

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): April 18, 2023**

**TRANSOCEAN LTD.**

(Exact name of Registrant as specified in its charter)

**Switzerland**  
(State or other jurisdiction of  
incorporation or organization)

**001-38373**  
(Commission  
File Number)

**98-0599916**  
(I.R.S. Employer  
Identification No.)

**Turmstrasse 30**  
**Steinhausen, Switzerland**  
  
(Address of principal executive offices)

**CH-6312**  
  
(zip code)

Registrant's telephone number, including area code: **+41 (41) 749-0500**

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:

- 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))

Securities registered pursuant to Section 12(b) of the Act

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered:</u>
Shares, CHF 0.10 par value	RIG	New York Stock Exchange
0.50% Exchangeable Senior Bonds due 2023	RIG/23	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01 Regulation FD**

We issue a report entitled “Transocean Fleet Status Report,” which includes drilling rig status and contract information. A report dated April 18, 2023, is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. You may subscribe to the Transocean “E-mail Alerts,” which based upon your selections will alert you to new Transocean press releases, financial and other updates. This free service will send you an automated email containing the Fleet Status Report press release and a link to our website: [www.deepwater.com](http://www.deepwater.com), where the reports are posted each quarter under “Investors/Fleet Status Report.” You may subscribe to this service in the footer of any of the website’s Investors pages by selecting “E-mail Alerts” then providing your email address. Please select the alerts to which you prefer to subscribe and click “Submit.”

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Fleet Status Report, dated April 18, 2023</a>
101	Interactive data files pursuant to Rule 405 of Regulation S-T formatted in Inline Extensible Business Reporting Language
104	Cover Page Interactive Data File (formatted as inline XBRL).

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**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 LTD.

Date: April 18, 2023

By: /s/ Daniel Ro-Trock  
Daniel Ro-Trock  
Authorized Person

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# FLEET STATUS REPORT

APRIL 2023

Transocean Ltd. (NYSE: RIG)



Updated: April 18, 2023  
 Revisions Noted in  
 Bold  
 Dynamically positioned "DP"

