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

FORM 8-K

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

Date of Report: (Date of earliest event reported): October 31, 2016

Diamond Offshore Drilling, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-13926
(Commission
file number)

76-0321760
(I.R.S. Employer
Identification No.)

**15415 Katy Freeway
Houston, Texas 77094**
(Address of principal executive offices, including Zip Code)

(281) 492-5300
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition

On October 31, 2016, Diamond Offshore Drilling, Inc. (the “Company”) issued a press release announcing its financial results for the fiscal quarter ended September 30, 2016. A copy of the press release is furnished herewith as Exhibit 99.1.

Item 7.01. Regulation FD Disclosure

A conference call to discuss the Company’s earnings results has been scheduled for 7:30 a.m. Central Time on October 31, 2016. The information for accessing the conference call is included in the press release.

The Company hereby incorporates by reference into this Item 7.01 the summary report of the status, as of October 31, 2016, of the Company’s offshore drilling rigs attached as Exhibit 99.2.

The information contained in Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 to this report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and shall not be incorporated by reference into any previous or future registration statement filed under the Securities Act of 1933, as amended (the “Securities Act”), unless specifically identified therein as being incorporated by reference.

Statements in the press release furnished as Exhibit 99.1 to this report, statements in the summary report furnished as Exhibit 99.2 to this report and statements made during the conference call described in this report that are not historical facts are “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements include, but are not limited to, statements concerning drilling rig deliveries, operations and timing; contract effectiveness, effective dates and estimated duration; plans regarding retirement and scrapping of drilling rigs; future impairments; future dividends; expectations of future backlog, revenue, operating costs and performance; future liquidity, financial condition, market conditions, commodity prices and strategic opportunities; revenue expected to result from backlog; future credit ratings; future dayrates, future status, start and end dates and future contracts and availability; future contract opportunities and termination rights; contract noncompliance by customers and other third parties; letters of intent; utilization, surveys, downtime and other aspects of the Company’s drilling rigs; customer discussions and outcomes thereof and the impact of these and related events on the Company’s operations and revenues; rigs being upgraded or to be upgraded and rigs under construction; future impact of regulations; and other statements that are not of historical fact. Forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those currently anticipated or expected by management of the Company. A discussion of the risk factors and other considerations that could materially impact these matters as well as the Company’s overall business and financial performance can be found in the Company’s reports filed with the Securities and Exchange Commission, and readers of this report are urged to review those reports carefully when considering these forward-looking statements. These risk factors include, among others, risks associated with worldwide demand for drilling services, level of activity in the oil and gas industry, renewing or replacing expired or terminated contracts, contract cancellations and terminations, maintenance and realization of backlog, competition and industry fleet capacity,

impairments and retirements, operating risks, changes in tax laws and rates, regulatory initiatives and compliance with governmental regulations, construction of new builds, casualty losses and various other factors, many of which are beyond the Company’s control. Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of such statement, and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit number</u>	<u>Description</u>
99.1	Press Release dated October 31, 2016
99.2	Rig Status Report as of October 31, 2016

SIGNATURES

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

Date: October 31, 2016

DIAMOND OFFSHORE DRILLING, INC.

By: /s/ DAVID L. ROLAND

David L. Roland

Senior Vice President, General Counsel
and Secretary



DIAMOND
OFFSHORE

Contact:
Samir Ali
Sr. Director, Investor Relations
& Corporate Development
(281) 647-4035

Diamond Offshore Announces Third Quarter 2016 Results

- Net income of \$14.0 million, or \$0.10 per diluted share

HOUSTON, October 31, 2016 — Diamond Offshore Drilling, Inc. (NYSE: DO) today reported results for the third quarter of 2016.

<i>Thousands of dollars, except per share data</i>	Three Months Ended		
	September 30, 2016	June 30, 2016	Change
Total revenues	\$ 349,178	\$ 388,747	(10)%
Operating income (loss)	54,071	(626,669)	—
Adjusted operating income	54,071	51,476	5%
Net income (loss)	13,927	(589,937)	—
Adjusted net income	13,927	22,295	(38)%
Earnings (loss) per diluted share	\$ 0.10	\$ (4.30)	—
Adjusted earnings per diluted share	\$ 0.10	\$ 0.16	(38)%

“Despite continued market headwinds, Diamond Offshore achieved earnings per share of \$0.10,” said Marc Edwards, President and Chief Executive Officer. “Overall, I am pleased with our third quarter results and our ability to manage costs, while remaining focused on maintaining our backlog position.”

