UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 7, 2008 (May 7, 2008)

TRANSOCEAN INC.
(Exact name of registrant as specified in its charter)

Cayman Islands	**333-75899**	**66-0582307**
(State or other jurisdiction of incorporation or organization)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

4 Greenway Plaza **Houston, Texas**	**77046**
(Address of principal executive offices)	**(zip code)**
70 Harbour Drive **Grand Cayman, Cayman Islands**	**KY1-1003**
(Address of principal executive offices)	**(zip code)**

Registrant's telephone number, including area code: (713) 232-7500

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

Our news release dated May 7, 2008, concerning first quarter 2008 financial results, furnished as Exhibit 99.1 to this report, is incorporated by reference herein. The press release contains certain measures (discussed below) which may be deemed “non-GAAP financial measures” as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended.

In the press release, we discuss field operating income for the three months ended March 31, 2008, December 31, 2007 and March 31, 2007. Management believes field operating income is a useful measure of operating results since the measure only deducts expenses directly related to operations from revenues. The most directly comparable GAAP financial measure, operating income before general and administrative expenses, and information reconciling the GAAP and non-GAAP measures are included in the press release.

Item 7.01. Regulation FD Disclosure.

Slide Presentation

On May 7, 2008, we are posting the slide presentation furnished as Exhibit 99.2 to this report on our website at www.deepwater.com. Exhibit 99.2 is incorporated in this Item 7.01 by reference.

Statements contained within the slide presentation that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include, but are not limited to projections relating to out-of-service forecasts, operating and maintenance costs trends, contract backlog, and other statements that are not historical facts. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas exploration and development, exploration success by producers, oil and gas prices, rig demand and capacity, drilling industry market conditions, possible delays or cancellation of drilling contracts, work stoppages, operational or other downtime, the Company’s ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations, future financial results, operating hazards, political and other uncertainties inherent in non-U.S. operations (including exchange and currency fluctuations), war, terrorism, natural disaster and cancellation or unavailability of insurance coverage, the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors discussed in the Company’s Form 10-K for the year ended December 31, 2007, and in the Company’s other filings with the Securities and Exchange Commission (“SEC”), which are available free of charge on the SEC’s website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. We caution investors not to place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

The exhibits to this report furnished pursuant to items 2.02 and 7.01 are as follows:

Exhibit No.	Description
99.1	Transocean Inc. Release Reporting First Quarter 2008 Financial Results
99.2	Slide Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRANSOCEAN INC.

Date: May 7, 2008

By /s/ Eric B. Brown
Eric B. Brown
Senior Vice President and
General Counsel

Index to Exhibits

Exhibit Number	Description
99.1	Transocean Inc. Release Reporting First Quarter 2008 Financial Results
99.2	Slide Presentation

Exhibit 99.1

Transocean Inc.
Post Office Box 2765
Houston TX 77252 2765

Analyst Contact: Gregory S. Panagos
713-232-7551

Media Contact: Guy A. Cantwell
713-232-7647

News Release
FOR RELEASE: May 7, 2008

TRANSOCEAN INC. REPORTS
FIRST QUARTER 2008 FINANCIAL RESULTS

HOUSTON—Transocean Inc. (NYSE: RIG) today reported net income for the three months ended March 31, 2008 of $1,189 million, or $3.71 per diluted share, compared to net income of $553 million, or $2.62 per diluted share for the three months ended March 31, 2007. Revenues for the first quarter of 2008 were $3,110 million compared to $1,328 million for the first quarter of 2007.

On November 27, 2007, Transocean Inc. merged with GlobalSantaFe Corporation (the "Merger") and reclassified its ordinary shares into cash and shares (the "Reclassification"). Reported results for the first quarter of 2008 include a full three months from GlobalSantaFe's operations. Diluted earnings per share for the first quarter of 2007 excludes GlobalSantaFe's operations and is based on a weighted average diluted share count of 212 million shares, which includes the effect of restating the historical diluted share count for the Reclassification. Results for the fourth quarter of 2007 include approximately one month of GlobalSantaFe's operations.

