



**SEAWELL**



# Seawell Ltd. acquires Allis-Chalmers Energy Inc.

International Drilling & Well Services Company

Jorgen P. Rasmussen, Executive Chairman Seawell Limited

Munawar H. Hidayatallah , Chairman and CEO, Allis-Chalmers Energy Inc

13 August, 2010

# Disclaimer

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## Forward-Looking Statements

•This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "forecast," and other words and terms of similar meaning. These forward-looking statements involve a number of risks and uncertainties. Seawell and Allis-Chalmers caution readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statement. Such forward-looking statements include, but are not limited to, statements about the benefits of the proposed merger involving Seawell and Allis-Chalmers, including future financial and operating results, Seawell's and Allis-Chalmers' plans, objectives, expectations and intentions, the expected timing of completion of the transaction, and other statements that are not historical facts. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are set forth in Allis-Chalmers' filings with the Securities and Exchange Commission. These include risks and uncertainties relating to: the ability to obtain the requisite Allis-Chalmers stockholder approval; the risk that Allis-Chalmers or Seawell may be unable to obtain governmental and regulatory approvals required for the merger, or required governmental and regulatory approvals may delay the merger or result in the imposition of conditions that could cause the parties to abandon the merger; the risk that a condition to closing of the merger may not be satisfied; the timing to consummate the proposed merger; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management time on merger-related issues; general worldwide economic conditions and related uncertainties; and the effect of changes in governmental regulations. Neither Seawell nor Allis-Chalmers undertakes any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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## Participants In The Merger Solicitation

•Seawell, Allis-Chalmers, and their respective directors, executive officers and certain other members of management and employees may be soliciting proxies from Allis-Chalmers stockholders in favor of the merger and related matters. Information regarding the persons, who may, under the rules of the SEC, is deemed participants in the solicitation of Allis-Chalmers stockholders in connection with the proposed merger will be set forth in the proxy statement/prospectus when it is filed with the SEC. You can find information about Allis-Chalmers' executive officers and directors in its definitive proxy statement filed with the SEC on April 30, 2010. Additional information about Seawell's executive officers and directors and Allis-Chalmers' executive officers and directors can be found in the above-referenced Registration Statement on Form F-4 when it becomes available. You can obtain free copies of these documents from Seawell and Allis-Chalmers using the contact information above.

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# Section 1:

## Aim and Strategic Rationale

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# Our aim is to build a first class oil service company

- Our service segments would be: Drilling and well services, oilfield rentals and facility engineering
- Focused on enhanced oil recovery for our clients
- Global footprint to leverage and distribute key technologies
- Significant presence in drilling services
- Leadership in drilling services & technology
- Strong owner base to capitalize on growth opportunities
- Experienced management team that can execute on strategy
- Ability to acquire, integrate and grow oil field technology companies

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# Why Seawell and Allis-Chalmers Energy make sense

- Highly complimentary
  - No product or services overlap
  - Similar business focus, very experienced drilling personnel
  - No geographical overlap
- Significant cross selling synergies
  - Bring Allis-Chalmers Energy competence to the North Sea
  - Bring Seawell leading-edge technology to Americas
  - Build a platform for integration of future acquisition and inhouse development of unique technology
- Critical size, strong owners, global footprint
- Combine Seawell's premium services offering, North Sea competence and technology with Allis-Chalmers Energy's drilling and oil service competencies, quality asset base and operational gearing

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# The Well Company

A combination would be:

- 6 500 employees in 30+ countries
- USD 1.3 billion in revenues in 2010, USD 195 million in EBITDA<sup>1</sup>
- Leading oil service company in the North Sea
- Major onshore player in the Americas
- 30+ years experience in drilling and servicing production wells for our customers
- A whole range of leading edge downhole technologies



*1) Sum of consensus estimates from Thomson Reuters database (Allis-Chalmers Energy) and brokerage reports (Seawell)*