Rig Type/Name	Footnote References	Floater Type	Yr. (1) Entered	Water Drilling Depth (Feet)	Depth (Feet)	Location	Customer	Estimated Contract Start Date (2)	Estimated Expiration Date (2)	Dayrate on Current Contract (3) (Dollars)	Dayrate on Previous Contract (3) (Dollars)	Additional Comments
<b>Rigs Under Construction (1)</b>												
Deepwater Titan	(5), (14)	ship *	TBA	12,000	40,000	USGOM	Chevron	Q2 2023	Q2 2028	455,000	N/A	
<b>Ultra-Deepwater (27)</b>												
Deepwater Atlas	(7), (8), (25) (8), (26) (7), (8)	ship *	2022	12,000	40,000	USGOM	Beacon	Oct-22 <b>Jul-23</b>	<b>Jul-23</b> Sep-23	315,000	N/A	Excludes additional service
Deepwater Poseidon	(5)	ship *	2018	12,000	40,000	USGOM	Shell	Sep-18	Feb-28	478,000	N/A	Excludes additional service
Deepwater Poseidon	(5)	ship *	2017	12,000	40,000	USGOM	Shell	Oct-17	Oct-27	<b>483,000</b>	N/A	
Deepwater Conqueror	(22)	ship *	2016	12,000	40,000	USGOM	Not Disclosed	Apr-23	Mar-25	440,000	335,000	Excludes additional service
Deepwater Proteus	(5)	ship *	2016	12,000	40,000	USGOM	Shell	Aug-16	May-26	481,000	N/A	
Deepwater Thalassa	(5)	ship *	2016	12,000	40,000	USGOM	Shell	Jul-16	Feb-26	480,000	N/A	
Ocean Rig Apollo		ship *	2015	12,000	40,000				Stacked May-16			
Deepwater Asgard	(23)	ship *	2014	12,000	40,000	USGOM	Murphy Oil Corporation	Feb-23	Apr-23	395,000	395,000	
Deepwater Invictus	(5)	ship *	2014	12,000	40,000	USGOM	Not Disclosed	Apr-23	Apr-24	440,000	395,000	Excludes additional service
Deepwater Invictus	(5)	ship *	2014	12,000	40,000	USGOM	Woodside	Oct-22	<b>Apr-23</b>	375,000	305,000	
Deepwater Invictus	(5)	ship *	2014	12,000	40,000	USGOM	Not Disclosed	Apr-23	Jul-23	425,000	375,000	
Ocean Rig Athena		ship *	2014	12,000	40,000				Stacked Mar-17			
Deepwater Skyros	(7)	ship *	2013	12,000	40,000	Angola	TotalEnergies	Dec-22	Jun-24	310,000	195,000	
Ocean Rig Mylos		ship *	2013	12,000	40,000				Stacked Sep-16			
Deepwater Corcovado	(6), (7)	ship *	2011	10,000	35,000	Brazil	Petrobras	Dec-19	Jul-23	203,000	N/A	
Deepwater Mykonos	(6), (7)	ship *	2011	10,000	35,000	Brazil	Not Disclosed	Aug-23	Jul-27	400,000	203,000	
Deepwater Mykonos	(6), (7)	ship *	2011	10,000	35,000	Brazil	Petrobras	Nov-19	Sep-23	224,000	N/A	
Deepwater Mykonos	(6), (7)	ship *	2011	10,000	35,000	Brazil	Petrobras	<b>Nov-23</b>	<b>Jan-25</b>	366,000	224,000	
Deepwater Orion	(6), (7)	ship *	2011	10,000	35,000	Brazil	Not Disclosed	Nov-23	Nov-26	417,000	N/A	
Deepwater Champion		ship *	2011	12,000	40,000				Stacked Feb-16			
Discoverer Inspiration		ship *	2010	12,000	40,000	USGOM	Hess	Dec-21	Apr-23	215,000	N/A	
Discoverer India		ship *	2010	12,000	40,000				Stacked Jul-20			
Dhirubhai Deepwater KG2	(6), (7)	ship *	2010	12,000	35,000	Brazil	Not Disclosed	Aug-23	Mar-26	439,000	N/A	
Discoverer Luanda		ship *	2010	7,500	40,000				Stacked Feb-18			
Discoverer Americas		ship *	2009	12,000	40,000				Stacked Apr-16			
Discoverer Clear Leader		ship *	2009	12,000	40,000				Stacked Jun-19			
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Mar-23	Oct-23	<b>327,000</b>	317,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-23	Oct-24	393,000	327,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-24	Oct-25	405,000	393,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-25	Oct-26	417,000	405,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-26	Oct-27	430,000	417,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-27	Oct-28	<b>443,000</b>	430,000	
Petrobras 10000	(5), (6), (15)	ship *	2009	12,000	37,500	Brazil	Petrobras	Oct-28	Jul-29	456,000	443,000	
Dhirubhai Deepwater KG1	(13)	ship *	2009	12,000	35,000	India	Reliance	<b>Mar-23</b>	Aug-23	<b>173,000</b>	194,000	
Development Driller III	(7)	semi *	2009	7,500	37,500	India	Reliance	Aug-23	Oct-23	330,000	173,000	
Development Driller III	(7)	semi *	2009	7,500	37,500	Suriname	TotalEnergies	Feb-23	<b>Jun-23</b>	345,000	331,000	Excludes additional service
Development Driller III	(7)	semi *	2009	7,500	37,500	Suriname	TotalEnergies	<b>Jun-23</b>	<b>Oct-23</b>	360,000	345,000	Excludes additional service
GSF Development Driller I		semi *	2005	7,500	37,500				Stacked Nov-20			
Deepwater Nautilus		semi *	2000	8,000	30,000				Stacked Nov-22			
Estimated Average Contract Dayrates (5)								Q2 2023 \$363,000	Q3 2023 \$383,000	Q4 2023 \$427,000	Q1 2024 \$431,000	