During the quarter, the Company announced new contracts for the *Ocean Valiant* and *Ocean Scepter* with Maersk in the UK and Fieldwood in Mexico, respectively. The addition of these two contracts adds 20 months of backlog.

As of September 30, 2016, the Company’s total contracted backlog was \$4.1 billion, which represents 27 rig years of work. Approximately 96% of the Company’s available ultra-deepwater rig days for the remainder of 2016 are contracted with top tier customers.

CONFERENCE CALL

A conference call to discuss Diamond Offshore’s earnings results has been scheduled for 7:30 a.m. CDT today. A live webcast of the call will be available online on the Company’s website, www.diamondoffshore.com. Those interested in participating in the question and answer session should dial 800-247-9979 or 973-321-1100, for international callers. The conference ID number is 89455433. An online replay will also be available on www.diamondoffshore.com following the call.

ABOUT DIAMOND OFFSHORE

Diamond Offshore is a leader in offshore drilling, providing contract drilling services to the energy industry around the globe. Additional information and access to the Company's SEC filings are available at www.diamondoffshore.com. Diamond Offshore is owned 53% by Loews Corporation (NYSE: L).

FORWARD-LOOKING STATEMENTS

Statements contained in this press release or made during the above conference call that are not historical facts are "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those anticipated or expected by management of the Company. A discussion of the important risk factors and other considerations that could materially impact these matters as well as the Company's overall business and financial performance can be found in the Company's reports filed with the Securities and Exchange Commission, and readers of this press release are urged to review those reports carefully when considering these forward-looking statements. Copies of these reports are available through the Company's website at www.diamondoffshore.com. These risk factors include, among others, risks associated with worldwide demand for drilling services, level of activity in the oil and gas industry, renewing or replacing expired or terminated contracts, contract cancellations and terminations, maintenance and realization of backlog, competition and industry fleet capacity, impairments and retirements, operating risks, changes in tax laws and rates, regulatory initiatives and compliance with governmental regulations, construction of new builds, casualty losses, and various other factors, many of which are beyond the Company's control. Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Revenues:				
Contract drilling	\$ 339,636	\$ 599,036	\$ 1,140,568	\$ 1,816,055
Revenues related to reimbursable expenses	9,542	10,706	67,900	47,775
Total revenues	<u>349,178</u>	<u>609,742</u>	<u>1,208,468</u>	<u>1,863,830</u>
Operating expenses:				
Contract drilling, excluding depreciation	186,654	277,944	597,831	971,471
Reimbursable expenses	7,965	10,476	51,283	46,904
Depreciation	86,473	118,086	295,729	378,714
General and administrative	15,237	16,888	48,774	50,888
Impairment of assets	—	2,546	678,145	361,074
Restructuring and separation costs	—	1,574	—	8,735
(Gain) loss on disposition of assets	(1,222)	794	(2,265)	19
Total operating expenses	<u>295,107</u>	<u>428,308</u>	<u>1,669,497</u>	<u>1,817,805</u>
Operating income (loss)	<u>54,071</u>	<u>181,434</u>	<u>(461,029)</u>	<u>46,025</u>
Other income (expense):				
Interest income	150	629	592	1,796
Interest expense	(19,032)	(21,350)	(68,704)	(70,800)
Foreign currency transaction (loss) gain	(712)	(1,163)	(7,833)	954
Other, net	269	217	(11,199)	702
Income (loss) before income tax (expense) benefit	<u>34,746</u>	<u>159,767</u>	<u>(548,173)</u>	<u>(21,323)</u>
Income tax (expense) benefit	<u>(20,819)</u>	<u>(23,345)</u>	<u>59,588</u>	<u>(7,578)</u>
Net income (loss)	<u>\$ 13,927</u>	<u>\$ 136,422</u>	<u>\$ (488,585)</u>	<u>\$ (28,901)</u>
Income (loss) per share	<u>\$ 0.10</u>	<u>\$ 0.99</u>	<u>\$ (3.56)</u>	<u>\$ (0.21)</u>
Weighted-average shares outstanding:				
Shares of common stock	137,170	137,159	137,167	137,156
Dilutive potential shares of common stock	84	44	—	—
Total weighted-average shares outstanding	<u>137,254</u>	<u>137,203</u>	<u>137,167</u>	<u>137,156</u>