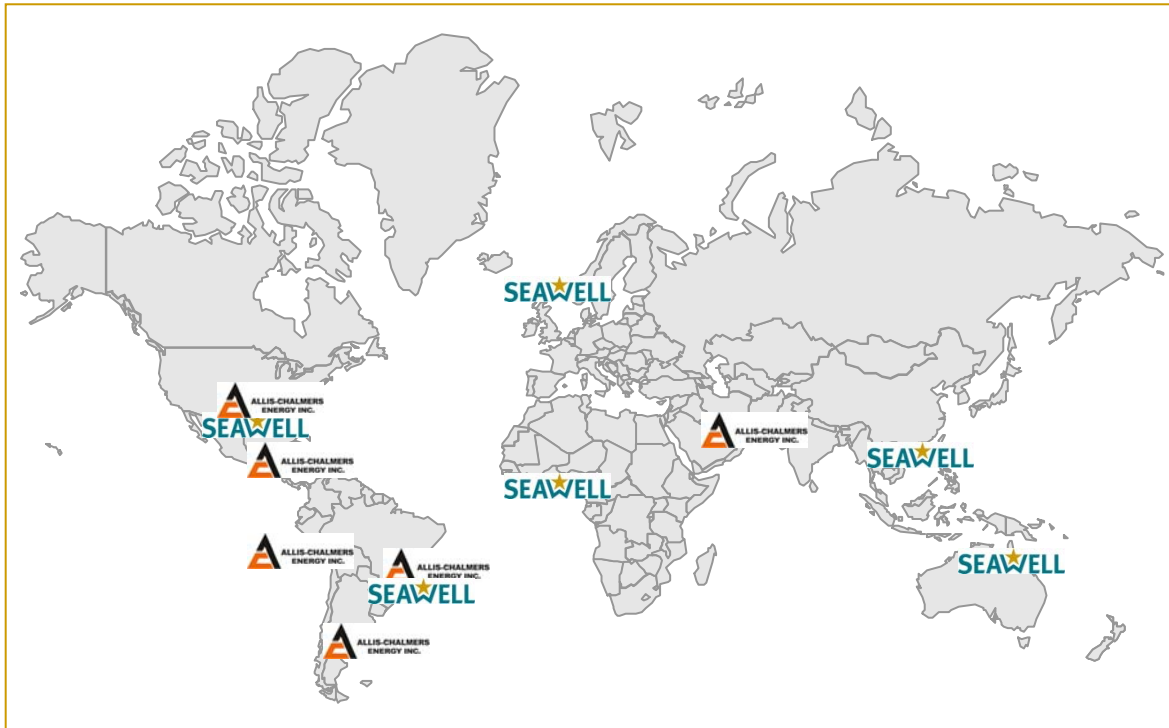
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# Considerable revenue synergies

- The combination would drive increased sales
  - Improved rental equipment utilization
  - Market Seawell's technologies to Allis-Chalmers' customers
  - Better positioned to provide integrated projects and services
  - Bring Allis-Chalmers' competencies to the North Sea
    - Directional drilling
    - Tubular running
    - Underbalanced drilling

