

Odfjell orders jackup at Keppel FELS

Keppel FELS has secured a \$114 million contract from **Odfjell Drilling** to build a KFELS Class B jackup rig. The contract includes an option for another two jackups with price adjustments for increases in steel prices and currency fluctuations. The rig is scheduled for delivery in the second quarter of 2006. Since the introduction of the KFELS B

design in 2000, four such rigs have been completed and another four are currently on order, representing about 60% of the total number of similar rigs on order during the same period worldwide, according to Keppel. The design is capable of operating in 350 ft of water and drilling to 30,000 ft with accommodations for 110 people. ■

Tom Brown selling Sauer Drilling

Tom Brown, Inc announced that it has retained an advisor to evaluate the potential sale of **Sauer Drilling Company**, its wholly-owned subsidiary. The company is a Rocky Mountain drilling company headquartered in Casper, Wyoming, that owns and operates nine rigs. The rigs' average drilling depth ranges from 5,000-16,000 ft with drawworks ratings from 500-1,500 horsepower.

Tom Brown originally bought the five-rig company in 1998 in order to maintain a drilling program on the Wind River Indian Reservation. The business

has performed very well, according to Tom Brown Chairman, CEO and President **Jim Lightner**. However, Sauer Drilling does not fit into the company's core business. Today only two of the 20 Tom Brown operated drilling rigs are company owned. "Our manpower and capital resources are better focused on growing our reserves and production than running a drilling company," Mr Lightner said. "We are confident that we will be able to contract with the purchaser of Sauer Drilling Company or other drilling contractors to meet our drilling needs." ■

Smedvig orders tender

Keppel FELS entered into a cooperation agreement with **Smedvig Asia Limited** to build a semisubmersible drilling tender with Keppel Offshore & Marine's proprietary design. Valued at \$94 million, Keppel FELS and Smedvig Asia will own and operate the deepwater semisubmersible tender on a 72/28 basis, respectively. The unit is scheduled for delivery in the third quarter 2005. Under the agreement, Keppel will build the rig while Smedvig will contribute the drilling equipment. Smedvig will also be responsible for marketing, managing and operating the rig for a 10-year period during which time it will have an option to purchase Keppel FELS' interest in the rig. ■

KCA DEUTAG contract

KCA DEUTAG has been awarded an interim arrangement relating to the provision of drilling services for the development of Salym, West Siberia by **Salym Petroleum Development NV**, a 50/50 joint venture between **Shell** and **OAo Evikhon**. The agreement is expected to lead to the award of a formal contract with an estimated value of approximately \$4 million. As a result of the contract, two new EUK 3900 rigs will be built at a cost of \$16 million, including drill string and BOP equipment. KCA DEUTAG is in final discussion with the Russian construction company **Uralmashzavod** on the design of the rigs. KCA DEUTAG will drill development wells in April 2005 under the four-year contract. ■

GlobalSantaFe sells land rigs to Precision Drilling

GlobalSantaFe will sell all of its worldwide land drilling assets for \$316.5 million in cash to **Precision Drilling** of Calgary, Alberta, Canada. The transaction is expected to be completed during the second quarter 2004. The sale includes 31 land rigs located in the Middle East, North Africa and South America and an extensive fleet of specialized rig transport equipment that supports land rig operations in Kuwait and the Kuwaiti-Saudi Arabia Partitioned Neutral Zone. ■

Jim Day named best CEO for second year

Institutional Investor magazine named **James C Day**, Chairman and CEO of **Noble Corp** "The Best CEO" in the oil services and equipment sector for the second consecutive year. The magazine selects the best CEOs



James C Day

in nine business sectors that are further divided into 62 business categories. The category in which Mr Day was selected also included other contract drilling companies as well as oil-field service and equipment companies. The award is determined by a poll of research analysts and portfolio managers at more than 400 firms regarding whom they consider the best CEO in the market sector for which they have responsibility. ■

Grey Wolf acquires New Patriot Drilling Corporation

Grey Wolf, Inc closed the previously announced acquisition of **New Patriot Drilling Corporation** in exchange for \$15.8 million in cash and 4,610,480 shares of Grey Wolf common stock. Grey Wolf also made payments of \$14.7 million to retire the outstanding debt of Patriot. Of the 10 rigs, eight are working and the remaining two are under contract and are expected to begin work in Wyoming in the next month. The rigs acquired are three diesel electric rigs ranging in horsepower from 1,000 to 3,000 and seven mechanical rigs ranging in horsepower from 450 to 700. ■