First quarter 2008 results included after-tax charges of $30 million, or $0.09 per diluted share, related to $27 million for discrete tax items, $1 million for Merger-related costs and a $2 million loss resulting from the retirement of debt. Net income for the quarter ended March 31, 2007 included after-tax gains of $22 million, or $0.10 per diluted share, resulting from the sale of a tender-assist rig and a tax benefit on discrete items.

Operations Quarterly Review

Revenues for the three months ended March 31, 2008 increased 49.7 percent to $3,110 million compared to revenues of $2,077 million during the three months ended December 31, 2007. Of the $1,033 million quarter-to-quarter increase, $919 million reflected the addition of a full quarter of GlobalSantaFe revenues, including an increase of $136 million in non-cash contract intangible revenue. The remaining increase was primarily due to a higher average dayrate for the Transocean fleet as well as a decrease in shipyards and maintenance time. The increase in average dayrate was experienced across all rig categories, primarily as a result of rigs commencing new contracts at the higher prevailing current dayrates. First quarter of 2008 results benefited from the postponement of several shipyard projects to later in the year.

Operating and maintenance expenses for the three months ended March 31, 2008 were $1,157 million compared to $923 million for the prior three-month period, an increase of $234 million or 25.4 percent. The addition of GlobalSantaFe's operations accounted for an increase of $332 million, which was partially offset by a decrease in costs for shipyards and major maintenance projects. Costs for the first quarter of 2008 benefited from the postponement of several shipyard and major maintenance projects to later in the year.

Depreciation, depletion and amortization increased to $367 million in the first quarter of 2008, an increase of 88.2 percent compared to $195 million in the fourth quarter of 2007. Property and equipment and certain intangible assets acquired in the Merger accounted for the majority of this increase.

General and administrative expenses decreased 18.3 percent to $49 million in the first quarter of 2008 compared to $60 million in the prior three-month period. The decrease primarily reflects a reduction in Merger-related compensation costs compared to the fourth quarter of 2007.

Interest Expense and Liquidity

Interest expense, net of amounts capitalized, for the first quarter of 2008 increased to $137 million compared to $79 million for the fourth quarter of 2007. The increase primarily resulted from interest on the borrowings incurred in conjunction with the Merger and Reclassification.

Cash flow from operating activities totaled $1,482 million for the first quarter of 2008 compared to $915 million for the fourth quarter of 2007. As of March 31, 2008, total debt was $16.6 billion, down $0.7 billion from $17.3 billion as of December 31, 2007.

Effective Tax Rate

The reported Effective Tax Rate(1) of 15.5 percent for the first quarter of 2008 reflects the unfavorable impact of various discrete tax items of $27 million resulting from changes in estimates. Excluding these various discrete tax items, the Annual Effective Tax Rate(2) for the first quarter of 2008 was 13.5 percent.

Conference Call Information

Transocean will conduct a teleconference call at 10:00 a.m. Eastern Time on May 7, 2008. To participate, dial 913-312-0968 and refer to confirmation code 9574214 approximately five to 10 minutes prior to the scheduled start time of the call.

In addition, the conference call will be simultaneously broadcast over the Internet in a listen-only mode and can be accessed by logging onto the company's website at *www.deepwater.com* and selecting "Investor Relations/News & Events/Webcasts & Presentations." A file containing four charts to be discussed during the conference call, titled "1Q08 Charts," has been posted to the company's website and can also be found by selecting "Investor Relations/News & Events/Webcasts & Presentations." The conference call may also be accessed via the Internet at *www.CompanyBoardroom.com* by typing in the company's New York Stock Exchange trading symbol, "RIG."

A telephonic replay of the conference call should be available after 1:00 p.m. Eastern Time on May 7, 2008 and can be accessed by dialing 719-457-0820 and referring to the passcode 9574214. Also, a replay will be available through the Internet and can be accessed by visiting either of the above-referenced Worldwide Web addresses.