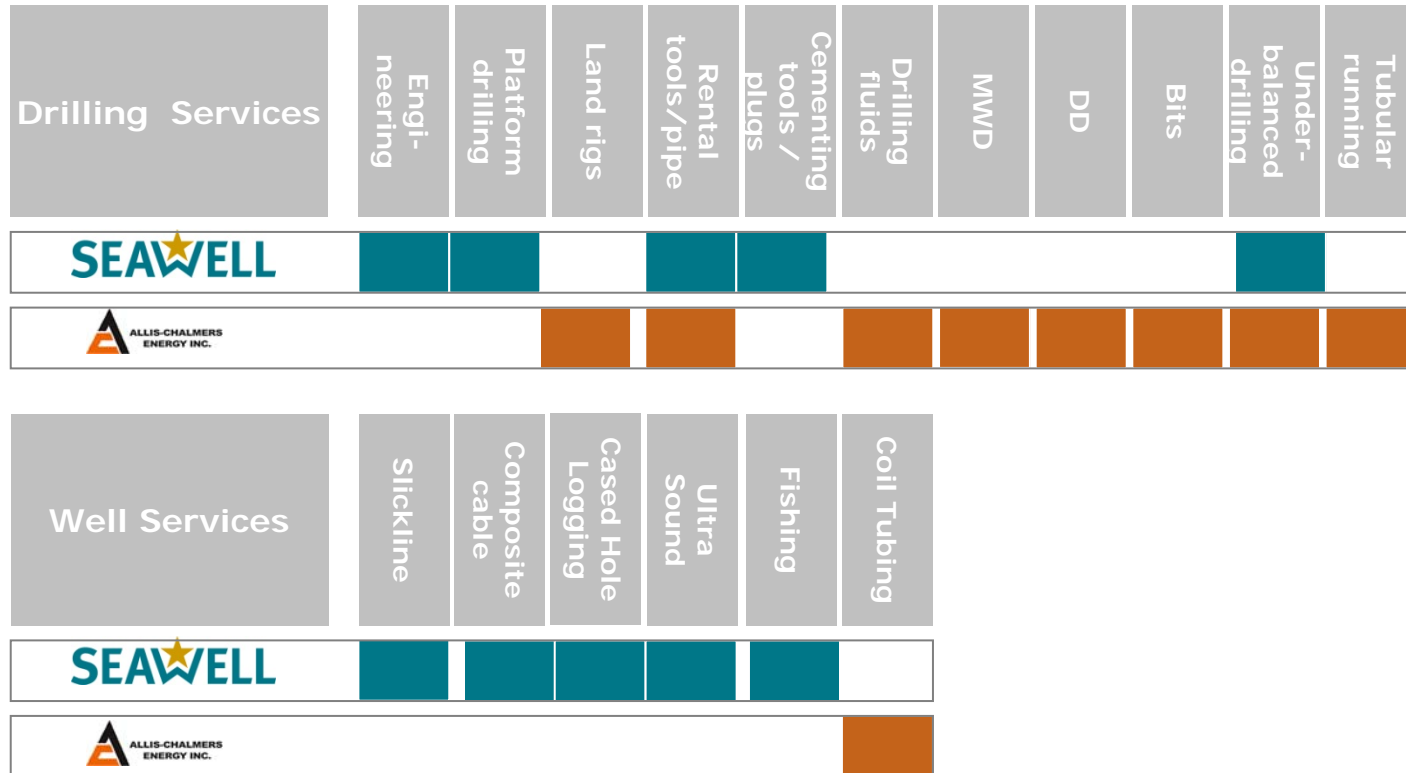


# Combined company would have a global footprint



- Complimentary services in common geographies
- Next step would be to develop full presence in Middle East and FEA
- Use global footprint to distribute technologies as well as grow a unique service offering.

# Highly complimentary service and product offering



The combined company would be able to deliver fully integrated projects

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# Well positioned to capitalise on the demand for enhanced oil recovery (EOR) services

A combination would be:

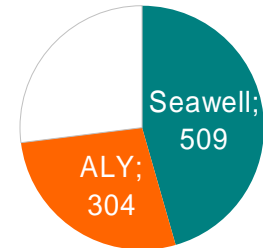
- Global service footprint
- Strength in advanced drilling techniques and services
- No. 1 platform driller globally
- First class drilling assets
- Well intervention technologies and services
- Strong suite of downhole technologies

# Strong positions in key segments

Actual 2009 revenue  
(USDm)<sup>1</sup>

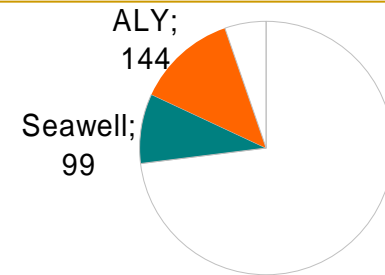
Drilling and completion services

- Drilling services
- Workover services
- Platform drilling services
- Engineering



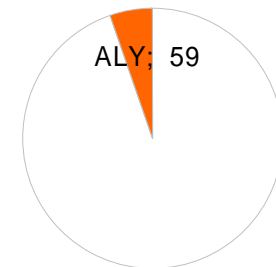
Oilfield and well services

- Directional and underbalanced drilling services
- Production and tubular services
- Wireline services
- Oilfield technologies



Rental services

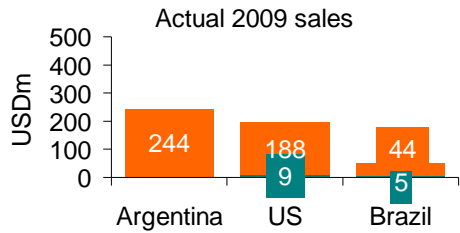
- Premium drill pipe
- BOPs
- Specialized rental equipment



