

Offer Document

Mandatory offer to acquire all outstanding shares in



Scorpion Offshore Ltd

(a company registered in Bermuda with registration number 37220)

not already owned or controlled by



Seadrill Limited

(a company registered in Bermuda with registration number 36832)

Offer Price

NOK 80 per share in cash

Acceptance Period

From and including 26 May 2008 to and including 23 June 2008 16:30 CET

Managed by



Pareto Securities AS

23 May 2008

IMPORTANT NOTICE

This offer document (the "**Offer Document**") has been prepared by Seadrill Limited ("**Seadrill**") in order to document the terms of a mandatory offer for the shares in Scorpion Offshore Ltd ("**Scorpion Offshore**") not already owned or controlled by Seadrill pursuant to the requirements of the Norwegian Securities Trading Act (the "**Offer**").

Shareholders in Scorpion Offshore must rely upon their own examination of this Offer Document and should thus study it carefully so that a balanced judgment can be made of the Offer and the information that is disclosed herein. When considering what actions to take, shareholders in Scorpion Offshore are encouraged to seek the advice of their own financial and legal advisors.

The issue and distribution of this Offer Document does not imply that the information included herein will continue to be correct and complete at any date subsequent to the date hereof.

With the exception of Seadrill and persons authorised by Seadrill, no person or entity is entitled or authorised to provide any information or make any representations in connection with the Offer. If such information or representation is provided or made by any other subject than Seadrill or persons authorised by Seadrill, such information or representation should not be relied upon as having been provided or made by or on behalf of Seadrill.

This Offer Document will be distributed to the shareholders registered in Scorpion Offshore's shareholder registry on 23 May 2008 and will also be available, free of charge, at the offices of Carnegie ASA and Pareto Securities AS at the below addresses:

Carnegie ASA
Stranden 1
P.O. Box 684 Sentrum
0106 Oslo
Norway
Telephone: +47 22 00 93 00
Telefax: +47 22 00 99 60
www.carnegie.no

Pareto Securities AS
Dronning Mauds gate 3
P.O. Box 1411 Vika
0115 Oslo
Norway
Telephone: +47 22 87 87 00
Telefax: +47 22 87 87 10
www.pareto.no

Financial Advisors

Carnegie ASA and Pareto Securities AS are acting as financial advisors to Seadrill in connection with the Offer. Carnegie ASA and Pareto Securities AS are acting for no one else in this respect and will not be responsible to any subject other than Seadrill for providing (i) the protections normally granted to their customers or (ii) advice in relation to the Offer.

Restrictions

General

The distribution of this Offer Document or any separate summary documentation regarding the Offer and the making of the Offer may, in certain jurisdictions (including, but not limited to, Canada, Australia and Japan), be restricted by law. Persons obtaining this Offer Document or into whose possession this Offer Document otherwise comes, are therefore required to inform themselves of and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Seadrill, Carnegie ASA and Pareto Securities AS do not accept or assume any responsibility or liability for any violation by any person whomsoever of any such restriction.

This Offer Document is not directed to persons whose acceptance of the Offer requires that (i) further documents are issued in order for the Offer to comply with local law or (ii) registration or other measures are taken pursuant to local law. No document or material relating to the Offer may be distributed in or into any country where such distribution requires any of the aforementioned measures to be taken or would be in conflict with any law or regulation of such country. In the event such distribution or offering nevertheless is made, an acceptance form sent from such a country will be non-binding on Seadrill.

This Offer Document does not represent an offer to acquire or obtain any securities other than the shares in Scorpion Offshore that are subject to the Offer.

The Offer and this Offer Document are governed by Norwegian law.

United States of America

The Offer will be made to Scorpion Offshore Shareholders resident in the United States.

The Offer is for the shares of a Bermuda company listed for trading on the Oslo Stock Exchange and is governed by provisions of Bermuda and Norwegian law. Those provisions differ considerably from the corresponding United States legal provisions. Only a limited set of United States legal provisions apply to the Offer and this Offer Document. The applicable procedural and disclosure requirements of Bermuda and Norwegian law are different than those of the U.S. securities laws in certain material respects. The timing of payments, withdrawal rights, settlement procedures, and other timing and procedural matters of the Offer are consistent with Bermuda and Norwegian practice, which differs from U.S. domestic tender offer procedures. In accordance with U.S. federal securities laws, the Offer will remain open for at least 20 U.S. business days from the date of this Offer Document. The Offer will be made in the United States pursuant to Section 14(e) and Regulation 14E under the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), but otherwise only in accordance with the requirements of Bermuda and Norwegian law and practice.

Pursuant to the class exemptive relief from Rule 14e-5 under the Exchange Act granted by the staff of the U.S. Securities and Exchange Commission on March 2, 2007, Seadrill may acquire, or make arrangements to acquire, shares in Scorpion Offshore, other than pursuant to the Offer, on or off the Oslo Stock Exchange or otherwise outside the United States during the period in which the Offer remains open for acceptance, so long as those acquisitions or arrangements comply with applicable Bermuda and Norwegian law and practice.

