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

POST-EFFECTIVE AMENDMENT NO. 1
ON
FORM S-8
TO
FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

TRANSOCEAN SEDCO FOREX INC.
(Exact Name of Registrant as Specified in Its Charter)

CAYMAN ISLANDS
(State or Other Jurisdiction of
Incorporation or Organization)

N/A
(I.R.S. Employer
Identification No.)

4 GREENWAY PLAZA
HOUSTON, TEXAS 77046
(Address of Principal Executive Offices and Zip Code)

- R&B FALCON CORPORATION 2000 EMPLOYEE LONG-TERM INCENTIVE PLAN
R&B FALCON CORPORATION 1999 EMPLOYEE LONG-TERM INCENTIVE PLAN
R&B FALCON CORPORATION 1999 DIRECTOR LONG-TERM INCENTIVE PLAN
R&B FALCON U.S. SAVINGS PLAN
R&B FALCON CORPORATION 1998 ACQUISITION OPTION PLAN
CLIFFS DRILLING COMPANY 1988 INCENTIVE EQUITY PLAN
CLIFFS DRILLING COMPANY 1998 INCENTIVE EQUITY PLAN
R&B FALCON CORPORATION 1998 EMPLOYEE LONG-TERM INCENTIVE PLAN
R&B FALCON CORPORATION 1998 DIRECTOR LONG-TERM INCENTIVE PLAN
FALCON DRILLING COMPANY, INC. STOCK OPTION PLANS
READING & BATES CORPORATION 1997 LONG-TERM INCENTIVE PLAN
READING & BATES CORPORATION 1995 LONG-TERM INCENTIVE PLAN
READING & BATES CORPORATION 1995 DIRECTOR STOCK OPTION PLAN

READING & BATES CORPORATION 1992 LONG-TERM INCENTIVE PLAN

READING & BATES CORPORATION 1990 STOCK OPTION PLAN

INDIVIDUAL STOCK OPTION AGREEMENTS

(Full Title of the Plans)

ERIC B. BROWN, ESQ.
VICE PRESIDENT, GENERAL COUNSEL
AND SECRETARY
TRANSOCEAN SEDCO FOREX INC.
4 GREENWAY PLAZA
HOUSTON, TEXAS 77046
(713) 232-7500

(Name, Address and Telephone Number, Including Area Code, of Agent for Service)

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This Post-Effective Amendment No. 1 on Form S-8 to Form S-4 Registration Statement (333-46374) is being filed pursuant to the provisions of Rule 401(e) under the Securities Act of 1933, as amended, and the procedures described herein and covers 8,659,804 Ordinary Shares of the Registrant, par value \$.01 per share, (379,387 shares under the R&B Falcon Corporation 2000 Employee Long-Term Incentive Plan, 2,729,056 shares under the R&B Falcon Corporation 1999 Employee Long-Term Incentive Plan, 119,917 shares under the R&B Falcon Corporation 1999 Director Long-Term Incentive Plan, 567,587 shares under the R&B Falcon U.S. Savings Plan, 429,000 shares under the R&B Falcon Corporation 1998 Acquisition Option Plan, 102,525 shares under the Cliffs Drilling Company 1988 Incentive Equity Plan, 151,300 shares under the Cliffs Drilling Company 1998 Incentive Equity Plan, 974,805 shares under the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan, 111,883 shares under the R&B Falcon Corporation 1998 Director Long-Term Incentive Plan, 286,355 shares under the stock option plans of Falcon Drilling Company, Inc., 1,446,010 shares under the Reading & Bates Corporation 1997 Long-Term Incentive Plan, 882,062 shares under the Reading & Bates Corporation 1995 Long-Term Incentive Plan, 75,300 shares under the Reading & Bates Corporation 1995 Director Stock Option Plan, 255,255 shares under the Reading & Bates Corporation 1992 Long-Term Incentive Plan, 85,195 shares under the Reading & Bates Corporation 1990 Stock Option Plan and 64,167 shares pursuant to individual stock option agreements). The registration fee in respect of such Ordinary Shares was paid at the time of the original filing of the Registration Statement on Form S-4 relating to such Ordinary Shares. See "INTRODUCTORY STATEMENT."

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INTRODUCTORY STATEMENT

Transocean Sedco Forex Inc. (the "Registrant" or the "Company") is filing this Post-Effective Amendment No. 1 on Form S-8 to Registration Statement on Form S-4 (Registration No. 333-46374 (the "Registration Statement")) relating to its Ordinary Shares, par value \$.01 per share (the "Ordinary Shares"), which may be offered and sold pursuant to the R&B Falcon Corporation 2000 Employee Long-Term Incentive Plan, R&B Falcon Corporation 1999 Employee Long-Term Incentive Plan, R&B Falcon Corporation 1999 Director Long-Term Incentive Plan, R&B Falcon U.S. Savings Plan, R&B Falcon Corporation 1998 Acquisition Option Plan, Cliffs Drilling Company 1988 Incentive Equity Plan, Cliffs Drilling Company 1998 Incentive Equity Plan, R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan, R&B Falcon Corporation 1998 Director Long-Term Incentive Plan, Falcon Drilling Company, Inc. 1997 Stock Option Plan, Falcon Drilling Company, Inc. 1995 Stock Option Plan, Falcon Drilling Company, Inc. 1994 Stock Option Plan, Falcon Drilling Company, Inc. 1992 Stock Option Plan, Reading & Bates Corporation 1997 Long-Term Incentive Plan, Reading & Bates Corporation 1995 Long-Term Incentive Plan, Reading & Bates Corporation 1995 Director Stock Option Plan, Reading & Bates Corporation 1992 Long-Term Incentive Plan, Reading & Bates Corporation 1990 Stock Option Plan and to individual stock option agreements (collectively, the "Plans").

On January 31, 2001, pursuant to an Agreement and Plan of Merger (the "Merger Agreement") dated as of August 19, 2000 by and among the Registrant, Transocean Holdings Inc., a Delaware corporation and direct, wholly owned subsidiary of the Registrant ("Sub"), TSF Delaware Inc., a Delaware corporation and direct, wholly-owned subsidiary of Sub ("Merger Sub"), and R&B Falcon Corporation, a Delaware corporation ("R&B Falcon"), among other things (a) Merger Sub was merged into R&B Falcon (the "Merger"), as a result of which R&B Falcon became a wholly owned subsidiary of Sub, (b) each outstanding share of Common Stock, par value \$0.01 per share, of R&B Falcon ("R&B Falcon Common Stock") was converted into the right to receive 0.5 Ordinary Shares, (c) the Registrant assumed R&B Falcon's obligations under the Plans, and Ordinary Shares became purchasable or otherwise issuable thereunder in lieu of R&B Falcon Common Stock and (d) warrants to purchase Ordinary Shares (the "Warrants") were deemed issued pursuant to the Registrant's assumption of warrants to purchase shares of R&B Falcon Common Stock. The Registration Statement covered (i) Ordinary Shares issuable in connection with the Merger, (ii) Ordinary Shares issuable pursuant to the Plans, (iii) Ordinary Shares issuable upon exercise of the Warrants and (iv) Warrants issuable in connection with the Merger.

This Post-Effective Amendment No. 1 on Form S-8 relates only to the Ordinary Shares issuable pursuant to the Plans and does not relate to (i) Ordinary Shares issuable in connection with the Merger, (ii) Ordinary Shares issuable upon exercise of the Warrants and (iii) Warrants issuable in connection with the Merger. Accordingly, the Registration Statement continues to cover the securities described in the foregoing clauses (i), (ii) and (iii).

There are also registered hereunder such additional indeterminate shares of the Registrant's Ordinary Shares as may be required as a result of stock splits, stock dividends, or similar transactions.

PART I
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Note: The document(s) containing the employee benefit plan information required by Item 1 of Form S-8 and the statement of availability of registrant information and any other information required by Item 2 of Form S-8 will be sent or given to participants as specified by Rule 428 under the Securities Act of 1933, as amended (the "Securities Act"). In accordance with Rule 428 and the requirements of Part I of Form S-8, such documents are not being filed with the Securities and Exchange Commission (the "Commission") either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 under the Securities Act. The registrant shall maintain a file of such documents in accordance with the provisions of Rule 428. Upon request, the registrant shall furnish to the Commission or its staff a copy or copies of all of the documents included in such file.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

This Registration Statement incorporates herein by reference the following documents which have been filed with the Commission by R&B Falcon (SEC File No. 1-13729) pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

1. R&B Falcon's Annual Report on Form 10-K for the fiscal year ended December 31, 1999;
2. R&B Falcon's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2000, June 30, 2000 and September 30, 2000; and
3. R&B Falcon's Current Reports on Form 8-K filed on August 22, 2000, October 26, 2000, October 27, 2000 and December 5, 2000.

This Registration Statement incorporates herein by reference the following documents which have been filed with the Commission by the Company (SEC File No. 333-75899) pursuant to the Securities Act and the Exchange Act:

1. The description of the Ordinary Shares under the caption "Description of Share Capital of Transocean Sedco Forex--Transocean Sedco Forex Ordinary Shares" appearing on pages 101 through 104 of the Joint Proxy Statement/Prospectus of the Company and R&B Falcon dated October 30, 2000, which description is included as part of the Registration Statement on Form S-4 (333-467374) of the Company;
2. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1999;
3. The Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2000, June 30, 2000 and September 30, 2000;
4. The Company's Current Reports on Form 8-K filed on January 12, 2000, March 10, 2000, April 4, 2000, May 24, 2000, August 21, 2000, September 22, 2000, October 26, 2000 and December 4, 2000; and
5. The information under the caption "Unaudited Pro Forma Financial Information," "Notes to Unaudited Pro Forma Condensed Combined Financial Statements" and "Supplemental Financial Information" appearing on pages 92 through 100 of the Joint Proxy Statement/Prospectus of the Company and R&B Falcon dated October 30, 2000, which is included as part of the Registration Statement on Form S-4 (333-46374) of the Company.

Each document filed with the Commission by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Registration Statement and prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered hereby have been sold, or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing such documents.

Any statement contained in this Registration Statement, in an amendment hereto or in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any subsequently filed amendment to this Registration Statement or in any document that also is incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

ITEM 4. DESCRIPTION OF SECURITIES.

Not Applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Not Applicable.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 34.1 of Transocean Sedco Forex's articles of association provides that:

No directors of Transocean Sedco Forex will be personally liable to Transocean Sedco Forex or, if any, its members for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to Transocean Sedco Forex or, if any, to its members, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law or (iii) for any transaction from which the director derived an improper personal benefit.

Transocean Sedco Forex will indemnify, to the fullest extent permitted by the laws of the Cayman Islands as from time to time in effect, if any, any person who was or is a party or is threatened to be made a party to, or otherwise requires representation by counsel in connection with, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether or not an action by or in the right of Transocean Sedco Forex) by reason of the fact that he is or was a director or officer of Transocean Sedco Forex, or, while serving as a director or officer of Transocean Sedco Forex, is or was serving at the request of Transocean Sedco Forex, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity. The right to indemnification conferred by Section 34.1 also includes the right of such persons to be paid in advance by Transocean Sedco Forex for their expenses to the fullest extent permitted by the laws of the Cayman Islands as from time to time in effect.

