been awarded a 2year contract by **Chevron Overseas Premium (Thailand) Ltd**. It will immediately follow Chevron's existing 8-month drilling commitment offshore Cambodia. The Vicksburg is currently working in Malaysia under drilling commitments with dayrates of \$82,000 to \$87,000, which should extend to October 2006. After completion of these commitments, the rig will be moved to Cambodia to commence the 8-month contract with Chevron, followed by the 2-year contract in Thailand. The operating dayrate for the first 8 months with Chevron offshore Cambodia will be \$94,500, and a dayrate of \$154,000 will apply for the 2-year contract. has executed a letter of intent with **Keppel AmFELS** for the construction of a mobile self-elevating LeTourneau SUPER 116 jackup.

The new rig would be constructed at the Keppel AmFELS yard in Brownsville, Texas, and delivery is expected no later than 30 Sept 2008. Estimated total cost of construction is between \$150 million to \$160 million.

Atwood recently also announced that it