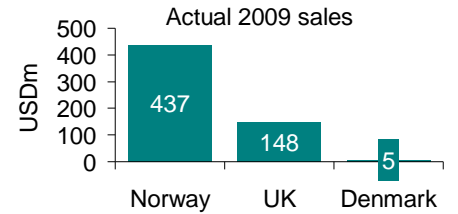
<sup>1</sup>Source: 2009 annual reports

# Geographically diversified revenue base<sup>1</sup>

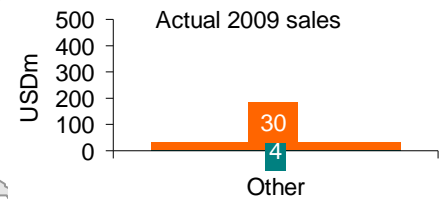
## Americas



## Europe

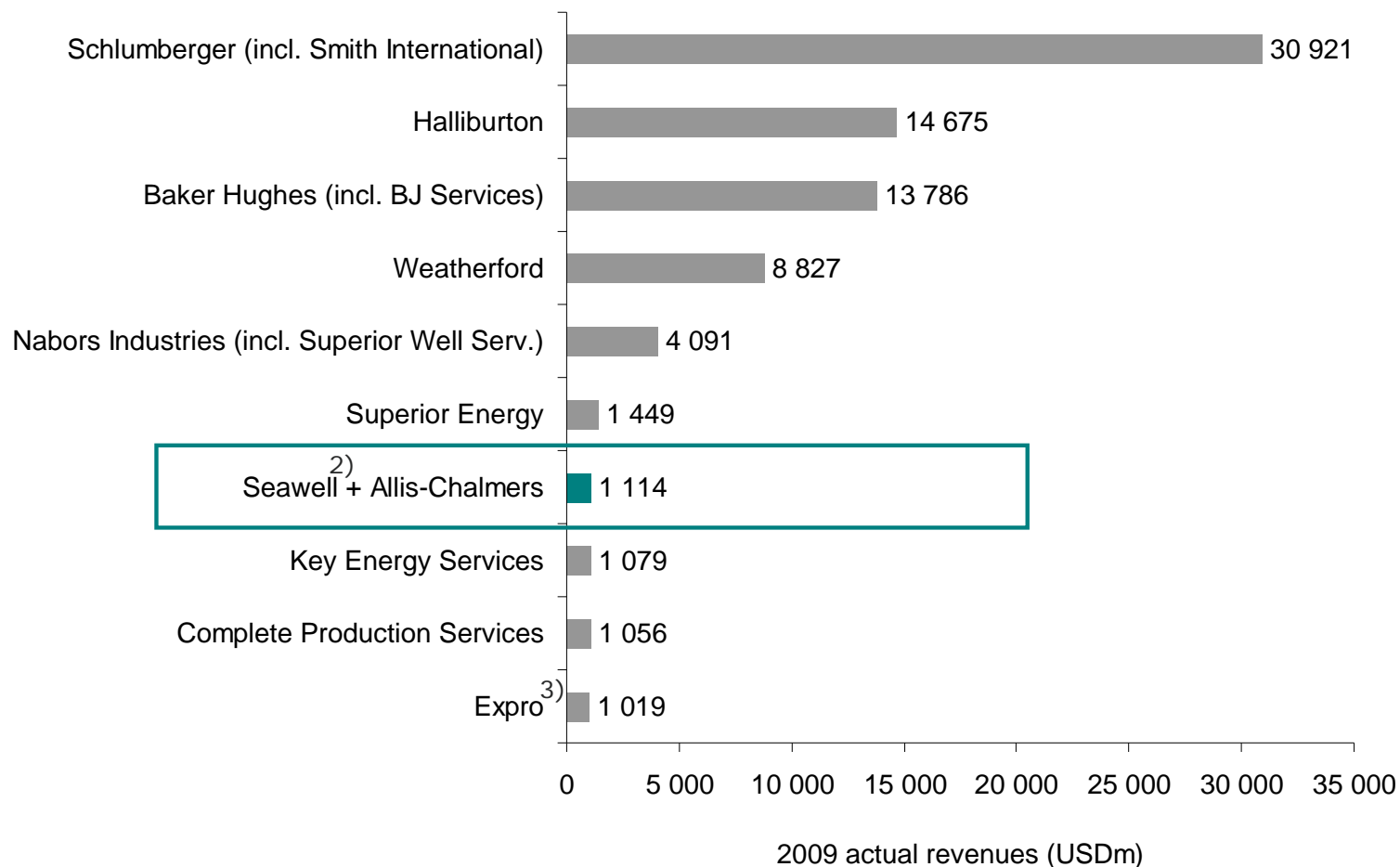


## Other



<sup>1</sup>Source: 2009 annual report, companies

# Among top 10 leading oil service companies<sup>1</sup>



<sup>1</sup>Source: Annual reports. <sup>2</sup>Seawell's revenue is converted to USD based on NOK/USD of 6.29 (average 2009). <sup>3</sup>Revenues based on fiscal year ending 31 March, 2010.

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# Section 2:

## Transaction Details and Governance

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# Transaction details

- Seawell Ltd. to acquire Allis-Chalmers Energy Inc. for a combination of shares and cash
- Terms:
  - 1.15 Seawell shares offered for each Allis-Chalmers Energy share
  - Cash alternative at USD 4.25 per share, capped at maximum of 35% of outstanding shares in Allis-Chalmers Energy
- Transaction valued at approx. USD 890million (including assumed debt)
- Listing of Seawell on OSE or LSE





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# Governance

## Proposed Board of Directors

- Saad Bargach, Chairman
- Tor Olav Trøim, Vice Chairman
- John Reynolds
- Alejandro P. Bulgheroni