Unless otherwise determined by the Transocean Sedco Forex board of directors, Transocean Sedco Forex will indemnify to the fullest extent permitted by the laws of the Cayman Islands as from time to time in effect, if any, any person who was or is a party or is threatened to be made a party to, or otherwise requires representation by counsel in connection with, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (whether or not an action by or in the right of Transocean Sedco Forex), by reason of the fact that he is or was an employee (other than an officer) or agent of Transocean Sedco Forex, or is or was serving at the request of Transocean Sedco Forex as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity.

The rights and authority conferred by Section 34.1 are not exclusive of any other right that any person has or hereafter acquires under any law, provision of Transocean Sedco Forex's articles of association or memorandum of association, agreement, vote of members of Transocean Sedco Forex or of the board of directors of Transocean Sedco Forex or otherwise.

Transocean Sedco Forex also has directors and officers liability insurance that would indemnify its directors and officers against damages arising out of certain kinds of claims that might be made against them based on their negligent acts or omissions while acting in their capacity as such.

The Merger Agreement provides that, following the Merger, Transocean Sedco Forex will indemnify, defend and hold harmless, to the fullest extent permitted under applicable law, (1) each person who is, or has been at

any time prior to the effective time of the merger, an officer or director of R&B Falcon or any of its subsidiaries or divisions and (2) each person who served as a director, officer, trustee or fiduciary of another corporation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise at the request of R&B Falcon against all losses, claims, damages, liabilities, costs or expenses, including attorneys' fees, judgments, fines, penalties and amounts paid in settlement in connection with any claim, action, suit, proceeding or investigation that arises out of or pertains to actual or alleged acts or omissions by them in the capacities set forth in (1) and (2) above. Transocean Sedco Forex's duty to indemnify, defend and hold harmless applies whether or not such actions are commenced, asserted or claimed prior to the effective time of the Merger. In the event of such claim, action, suit, proceeding or investigation, Transocean Sedco Forex is required to pay the fees and expenses of counsel selected by the party to be indemnified, to the fullest extent permitted by applicable law in advance of the final disposition of any such action and cooperate in the defense of any such matter.

The Merger Agreement provides that the rights to indemnification will survive the Merger and continue in full force and effect. The Merger Agreement also provides that for a period of six years after the effective time of the Merger, Transocean Sedco Forex will maintain officers' and directors' liability insurance covering those individuals described in (1) and (2) of the preceding paragraph who were covered prior to the effective time of the Merger by officers' and directors' liability insurance policies maintained by R&B Falcon on terms substantially no less advantageous to those individuals than the existing R&B Falcon insurance, provided that Transocean Sedco Forex will not be required to pay annual premiums in excess of \$482,100, in which case Transocean Sedco Forex will purchase as much coverage as is reasonably practicable for that amount.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not Applicable.

ITEM 8. EXHIBITS.

The following documents are filed as a part of this Registration Statement or incorporated by reference herein:

Exhibit No.	Description
4.1*	-- Memorandum of Association of the Company, as amended (Filed as Annex E to the Joint Proxy Statement/Prospectus contained in the Registration Statement on Form S-4 of the Company (SEC Registration No. 333-46374) filed on October 30, 2000).
4.2*	-- Articles of Association of the Company, as amended (Filed as Annex F to the Joint Proxy Statement/Prospectus contained in the Registration Statement on Form S-4 of the Company (SEC Registration No. 333-46374) filed on October 30, 2000).
4.3*	-- Agreement and Plan of Merger dated as of August 19, 2000 among the Company, Transocean Holdings Inc., TSF Delaware Inc. and R&B Falcon Corporation (Filed as Annex A to the Joint Proxy Statement/Prospectus contained in the Registration Statement on Form S-4 of the Company (SEC Registration No. 333-46374) filed on October 30, 2000).
4.4*	-- R&B Falcon Corporation 2000 Employee Long-Term Incentive Plan (Filed as Exhibit 99.A to R&B Falcon's Definitive Proxy Statement filed April 24, 2000).
4.5*	-- R&B Falcon Corporation 1999 Employee Long-Term Incentive Plan (Filed as Exhibit 99.A to R&B Falcon's Proxy Statement dated April 13, 1999).
4.6*	-- R&B Falcon Corporation 1999 Director Long-Term Incentive Plan (Filed as Exhibit 99.B to R&B Falcon's Proxy Statement dated April 13, 1999).

- 4.7* -- R&B Falcon U.S. Savings Plan (Filed as Exhibit 4.4 to the Form S-8 Registration Statement of R&B Falcon (SEC Registration No. 333-88839) filed on October 12, 1999).
- 4.8 -- R&B Falcon Corporation 1998 Acquisition Option Plan.
- 4.9* -- Cliffs Drilling Company 1988 Incentive Equity Plan (Filed as Exhibit 4.2 to the Registration Statement on Form S-8 of R&B Falcon (SEC Registration No. 333-68101) filed on November 30, 1998).
- 4.10* -- Amendment No. 1 dated May 17, 1990 to the Cliffs Drilling Company 1988 Incentive Equity Plan (Filed as Exhibit 10.7.1 to the Cliffs Drilling Company Annual Report on Form 10-K for 1993).
- 4.11* -- Amendment No. 2 dated May 20, 1993 to the Cliffs Drilling Company 1988 Incentive Equity Plan (Filed as Exhibit 10.7.2 to the Cliffs Drilling Company Annual Report on Form 10-K for 1993).
- 4.12* -- Amendment No. 3 dated May 22, 1996 to the Cliffs Drilling Company 1988 Incentive Equity Plan (Filed as Exhibit 10.7.3 to the Cliffs Drilling Company Annual Report on Form 10-K for 1996).
- 4.13* -- Cliffs Drilling Company 1998 Incentive Equity Plan (Filed as Exhibit 4.3 to the Form S-8 Registration Statement of R&B Falcon (SEC Registration No. 333-68101) filed on November 30, 1998).
- 4.14* -- R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan (Filed as Exhibit 99.A to R&B Falcon Corporation's Proxy Statement dated April 23, 1998).
- 4.15* -- R&B Falcon Corporation 1998 Director Long-Term Incentive Plan (Filed as Exhibit 99.B to R&B Falcon Corporation's Proxy Statement dated April 23, 1998).
- 4.16* -- Falcon Drilling Company, Inc. 1997 Stock Option Plan (Filed as Exhibit 99.1 to the Registration Statement on Form S-8 of Falcon Drilling Company, Inc. filed on July 23, 1997).
- 4.17* -- Falcon Drilling Company, Inc. 1995 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company's Annual Report on Form 10-K for the year ended December 31, 1994).
- 4.18* -- Falcon Drilling Company, Inc. 1994 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1994).
- 4.19* -- Falcon Drilling Company, Inc. 1992 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company, Inc.'s Registration Statement on Form S-4 (SEC Registration No. 33-78369) filed on April 29, 1994).
- 4.20* -- Reading & Bates Corporation 1997 Long-Term Incentive Plan (Filed as Exhibit 99.A to Reading & Bates Corporation's Proxy Statement dated March 18, 1997).
- 4.21* -- Reading & Bates Corporation 1995 Long-Term Incentive Plan (Filed as Exhibit 99.A to Reading & Bates Corporation's Proxy Statement dated March 29, 1995).
- 4.22* -- Reading & Bates Corporation 1995 Director Stock Option Plan (Filed as Exhibit 99.B to R&B Falcon Corporation's Proxy Statement dated March 29, 1995).
- 4.23* -- Reading & Bates Corporation 1992 Long-Term Incentive Plan (Filed as Exhibit B to Reading & Bates Corporation's Proxy Statement dated April 27, 1992).
- 4.24* -- Reading & Bates Corporation 1990 Stock Option Plan (Filed as Appendix A to Reading & Bates Corporation's Proxy Statement dated April 26, 1993).

- 4.25 -- Stock Option Agreement between R&B Falcon Corporation and Terry Black Bonno, dated as of February 16, 1999.
- 4.26 -- Stock Option Agreement between R&B Falcon Corporation and Richard D. Bullock, dated as of February 16, 1999.
- 4.27 -- Stock Option Agreement between R&B Falcon Corporation and J. Galan Williams, dated as of February 16, 1999.
- 4.28 -- Stock Option Agreement between R&B Falcon Corporation and Robert T. Wood, dated as of February 16, 1999.
- 5.1 -- Opinion of Walkers, Cayman Islands.
- 15.1 -- Letter Regarding Unaudited Interim Financial Information.
- 23.1 -- Consent of Ernst & Young LLP.
- 23.2 -- Consent of PricewaterhouseCoopers LLP.
- 23.3 -- Consent of Arthur Andersen LLP.
- 23.4 -- Consent of Walkers, Cayman Islands (included in Exhibit 5.1).
- 24.1+ -- Powers of Attorney.

* Incorporated herein by reference as indicated.

+ Previously filed as part of the Registrant's Registration Statement on Form S-4 filed with the Commission on October 30, 2000.

ITEM 9. UNDERTAKINGS.

(1) The undersigned Registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a) (3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

(b) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(d) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(e) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this Registration Statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(f) That every prospectus (i) that is filed pursuant to paragraph (e) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a) (3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as part of an amendment to the Registration Statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(g) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10 (b), 11, or 13 of Form S-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(h) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the Registration Statement when it became effective.

(2) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on January 31, 2001.

TRANSOCEAN SEDCO FOREX INC.

By /s/ ROBERT L. LONG

 Robert L. Long
 Executive Vice President and
 Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated and on January 31, 2001.

SIGNATURE -----	TITLE -----
* ----- Victor E. Grijalva	Chairman of the Board of Directors
/s/ J. MICHAEL TALBERT ----- J. Michael Talbert	President, Chief Executive Officer and Director (Principal Executive Officer)
/s/ ROBERT L. LONG ----- Robert L. Long	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ RICARDO ROSA ----- Ricardo Rosa	Vice President and Controller (Principal Accounting Officer)
* ----- Charles A. Donabedian	Director
* ----- Richard D. Kinder	Director
* ----- Ronald L. Kuehn, Jr.	Director
* ----- Arthur Lindenauer	Director
* ----- Paul B. Loyd, Jr.	Director
* ----- Martin B. McNamara	Director
* ----- Roberto Monti	Director
* ----- Richard A. Pattarozzi	Director
* -----	Director

*

Director

Kristian Siem

*

Director

Ian C. Strachan

*By /s/ WILLIAM E. TURCOTTE

William E. Turcotte
(Attorney-in-Fact)

EXHIBIT INDEX

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- 4.16* -- Falcon Drilling Company, Inc. 1997 Stock Option Plan (Filed as Exhibit 99.1 to the Registration Statement on Form S-8 of Falcon Drilling Company, Inc. filed on July 23, 1997).
- 4.17* -- Falcon Drilling Company, Inc. 1995 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company's Annual Report on Form 10-K for the year ended December 31, 1994).
- 4.18* -- Falcon Drilling Company, Inc. 1994 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1994).
- 4.19* -- Falcon Drilling Company, Inc. 1992 Stock Option Plan (Filed as an exhibit to Falcon Drilling Company, Inc.'s Registration Statement on Form S-4 (SEC Registration No. 33-78369) filed on April 29, 1994).
- 4.20* -- Reading & Bates Corporation 1997 Long-Term Incentive Plan (Filed as Exhibit 99.A to Reading & Bates Corporation's Proxy Statement dated March 18, 1997).
- 4.21* -- Reading & Bates Corporation 1995 Long-Term Incentive Plan (Filed as Exhibit 99.A to Reading & Bates Corporation's Proxy Statement dated March 29, 1995).
- 4.22* -- Reading & Bates Corporation 1995 Director Stock Option Plan (Filed as Exhibit 99.B to R&B Falcon Corporation's Proxy Statement dated March 29, 1995).
- 4.23* -- Reading & Bates Corporation 1992 Long-Term Incentive Plan (Filed as Exhibit B to Reading & Bates Corporation's Proxy Statement dated April 27, 1992).
- 4.24* -- Reading & Bates Corporation 1990 Stock Option Plan (Filed as Appendix A to Reading & Bates Corporation's Proxy Statement dated April 26, 1993).
- 4.25 -- Stock Option Agreement between R&B Falcon Corporation and Terry Black Bonno, dated as of February 16, 1999.
- 4.26 -- Stock Option Agreement between R&B Falcon Corporation and Richard D. Bullock, dated as of February 16, 1999.
- 4.27 -- Stock Option Agreement between R&B Falcon Corporation and J. Galan Williams, dated as of February 16, 1999.
- 4.28 -- Stock Option Agreement between R&B Falcon Corporation and Robert T. Wood, dated as of February 16, 1999.
- 5.1 -- Opinion of Walkers, Cayman Islands.
- 15.1 -- Letter Regarding Unaudited Interim Financial Information.
- 23.1 -- Consent of Ernst & Young LLP.
- 23.2 -- Consent of PricewaterhouseCoopers LLP.
- 23.3 -- Consent of Arthur Andersen LLP.
- 23.4 -- Consent of Walkers, Cayman Islands (included in Exhibit 5.1).
- 24.1+ -- Powers of Attorney.