**Harsh Environment (10)**

Transocean Norge	(6), (7), (11)	semi *	2019	10,000	40,000	Norway	Wintershall DEA/OMV	Apr-23	Jun-23	338,000	N/A	
	(6), (7), (11)					Norway	Wintershall DEA/OMV	Jun-23	Jan-24	338,000	338,000	
	(6), (7), (11)					Norway	Wintershall DEA/OMV	Jan-24	Apr-24	408,000	338,000	
	(6), (7), (11)					Norway	Wintershall DEA/OMV	Apr-24	Jun-24	408,000	408,000	
	(6), (7), (11)					Norway	Wintershall DEA/OMV	Jun-24	Sep-24	358,000	408,000	
	(6), (7), (11), (20)					Norway	Wintershall DEA/OMV	Jan-25	Jul-25	413,000	358,000	
	(6), (7), (11), (20)					Norway	Wintershall DEA/OMV	Jul-25	Sep-25	418,000	413,000	
	(6), (7), (11), (20)					Norway	Wintershall DEA/OMV	Mar-26	May-27	418,000	418,000	
Transocean Enabler	(5), (6), (7)	semi *	2016	1,640	28,000	Norway	Equinor	Jul-22	Jul-23	418,000	433,000	
	(5), (6), (7)					Norway	Equinor	Jul-23	Mar-24	409,000	418,000	
	(5), (6), (7)					Norway	Equinor	Mar-24	Oct-25	377,000	409,000	
Transocean Encourage	(5), (6), (7)	semi *	2016	1,640	28,000	Norway	Equinor	Mar-23	Nov-23	405,000	419,000	
	(5), (6), (7)					Norway	Equinor	Nov-23	Feb-25	350,000	405,000	
Transocean Endurance	(5), (7)	semi *	2015	1,640	28,000	Norway	Equinor	Dec-22	Apr-23	483,000	N/A	
						Australia	Not Disclosed	Jan-24	Aug-24	380,000	483,000	
									Idle Oct-22			
Transocean Equinox	(5), (6), (7)	semi *	2015	1,640	28,000							
Transocean Spitsbergen	(5), (6), (7)	semi *	2010	10,000	30,000	Norway	Equinor	Dec-22	Jun-23	297,000	303,000	Excludes additional services
	(5), (6), (7)					Norway	Equinor	Jun-23	Sep-23	307,000	297,000	Excludes additional services
	(5), (6), (7)					Norway	Equinor	Sep-23	Jan-25	328,000	307,000	Excludes additional services
Transocean Barents	(7)	semi *	2009	10,000	30,000	UKNS	Not Disclosed	Mar-23	Jun-23	310,000	282,000	
Paul B. Loyd, Jr.	(5), (6), (7), (18)	semi	1990	2,000	25,000	UKNS	Harbour Energy	Jan-23	Apr-23	175,000	160,000	
	(5), (6), (7), (18)						Harbour Energy	Apr-23	Aug-23	175,000	175,000	
	(5), (6), (7)						Harbour Energy	Aug-23	Nov-23	175,000	175,000	
	(5), (6), (7)						Harbour Energy	Nov-23	Aug-24	175,000	175,000	
Transocean Leader		semi	1987/1997	4,500	25,000				Stacked Jul-20			
Henry Goodrich		semi	1985/2007	5,000	30,000				Stacked Mar-20			

Estimated Average Contract Dayrates (5)

Q2 2023	Q3 2023	Q4 2023	Q1 2024
\$335,000	\$327,000	\$328,000	\$338,000

Rig Type/Name	Footnote References	Floater Type	Yr. (1) Entered Service	Water Depth (Feet)	Drilling Depth (Feet)	Location	Customer	Estimated Contract Start Date (2)	Estimated Expiration Date (2)	Dayrate on Current Contract (3) (Dollars)	Dayrate on Previous Contract (3) (Dollars)	Additional Comments
<b>Managed Rigs (1)</b>												
Deepwater Aquila	(12)	ship	TBA	12,000	40,000	TBA						

**Fixed-Price Options - See Footnote 10**

<b>Ultra-Deepwater (4)</b>												
Deepwater Mykonos	(6), (7), (19)	ship	2011	10,000	35,000	Brazil	Petrobras	Jan-25	Apr-25	364,000		
<b>Harsh Environment (3)</b>												
Transocean Enabler	(5), (6), (7)	semi *	2016	1,640	28,000	Norway	Equinor	Oct-25	Nov-25	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Nov-25	Dec-25	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Dec-25	Dec-25	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Dec-25	Jan-26	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Jan-26	Feb-26	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Feb-26	Feb-26	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Feb-26	Mar-26	420,000		
Transocean Enabler	(5), (6), (7)					Norway	Equinor	Mar-26	Mar-26	420,000		
Transocean Spitsbergen	(5), (6), (7)	semi *	2010	10,000	30,000	Norway	Equinor	Jan-25	Aug-25	375,000		
Transocean Endurance		semi *	2015	1,640	28,000	Australia	Not Disclosed	Aug-24	Feb-25	380,000		
						Australia	Not Disclosed	Feb-25	Mar-25	390,000		
						Australia	Not Disclosed	Mar-25	May-25	390,000		
						Australia	Not Disclosed	May-25	Jul-25	390,000		
						Australia	Not Disclosed	Jul-25	Nov-25	390,000		