- Gianni Dell'Orto
- Cecilie Fredriksen
- Alf C. Thorkildsen
- Kate Blankenship
- Jørgen P. Rasmussen

## Executive Management

- Chief Executive Officer & President:  
Jørgen Peter Rasmussen (51)  
Danish
- Chief Operating Officer and EVP:  
Thorleif Egeli (46)  
Norwegian
- Senior advisor to the Board:  
Munawar H. Hidayatallah

The combined entity would have a 9 member Board, 7 nationalities, 4 continents  
Registered Bermuda Company  
Agreed to be listed at closing on Oslo or London Stock Exchange

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## Section 3:

Seawell Ltd. and Allis-Chalmers Energy Inc. in short

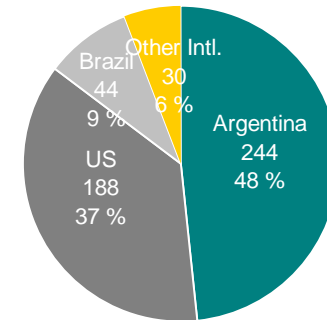
# Introduction to Allis-Chalmers Energy

## Description:

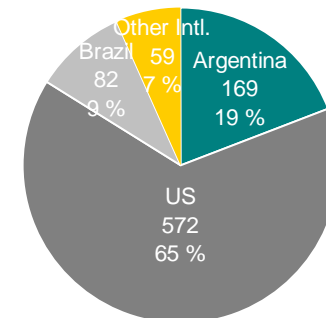
- Provider of services and equipment to oil and natural gas exploration and production companies
- Operations in US, Argentina, Brazil, Bolivia and Mexico
- Employs approximately 3 300 skilled and experienced people
- Three business segments;
  - Oilfield services
  - Drilling and Completion
  - Rental Services
- Listed on NYSE
- Largest shareholder is Lime Rock Partners

## Key figures<sup>1</sup>:

### 2009 revenues by geography



### Assets per 31.12.2009<sup>2</sup>



<sup>1</sup>Source: 2009 annual report. Numbers in pies: USDm, relative share of total.