* Incorporated herein by reference as indicated.

+ Previously filed as part of the Registrant's Registration Statement on Form S-4 filed with the Commission on October 30, 2000.

R&B FALCON CORPORATION
1998 ACQUISITION OPTION PLAN

1. Purpose. Reference is made to the Agreement and Plan of Merger dated as of August 21, 1998 (the "Merger Agreement"), among R&B Falcon Corporation (the "Company"), RBF Cliffs Acquisition Corp. and Cliffs Drilling Company ("Cliffs"). Pursuant to the Merger Agreement, the Company agreed to grant to certain Cliffs employees options to acquire R&B Falcon Common Stock. The Merger Agreement provided such options would be granted pursuant to the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan. The Company has determined that it would be desirable to grant such options under a separate plan having terms that are in all material respects the same as the R&B Falcon 1998 Corporation Employee Long-Term Incentive Plan. Cliffs Drilling Company has agreed that such options may be granted under a separate plan. This R&B Falcon Corporation 1998 Acquisition Option Plan (the "Plan") is established and adopted for the purpose of fulfilling the Company's obligations to grant stock options to Cliffs employees pursuant to the Merger Agreement.

2. Definitions. As used herein, the terms set forth below shall have the following respective meanings:

"Award" means the grant of a non-qualified stock option pursuant hereto.

"Award Agreement" means a written agreement between the Company and a Participant that sets forth the terms, conditions and limitations applicable to an Award.

"Board" means the Board of Directors of the Company.

"Common Stock" means the Common Stock, par value \$0.01 per share, of the Company.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means such committee of the Board as is designated by the Board to administer the Plan. The Committee shall be constituted to permit the Plan to comply with Rule 16b-3 and shall initially consist of not less than two members of the Board who are "disinterested persons" within the meaning of such Rule.

"Director" means an individual serving as a member of the Board.

"Effective Time" has the meaning given to it in the Merger Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Fair Market Value" means, as of a particular date, (i) if the shares of Common Stock are listed on the New York Stock Exchange, the mean between the highest and lowest sales price per share of Common Stock on such national securities exchange on such date, or if there shall have been no such sale so reported on that date, on the last preceding date on which such sale was so reported, (ii) if the shares of Common Stock are not so listed but are quoted in the NASDAQ National Market System, the mean between the highest and lowest sales price per share of Common Stock on the NASDAQ National Market System on that date, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was so reported or (iii) if the Common Stock is not so listed or quoted, the mean between the closing bid and asked price on that date, or, if there are no quotations available for such date, on the last

preceding date on which such quotations shall be available, as reported by NASDAQ, or, if not reported by NASDAQ, by the National Quotation Bureau, Inc.

"Participant" means an employee of the Company or any of its Subsidiaries to whom an Award has been made under this Plan.

"Rule 16b-3" means Rule 16b-3 promulgated under the Exchange Act, or any successor rule.

"Subsidiary" means any corporation of which the Company directly or indirectly owns shares representing more than 50% of the voting power of all classes or series of capital stock of such corporation which have the right to vote generally on matters submitted to a vote of the stockholders of such corporation.

3. Eligibility. Persons identified in Schedule 5.10 of the Merger Agreement shall be eligible for an Award under this Plan.

4. Common Stock Available for Awards. There shall be available for Awards granted wholly or partly in Common Stock (including rights or options which may be exercised for or settled in Common Stock) during the term of this Plan an aggregate of 1,000,000 shares of Common Stock. The Board of Directors and the appropriate officers of the Company shall from time to time take whatever actions are necessary to file required documents with governmental authorities and stock exchanges and transaction reporting systems to make shares of Common Stock available for issuance pursuant to Awards.

5. Administration. This Plan shall be administered by the Committee, which shall have full and exclusive power to interpret this Plan, to grant waivers of the restrictions set forth in this Plan and to adopt such rule, regulations and guidelines for carrying out this Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of this Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any Award in the manner and to the extent the Committee deems necessary or desirable to carry it into effect. Any decision of the Committee in the interpretation and administration of this Plan shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Committee or officer of the Company to whom it has delegated authority in accordance with the provisions of Paragraph 6 of this Plan shall be liable for anything done or omitted to be done by him or her, by any member of the Committee or by any officer of the Company in connection with the performance of any duties under this Plan, except for his or her own willful misconduct or as expressly provided by statute.

6. Delegation of Authority. The Committee may delegate to the Chief Executive Officer and to other senior officers of the Company its duties under this Plan pursuant to such conditions or limitations as the Committee may establish, except that the Committee may not delegate to any person the authority to grant Awards to, or make other action with respect to, Participants who are subject to Section 16 of the Exchange Act.

7. Awards.

(a) Awards hereunder shall consist of a right to purchase shares of Common Stock at a price equal to the closing sales price of the Common Stock, as reported on the New York Stock Exchange, on the date on which the Effective Time occurs. Such options shall be granted to each person identified in Schedule 5.10 to the Merger Agreement in the amount set forth beside each such person's name in said Schedule 5.10; provided, however, if any such person is no longer employed by Cliffs Drilling Company or an affiliate thereof at the Effective Time, no options shall be granted to such person. The options shall have a term of

ten years from the Effective Time and shall vest as to 50% of such options on the first anniversary of the Effective Time, as to an additional 25% on the second anniversary of the Effective Time, and as to the remaining 25% on the third anniversary of the Effective Time. Each Award made hereunder shall be embodied in an Award Agreement which shall be signed by the Participant and by the Chief Executive Officer or any Vice President of the Company for and on behalf of the Company. Except as specified above, Award Agreements shall be in form and substance consistent with those used in employee stock option grants by R&B Falcon Corporation prior to the Effective Time.

(b) Notwithstanding anything to the contrary in the Plan or any Award Agreement, any shares of Common Stock received by a Participant who is an officer or director of the Company pursuant to an Award hereunder (other than shares of Common Stock received in connection with the Participant's death, disability, retirement or termination of employment or as required to be made pursuant to a provision of the Code) must be held by such officer or director for a period of six months following such acquisition [such condition may be satisfied with respect to a derivative security (as defined in Rule 16b-3) if at least six months elapse from the date of acquisition of the derivative security to the date of disposition of the derivative security (other than upon exercise or conversion) or its underlying security].

8. Stock Option Exercise. The price at which shares of Common Stock may be purchased under a stock option shall be paid in full at the time of exercise in cash or, if permitted by the Committee, by means of tendering Common Stock or surrendering another award, including restricted stock, valued at Fair Market Value on the date of exercise, or any combination thereof. The Committee shall determine acceptable methods for tendering Common Stock or other Awards to exercise a stock option as it deems appropriate. The Committee may provide for loans from the Company to permit the exercise or purchase of Awards and may provide for procedures to permit the exercise or purchase of Awards by use of the proceeds to be received from the sale of Common Stock issuable pursuant to an Award. Unless otherwise provided in the applicable Award Agreement, in the event shares of restricted stock are tendered as consideration for the exercise of a stock option, a number of the shares issued upon the exercise of the stock option, equal to the number of shares of restricted stock used as consideration therefor, shall be subject to the same restrictions as the restricted stock so submitted as well as any additional restrictions that may be imposed by the Committee.

9. Tax Withholding. The Company shall have the right to deduct applicable taxes from any Award payment and withhold, at the time of delivery or vesting of shares of Common Stock under this Plan, an appropriate number of shares of Common Stock for payment of taxes required by law or to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for withholding of such taxes. The Committee may also permit withholding to be satisfied by the transfer to the Company of shares of Common Stock theretofore owned by the holder of the Award with respect to which withholding is required. If shares of Common Stock are used to satisfy tax withholding, such shares shall be valued based on the Fair Market Value when the tax withholding is required to be made.

10. Amendment, Modification, Suspension or Termination. The Board may attend, modify, suspend or terminate this Plan for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law except that (i) no amendment or alteration that would impair the rights of any Participant under any Award granted to such Participant shall be made without such Participant's consent and (ii) no amendment or alteration shall be effective prior to approval by the Company's stockholders to the extent such approval is then required pursuant to Rule 16b-3 in order to preserve the applicability of any exemption provided by such rule to any Award then outstanding (unless the holder of such Award consents) or the extent stockholder approval is otherwise required by applicable legal requirements.

11. Termination of Employment. Upon the termination of employment by a Participant, any unexercised, deferred or unpaid Awards shall be treated as provided in the specific Award Agreement evidencing the Award. In the event of such a termination, the Committee may, in its discretion, provide for the extension of the exercisability of an Award, accelerate the vesting of an Award, eliminate or make less restrictive any restrictions contained in an Award or otherwise amend or modify the Award in any manner not adverse to such Participant.

12. Assignability. No Award or any other benefit under this Plan constituting a stock option or other derivative security within the meaning of Rule 16b-3 shall be assignable or otherwise transferable except by will or the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act, or the rules thereunder. However, an officer or director may designate a beneficiary for any Award made to such officer or director.

13. Adjustments.

(a) The existence of outstanding Awards shall not affect in any manner the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the capital stock of the Company or its business or any merger or consolidation of the Company, or any issue of bonds, debentures, or preferred stock (whether or not such issue is prior to, on a parity with or junior to the Common Stock) or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding of any kind, whether or not of a character similar to that of the acts or proceedings enumerated above.