Transocean Inc. is the world's largest offshore drilling contractor and the leading provider of drilling management services worldwide. With a fleet of 138 mobile offshore drilling units plus nine announced ultra-deepwater newbuild units, the company's fleet is considered one of the most modern and versatile in the world due to its emphasis on technically demanding segments of the offshore drilling business. The company owns or operates a contract drilling fleet of 39 High-Specification Floaters (Ultra-Deepwater, Deepwater and Harsh-Environment semisubmersibles and drillships), 29 Midwater Floaters, 10 High-Specification Jackups, 56 Standard Jackups and other assets utilized in the support of offshore drilling activities worldwide.

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(1) Effective Tax Rate is defined as income tax expense divided by income before income taxes. See the accompanying schedule entitled "Supplemental Effective Tax Rate Analysis."

(2) Annual Effective Tax Rate is defined as income tax expense excluding various discrete items (such as changes in estimates and tax on items excluded from income before income taxes) divided by income before income taxes excluding gains on sales and similar items pursuant to Financial Accounting Standards Board Interpretation No. 18. See the accompanying schedule entitled "Supplemental Effective Tax Rate Analysis."

TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three months ended March 31, 2008	Three months ended March 31, 2007
Operating revenues		
Contract drilling revenues	$ 2,640	$ 1,273
Contract intangible revenues	224	—
Other revenues	246	55
	3,110	1,328
Costs and expenses		
Operating and maintenance	1,157	568
Depreciation, depletion and amortization	367	100
General and administrative	49	26
	1,573	694
Gain from disposal of assets, net	3	23
Operating income	1,540	657
Other income (expense), net		
Interest income	13	5
Interest expense, net of amounts capitalized	(137)	(37)
Other, net	(8)	13
	(132)	(19)
Income before income taxes and minority interest	1,408	638
Income tax expense	218	85
Minority interest	1	—
Net income	$ 1,189	$ 553
Earnings per share		
Basic	$ 3.75	$ 2.72
Diluted	$ 3.71	$ 2.62
Weighted average shares outstanding		
Basic	317	203
Diluted	321	212

TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	March 31, 2008 (Unaudited)	December 31, 2007
ASSETS		
Cash and cash equivalents	$ 1,567	$ 1,241
Accounts receivable, net of allowance for doubtful accounts of $61 and $50 at March 31, 2008 and December 31, 2007, respectively	2,357	2,370
Materials and supplies, net of allowance for obsolescence of $20 and $22 at March 31, 2008 and December 31, 2007, respectively	367	333
Deferred income taxes, net	96	119
Assets held for sale	666	—
Other current assets	177	233
Total current assets	5,230	4,296
Property and equipment	24,237	24,545
Less accumulated depreciation	3,949	3,615
Property and equipment, net	20,288	20,930
Goodwill	8,424	8,219
Other assets	920	919
Total assets	$ 34,862	$ 34,364
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 722	$ 805
Accrued income taxes	238	99
Debt due within one year	3,356	6,172
Other current liabilities	772	826
Total current liabilities	5,088	7,902
Long-term debt	13,239	11,085
Deferred income taxes, net	814	681
Other long-term liabilities	1,928	2,125
Total long-term liabilities	15,981	13,891
Commitments and contingencies		
Minority interest	6	5
Preference shares, $0.10 par value; 50,000,000 shares authorized, none issued and outstanding	—	—
Ordinary Shares, $0.01 par value; 800,000,000 shares authorized, 318,217,122 and 317,222,909 shares issued and outstanding at March 31, 2008 and December 31, 2007, respectively	3	3
Additional paid-in capital	10,853	10,799
Accumulated other comprehensive loss	(64)	(42)
Retained earnings	2,995	1,806
Total shareholders' equity	13,787	12,566
Total liabilities and shareholders' equity	$ 34,862	$ 34,364

TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three months ended March 31, 2008	2007
Cash flows from operating activities		
Net income	$ 1,189	$ 553
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization of drilling contract intangibles	(224)	—
Depreciation, depletion and amortization	367	100
Share-based compensation expense	22	10
Gain from disposal of assets, net	(3)	(23)
Deferred revenue, net	18	34
Deferred expenses, net	16	(7)
Deferred income taxes	(25)	(2)
Other, net	(12)	(1)
Changes in operating assets and liabilities	134	(10)
Net cash provided by operating activities	1,482	654
Cash flows from investing activities		
Capital expenditures	(769)	(465)
Proceeds from disposal of assets, net	254	39
Joint ventures and other investments, net	(3)	(3)
Net cash used in investing activities	(518)	(429)
Cash flows from financing activities		
Borrowings under commercial paper program, net	1,316	—
Borrowings under Five-Year Revolving Credit Facility	180	—
Repayments under 364-Day Revolving Credit Facility	(1,500)	—
Proceeds from debt	1,976	190
Repayments of debt	(2,633)	—
Financing costs	(3)	—
Payments made upon exercise of warrants, net	(4)	—
Proceeds from issuance of ordinary shares under share-based compensation plans, net	27	15
Repurchase of ordinary shares	—	(400)
Other, net	3	5
Net cash used in financing activities	(638)	(190)
Net increase in cash and cash equivalents	326	35
Cash and cash equivalents at beginning of period	1,241	467
Cash and cash equivalents at end of period	$ 1,567	$ 502

Transocean Inc.
Fleet Operating Statistics

	Operating Revenues ($ Millions) [1] Three months ended		
	March 31, 2008	December 31, 2007	March 31, 2007
Contract Drilling Revenues			
High-Specification Floaters:			
Ultra Deepwater Floaters	$ 608	$ 453	$ 340
Deepwater Floaters	325	290	260
Harsh Environment Floaters	150	120	85
Total High-Specification Floaters	1,083	863	685
Midwater Floaters	675	534	379
High-Specification Jackups	157	64	12
Standard Jackups	711	386	182
Other Rigs	14	13	15
Subtotal	2,640	1,860	1,273
Contract Intangible Revenue	224	88	0
Other Revenues			
Client Reimbursable Revenues	47	32	30
Integrated Services and Other	36	52	25
Drilling Management Services	139	36	0
Oil and Gas Properties	24	9	0
Subtotal	246	129	55
Total Company	$ 3,110	$ 2,077	$ 1,328

	Average Dayrates [1] Three months ended		
	March 31, 2008	December 31, 2007	March 31, 2007
High-Specification Floaters:			
Ultra Deepwater Floaters	$380,800	$ 346,100	$301,400
Deepwater Floaters	$284,100	$ 265,300	$235,800
Harsh Environment Floaters	$344,000	$ 326,300	$238,800
Total High-Specification Floaters	$340,900	$ 311,600	$264,800
Midwater Floaters	$292,300	$ 274,600	$223,700
High-Specification Jackups	$173,800	$ 173,400	$133,400
Standard Jackups	$146,200	$ 130,800	$103,200
Other Rigs	$ 49,700	$ 48,600	$ 50,300
Total Drilling Fleet	$229,000	$ 224,000	$198,000

	Utilization [1] Three Months Ended		
	March 31, 2008	December 31, 2007	March 31, 2007
High-Specification Floaters:			
Ultra Deepwater Floaters	98%	97%	97%
Deepwater Floaters	79%	75%	77%
Harsh Environment Floaters	96%	80%	99%
Total High-Specification Floaters	90%	85%	87%
Midwater Floaters	88%	95%	94%
High-Specification Jackups	99%	100%	100%
Standard Jackups	93%	91%	82%
Other Rigs	100%	97%	100%
Total Drilling Fleet	91%	90%	88%

(1) Average daily revenue is defined as contract drilling revenue earned per revenue earning day in the period. A revenue earning day is defined as a day for which a rig earns dayrate after commencement of operations. Utilization is defined as the total actual number of revenue earning days in the period as a percentage of the total number of calendar days in the period for all drilling rigs in our fleet.