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS
(Unaudited)
(In thousands)

	Three Months Ended		
	September 30,	June 30,	September 30,
	2016	2016	2015
REVENUES			
Floaters:			
Ultra-Deepwater	\$ 217,275	\$ 214,102	\$ 376,195
Deepwater	66,011	67,191	136,668
Mid-water	56,350	56,694	69,500
Total Floaters	339,636	337,987	582,363
Jack-ups	—	19,422	16,673
Total Contract Drilling Revenue	339,636	\$ 357,409	\$ 599,036
Revenues Related to Reimbursable Expenses	\$ 9,542	\$ 31,338	\$ 10,706
CONTRACT DRILLING EXPENSE			
Floaters:			
Ultra-Deepwater	\$ 124,099	\$ 127,185	\$ 156,107
Deepwater	36,226	34,776	67,630
Mid-water	17,634	25,862	35,784
Total Floaters	177,959	187,823	259,521
Jack-ups	1,833	6,876	12,507
Other	6,862	3,637	5,916
Total Contract Drilling Expense	\$ 186,654	\$ 198,336	\$ 277,944
Reimbursable Expenses	\$ 7,965	\$ 16,527	\$ 10,476
OPERATING INCOME (LOSS)			
Floaters:			
Ultra-Deepwater	\$ 93,176	\$ 86,917	\$ 220,088
Deepwater	29,785	32,415	69,038
Mid-water	38,716	30,832	33,716
Total Floaters	161,677	150,164	322,842
Jack-ups	(1,833)	12,546	4,166
Other	(6,862)	(3,637)	(5,916)
Reimbursable expenses, net	1,577	14,811	230
Depreciation	(86,473)	(105,016)	(118,086)
General and administrative expense	(15,237)	(18,139)	(16,888)
Impairment of assets	—	(678,145)	(2,546)
Restructuring and separation costs	—	—	(1,574)
Gain (loss) on disposition of assets	1,222	747	(794)
Total Operating Income (Loss)	\$ 54,071	\$(626,669)	\$ 181,434

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands)

	September 30, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 81,329	\$ 119,028
Marketable securities	46	11,518
Accounts receivable, net of allowance for bad debts	273,982	405,370
Prepaid expenses and other current assets	114,166	119,479
Assets held for sale	7,600	14,200
Total current assets	477,123	669,595
Drilling and other property and equipment, net of accumulated depreciation	5,819,309	6,378,814
Other assets	112,743	101,485
Total assets	<u>\$ 6,409,175</u>	<u>\$ 7,149,894</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Short-term borrowings	\$ 182,100	\$ 286,589
Other current liabilities	297,781	339,134
Long-term debt	1,980,602	1,979,778
Deferred tax liability	164,389	276,529
Other liabilities	151,375	155,094
Stockholders' equity	3,632,928	4,112,770
Total liabilities and stockholders' equity	<u>\$ 6,409,175</u>	<u>\$ 7,149,894</u>

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES
AVERAGE DAYRATE, UTILIZATION AND OPERATIONAL EFFICIENCY
(Dayrate in thousands)

	Third Quarter 2016			Second Quarter 2016			Third Quarter 2015		
	Average Dayrate (1)	Utilization (2)	Operational Efficiency (3)	Average Dayrate (1)	Utilization (2)	Operational Efficiency (3)	Average Dayrate (1)	Utilization (2)	Operational Efficiency (3)
Ultra-Deepwater Floaters	\$ 452	48%	87.1%	\$ 452	47%	86.7%	\$ 479	71%	96.8%
Deepwater Floaters	\$ 303	34%	94.5%	\$ 301	35%	100%	\$ 361	59%	90.3%
Mid-Water floaters	\$ 311	33%	98.4%	\$ 313	30%	99.4%	\$ 289	31%	97.5%
Jack-ups	—	—	—	\$ 335	13%	100%	\$ 97	31%	99.8%
Fleet Total			91.0%			92.7%			95.5%