(b) In the event of any subdivision or consolidation of outstanding shares of Common Stock or declaration of a dividend payable in shares of Common Stock or capital reorganization or reclassification or other transaction involving an increase or reduction in the number of outstanding shares of Common Stock, the Committee may adjust proportionally (i) the number of shares of Common Stock reserved under this Plan and covered by outstanding Awards denominated in Common Stock or units of Common Stock; (ii) the exercise or other price in respect of such Awards; and (iii) the appropriate Fair Market Value and other price determinations of such Awards. In the event of any consolidation or merger of the Company with another corporation or entity or the adoption by the Company of a plan of exchange affecting the Common Stock or any distribution to holders of Common Stock of securities or property (other than normal cash dividends or dividends payable in Common Stock), the Committee shall make such adjustments or other provisions as it may deem equitable, including adjustments to avoid fractional shares, to give proper effect to such event. In the event of a corporate merger, consolidation, acquisition of property or stock, separation, reorganization or liquidation, the Committee shall be authorized to issue or assume stock options, regardless of whether in a transaction to which Section 425(a) of the Code applies, by means of substitution of new options for previously issued options or an assumption of previously issued options, or to make provision for the acceleration of the exercisability of, or lapse of restrictions with respect to, Awards and the termination of unexercised options in connection with such transaction.

14. Restrictions. No Common Stock or other form of payment shall be issued with respect to any Award unless the Company shall be satisfied based on the advice of its counsel that such issuance will be in compliance with applicable federal and state securities laws. It is the intent of the Company that this Plan comply in all respects with Rule 16b-3, that any ambiguities or inconsistencies in the construction of this Plan be interpreted to give effect to such intention, and that if any provision of this Plan is found not to be in compliance with Rule 16b-3, such provision shall be null and void to the extent required to permit this Plan to comply with Rule 16b-3, Certificates evidencing shares of Common Stock delivered under this Plan may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange or transaction reporting system upon which the Common stock is then listed and any applicable

federal and state securities law. The Committee may cause a legend or legends to be placed upon any such certificates to make appropriate reference to such restrictions.

15. Unfunded Plan. Insofar as it provides for Awards of cash, Common Stock or rights thereto, this Plan shall be unfunded. Although bookkeeping accounts may be established with respect to Participants who are entitled to cash, Common Stock or rights thereto under this Plan, any such accounts shall be used merely as a bookkeeping convenience. The Company shall not be required to segregate any assets that may at any time be represented by cash, Common Stock or rights thereto, nor shall this Plan be construed as providing for such segregation, nor shall the Company nor the Board nor the Committee be deemed to be a trustee of any cash, Common Stock or rights thereto under this Plan. Any liability or obligation of the Company to any Participant with respect to a grant of cash, Common Stock or rights thereto under this Plan shall be based solely upon any contractual obligations that may be created by this Plan and any Award Agreement, and no such liability or obligation of the Company shall be deemed to be secured by any pledge or other encumbrance on any property of the Company. Neither the Company nor the Board nor the Committee shall be required to give any security or bond for the performance of any obligation that may be created by this Plan.

16. Governing Law. This Plan and all determinations made and actions taken pursuant hereto, to the extent not otherwise governed by mandatory provisions of the Code or the securities laws of the United States, shall be governed by and construed in accordance with the laws of the State of Delaware.

17. Effective Date of Plan. This Plan shall be effective as of December 1, 1998.

[R&B FALCON LETTERHEAD]

April 23, 1999

Ms. Terry Black Bonno
Cliffs Drilling Company
1200 Smith Street, Suite 300
Houston, Texas 77002

Dear Ms. Bonno,

Reference is made to the Employment Agreement dated as of February 16, 1999, between Cliffs Drilling Company ("Cliffs") and you. Pursuant to the Employment Agreement, Cliffs agreed to grant you options to purchase shares of common stock of R&B Falcon Corporation ("Parent") under the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan (the "Plan"). There are insufficient authorized shares remaining out of the Plan to grant you this option. Parent proposes to grant you options outside of the Plan, but which incorporate the terms of the Plan. Please execute and return a copy of this letter to evidence your agreement that the provisions of Section 2.2 of the Employment Agreement are satisfied by granting you options that incorporate the terms of the Plan, notwithstanding that these shares are not formally being granted under the Plan.

Sincerely,

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss

CLIFFS DRILLING COMPANY

By: /s/ DOUGLAS E. SWANSON

Douglas E. Swanson

ACCEPTED AND AGREED:

By: /s/ TERRY BLACK BONNO

Terry Black Bonno

R&B FALCON CORPORATION
STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made between R&B Falcon Corporation, a Delaware corporation ("Company"), and Terry Black Bonno ("Optionee") as of February 16, 1999 (the "Effective Date").

WITNESSETH:

WHEREAS, the Optionee has agreed to accept employment with Cliffs Drilling Company ("Cliffs"), a subsidiary of the Company, pursuant to an Employment Agreement dated February 16, 1999 between Cliffs and Optionee (the "Employment Agreement");

WHEREAS, in order to induce Optionee to accept such employment, Company agreed to grant Optionee options to acquire shares of common stock of the Parent;

NOW THEREFORE, for and in consideration of these premises, it is hereby agreed as follows:

1. As used herein, the terms set forth below shall have the following respective meanings:

"Cause" has the meaning given to it in the Employment Agreement.

"Change of Control" means a Change of Control as defined in Section 18 of this Agreement.

"Disability" means Disability as defined in the Company's Personnel Policies and Procedures, in effect from time to time.

"Plan" means the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan.

2. The Option awarded hereunder is not granted pursuant to the Plan; however, the Option is hereby made subject to all of the terms, conditions and provisions of the Plan and administrative interpretations thereunder, if any which have been adopted by the Committee and are in effect on the date hereof. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Plan.

3. On the terms and subject to the conditions contained herein, the Company hereby grants to the Optionee an option (the "Option") for a term of ten years ending on February 16, 2009 ("Option Period") to purchase from the Company 15,000 shares ("Option Shares") of the Company's Common Stock, at a price equal to \$6.15625 per share.

4. This Option shall be exercisable as follows:

(a) After one year following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 33-1/3% of the aggregate number of shares subject to this Option;

(b) After two years following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 66-2/3% of the aggregate number of shares subject to this Option; and

(c) After three years following the Effective Date, this Option shall be exercisable for any number of shares of Common Stock up to and including, but not in excess of, 100% of the aggregate number of shares subject to this Option;

provided the number of shares as to which this Option becomes exercisable shall, in each case, be reduced by the number of shares theretofore purchased pursuant to the terms hereof. Notwithstanding the foregoing, this Option shall not be exercisable unless and until the Optionee has been continuously employed by the Company and/or its Affiliates for a period of one year.

5. The Option may be exercised by the Optionee, in whole or in part, by giving written notice to the Compensation and Benefits Department of the Company setting forth the number of Option Shares with respect to which the option is to be exercised, accompanied by payment for the shares to be purchased and any appropriate withholding taxes, and specifying the address to which the certificate for such shares is to be mailed (or the extent permitted by the Company, the written instructions referred to in the last sentence of this section). Payment shall be by means of cash, certified check, bank draft or postal money order payable to the order of the Company. As promptly as practicable after receipt of such written notification and payment, the Company shall deliver, or cause to be delivered, to the Optionee certificates for the number of Option Shares with respect to which the Option has been so exercised (or to the extent permitted by the Company from time to time, to have such number of Option Shares electronically transferred to Optionee's account at Optionee's broker in accordance with Optionee's written instructions).

6. Subject to approval of the Committee, which shall not be unreasonably withheld, the Optionee may pay for any Option Shares with respect to which the Option is exercised by tendering to the Company other shares of Common Stock at the time of the exercise or partial exercise hereof. The certificates representing such other shares of Common Stock must be accompanied by a stock power duly executed with signature guaranteed in accordance with market practice. The value of the Common Stock so tendered shall be its Fair Market Value.

7.

(a) Upon the termination of the Optionee's employment due to death or Disability, if Employee has at the date of such termination been continuously employed by the Company and/or its Affiliates for a period of one year, the restrictions on exercise set out in Section 4 above shall terminate and the Optionee's right to exercise this Option thereafter shall no longer be subject to such restrictions on exercise.

(b) Upon termination of Employee's employment by Cliffs without Cause, the restrictions set forth in section 4 shall terminate, and the Option shall be exercisable in full.

(c) Upon termination of the Optionee's employment with the Company and all Affiliates, other than for one of the reasons expressly set out in paragraphs (a) and (b) preceding, then the Option granted herein shall not become exercisable as to any shares for which it was not exercisable as of the date of such termination of employment.

8. The Option shall not be transferable by the Optionee otherwise than as expressly permitted by the Plan. During the lifetime of the Optionee, the Option shall be exercisable only by her or him. No transfer of the Option shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such

evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

9. The Optionee shall have no rights as a stockholder with respect to any Option Shares until the date of issuance of a certificate for Option Shares purchased pursuant to this Agreement (or to the extent permitted by the Company, from time to time, the number of such Option Shares has been electronically transferred to Optionee's account at Optionee's broker). Until such time, the Optionee shall not be entitled to dividends or to vote at meetings of the stockholders of the Company.

10. The Company may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with the option herein granted. The Optionee may pay all or any portion of the taxes required to be withheld by the Company or paid by the Optionee in connection with the exercise of all or any portion of the option herein granted by electing to have the Company withhold shares of Common Stock, or by delivering previously owned shares of Common Stock, having a Fair Market Value equal to the amount required to be withheld or paid. The Optionee must make the foregoing election or before the date that the amount of tax to be withheld is determined ("Tax Date"). Any such election is irrevocable and subject to disapproval by the Committee. If the Optionee is subject to the short-swing profits recapture provisions of Section 16(b) of the Exchange Act, any such election shall be subject to the following additional restrictions;

(a) Such election may not be made within six months of the grant of this option, provided that this limitation shall not apply in the event of death or Disability.

(b) Such election must be made either in an Election Window (as hereinafter defined) or at such other time as may be consistent with Section 16(b) of the Exchange Act and the rules promulgated thereunder. Where the Tax Date in respect of the exercise of all or any portion of this Option is deferred until after such exercise and the Optionee elects stock withholding, the full amount of shares of Common Stock will be issued or transferred to the Optionee upon exercise of this Option, but the Optionee shall be unconditionally obligated to tender back to the Company on the Tax Date the number of shares necessary to discharge with respect to such Option exercise the greater of (i) the Company's withholding obligation and (ii) all or any portion of the holder's federal and state tax obligation attributable to the Option exercise. An Election Window is any period commencing on the third business day following the Company's release of a quarterly or annual summary statement of sales and earnings and ending on the twelfth business day following such release.

11. Upon the acquisition of any shares pursuant to the exercise of the Option, the Optionee will enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

12. The certificates representing the Option Shares purchased by exercise of an option will be stamped or otherwise imprinted with a legend in such form as the Company or its counsel may require with respect to any applicable restrictions on sale or transfer, and the stock transfer records of the Company will reflect stop-transfer instructions, as appropriate, with respect to such shares.

13. Unless otherwise provided herein, every notice hereunder shall be in writing and shall be delivered by hand or by registered or certified mail. All notices of the exercise by the Optionee of any option hereunder shall be directed to R&B Falcon Corporation,

Attention: Benefits and Compensation Department, at the Company's principal office address from time to time. Any notice given by the Company to the Optionee directed to him or her at his or her address on file with the Company shall be effective to bind any other person who shall acquire rights hereunder. The Company shall be under no obligation whatsoever to advise the Optionee of the existence, maturity or termination of any of the Optionee's rights hereunder and the Optionee shall be deemed to have familiarized himself with all matters contained herein and in the Plan which may effect any of the Optionee's rights or privileges hereunder.

14. Whenever the term "Optionee" is used herein under circumstances applicable to any other person or persons to whom this award, in accordance with the provisions of Paragraph 8, may be transferred, the word "Optionee" shall be deemed to include such person or persons. References to the masculine gender herein also include the feminine gender for all purposes.