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Transocean Inc. and Subsidiaries
Non-GAAP Financial Measures and Reconciliations

Operating Income Before General and Administrative Expense
to Field Operating Income
(in millions)

	Three months ended		
	Mar 31, 2008	Dec 31, 2007	Mar 31, 2007
Operating revenue	$3,110	$2,077	$1,328
Operating and maintenance expense	1,157	923	568
Depreciation, depletion and amortization	367	195	100
(Gain) loss from disposal of assets, net	(3)	(254)	(23)
Operating income before general and administrative expense	1,589	1,213	683
Add back (subtract): Depreciation, depletion and amortization	367	195	100
(Gain) loss from disposal of assets, net	(3)	(254)	(23)
Field operating income	$1,953	$1,154	$ 760

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Transocean Inc. and Subsidiaries
Supplemental Effective Tax Rate Analysis
(In millions)

	Three months ended			Years ended Dec. 31,	
	March 31, 2008	Dec. 31, 2007	March 31, 2007	2007	2006
Income (Loss) before income taxes and minority interest	$ 1,408	$1,079	$ 638	$3,384	$1,607
Add back (subtract):					
(Gain) loss on disposal of assets, net	—	(233)	(23)	(264)	(410)
Income from TODCO tax sharing agreement	—	(1)	—	(277)	(51)
(Gain) loss on retirement of debt	2	8	—	8	—
GSF Merger related costs	1	82	—	82	—
Adjusted income before income taxes	**1,411**	**935**	**615**	**2,933**	**1,146**
Income tax expense	218	23	85	253	222
Add back (subtract):	—				
(Gain) loss on disposal of assets, net	—	—	(3)	(3)	(24)
GSF Merger related costs	—	15	—	15	—
Changes in estimates (1)	(27)	36	2	101	14
Adjusted income tax expense (2)	**$ 191**	**$ 74**	**$ 84**	**$ 366**	**$ 212**
Effective Tax Rate (3)	**15.5%**	**2.1%**	**13.3%**	**7.5%**	**13.8%**
Annual Effective Tax Rate (4)	**13.5%**	**7.9%**	**13.7%**	**12.5%**	**18.5%**

(1) Our estimates change as we file tax returns, settle disputes with tax authorities or become aware of other events impacting our liabilities for income taxes. Changes in estimates include changes in deferred taxes, valuation allowances on deferred taxes or other tax liabilities and the impact of changes in currency exchange rates.

(2) The three months ended December 31, 2007 include $ (43) million of additional tax expense (benefit) reflecting the catch-up effect of an increase (decrease) in the annual effective tax rate and included $17 million related to customer identification that is also reflected as a reduction of revenue.

(3) Effective Tax Rate is income tax expense divided by income before income taxes.

(4) Annual Effective Tax Rate is income tax expense excluding various discrete items (such as changes in estimates and tax on items excluded from income before income taxes) divided by income before income taxes excluding gains on sales and similar items pursuant to Financial Accounting Standards Board Interpretation No. 18.