Revisions Noted in Bold

## Footnotes

- (1) Dates shown are the original service date and the date of the most recent upgrade, if any.
  - (2) Estimated Contract Start and Estimated Expiration Dates are generally calculated as follows: (1) for events estimated to occur between the 1st and 15th of a month, the previous month or quarter is reported (i.e. a contract which is estimated to commence on March 4, 2021 will be reported as commencing in February 2021) and (2) for events estimated to occur between the 16th and the end of a month, the actual month or quarter is reported (i.e. a contract which is estimated to commence on March 24, 2021 will be reported as commencing in March 2021). Expiration dates represent the company's current estimate of the earliest date the contract for each rig is likely to expire. Some rigs have two or more contracts in continuation, so the last line shows the estimated earliest availability. Many contracts permit the customer to extend the contract.
  - (3) Represents the full operating dayrate, although the average dayrate over the term of the contract will be lower and could be substantially lower. Does not reflect incentive programs which are typically based on the rig's operating performance against a performance curve. Please refer to the "Customer Contract Duration, Timing and Dayrates and Risks Associated with Operations" section of the Disclaimers & Definitions for a description of dayrates. This column may not reflect the rate currently being received under the contract as a result of an applicable standby rate or other rate, which typically is less than the contract dayrate.
  - (4) Reserved
  - (5) If the dayrate is disclosed, reflects the current contracted dayrate which could reflect prior cost escalations, or de-escalations, and could change in the future due to further cost escalations, or de-escalations.
  - (6) If the dayrate is disclosed, reflects the current contracted dayrate which, along with costs, includes a foreign currency component. Changes in the value of the U.S. dollar relative to certain foreign currencies will result in an adjustment to the dayrate according to the terms of the contract. The dayrate adjustment generally offsets the foreign currency exchange-related change in costs.
  - (7) If the dayrate is disclosed, the contract provides for a bonus incentive opportunity not reflected in the current contract dayrate.
  - (8) Customer pays an additional MPD standby rate and may call-off full MPD services to be provided at any time resulting in incremental \$32,000 MPD operating rate to be paid to Transocean.
  - (9) Fixed price options may be exercised at the customer's discretion. During periods when dayrates on new contracts are increasing relative to existing contracts, the likelihood of customers exercising fixed price options increases. During periods when dayrates on new contracts are decreasing relative to existing contracts, the likelihood of customers exercising fixed price options declines.
  - (10) Reserved
  - (11) We hold a 33.0% ownership interest in the unconsolidated company owning the rig. Our customer has entered into the drilling contract with the operating company, a wholly owned subsidiary. Our contract backlog includes and we will recognize 100% of the contract drilling revenues associated with the drilling contract.
  - (12) Transocean maintains the exclusive right to market and manage the operations of the rig.
  - (13) The contract includes a quarterly dayrate escalation mechanism that may increase or decrease the dayrate with a floor of \$127,000.
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- (14) The contract is expected to start in the period indicated. Factors that could influence the contract start date include shipyard delivery, customer acceptance, and mobilization to operating location, among others.
- (15) The dayrate disclosed excludes a 5% royalty related to Transocean's dual activity patent.
- (16) Reserved
- (17) Reserved
- (18) Customer will assign the contract during this period to NEO Energy.
- (19) Contract includes multiple option periods of minimum 90 days up to 279 days.
- (20) Customer will pay an idle period rate to Transocean during this time. For any activities exercised in this period, the operating dayrate shall be between \$360,000 and \$420,000.
- (21) In addition to operating dayrate, up to an incremental \$38,000 per day may be paid for additional products and services.
- (22) In addition to operating dayrate, up to an incremental \$39,000 per day may be paid for additional products and services.
- (23) In addition to operating dayrate, up to an incremental \$40,000 per day may be paid for additional products and services.
- (24) Reserved
- (25) The calculated dayrate of \$315,000 includes a lump sum payment of \$11.8M prorated over an estimated period of 255 days.
- (26) During the BOP installation period estimated to last 80 days, the company will receive a lump sum payment of \$16.7M.
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## Disclaimers & Definitions

The information contained in this Fleet Status Report (the "Information") is as of the date of the report only and is subject to change without notice to the recipient. Transocean Ltd. assumes no duty to update any portion of the Information.