15. Notwithstanding any of the other provisions hereof, the Optionee agrees that he or she will not exercise the Option, and that the Company will not be obligated to issue any shares pursuant to this Agreement, if the exercise of the Option or the issuance of such shares of Common Stock would constitute a violation by the Optionee or by the Company of any provision of any law or regulation of any governmental authority or any national securities exchange.

16. Although the Options are not granted pursuant to the Plan, the terms and provisions of the Plan (including any subsequent amendments thereto) are incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. All definitions of words and terms contained in the Plan shall be applicable to this Agreement.

17. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the Option Shares hereunder, and the price per share set out in Section 3 hereof shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee immediately prior to any such merger or other business combination.

18. For the purpose of this Agreement, a "Change of Control" shall mean: (a) any "Person", as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than (i) the Optionee, (ii) the Company or any of its subsidiaries or Affiliates (as that term is defined in the Exchange Act), (iii) any Person subject, as of the date of this Agreement or at any prior time, to the reporting or filing requirements of Section 13(d) of the Exchange Act with respect to the securities of the Company or any Affiliate, (iv) any trustee or other fiduciary holding or owning securities under an employee benefit plan of the Company, (v) any underwriter temporarily holding or owning securities of the Company, or (vi) any corporation owned directly or indirectly by the current stockholders of the Company in substantially the same proportion as their then ownership of stock of the Company) becomes, after the date of this Agreement, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities; or (b) at any time a majority of the members of the board of directors of the Company is comprised of other than Continuing Directors (and for this purpose "Continuing Directors" shall mean members of the board of directors of the Company who were directors as of the date of this Agreement, or who were nominated by a majority of the

members of the board of directors of the Company and such majority was comprised only of Continuing Directors at the time of such nomination).

19. Adjustments. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the number of Option Shares held by the Participant hereunder, and the exercise price per share set out in Section 3 above shall be likewise adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Participant prior to any such merger or other business combination. In the event of a split-off, spin-off or creating of a different class of common stock of the Company (including, without limitation, a tracking stock), the Participant shall receive an option to purchase an equivalent number of the shares of common stock or voting interests of such separate entity being split-off or spun-off or of the shares of the new class of common stock of the Company, and the exercise prices set out in Section 3 hereof and applicable to the options to purchase shares or the voting interests of the new entity being split-off or spun-off shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee prior to any such split-off, spin-off or creation of a new class of common stock of the Company.

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss, Vice President

OPTIONEE

/s/ TERRY BLACK BONNO

Terry Black Bonno

[R&B FALCON LETTERHEAD]

April 23, 1999

Mr. Richard D. Bullock
Cliffs Drilling Company
1200 Smith Street, Suite 300
Houston, Texas 77002

Dear Mr. Bullock,

Reference is made to the Employment Agreement dated as of February 16, 1999, between Cliffs Drilling Company ("Cliffs") and you. Pursuant to the Employment Agreement, Cliffs agreed to grant you options to purchase shares of common stock of R&B Falcon Corporation ("Parent") under the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan (the "Plan"). There are insufficient authorized shares remaining out of the Plan to grant you this option. Parent proposes to grant you options outside of the Plan, but which incorporate the terms of the Plan. Please execute and return a copy of this letter to evidence your agreement that the provisions of Section 2.2 of the Employment Agreement are satisfied by granting you options that incorporate the terms of the Plan, notwithstanding that these shares are not formally being granted under the Plan.

Sincerely,

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss

CLIFFS DRILLING COMPANY

By: /s/ DOUGLAS E. SWANSON

Douglas E. Swanson

ACCEPTED AND AGREED:

/s/ RICHARD D. BULLOCK

Richard D. Bullock

R&B FALCON CORPORATION
STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made between R&B Falcon Corporation, a Delaware corporation ("Company"), and Richard D. Bullock ("Optionee") as of February 16, 1999 (the "Effective Date").

WITNESSETH:

WHEREAS, the Optionee has agreed to accept employment with Cliffs Drilling Company ("Cliffs"), a subsidiary of the Company, pursuant to an Employment Agreement dated February 16, 1999 between Cliffs and Optionee (the "Employment Agreement");

WHEREAS, in order to induce Optionee to accept such employment, Company agreed to grant Optionee options to acquire shares of common stock of the Parent;

NOW THEREFORE, for and in consideration of these premises, it is hereby agreed as follows:

1. As used herein, the terms set forth below shall have the following respective meanings:

"Cause" has the meaning given to it in the Employment Agreement.

"Change of Control" means a Change of Control as defined in Section 18 of this Agreement.

"Disability" means Disability as defined in the Company's Personnel Policies and Procedures, in effect from time to time.

"Plan" means the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan.

2. The Option awarded hereunder is not granted pursuant to the Plan; however, the Option is hereby made subject to all of the terms, conditions and provisions of the Plan and administrative interpretations thereunder, if any, which have been adopted by the Committee and are in effect on the date hereof. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Plan.

3. On the terms and subject to the conditions contained herein, the Company hereby grants to the Optionee an option (the "Option") for the term of ten years ending on February 16, 2009 ("Option Period") to purchase from the Company 30,000 shares ("Option Shares") of the Company's Common Stock, at a price equal to \$6.15625 per share.

4. This Option shall be exercisable as follows:

(a) After one year following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 33-1/3% of the aggregate number of shares subject to this Option;

(b) After two years following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 66-2/3% of the aggregate number of shares subject to this Option; and

(c) After three years following the Effective Date, this Option shall be exercisable for any number of shares of Common Stock up to and including, but not in excess of, 100% of the aggregate number of shares subject to this Option;

provided the number of shares as to which this Option becomes exercisable shall, in each case, be reduced by the number of shares theretofore purchased pursuant to the terms hereof. Notwithstanding the foregoing, this Option shall not be exercisable unless and until the Optionee has been continuously employed by the Company and/or its Affiliates for a period of one year.

5. The Option may be exercised by the Optionee, in whole or in part, by giving written notice to the Compensation and Benefits Department of the Company setting forth the number of Option Shares with respect to which the option is to be exercised, accompanied by payment for the shares to be purchased and any appropriate withholding taxes, and specifying the address to which the certificate for such shares is to be mailed (or to the extent permitted by the Company, the written instructions referred to in the last sentence of this section). Payment shall be by means of cash, certified check, bank draft or postal money order payable to the order of the Company. As promptly as practicable after receipt of such written notification and payment, the Company shall deliver, or cause to be delivered, to the Optionee certificates for the number of Option Shares with respect to which the Option has been so exercised (or to the extent permitted by the Company from time to time, to have such number of Option Shares electronically transferred to Optionee's account at Optionee's broker in accordance with Optionee's written instructions).

6. Subject to approval of the Committee, which shall not be unreasonably withheld, the Optionee may pay for any Option Shares with respect to which the Option is exercised by tendering to the Company other shares of Common Stock at the time of the exercise or partial exercise hereof. The certificates representing such other shares of Common Stock must be accompanied by a stock power duly executed with signature guaranteed in accordance with market practice. The value of the Common Stock so tendered shall be its Fair Market Value.

7.

(a) Upon the termination of the Optionee's employment due to death or Disability, if Employee has at the date of such termination been continuously employed by the Company and/or its Affiliates for a period of one year, the restrictions on exercise set out in Section 4 above shall terminate and the Optionee's right to exercise this Option thereafter shall no longer be subject to such restrictions on exercise.

(b) Upon termination of Employee's employment by Cliffs without Cause, the restrictions set forth in Section 4 shall terminate, and the Option shall be exercisable in full.

(c) Upon termination of the Optionee's employment with the Company and all Affiliates, other than for one of the reasons expressly set out in paragraphs (a) and (b) preceding, then the Option granted herein shall not become exercisable as to any shares for which it was not exercisable as of the date of such termination of employment.

8. The Option shall not be transferable by the Optionee otherwise than as expressly permitted by the Plan. During the lifetime of the Optionee, the Option shall be exercisable only by her or him. No transfer of the Option shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such

evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

9. The Optionee shall have no rights as a stockholder with respect to any Option Shares until the date of issuance of a certificate for Option Shares purchased pursuant to this Agreement (or to the extent permitted by the Company, from time to time, the number of such Option Shares has been electronically transferred to Optionee's account at Optionee's broker). Until such time, the Optionee shall not be entitled to dividends or to vote at meetings of the stockholders of the Company.

10. The Company may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with the option herein granted. The Optionee may pay all or any portion of the taxes required to be withheld by the Company or paid by the Optionee in connection with the exercise of all or any portion of the option herein granted by electing to have the Company withhold shares of Common Stock, or by delivering previously owned shares of Common Stock, having a Fair Market Value equal to the amount required to be withheld or paid. The Optionee must make the foregoing election on or before the date that the amount of tax to be withheld is determined ("Tax Date"). Any such election is irrevocable and subject to disapproval by the Committee. If the Optionee is subject to the short-swing profits recapture provisions of Section 16(b) of the Exchange Act, any such election shall be subject to the following additional restrictions;

(a) Such election may not be made within six months of the grant of this option, provided that this limitation shall not apply in the event of death or Disability.

(b) Such election must be made either in an Election Window (as hereinafter defined) or at such other time as may be consistent with Section 16(b) of the Exchange Act and the rules promulgated thereunder. Where the Tax Date in respect of the exercise of all or any portion of this Option is deferred until after such exercise and the Optionee elects stock withholding, the full amount of shares of Common Stock will be issued or transferred to the Optionee upon exercise of this Option, but the Optionee shall be unconditionally obligated to tender back to the Company on the Tax Date the number of shares necessary to discharge with respect to such Option exercise the greater of (i) the Company's withholding obligation and (ii) all or any portion of the holder's federal and state tax obligation attributable to the Option exercise. An Election Window is any period commencing on the third business day following the Company's release of a quarterly or annual summary statement of sales and earnings and ending on the twelfth business day following such release.

11. Upon the acquisition of any shares pursuant to the exercise of the Option, the Optionee will enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

12. The certificates representing the Option Shares purchased by exercise of an option will be stamped or otherwise imprinted with a legend in such form as the Company or its counsel may require with respect to any applicable restrictions on sale or transfer, and the stock transfer records of the Company will reflect stop-transfer instructions, as appropriate, with respect to such shares.

13. Unless otherwise provided herein, every notice hereunder shall be in writing and be delivered by hand or by registered or certified mail. All notices of the exercise by the Optionee of any option hereunder shall be directed to R&B Falcon Corporation,

Attention: Benefits and Compensation Department, at the Company's principal office address from time to time. Any notice given by the Company to the Optionee directed to him or her at his or her address on file with the Company shall be effective to bind any other person who shall acquire rights hereunder. The Company shall be under no obligation whatsoever to advise the Optionee of the existence, maturity or termination of any of the Optionee's rights hereunder and the Optionee shall be deemed to have familiarized himself with all matters contained herein and in the Plan which may affect any of the Optionee's rights or privileges hereunder.

14. Whenever the term "Optionee" is used herein under circumstances applicable to any other person or persons to whom this award, in accordance with the provisions of Paragraph 8, may be transferred, the word "Optionee" shall be deemed to include such person or persons. References to the masculine gender herein also include the feminine gender for all purposes.