<sup>2</sup>Source: 2009 annual report. Defined as long-lived assets. Total assets of USD 1080.6m

# Allis-Chalmers Energy business segments

## Drilling and Completion

- Drilling
- Completion
- Workover
- Other related services

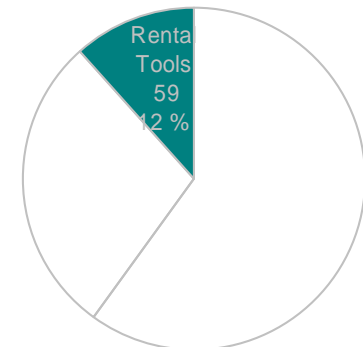
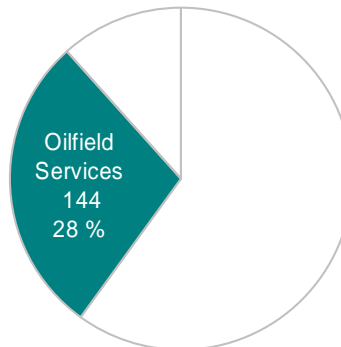
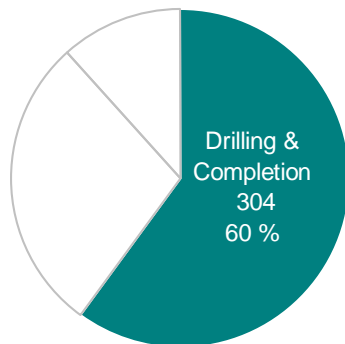
## Oilfield Services

- Directional drilling services
- Casing and tubular services
- Underbalanced drilling services
- Production services

## Rental tools

- Premium drill pipe
- BOPs
- Other specialized rental equipment

2009 revenues by segments (Numbers in pies: USDm, relative share of total):



<sup>1</sup>Source: 2009 annual report. Numbers in pies: USDm, relative share of total

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# Allis- Chalmers Energy's land rigs

30 drilling rigs and 48 service rigs:

- Argentina: 17 drilling rigs and 47 service rigs
- Brazil : 8 drilling rigs and 1 service rigs
- Bolivia : 3 drilling rigs
- USA: 2+2 drilling rigs

Key clients:

- Pan America
- Petrobras



# Allis-Chalmers Energy historical key financials and mean estimates

Key financials <i>Figures in USD million</i>	Actual <sup>1</sup>			Mean estimates <sup>2</sup>	
	2007	2008	2009	2010E	2011E
Revenues	571	676	506	631	718
<i>Revenues growth</i>		18,4 %	-25,1 %	24,7 %	13,8 %
EBITDA	181	169	76	112	156
<i>EBITDA margin</i>	31,6 %	25,1 %	15,1 %	17,7 %	21,7 %
EBIT	125	(14)	(9)	20	65
<i>EBIT margin</i>	21,8 %	-2,0 %	-1,7 %	3,2 %	9,1 %
Total assets	1 053	1 115	1 081	n.a.	n.a.

1) Source: Annual reports 2) Source: ThomsonOne

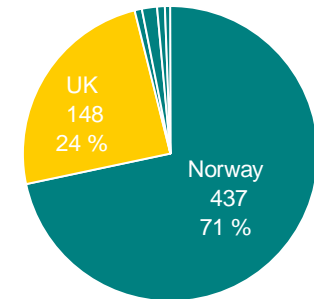
# Introduction to Seawell

## Description:

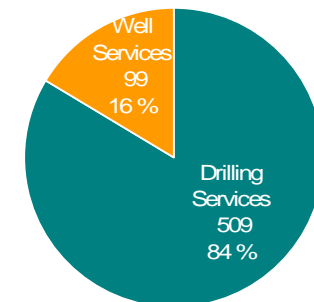
- Leading oilfield service company operating on nearly 50 installations in the North Sea
- Offices in Norway, UK, Denmark, US, Brazil, Nigeria, Singapore, India and joint ventures in Abu Dhabi and Kuala Lumpur
- Employs approximately 3 200 skilled and experienced people
- Two business segments
  - Drilling services
  - Well services
- Registered in the Norwegian OTC system
- Largest shareholder is Seadrill Ltd. holding 73.8% of the shares

## Key figures<sup>1</sup>:

### 2009 revenues by geography



### 2009 revenues by segment



<sup>1</sup>Source: 2009 annual report. Numbers in pies: USDm, relative share of total.