Exhibit 99.2

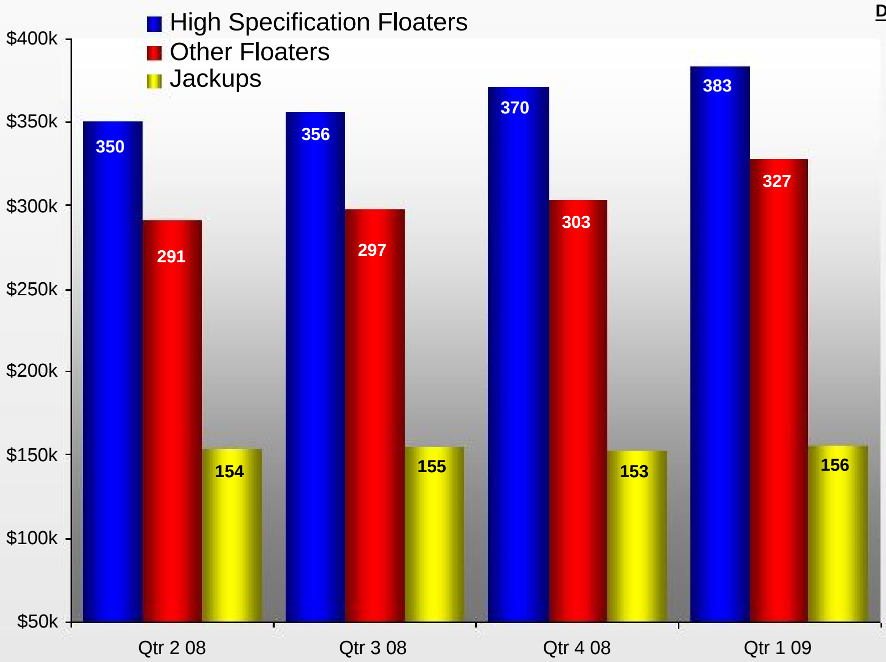
Transocean

Your Next Generation Driller

Transocean Inc. Reports
First Quarter 2008 Results

Chart #1: Average Contracted Dayrate by Rig Type

Qtr 2 2008 through Qtr 1 2009 (Unaudited)