15. Notwithstanding any of the other provisions hereof, the Optionee agree that he or she will not exercise the Option, and that the Company will not be obligated to issue any share pursuant to this Agreement, if the exercise of the Option or the issuance of such shares of Common Stock would constitute a violation by the Optionee or by the Company of any provision of any law or regulation of any governmental authority or any national securities exchange.

16. Although the Options are not granted pursuant to the Plan, the terms and provisions of the Plan (including any subsequent amendments thereto) are incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. All definitions of words and terms contained in the Plan shall be applicable to this Agreement.

17. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the Option Shares hereunder, and the price per share set out in Section 3 hereof shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee immediately prior to any such merger or other business combination.

18. For the purpose of this Agreement, a "Change of Control" shall mean: (a) any "Person", as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than (i) the Optionee, (ii) the Company or any of its subsidiaries or Affiliates (as that term is defined in the Exchange Act), (iii) any Person subject, as of the date of this Agreement or at any prior time, to the reporting or filing requirements of Section 13(d) of the Exchange Act with respect to the securities of the Company or any Affiliate, (iv) any trustee or other fiduciary holding or owning securities under an employee benefit plan of the Company, (v) any underwriter temporarily holding or owning securities of the Company, or (vi) any corporation owned directly or indirectly by the current stockholders of the Company in substantially the same proportion as their then ownership of stock of the Company) becomes, after the date of this Agreement, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities; or (b) at any time a majority of the members of the board of directors of the Company is comprised of other than Continuing Directors (and for this purpose "Continuing Directors" shall mean members of the board of directors of the Company who were directors as of the date of this Agreement, or who were nominated by a majority of the

members of the board of directors of the Company and such majority was comprised only of Continuing Directors at the time of such nomination).

19. Adjustments. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the number of Option Shares held by the Participant hereunder, and the exercise price per share set out in Section 3 above shall be likewise adjusted, to reflect substantially the same economic equivalent value of the Option Shares to the Participant prior to any such merger or other business combination. In the event of a split-off, spin-off or creating of a different class of common stock of the Company (including, without limitation, a tracking stock), the Participant shall receive an option to purchase an equivalent number of the shares of common stock or voting interests of such separate entity being split-off or spun-off or of the shares of the new class of common stock of the Company, as if Participant had owned the shares underlying the Option Shares on the record date for any such split-off, spin-off or creation of a new class of common stock of the Company, and the exercise prices set out in Section 3 hereof and applicable to the options to purchase shares or the voting interests of the new entity being split-off or spun-off shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee prior to any such split-off, spin-off or creation of a new class of common stock of the Company.

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss, Vice President

OPTIONEE

/s/ RICHARD D. BULLOCK

Richard D. Bullock

[R&B FALCON LETTERHEAD]

April 23, 1999

Mr. J. Galan Williams
Cliffs Drilling Company
1200 Smith Street, Suite 300
Houston, Texas 77002

Dear Mr. Williams,

Reference is made to the Employment Agreement dated as of February 16, 1999, between Cliffs Drilling Company ("Cliffs") and you. Pursuant to the Employment Agreement, Cliffs agreed to grant you options to purchase shares of common stock of R&B Falcon Corporation ("Parent") under the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan (the "Plan"). There are insufficient authorized shares remaining out of the Plan to grant you this option. Parent proposes to grant you options outside the Plan, but which incorporate the terms of the Plan. Please execute and return a copy of this letter to evidence your agreement that the provisions of Section 2.2 of the Employment Agreement are satisfied by granting you options that incorporate the terms of the Plan, notwithstanding that these shares are not formally being granted under the Plan.

Sincerely,

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss

CLIFFS DRILLING COMPANY

By: /s/ DOUGLAS E. SWANSON

Douglas E. Swanson

ACCEPTED AND AGREED:

/s/ J. GALAN WILLIAMS

J. Galan Williams

R&B FALCON CORPORATION
STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made between R&B Falcon Corporation, a Delaware corporation ("Company"), and J. Galan Williams ("Optionee") as of February 16, 1999 (the "Effective Date").

WITNESSETH:

WHEREAS, the Optionee has agreed to accept employment with Cliffs Drilling Company ("Cliffs"), a subsidiary of the Company, pursuant to an Employment Agreement dated February 16, 1999 between Cliffs and Optionee (the "Employment Agreement");

WHEREAS, in order to induce Optionee to accept such employment, Company agreed to grant Optionee options to acquire shares of common stock of the Parent;

NOW THEREFORE, for and in consideration of these premises, it is hereby agreed as follows:

1. As used herein, the terms set forth below shall have the following respective meanings:

"Cause" has the meaning given to it in the Employment Agreement.

"Change of Control" means a Change of Control as defined in Section 18 of this Agreement.

"Disability" means Disability as defined in the Company's Personnel Policies and Procedures, in effect from time to time.

"Plan" means the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan.

2. The Option awarded hereunder is not granted pursuant to the Plan; however, the Option is hereby made subject to all of the terms, conditions and provisions of the Plan and administrative interpretations thereunder, if any which have been adopted by the Committee and are in effect on the date hereof. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Plan.

3. On the terms and subject to the conditions contained herein, the Company hereby grants to the Optionee an option (the "Option") for a term of ten years ending on February 16, 2009 ("Option Period") to purchase from the Company 50,000 shares ("Option Shares") of the Company's Common Stock, at a price equal to \$6.15625 per share.

4. This Option shall be exercisable as follows:

(a) After one year following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 33-1/3% of the aggregate number of shares subject to this Option;

(b) After two years following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 66-2/3% of the aggregate number of shares subject to this Option; and

(c) After three years following the Effective Date, this Option shall be exercisable for any number of shares of Common Stock up to and including, but not in excess of, 100% of the aggregate number of shares subject to this Option;

provided the number of shares as to which this Option becomes exercisable shall, in each case, be reduced by the number of shares theretofore purchased pursuant to the terms hereof. Notwithstanding the foregoing, this Option shall not be exercisable unless and until the Optionee has been continuously employed by the Company and/or its Affiliates for a period of one year.

5. The Option may be exercised by the Optionee, in whole or in part, by giving written notice to the Compensation and Benefits Department of the Company setting forth the number of Option Shares with respect to which the option is to be exercised, accompanied by payment for the shares to be purchased and any appropriate withholding taxes, and specifying the address to which the certificate for such shares is to be mailed (or to the extent permitted by the Company, the written instructions referred to in the last sentence of this section). Payment shall be by means of cash, certified check, bank draft or postal money order payable to the order of the Company. As promptly as practicable after receipt of such written notification and payment, the Company shall deliver, or cause to be delivered, to the Optionee certificates for the number of Option Shares with respect to which the Option has been so exercised (or to the extent permitted by the Company from time to time, to have such number of Option Shares electronically transferred to Optionee's account at Optionee's broker in accordance with Optionee's written instructions).

6. Subject to approval of the Committee, which shall not be unreasonably withheld, the Optionee may pay for any Option Shares with respect to which the Option is exercised by tendering to the Company other shares of Common Stock at the time of the exercise or partial exercise hereof. The certificates representing such other shares of Common Stock must be accompanied by a stock power duly executed with signature guaranteed in accordance with market practice. The value of the Common Stock so tendered shall be its Fair Market Value.

7.

(a) Upon the termination of the Optionee's employment due to death or Disability, if Employee has at the date of such termination been continuously employed by the Company and/or its Affiliates for a period of one year, the restrictions on exercise set out in Section 4 above shall terminate and the Optionee's right to exercise this Option thereafter shall no longer be subject to such restrictions on exercise.

(b) Upon termination of Employee's employment by Cliffs without Cause, the restrictions set forth in Section 4 shall terminate, and the Option shall be exercisable in full.

(c) Upon termination of the Optionee's employment with the Company and all Affiliates, other than for one of the reasons expressly set out in paragraphs (a) and (b) preceding, then the Option granted herein shall not become exercisable as to any shares for which it was not exercisable as of the date of such termination of employment.

8. The Option shall not be transferable by the Optionee otherwise than as expressly permitted by the Plan. During the lifetime of the Optionee, the Option shall be exercisable only by her or him. No transfer of the Option shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such

evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

9. The Optionee shall have no rights as a stockholder with respect to any Option Shares until the date of issuance of a certificate for Option Shares purchased pursuant to this Agreement (or to the extent permitted by the Company, from time to time, the number of such Option Shares has been electronically transferred to Optionee's account at Optionee's broker). Until such time, the Optionee shall not be entitled to dividends or to vote at meetings of the stockholders of the Company.

10. The Company may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with the option herein granted. The Optionee may pay all or any portion of the taxes required to be withheld by the Company or paid by the Optionee in connection with the exercise of all or any portion of the option herein granted by electing to have the Company withhold shares of Common Stock, or by delivering previously owned shares of Common Stock, having a Fair Market Value equal to the amount required to be withheld or paid. The Optionee must make the foregoing election on or before the date that the amount of tax to be withheld is determined ("Tax Date"). Any such election is irrevocable and subject to disapproval by the Committee. If the Optionee is subject to the short-swing profits recapture provisions of Section 16(b) of the Exchange Act, any such election shall be subject to the following additional restrictions:

(a) Such election may not be made within six months of the grant of this option, provided that this limitation shall not apply in the event of death or Disability.

(b) Such election must be made either in an election Window (as hereinafter defined) or at such other time as may be consistent with Section 16(b) of the Exchange Act and the rules promulgated thereunder. Where the Tax Date in respect of the exercise of all or any portion of this Option is deferred until after such exercise and the Optionee elects stock withholding, the full amount of shares of Common Stock will be issued or transferred to the Optionee upon exercise of this Option, but the Optionee shall be unconditionally obligated to tender back to the Company on the Tax Date the number of shares necessary to discharge with respect to such Option exercise the greater of (i) the Company's withholding obligation and (ii) all or any portion of the holder's federal and state tax obligation attributable to the Option exercise. An Election Window is any period commencing on the third business day following the Company's release of a quarterly or annual summary statement of sales and earnings and ending on the twelfth business day following such release.

11. Upon the acquisition of any shares pursuant to the exercise of the Option, the Optionee will enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

12. The certificates representing the Option Shares purchased by exercise of an option will be stamped or otherwise imprinted with a legend in such form as the Company or its counsel may require with respect to any applicable restrictions on sale or transfer, and the stock transfer records of the Company will reflect stop-transfer instruction, as appropriate, with respect to such shares.

13. Unless otherwise provided herein, every notice hereunder shall be in writing and shall be delivered by hand or by registered or certified mail. All notices of the exercise by the Optionee of any option hereunder shall be directed to R&B Falcon Corporation,

Attention: Benefits and Compensation Department, at the Company's principal office address from time to time. Any notice given by the Company to the Optionee directed to him or her at his or her address on file with the Company shall be effective to bind any other person who shall acquire rights hereunder. The Company shall be under no obligation whatsoever to advise the Optionee of the existence, maturity or termination of any of the Optionee's rights hereunder and the Optionee shall be deemed to have familiarized himself with all matters contained herein and in the Plan which may affect any of the Optionee's rights or privileges hereunder.

14. Whenever the term "Optionee" is used herein under circumstances applicable to any other person or persons to whom this award, in accordance with the provisions of Paragraph 8, may be transferred, the word "Optionee" shall be deemed to include such person or persons. References to the masculine gender herein also include the feminine gender for all purposes.