- (1) Average dayrate is defined as contract drilling revenue for all of the specified rigs in our fleet per revenue earning day. A revenue earning day is defined as a 24-hour period during which a rig earns a dayrate after commencement of operations and excludes mobilization, demobilization and contract preparation days.
- (2) Utilization is calculated as the ratio of total revenue-earning days divided by the total calendar days in the period for all specified rigs in our fleet (including cold-stacked rigs, but excluding rigs under construction). As of September 30, 2016, our cold-stacked rigs included four ultra-deepwater semisubmersibles, three deepwater semisubmersibles, three mid-water semisubmersibles and four marketed-for-sale jack-up rigs.
- (3) Operational efficiency is calculated as the ratio of total revenue-earning days divided by the sum of total revenue-earning days plus the number of days (or portions thereof) associated with unanticipated equipment downtime.

Non-GAAP Financial Measures (Unaudited)

To supplement the Company's unaudited condensed consolidated financial statements presented on a GAAP basis, this press release provides investors with adjusted operating income, adjusted net income and adjusted earnings per diluted share, which are non-GAAP financial measures. Management believes that these measures provide meaningful information about the Company's performance by excluding certain charges that may not be indicative of the Company's ongoing operating results. This allows investors and others to better compare the company's financial results across previous and subsequent accounting periods and to those of peer companies and to better understand the long-term performance of the Company. Non-GAAP financial measures should be considered to be a supplement to, and not as a substitute for, or superior to, financial measures prepared in accordance with GAAP.

In order to fully assess the financial operating results of the Company, management believes that the results of operations adjusted to exclude the second quarter 2016 impairment of rigs and associated inventory, as well as the related tax effect thereof and other second quarter discrete tax items, are appropriate measures of the continuing and normal operations of the Company. However, these measures should be considered in addition to, and not as a substitute for, or superior to, contract drilling revenue, contract drilling expense, operating income, cash flows from operations or other measures of financial performance prepared in accordance with GAAP.

	Three Months Ended	
	September 30, 2016	June 30, 2016
(In thousands)		
Reconciliation of As Reported Operating (Loss) Income to Adjusted Operating Income:		
As reported operating income (loss)	\$ 54,071	\$(626,669)
Impairments and other charges:		
Impairment of rigs and associated inventory (1)	—	678,145
Adjusted operating income	<u>\$ 54,071</u>	<u>\$ 51,476</u>
(In thousands)		
Reconciliation of As Reported Net Loss to Adjusted Net Income:		
As reported net income (loss)	\$ 13,927	\$(589,937)
Impairments and other charges:		
Impairment of rigs and associated inventory (1)	—	678,145
Tax effect of impairments and other charges:		
Impairment of rigs and associated inventory (2)	—	(143,165)
Discrete tax items (3)		77,252
Adjusted net income	<u>\$ 13,927</u>	<u>\$ 22,295</u>

	Three Months Ended	
	September 30, 2016	June 30, 2016
Reconciliation of As Reported Income (Loss) per Diluted Share to Adjusted Earnings per Diluted Share:		
As reported income (loss) per diluted share	\$ 0.10	\$ (4.30)
Impairments and other charges:		
Impairment of rigs and associated inventory (1)	—	4.94
Tax effect of impairments and other charges:		
Impairment of rigs and associated inventory (2)	—	(1.04)
Other discrete tax items (3)	—	0.56
Adjusted earnings per diluted share	<u>\$ 0.10</u>	<u>\$ 0.16</u>

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- (1) Represents the aggregate amount of impairment losses recognized during the second quarter of 2016 related to eight of our drilling rigs and associated inventory.
- (2) Represents the income tax effects of the aggregate impairment loss recognized in the second quarter of 2016.
- (3) Represents the aggregate of certain discrete income tax adjustments recognized during the second quarter of 2016, primarily related to valuation allowances for current and prior year tax assets associated with foreign tax credits, which we no longer expect to be able to utilize to offset income taxes in the U.S. tax jurisdiction.



Diamond Offshore Drilling, Inc.