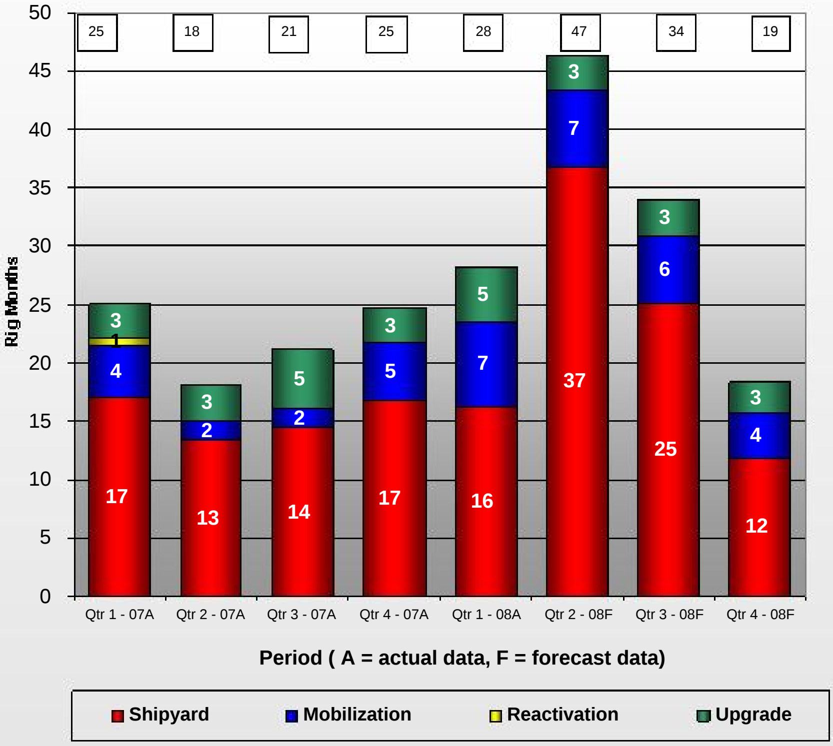


Definitions

Average Dayrate	**The weighted average contract dayrate for each rig type based on current backlog from the company's most recent Fleet Status Update Report as of May 6th ,2008. Includes firm contracts only.**
High-Specification Floaters	**The High-Specification Floaters category is a consolidation of the Ultra-Deepwater Floaters, Other High-Specification Floaters and Other Deepwater Floaters as described below.** **Ultra-Deepwater Floaters have high-pressure mud pumps and a water depth capability of 7,500 feet or greater.** **Other High-Specification Floaters were built in the in the mid to late 1980s, are capable of drilling in harsh environments and have greater displacement than previously constructed rigs resulting in larger variable load capacity, more useable deck space and better motion characteristics.** **The Other Deepwater Floaters include the remaining semi-submersible rigs and drillships that have a water depth capacity of at least 4,500 feet.**
Other Floaters	**The Other Floaters category is generally comprised of those non-High-Specification Floaters with a water depth capacity of less than 4,500 feet.**
Jackups	**The Jackups category consists of our jackup fleet.**

Chart #2: Out-of-Service Rig Months

Qtr 1 2007 through Qtr 4 2008 (Unaudited)

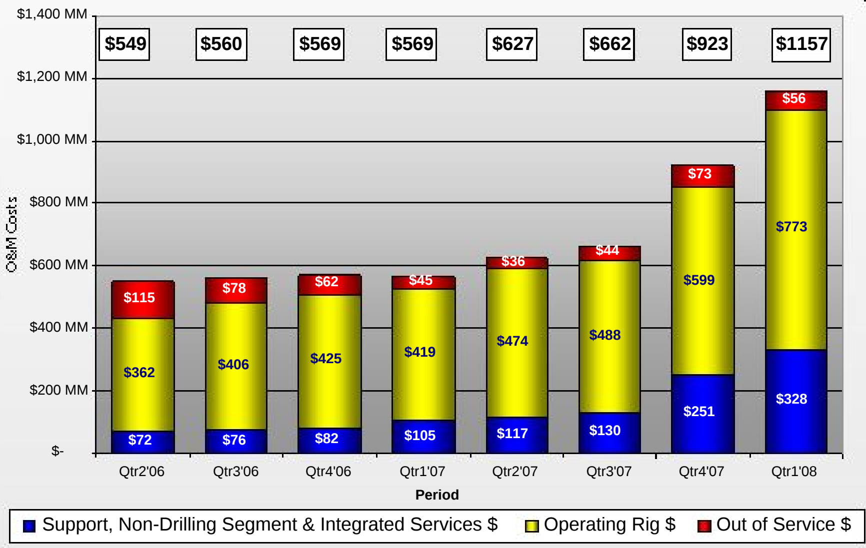


Definitions

Rig Months	**Time expressed in months that each rig has been, or is forecast to be Out of Service as reflected in the company's Fleet Status Update Report as of May 6th, 2008. Also includes out of service time of less than 14 days that is not disclosed in the Fleet Status report.**
Out-of-Service	**Time when a rig is not available to earn an operating dayrate due to shipyards, contract preparation, mobilization, reactivation or upgrades.**
Mobilization	**Includes mobilization and demobilization to and from operating contracts and other activities such as shipyards excluding those mobilization and demobilization periods covered in *Reactivation* and *Upgrades.***
Reactivation	**Rig time described as "reactivation", relating to the C.K. Rhein Jr., which was previously cold stacked.**
Upgrade	**Rig time described as "upgrade" includes the Sedco 702 and Sedco 706 which are undergoing or forecast to undergo a shipyard project to enhance the operational capabilities of the rig.**
Shipyard	**Rig time described as "shipyard" refers to periods during which a rig is out of service as a result of other planned shipyards, surveys, repairs, regulatory inspections or other planned service or work on the rig excluding reactivations and upgrades.**

Chart #3: Operating & Maintenance (O&M) Costs Trends

(Unaudited)