15. Notwithstanding any of the other provisions hereof, the Optionee agrees that he or she will not exercise the Option, and that the Company will not be obligated to issue any shares pursuant to this Agreement, if the exercise of the Option or the issuance of such shares of Common Stock would constitute a violation by the Optionee or by the Company of any provision of any law or regulation of any governmental authority or any national securities exchange.

16. Although the Options are not granted pursuant to the Plan, the terms and provisions of the Plan (including any subsequent amendments thereto) are incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. All definitions of words and terms contained in the Plan shall be applicable to this Agreement.

17. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the Option Shares hereunder, and the price per share set out in Section 3 hereof shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee immediately prior to any such merger or other business combination.

18. For the purpose of this Agreement, a "Change of Control" shall mean: (a) any "Person", as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than (i) the Optionee, (ii) the Company or any of its subsidiaries or Affiliates (as that term is defined in the Exchange Act), (iii) any Person subject, as of the date of this Agreement or at any prior time, to the reporting or filing requirements of Section 13(d) of the Exchange Act with respect to the securities of the Company or any Affiliate, (iv) any trustee or other fiduciary holding or owning securities under an employee benefit plan of the Company, (v) any underwriter temporarily holding or owning securities of the Company, or (vi) any corporation owned directly or indirectly by the current stockholders of the Company in substantially the same proportion as their then ownership of stock of the Company) becomes, after the date of this Agreement, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities; or (b) at any time a majority of the members of the board of directors of the Company is comprised of other than Continuing Directors (and for this purpose "Continuing Directors" shall mean members of the board of directors of the Company who were directors as of the date of this Agreement, or who were nominated by a majority of the

members of the board of directors of the Company and such majority was comprised only of Continuing Directors at the time of such nomination).

19. Adjustments. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the number of Option Shares held by the Participant hereunder, and the exercise price per share set out in Section 3 above shall be likewise adjusted, to reflect substantially the same economic equivalent value of the Option Shares to the Participant prior to any such merger or other business combination. In the event of a split-off, spin-off or creating of a different class of common stock of the Company (including, without limitation, a tracking stock), the Participant shall receive an option to purchase an equivalent number of the shares of common stock or voting interests of such separate entity being split-off or spun-off or of the shares of the new class of common stock of the Company, as if Participant had owned the shares underlying the Option Shares on the record date for any such split-off, spin-off or creation of a new class common stock of the Company, and the exercise prices set out in Section 3 hereof and applicable to the options to purchase shares or the voting interests of the new entity being split-off or spun-off shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee prior to any such split-off, spin-off or creation of a new class of common stock of the Company.

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss, Vice President

OPTIONEE

/s/ J. GALAN WILLIAMS

J. Galan Williams

[R&B FALCON LETTERHEAD]

April 23, 1999

Mr. Robert T. Wood
Cliffs Drilling Company
1200 Smith Street, Suite 300
Houston, Texas 77002

Dear Mr. Wood,

Reference is made to the Employment Agreement dated as of February 16, 1999, between Cliffs Drilling Company ("Cliffs") and you. Pursuant to the Employment Agreement, Cliffs agreed to grant you options to purchase shares of common stock of R&B Falcon Corporation ("Parent") under the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan (the "Plan"). There are insufficient authorized shares remaining out of the Plan to grant you this option. Parent proposes to grant you options outside the Plan, but which incorporate the terms of the Plan. Please execute and return a copy of this letter to evidence your agreement that the provisions of Section 2.2 of the Employment Agreement are satisfied by granting you options that incorporate the terms of the Plan, notwithstanding that these shares are not formally being granted under the Plan.

Sincerely,

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss

CLIFFS DRILLING COMPANY

By: /s/ DOUGLAS E. SWANSON

Douglas E. Swanson

ACCEPTED AND AGREED:

/s/ ROBERT T. WOOD

Robert T. Wood

R&B FALCON CORPORATION
STOCK OPTION AGREEMENT

This Stock Option Agreement ("Agreement") is made between R&B Falcon Corporation, a Delaware corporation ("Company"), and Robert T. Wood ("Optionee") as of February 16, 1999 (the "Effective Date").

WITNESSETH:

WHEREAS, the Optionee has agreed to accept employment with Cliffs Drilling Company ("Cliffs"), a subsidiary of the Company, pursuant to an Employment Agreement dated February 16, 1999 between Cliffs and Optionee (the "Employment Agreement");

WHEREAS, in order to induce Optionee to accept such employment, Company agreed to grant Optionee options to acquire shares of common stock of the Parent;

NOW THEREFORE, for and in consideration of these premises, it is hereby agreed as follows:

1. As used herein, the terms set forth below shall have the following respective meanings:

"Cause" has the meaning given to it in the Employment Agreement.

"Change of Control" means a Change of Control as defined in Section 18 of this Agreement.

"Disability" means Disability as defined in the Company's Personnel Policies and Procedures, in effect from time to time.

"Plan" means the R&B Falcon Corporation 1998 Employee Long-Term Incentive Plan.

2. The Option awarded hereunder is not granted pursuant to the Plan; however, the Option is hereby made subject to all of the terms, conditions and provisions of the Plan and administrative interpretations thereunder, if any which have been adopted by the Committee and are in effect on the date hereof. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Plan.

3. On the terms and subject to the conditions contained herein, the Company hereby grants to the Optionee an option (the "Option") for a term of ten years ending on February 16, 2009 ("Option Period") to purchase from the Company 50,000 shares ("Option Shares") of the Company's Common Stock, at a price equal to \$6.15625 per share.

4. This Option shall be exercisable as follows:

(a) After one year following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 33-1/3% of the aggregate number of shares subject to this Option;

(b) After two years following the Effective Date, this Option shall be exercisable for any number of shares up to and including, but not in excess of, 66-2/3% of the aggregate number of shares subject to this Option; and

(c) After three years following the Effective Date, this Option shall be exercisable for any number of shares of Common Stock up to and including, but not in excess of, 100% of the aggregate number of shares subject to this Option;

provided the number of shares as to which this Option becomes exercisable shall, in each case, be reduced by the number of shares theretofore purchased pursuant to the terms hereof. Notwithstanding the foregoing, this Option shall not be exercisable unless and until the Optionee has been continuously employed by the Company and/or its Affiliates for a period of one year.

5. The Option may be exercised by the Optionee, in whole or in part, by giving written notice to the Compensation and Benefits Department of the Company setting forth the number of Option Shares with respect to which the option is to be exercised, accompanied by payment for the shares to be purchased and any appropriate withholding taxes, and specifying the address to which the certificate for such shares is to be mailed (or to the extent permitted by the Company, the written instructions referred to in the last sentence of this section). Payment shall be by means of cash, certified check, bank draft or postal money order payable to the order of the Company. As promptly as practicable after receipt of such written notification and payment, the Company shall deliver, or cause to be delivered, to the Optionee certificates for the number of Option Shares with respect to which the Option has been so exercised (or to the extent permitted by the Company from time to time, to have such number of Option Shares electronically transferred to Optionee's account at Optionee's broker in accordance with Optionee's written instructions).

6. Subject to approval of the Committee, which shall not be unreasonably withheld, the Optionee may pay for any Option Shares with respect to which the Option is exercised by tendering to the Company other shares of Common Stock at the time of the exercise or partial exercise hereof. The certificates representing such other shares of Common Stock must be accompanied by a stock power duly executed with signature guaranteed in accordance with market practice. The value of the Common Stock so tendered shall be its Fair Market Value.

7.

(a) Upon the termination of the Optionee's employment due to death or Disability, if Employee has at the date of such termination been continuously employed by the Company and/or its Affiliates for a period of one year, the restrictions on exercise set out in Section 4 above shall terminate and the Optionee's right to exercise this Option thereafter shall no longer be subject to such restrictions on exercise.

(b) Upon termination of Employee's employment by Cliffs without Cause, the restrictions set forth in Section 4 shall terminate, and the Option shall be exercisable in full.

(c) Upon termination of the Optionee's employment with the Company and all Affiliates, other than for one of the reasons expressly set out in paragraphs (a) and (b) preceding, then the Option granted herein shall not become exercisable as to any shares for which it was not exercisable as of the date of such termination of employment.

8. The Option shall not be transferable by the Optionee otherwise than as expressly permitted by the Plan. During the lifetime of the Optionee, the Option shall be exercisable only by her or him. No transfer of the Option shall be effective to bind the Company unless the Company shall have been furnished with written notice thereof and a copy of such

evidence as the Committee may deem necessary to establish the validity of the transfer and the acceptance by the transferee or transferees of the terms and conditions hereof.

9. The Optionee shall have no rights as a stockholder with respect to any Option Shares until the date of issuance of a certificate for Option Shares purchased pursuant to this Agreement (or to the extent permitted by the Company, from time to time, the number of such Option Shares has been electronically transferred to Optionee's account at Optionee's broker). Until such time, the Optionee shall not be entitled to dividends or to vote at meetings of the stockholders of the Company.

10. The Company may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with the option herein granted. The Optionee may pay all or any portion of the taxes required to be withheld by the Company or paid by the Optionee in connection with the exercise of all or any portion of the option herein granted by electing to have the Company withhold shares of Common Stock, or by delivering previously owned shares of Common Stock, having a Fair Market Value equal to the amount required to be withheld or paid. The Optionee must make the foregoing election on or before the date that the amount of tax to be withheld is determined ("Tax Date"). Any such election is irrevocable and subject to disapproval by the Committee. If the Optionee is subject to the short-swing profits recapture provisions of Section 16(b) of the Exchange Act, any such election shall be subject to the following additional restrictions:

(a) Such election may not be made within six months of the grant of this option, provided that this limitation shall not apply in the event of death or Disability.

(b) Such election must be made either in an Election Window (as hereinafter defined) or at such other time as may be consistent with Section 16(b) of the Exchange Act and the rules promulgated thereunder. Where the Tax Date in respect of the exercise of all or any portion of this Option is deferred until after such exercise and the Optionee elects stock withholding, the full amount of shares of Common Stock will be issued or transferred to the Optionee upon exercise of this Option, but the Optionee shall be unconditionally obligated to tender back to the Company on the Tax Date the number of shares necessary to discharge with respect to such Option exercise the greater of (i) the Company's withholding obligation and (ii) all or any portion of the holder's federal and state tax obligation attributable to the Option exercise. An Election Window is any period commencing on the third business day following the Company's release of a quarterly or annual summary statement of sales and earnings and ending on the twelfth business day following such release.

11. Upon the acquisition of any shares pursuant to the exercise of the Option, the Optionee will enter into such written representations, warranties and agreements as the Company may reasonably request in order to comply with applicable securities laws or with this Agreement.

12. The certificates representing the Option Shares purchased by exercise of an option will be stamped or otherwise imprinted with a legend in such form as the Company or its counsel may require with respect to any applicable restrictions on sale or transfer, and the stock transfer records of the Company will reflect stop-transfer instructions, as appropriate, with respect to such shares.

13. Unless otherwise provided herein, every notice hereunder shall be in writing and shall be delivered by hand or by registered or certified mail. All notices of the exercise by the Optionee of any option hereunder shall be directed to R&B Falcon Corporation,

Attention: Benefits and Compensation Department, at the Company's principal office address from time to time. Any notice given by the Company to the Optionee directed to him or her at his or her address on file with the Company shall be effective to bind any other person who shall acquire rights hereunder. The Company shall be under no obligation whatsoever to advise the Optionee of the existence, maturity or termination of any of the Optionee's rights hereunder and the Optionee shall be deemed to have familiarized himself with all matters contained herein and in the Plan which may affect any of the Optionee's rights or privileges hereunder.

