

SDRL - Seadrill secures a three-year contract for the ultra-deepwater newbuild West Neptune

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Hamilton, Bermuda, April 16, 2013 - Seadrill has signed a contract with LLOG Bluewater Holdings, LLC, for employment of the new-build drill-ship, West Neptune, offshore Gulf of Mexico. The contract duration is a minimum of three years plus an option for a one-year extension at mutually agreed rates. The potential revenue for the primary contract term is approximately US\$662 million. The West Neptune is expected to be delivered to Seadrill from the Samsung Heavy Industries shipyard in Geoje, South Korea, in early June 2014. The rig will be outfitted to work in up to 10,000` of water and is capable of water depths up to 12,000` and drilling depths up to 37,000`.

Fredrik Halvorsen, CEO and President of Seadrill Management Ltd. says in a comment, "We are delighted to have signed our first contract with LLOG, a leading independent operator in the Gulf of Mexico. This award complements our expanding deepwater operations in the area with Seadrill`s fleet growing to six ultra-deepwater units within the US and Mexican Gulf of Mexico over the next 18 months. In addition, this contract brings Seadrill`s order backlog to US\$20.9 billion. We continue to experience strong demand for premium ultra-deepwater rigs and expect to further increase our backlog and earnings visibility in the next months as our additional ultra-deepwater units under construction secure term contracts.

Scott Gutterman, President and CEO of LLOG, added: "The West Neptune will be the first dual BOP rig in the Gulf of Mexico for LLOG. LLOG will initially utilize the rig to perform completions of our Delta House wells. Having two BOP`s will allow LLOG to complete our wells efficiently saving up to 12 days per completion. Execution of this contract is another key step in accelerating the drilling and development of our extensive portfolio of exploration prospects in the Gulf of Mexico. Seadrill is an outstanding company and we are looking forward to the business relationship."

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