Rig Status Report

October 31, 2016

Updated information noted in bold print

RECENT COMMITMENTS (See Body of Report For Contract Details)

Rig Name	Water Depth ¹ (feet)	Type ²	Year ³ Built	Location	Operator	Contract Dayrate (USD)	Estimated Start Date	Estimated End Date	Status	Downtime ⁴ 4Q16 E	Comments
Totals:										34	
Gulf of Mexico											
Ocean BlackHawk	12,000	DS 15K DP	2014	US GOM	Anadarko	495,000	late May 2014	mid Jun 2019	5-year term + unpriced option		
Ocean BlackHornet	12,000	DS 15K DP	2014	US GOM	Anadarko	495,000	mid Apr 2015	mid Apr 2020	5-year term + unpriced option	7	
Ocean BlackRhino	12,000	DS 15K DP	2014	US GOM	—	—	mid Feb 2016	early Jan 2017	Contract prep; standby; customer acceptance		
Ocean BlackLion	12,000	DS 15K DP	2015	US GOM	Hess	400,000	early Jan 2017	early Jan 2020	3-year term		
Ocean Scepter	350	JU 15K IC	2008	Mexico	Fieldwood	Undisclosed	mid Feb 2016	mid Feb 2020	4-year term		
							mid Jan 2017	early Aug 2017	1 well + 1 option well		
North Sea / Mediterranean / W. Africa											
Ocean Guardian	1,500	SS 15K	1985	UK	Dana	220,000	early Mar 2016	early Mar 2017	1-year term		Rig on standby rate
Ocean Patriot	3,000	SS 15K	1983	UK	Shell	400,511	late Oct 2014	late Oct 2017	3-year term		
Ocean Valiant	5,500	SS 15K	1988	UK	Contract Prep		mid Aug 2016	late Oct 2016			
				UK	Maersk	Undisclosed	early Nov 2016	early Nov 2017	13 wells		
Australasia											
Ocean Apex	6,000	SS 15K	2014	Australia	Woodside Energy	285,000	mid May 2016	mid Nov 2017	18-month term,		
						205,000	mid Nov 2017	mid Feb 2018	3-month extension		
Ocean Monarch	10,000	SS 15K	2008	Australia	Quadrant	410,000	mid Jul 2015	mid May 2016	10 months of 18-month term + 1 year option		
						350,000	mid May 2016	early Jul 2016	Reduced Rate on 18-month term		
						410,000	early Jul 2016	late Nov 2016	5 months of 18-month term + 1 year option		
						350,000	late Nov 2016	early Jan 2017	Reduced Rate on 18-month term		
Ocean GreatWhite	10,000	SS 15K DP	2016	Singapore / Australia	—	—	mid Jul 2016	early Jan 2017	Commissioning; mober; acceptance		
				Australia	BP	585,000	early Jan 2017	early Jan 2020	3-year term + 2 x 1-year priced options		
South America											
Ocean Victory	5,500	SS 15K	1997	Trinidad	BP	398,000	early May 2015	mid May 2017	2-year term + 1-year unpriced option	6	
Ocean Courage	10,000	SS 15K DP	2009	Brazil	Petrobras	455,000	late Oct 2015	late Feb 2018	3-year extension	21	
Ocean Valor	10,000	SS 15K DP	2009	Brazil	Petrobras	380,000	late Feb 2018	late Jul 2020	Term extension		
						455,000	early Jul 2016		Pending Litigation		Rig on standby rate
COLD STACKED											
Ocean Nomad	1,200	SS	1975	UK	—	—	—	—	Stacked		
Ocean Princess	1,500	SS 15K	1975	UK	—	—	—	—	Stacked		
Ocean Vanguard	1,500	SS 15K	1982	UK	—	—	—	—	Stacked		
Ocean America	5,500	SS 15K	1988	Malaysia	—	—	—	—	Stacked		
Ocean Alliance	5,250	SS 15K DP	1988	US GOM	—	—	—	—	Stacked		
Ocean Onyx	6,000	SS 15K	2014	US GOM	—	—	—	—	Stacked		
Ocean Baroness	8,000	SS 15K	2002	US GOM	—	—	—	—	Stacked		
Ocean Rover	8,000	SS 15K	2003	Malaysia	—	—	—	—	Stacked		
Ocean Confidence	10,000	SS 15K DP	2001	Canary Islands	—	—	—	—	Stacked		
Ocean Endeavor	10,000	SS 15K	2007	Italy	—	—	—	—	Stacked		

Please refer to accompanying disclaimer as well as Diamond Offshore's 10-K and 10-Q filings with the SEC.