14. Whenever the term "Optionee" is used herein under circumstances applicable to any other person or persons to whom this award, in accordance with the provisions of Paragraph 8, may be transferred, the word "Optionee" shall be deemed to include such person or persons. References to the masculine gender herein also include the feminine gender for all purposes.

15. Notwithstanding any of the other provisions hereof, the Optionee agrees that he or she will not exercise the Option, and that the Company will not be obligated to issue any shares pursuant to this Agreement, if the exercise of the Option or the issuance of such shares of Common Stock would constitute a violation by the Optionee or by the Company of any provision of any law or regulation of any governmental authority or any national securities exchange.

16. Although the Options are not granted pursuant to the Plan, the terms and provisions of the Plan (including any subsequent amendments thereto) are incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail. All definitions of words and terms contained in the Plan shall be applicable to this Agreement.

17. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the Option Shares hereunder, and the price per share set out in Section 3 hereof shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee immediately prior to any such merger or other business combination.

18. For the purpose of this Agreement, a "Change of Control" shall mean: (a) any "Person", as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than (i) the Optionee, (ii) the Company or any of its subsidiaries or Affiliates (as that term is defined in the Exchange Act), (iii) any Person subject, as of the date of this Agreement or at any prior time, to the reporting or filing requirements of Section 13(d) of the Exchange Act with respect to the securities of the Company or any Affiliate, (iv) any trustee or other fiduciary holding or owning securities under an employee benefit plan of the Company, (v) any underwriter temporarily holding or owning securities of the Company, or (vi) any corporation owned directly or indirectly by the current stockholders of the Company in substantially the same proportion as their then ownership of stock of the Company) becomes, after the date of this Agreement, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities; or (b) at any time a majority of the members of the board of directors of the Company is comprised of other than Continuing Directors (and for this purpose "Continuing Directors" shall mean members of the board of directors of the Company who were directors as of the date of this Agreement, or who were nominated by a majority of the

members of the board of directors of the Company and such majority was comprised only of Continuing Directors at the time of such nomination).

19. Adjustments. In the event of a corporate merger or other business combination in which the Company is not the surviving entity, the economic equivalent number of the voting shares of common stock of, or participating interests in, the surviving entity, based on the terms of such merger or other business combination, shall be substituted for the number of Option Shares held by the Participant hereunder, and the exercise price per share set out in Section 3 above shall be likewise adjusted, to reflect substantially the same economic equivalent value of the Option Shares to the Participant prior to any such merger or other business combination. In the event of a split-off, spin-off or creating of a different class of common stock of the Company (including, without limitation, a tracking stock), the Participant shall receive an option to purchase an equivalent number of the shares of common stock or voting interests of such separate entity being split-off or spun-off or of the shares of the new class of common stock of the Company, as if Participant had owned the shares underlying the Option Shares on the record date for any such split-off, spin-off or creation of a new class of common stock of the Company, and the exercise prices set out in Section 3 hereof and applicable to the options to purchase shares or the voting interests of the new entity being split-off or spun-off shall be adjusted to reflect substantially the same economic equivalent value of the Option Shares to the Optionee prior to any such split-off, spin-off or creation of a new class of common stock of the Company.

R&B FALCON CORPORATION

By: /s/ LEIGHTON E. MOSS

Leighton E. Moss, Vice President

OPTIONEE

/s/ ROBERT T. WOOD

Robert T. Wood

WALKERS
ATTORNEYS-AT-LAW

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TRANSOCEAN SEDCO FOREX INC.
4 GREENWAY PLAZA
HOUSTON, TX 77046

January 31, 2001

Gentlemen,

VALIDITY OF ISSUE OF ORDINARY SHARES ISSUABLE UPON THE EXERCISE OF OPTIONS
ASSUMED BY TRANSOCEAN SEDCO FOREX INC., A CAYMAN ISLANDS EXEMPTED COMPANY.

We have acted as special Cayman Islands counsel to Transocean Sedco Forex Inc. a Cayman Islands exempted company (TRANSOCEAN) in connection with the merger with R&B Falcon Corporation a Delaware corporation (R&B FALCON) pursuant to which R&B Falcon merged with an indirect wholly owned subsidiary of Transocean on January 31, 2001 (the MERGER).

The Merger was effected pursuant to the terms and provisions of that certain Agreement and Plan of Merger dated as of August 19, 2000 among Transocean, Transocean Holdings Inc., TSF Delaware Inc. and R&B Falcon (the MERGER AGREEMENT) which is described in the proxy statement/prospectus (the PROXY STATEMENT/PROSPECTUS) and filed as part of that certain Registration Statement on Form S-4 filed by Transocean with the United States Securities and Exchange Commission (the SEC) on September 22, 2000 (the REGISTRATION STATEMENT).

Pursuant to the Merger Agreement and as described in the Proxy Statement/Prospectus, R&B Falcon common shares were converted into the right to receive ordinary shares of a par or nominal value of US\$.01 per share of Transocean upon completion of the Merger and each R&B Falcon option to purchase R&B Falcon common shares under R&B Falcon's stock option plans (the PLANS) was assumed by Transocean and became an option to purchase ordinary shares of Transocean (the OPTION SHARES).

For the purposes of giving this opinion, we have examined the documents listed in Schedule 1.

In giving this opinion we have relied upon the assumptions set out in Schedule 2 hereto, which we have not independently verified.

We are Attorneys-at-Law in the Cayman Islands and express no opinion as to any laws other than the laws of the Cayman Islands in force and as interpreted at the date hereof.

Based upon the foregoing examinations, the assumptions set out in Schedule 2 and upon such searches as we have conducted and having regard to legal considerations which we deem relevant, we are of the opinion that

under the laws of the Cayman Islands:

1. Transocean is a company duly incorporated and validly existing and, based solely on the certificate of good standing issued by the Cayman Islands Registrar of Companies and referred to in Schedule 1, Transocean is in good standing under the laws of the Cayman Islands.
2. The Option Shares subject to original issuance by Transocean have been duly authorised and when and to the extent issued and sold from time to time in accordance with the terms of the Plans and upon payment thereof as provided in the Plans, such Option Shares will be validly issued, fully paid and non-assessable.

This opinion is limited to the matters referred to herein and shall not be construed as extending to any other matter or document not referred to herein. This opinion is given solely for your benefit, the benefit of your legal advisers acting in that capacity in relation to this transaction and the shareholders of Transocean and may not be relied upon by any other person without our prior written consent. This opinion is governed by and shall be construed in accordance with the laws of the Cayman Islands.

Yours faithfully,

/s/ WALKERS

WALKERS

SCHEDULE 1

LIST OF DOCUMENTS EXAMINED

1. The Memorandum and Articles of Association of Transocean and certificate of good standing dated 29 January 2001 issued by the Cayman Islands Registrar of Companies.
2. The Resolutions adopted by the Board of Directors of Transocean pursuant to their meeting of August 18, 2000.
3. The Resolutions adopted by the shareholders of Transocean at an extraordinary general meeting of Transocean on 12 December 2000.
4. The proxy statement/prospectus contained in the Registration Statement filed with the United States Securities and Exchange Commission on September 22, 2000.
5. Such other documents as we have considered necessary for the purposes of rendering this opinion.

The documents at paragraphs 2 and 3 above are referred to in this opinion as the "RESOLUTIONS".

SCHEDULE 2

ASSUMPTIONS

The opinions hereinbefore given are based upon the following assumptions insofar as each such assumption may relate to the opinions given:

1. All original documents are authentic, that all signatures and seals are genuine, that all documents purporting to be sealed have been so sealed and that all copies conform to their originals.
2. The Minute Book of Transocean supplied to us on the date of this opinion by Transocean's registered office contains a complete record of the business transacted by it.
3. The corporate records of Transocean supplied to us on the date of this opinion by Transocean's registered office constitute its complete corporate records and that all matters required by law to be recorded therein are so recorded.
4. From the date of the Resolutions, no corporate or other action has been taken by Transocean to amend, alter or repeal the Resolutions and no corporate or other action has been taken by Transocean in connection with the Merger except as contemplated by the Registration Statement.
5. There are no provisions of the laws of any jurisdiction outside the Cayman Islands which would be contravened by Transocean's assumption of the Plans and that, in so far as any obligation expressed to be incurred under the Plans is to be performed in or is otherwise subject to the laws of any jurisdiction outside the Cayman Islands, its performance will not be illegal by virtue of the laws of that jurisdiction.
6. The choice of the laws selected to govern the Plans has been made in good faith and will be regarded as a valid and binding selection which will be upheld in the courts of that jurisdiction and all other relevant jurisdictions (other than the Cayman Islands).
7. All authorisations, approvals, consents, licences and exemptions required by and all filings and other requirements of each of the parties to the Plans outside the Cayman Islands to ensure the legality, validity and enforceability of the Plans have been or will be duly obtained, made or fulfilled and are and will remain in full force and effect and that any conditions to which they are subject have been satisfied.
8. On the date of any disposition or settlement of property effected by the Plans is made in good faith and for valuable consideration and at the time of each disposition of property by Transocean pursuant to the Plans Transocean will be able to pay its debts as they become due from its own moneys.

LETTER REGARDING UNAUDITED INTERIM FINANCIAL INFORMATION

Transocean Sedco Forex Inc.:

We are aware that Transocean Sedco Forex Inc. has incorporated by reference in its Post-Effective Amendment No. 1 on Form S-8 to Registration Statement No. 333-46374 on Form S-4 R&B Falcon Corporation's Form 10-Q's for the quarters ended September 30, 2000, June 30, 2000 and March 31, 2000, which include our reports dated October 25, 2000, July 31, 2000 and May 2, 2000, respectively, covering the unaudited interim financial information contained therein. Pursuant to Regulation C of the Securities Act of 1933, those reports are not considered a part of the registration statement prepared or certified by our Firm or reports prepared or certified by our Firm within the meaning of Sections 7 and 11 of the Act.

/s/ Arthur Andersen LLP

Houston, Texas
January 30, 2001

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Post-Effective Amendment No. 1 to the Registration Statement (Form S-8 to Form S-4 No. 333-46374) of our report dated January 31, 2000, with respect to the consolidated balance sheet as of December 31, 1999, and the related combined statements of operations, equity and cash flows and schedule for the year then ended of Transocean Sedco Forex Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 1999, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Ernst & Young LLP

Houston, Texas
January 30, 2001

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Post-Effective Amendment No. 1 on Form S-8 to Registration Statement No. 333-46374 on Form S-4 of Transocean Sedco Forex Inc. of our report dated August 6, 1999 relating to the financial statements and financial statement schedule of Transocean Sedco Forex Inc. (previously Sedco Forex Holdings Limited), which appears in Transocean Sedco Forex Inc.'s Annual Report on Form 10-K for the year ended December 31, 1999.

/s/ PRICEWATERHOUSECOOPERS LLP

PricewaterhouseCoopers LLP

New York, New York
January 30, 2001

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Post-Effective Amendment No. 1 on Form S-8 to Registration Statement No. 333-46374 on Form S-4 of Transocean Sedco Forex Inc. of our report dated February 22, 2000 included in R&B Falcon Corporation's Form 10-K for the year ended December 31, 1999 and to all references to our Firm included in this registration statement.

/s/ Arthur Andersen LLP

Houston, Texas
January 30, 2001