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# World's No 1 platform drilling company

## Platform Driller of the year in the UK, IADC reward, 3 rd year in a row

- 35 Active platforms in the North Sea & 2 in Brazil
- 2400+ offshore drillers
- NO LTI on 6 years of operations for Shell in the UK
- Safest platform operations for Statoil in 2010
- Solid backlog, solid performance, good cash flow
- More than 2 BUSD in backlog including all options

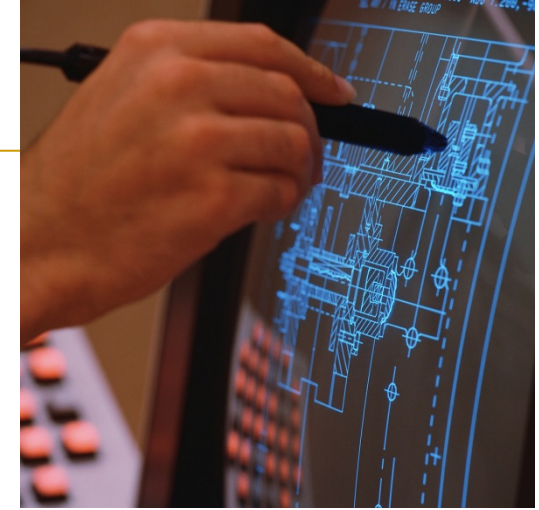


Photo, Oyvind Hagen Statoil.com



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# Drilling Facility Engineering



- Drilling Facility Design and Upgrades
- Modifications, Maintenance & Repairs
- Integration of new drillings units
- Optimizing the drilling system and processes
- Inspections of Rigs and Risers
- Seawell has the world's most experienced engineers in drilling facility engineering
- From our offices worldwide our 500 experts help our clients every day making sure their drilling equipment is working in an optimal way!

Norway  
England  
Scotland  
USA  
Brazil  
Singapore  
India

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# Offshore Modular Rig systems



- Containerised modular rig built for all kind of offshore installations with full extended reach drilling capability, workovers and P&A services.
- Our goal is to build a worldwide Modular Rig Company in the next 5 years

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# Well Services – strong competencies

- Electric and Mechanical Wireline services
- Production logging services
- Ultra Sound High Definition Logging
- Ultra sound active cameras
- V0 rated mechanical barrier plugs
- Cementing technology
- Special well repair & fishing services
- Coil tubing services