Page 1 of 3

<u>Rig Name</u>	<u>Water Depth¹ (feet)</u>	<u>Type²</u>	<u>Year³ Built</u>	<u>Location</u>	<u>Operator</u>	<u>Contract Dayrate (USD)</u>	<u>Estimated Start Date</u>	<u>Estimated End Date</u>	<u>Status</u>	<u>Downtime⁴ 4Q16 E</u>	<u>Comments</u>
<i>Held For Sale</i>											
Ocean Summit	300	JU IC	1972	US GOM	—	—	—	—	Stacked		
Ocean King	300	JU IC	1973	US GOM	—	—	—	—	Stacked		
Ocean Nugget	300	JU IC	1976	US GOM	—	—	—	—	Stacked		
Ocean Spur	300	JU IC	1981	Malaysia	—	—	—	—	Stacked		

NOTES

(1.) Water Depth refers to the rig’s rated operating water depth capability. Often, rigs are capable of drilling or have drilled in greater water depths.

(2.) Rig Type and capabilities: JU=Jack-up; SS=Semisubmersible; DS=Drillship; 15K=15,000 PSI Well-Control System; DP=Dynamically Positioned Rig; IC=Independent-Leg Cantilevered Rig.

(3.) Year Built represents when rig was built and originally placed in service or year redelivered with significant enhancements that enabled the rig to be classified within a different floater category than when originally constructed.

(4.) Downtime only includes downtime periods that as of this report date are, or have been, planned and estimable and do not necessarily reflect actual downtime experienced. Additional downtime may be experienced in the form of possible mobes for new jobs not yet contracted, possible acceptance testing at new jobs, and unplanned maintenance and repairs. Survey start times may also be accelerated or delayed for various reasons.

General Notes

Average Utilization: Assume rates of 92% for DP units, 95% for conventionally moored rigs, and 97% for jack-ups. Rig utilization rates can be adversely impacted by additional downtime due to unscheduled repairs and maintenance, and other factors.

Options should be assumed to be unpriced unless otherwise indicated.

Dayrates exclude amortized revenue related to amounts earned for certain activities, such as move, demove, contract preparation, etc.

Survey Costs: During surveys, normal operating expense will be incurred, plus additional costs.

US GOM=U.S. Gulf of Mexico

Please refer to accompanying disclaimer as well as Diamond Offshore’s 10-K and 10-Q filings with the SEC.

Page 2 of 3



Diamond Offshore Drilling, Inc.
Rig Status Report

Forward-Looking Statements: This report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, without limitation, any statement that may project, indicate or imply future results, events, performance or achievements, and may contain or be identified by the words “expect,” “intend,” “plan,” “predict,” “anticipate,” “estimate,” “believe,” “should,” “could,” “may,” “might,” “will,” “will be,” “will continue,” “will likely result,” “project,” “budget,” “forecast,” and similar expressions. Statements by the Company in the rig status report that contain forward-looking statements include, but are not limited to, statements regarding the current term, future dayrates, future status, start and end dates, and comments concerning future contracts and availability, future contract opportunities and termination rights, letters of intent, utilization, surveys, downtime and other aspects of the Company’s drilling rigs, as well as statements concerning customer discussions and outcomes thereof, the impact of these and related events on our operations and revenues, rigs being upgraded or to be upgraded and rigs under construction. Such statements are inherently subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those anticipated or projected. A discussion of the risk factors that could impact these areas and the Company’s overall business and financial performance can be found in the Company’s reports and other documents filed with the Securities and Exchange Commission. These factors include, among others, general economic and business conditions, contract cancellations, customer bankruptcy, operating risks, casualty losses, industry fleet capacity, changes in foreign and domestic oil and gas exploration and production activity, competition, changes in foreign, political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond the Company’s control. Given these concerns, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the rig status report, and the Company undertakes no obligation to publicly update or revise any forward-looking statement.