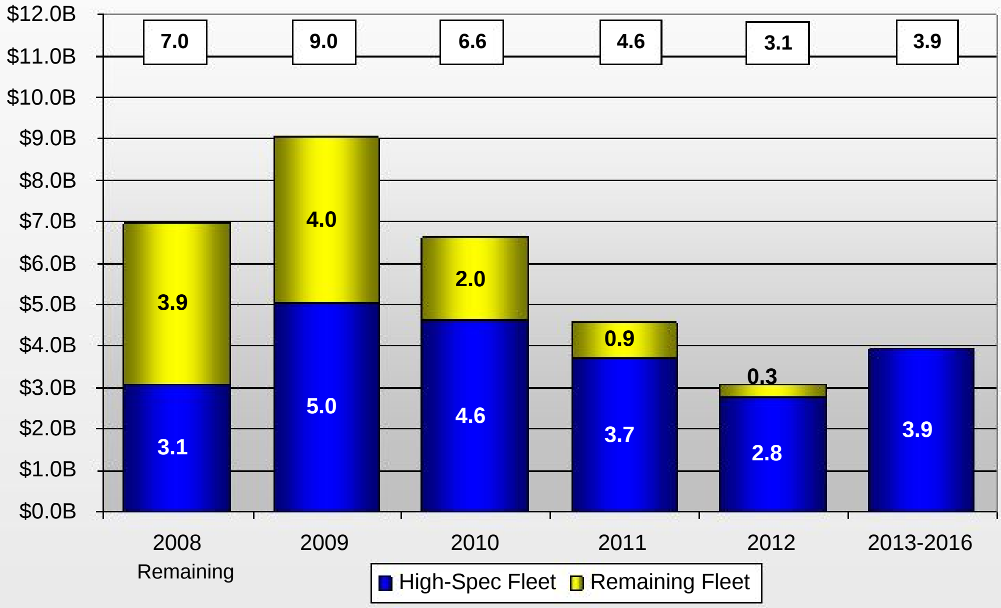
Definitions

Support & Non-Drilling Costs	Includes Integrated Services, Drilling Management Services, Oil and Gas Properties, and all shorebase or common support costs (on-shore offices, yards, pool equipment).
Operating Rigs	Denotes the total O&M costs of a rig while in service based upon the Rig Operating Days (excluding shorebase or common support costs), as defined below.
Rig Operating Days	Denotes the total amount of days a rig is deemed to be in-service under contract operations. This excludes all out of service time relating to shipyards, mobilization and short-term out of contract periods but includes the operational downtime of in service rigs. The average number of days may also fluctuate from quarter to quarter as a result of rigs being reactivated, sold or stacked in the quarters.
Out of Service	Denotes the total O&M costs while a rig is out of service based upon Out of Service Days, as defined below. Out of Service costs are the difference between total operating and maintenance costs and the In-Service Costs.
Out of Service Days	Includes the total amount of days a rig is deemed to be out of service. This relates to times when a rig is out of service due to shipyards, mobilization and short-term idle periods.
O&M Costs *	Our operating and maintenance costs represent all direct and indirect costs associated with the operation and maintenance of our drilling rigs. Operating and maintenance costs also includes all costs related to local and regional offices as well as all costs related to operations support, engineering support, marketing and other similar costs. The principal elements of these costs are direct and indirect labor and benefits, repair and maintenance, contract preparation expenses, insurance, boat and helicopter rentals, professional and technical fees, freight costs, communications, customs duties, tool rentals and services, fuel and water, general taxes and licenses. Labor, repair and maintenance costs, insurance premiums, personal injury losses and drilling rig casualty losses represent the most significant components of our operating and maintenance costs

Chart #4: Contract Backlog by Years

(Unaudited)

Total Contract Backlog (1) = $34.2 Billion



(1) Calculated by multiplying the contracted operating dayrate by the firm contract period from May 6th, 2008 forward. Reflects firm commitments represented by signed contracts. Contract backlog excludes revenues from mobilization, demobilization, contract preparation, integrated services and customer reimbursables. Our backlog calculation assumes that we receive the full contractual dayrate, which could be higher than the actual Dayrate that we receive because of a number of factors (rig downtime, suspension of operations, etc....) including some beyond our control.