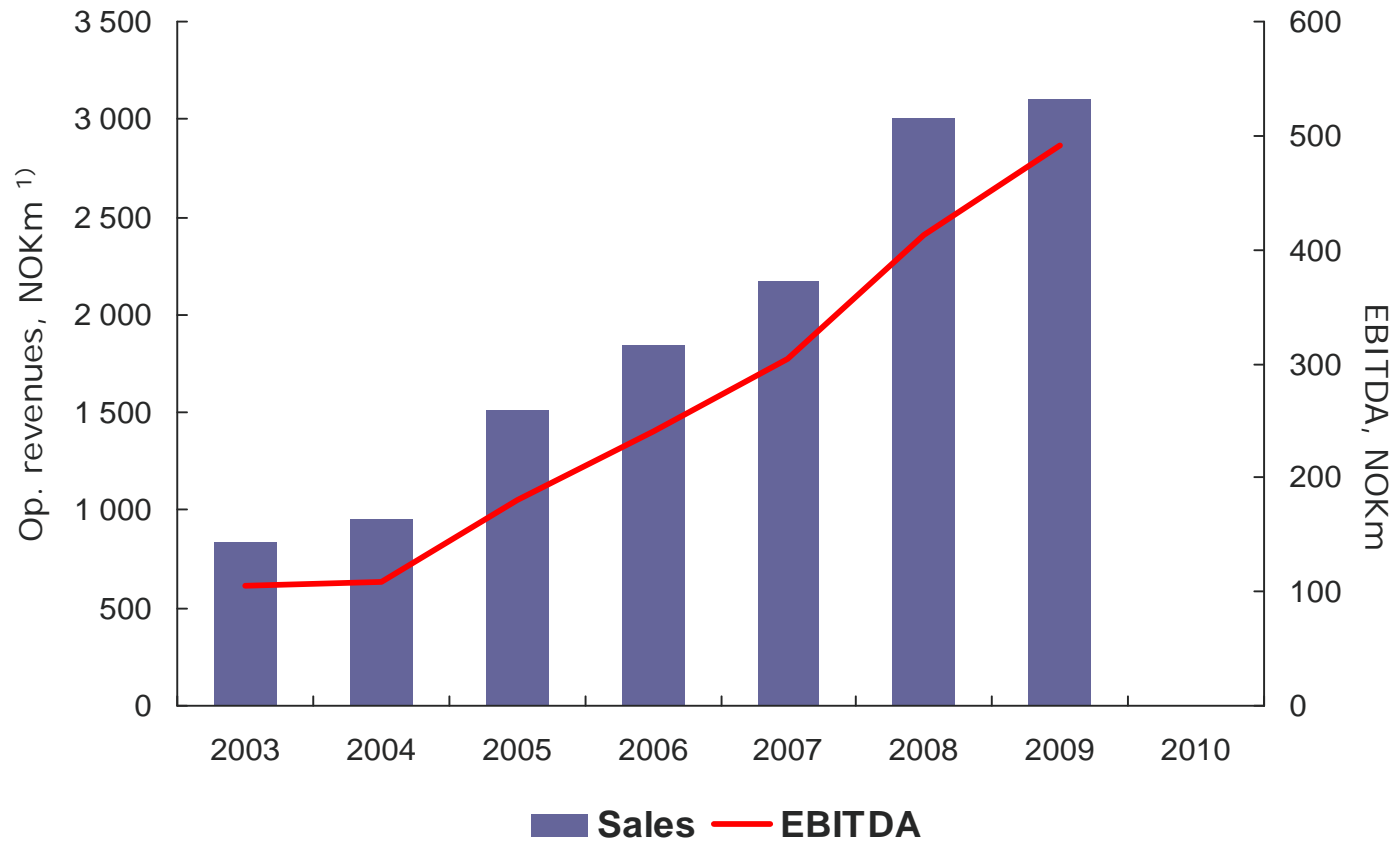


# Seawell backlog - Platform drilling, 2 BN USD

Unit	Customer	2009				2010				2011				2012				2013			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Statfjord A, B, C	StatoilHydro	Firm contracts												Option 1 x 2 year							
Gullfaks A, B, C	StatoilHydro	Firm contracts												Option 1 x 2 year							
Veslefrikk A, B	StatoilHydro	Firm contracts Life of field																			
Ula & Valhall	BP	Firm contracts																			
Gyda	Talisman	Firm contracts												Option 1 year							
Ekofisk & Eldfisk	ConocoPhillips	Firm contracts												Option 3 x 3 year							
Brent A, B, C, D, Nelson	Shell	Firm contracts												Option 1 x 2 year							
Dunlin	Fairfield	Firm contracts Life of field																			
Eider, Tern, N.Corm., Corm.A	TAQA	Firm contracts												Option 1 year							
Alba & Captain	Chevron	Firm contracts												Option 3 x 1 year							
Forties A, B, C, D	Apache	Firm contracts												Option 3 x 1 year							
Brae A, B, E	Marathon	Firm contracts Year to year																			
Peregrino A & B	StatoilHydro	Firm contracts												Option 2 x 3 year							

■ Firm contracts ■ Option

# Seawell - Steady progress forward



# Seawell historical key financials and mean estimates

Key financials <i>Figures in NOKm</i>	Actual <sup>1</sup>			Mean estimates <sup>2</sup>	
	2007	2008	2009	2010E	2011E
Revenues	2 728	3 625	3 825	4 127	4 403
<i>Revenues growth</i>		32,9 %	5,5 %	7,9 %	6,7 %
EBITDA	304	413	491	497	585
<i>EBITDA margin</i>	11,2 %	11,4 %	12,8 %	12,0 %	13,3 %
EBIT	251	306	359	352	435
<i>EBIT margin</i>	9,2 %	8,4 %	9,4 %	8,5 %	9,9 %
Total assets	2 010	3 447	3 340	n.a.	n.a.

1) Source: Annual reports 2) Source: Brokerage reports

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# Section 4:

## Questions & Answer

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**SEAWELL**