**DISCLAIMER.** NEITHER TRANSOCEAN LTD. NOR ITS AFFILIATES MAKE ANY EXPRESS OR IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE) REGARDING THE INFORMATION CONTAINED IN THIS REPORT, WHICH INFORMATION IS PROVIDED "AS IS." Neither Transocean Ltd. nor its affiliates will be liable to any recipient or anyone else for any inaccuracy, error or omission, regardless of cause, in the information set forth in this report or for any damages (whether direct or indirect, consequential, punitive or exemplary) resulting therefrom.

**No Unauthorized Publication or Use.** All information provided by Transocean in this report is given for the exclusive use of the recipient and may not be published, redistributed or retransmitted without the prior written consent of Transocean.

**Customer Contract Duration, Timing and Dayrates and Risks Associated with Operations.** The duration and timing (including both starting and ending dates) of the customer contracts are estimates only, and customer contracts are subject to cancellation, suspension and delays for a variety of reasons, including some beyond the control of Transocean. Also, the dayrates set forth in the report are estimates based upon the full contractual operating dayrate. However, the actual average dayrate earned over the course of any given contract will be lower and could be substantially lower. The actual average dayrate will depend upon a number of factors (rig downtime, suspension of operations, etc.) including some beyond the control of Transocean. Our customer contracts and operations are generally subject to a number of risks and uncertainties, and we urge you to review the description and explanation of such risks and uncertainties in our filings with the Securities and Exchange Commission (SEC), which are available free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov). The dayrates do not include revenue for mobilizations, demobilizations, upgrades, shipyards or recharges.

**Out of Service.** The time associated with committed shipyards, upgrades, surveys, repairs, regulatory inspections, contract preparation or other committed activity on the rig and is not expected to earn an operating dayrate. Contract preparation refers to periods during which the rig is undergoing modifications or upgrades as a result of contract requirements.

- The references included in this Fleet Status Report may not be firm and could change significantly based on a variety of factors. Any significant changes to our estimates of out of service time will be reflected in subsequent Fleet Status Reports, as applicable.
- In some instances such as certain mobilizations, upgrades and shipyards, we are paid compensation by our customers that is generally recognized over the life of the primary contract term of the drilling contract.

**Forward-Looking Statement.** The statements made in the Fleet Update 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 made in the Fleet Update include, but are not limited to, statements involving the estimated duration of customer contracts, contract dayrate amounts, future contract commencement dates and locations and planned shipyard projects and other out of service time. 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, competition and market conditions in the contract drilling industry, shipyard delays, actions and approvals of third parties, possible cancellation or suspension of drilling contracts as a result of mechanical difficulties or performance, Transocean's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations and the outcome of negotiations with unions representing workers, operating hazards, factors affecting the duration of contracts including well-in-progress provisions, the actual amount of downtime, factors resulting in reduced applicable dayrates, hurricanes and other weather conditions, terrorism, political and other uncertainties inherent in non-U.S. operations (including the risk of war, civil disturbance, seizure or damage of equipment and exchange and currency fluctuations), the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors described above and discussed in Transocean's most recently filed Form 10-K, in Transocean's Forms 10-Q for subsequent periods and in Transocean's other filings with the SEC, which are available free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual

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results may vary materially from those indicated. You should not 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.

**Fleet Classifications.** Transocean uses classifications for its drillships and semisubmersibles as follows: "Ultra-Deepwater" are the latest generation of drillships and semisubmersible rigs and are capable of drilling in water depths equal to or greater than 7,500 feet; "Harsh Environment" are premium rigs equipped for year-round operations in harsh environments.

**Stacking.** An "Idle" rig is primarily between contracts, readily available for operations, and operating costs are typically at or near normal levels. A "Stacked" rig, on the other hand, is primarily manned by a reduced crew or unmanned and typically has reduced operating costs and is (i) preparing for an extended period of inactivity, (ii) expected to continue to be inactive for an extended period, or (iii) completing a period of extended inactivity. However, stacked rigs will continue to incur operating costs at or above normal operating costs for approximately 30 days following initiation of stacking.

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