It may be difficult for U.S. Scorpion Offshore Shareholders to enforce their rights and claims under U.S. federal securities laws, because Scorpion Offshore is a Bermuda company, Seadrill is incorporated under the laws of Bermuda, and most or (in the case of Seadrill) all of their respective directors and officers are resident outside of the United States. Scorpion Offshore Shareholders in the United States may not be able to sue a foreign company in a foreign court for violations of U.S. securities laws, and it may be difficult to compel a foreign company or its affiliates to subject themselves to the jurisdiction and judgment of a court in the United States.

As used herein, the “**United States**” or the “**US**” means the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia.

Canada

Neither this Offer Document nor any copy of it may be taken or transmitted into Canada or distributed or redistributed in Canada or to any individual outside Canada who is a resident of Canada, except in compliance with applicable Canadian rules.

Japan

Neither this Offer Document nor any copy of it may be taken or transmitted into Japan or distributed or redistributed in Japan for the purpose of soliciting an acceptance of the Offer from any resident of Japan.

Australia

The Offer is not being made directly or indirectly in or into and may not be accepted in or from Australia. Accordingly, if any copies of this Offer Document (and any accompanying documents) are mailed or otherwise distributed or sent in or into Australia, that action does not constitute an offer, and any purported acceptance thereof by or on behalf of an Australian resident on the basis thereof will be invalid.

No document reflecting the Offer has been or will be lodged with the Australian Securities & Investments Commission (“ASIC”) and ASIC has not approved the Offer in Australia.

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The Offer Document has been prepared in the English language only.

1 Statement from the board of directors of Seadrill

This Offer Document has been prepared by the board of directors of Seadrill in order to provide the shareholders of Scorpion Offshore with the terms and conditions of a mandatory offer by Seadrill for all of the shares in Scorpion Offshore, not already owned by Seadrill, pursuant to the requirements of the Norwegian Securities Trading Act.

As per 23 May 2008, Seadrill and its related parties (as defined in the Norwegian Securities Trading Act section 4-5) control 19,494,700 shares in Scorpion Offshore, representing a total of 36.0% of Scorpion Offshore's issued shares and the corresponding voting rights in Scorpion Offshore's general meeting.

The information in this Offer Document regarding Scorpion Offshore is based exclusively on publicly available information.

Bermuda, 23 May 2008

The board of directors of Seadrill Limited

John Fredriksen
Chairman and President

Tor Olav Trøim
Director and Vice President

Kate Blankenship
Director

Jan Tore Strømme
Director

2 Definitions and glossary of terms

The following terms shall, when used in this Offer Document, have the following meaning:

| | |
|--------------------------------------|--|
| Acceptance..... | The acceptance of the Offer by a Scorpion Offshore Shareholder. |
| Acceptance Form | The form to be used by Scorpion Offshore Shareholders when accepting the Offer. The Acceptance Form is enclosed hereto as Appendix 2. |
| Acceptance Period | The period during which Scorpion Offshore Shareholders may accept the Offer, such period running from and including 26 May 2008 to and including 23 June 2008 at 16:30 CET. |
| Accepting Shareholder..... | A Scorpion Offshore Shareholder who has accepted the Offer. |
| BCA | Bermuda Companies Act. |
| Carnegie..... | Carnegie ASA. |
| CET..... | Central European Time. |
| DoJ..... | US Department of Justice |
| Financial Advisors | Carnegie and Pareto Securities. |
| FTC..... | U.S. Federal Trade Commission |
| HSR Act..... | U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976 |
| NOK..... | Norwegian Kroner, the lawful currency of Norway. |
| Offer..... | The mandatory offer made by Seadrill to purchase all the Scorpion Offshore Shares not already owned or controlled by the Seadrill Group at the Offer Price and otherwise on the terms set forth in the Offer Document. |
| Offer Document..... | This offer document, dated 23 May 2008. |
| Offer Price | NOK 80 per Scorpion Offshore Share, payable in cash. |
| Oslo Stock Exchange..... | Oslo Børs ASA. |
| Pareto Securities | Pareto Securities AS. |
| Receiving Agent | Pareto Securities. |
| Scorpion Offshore..... | Scorpion Offshore Ltd. |
| Scorpion Offshore Shareholders | Such persons and entities other than Seadrill as are registered in the shareholder register of Scorpion Offshore in the VPS as of 23 May 2008. |
| Scorpion Offshore Shares | A share issued by Scorpion Offshore having par value USD 0.002 and carrying one vote in Scorpion Offshore's general meeting. |
| Seadrill..... | Seadrill Limited. |
| Seadrill Group..... | Seadrill and its subsidiaries. |
| Securities Trading Act | The Securities Trading Act of 29 June 2007 ("Verdipapirhandelloven"). |
| Settlement Date..... | The date on which the cash consideration for the Scorpion Offshore Shares of the Accepting Shareholders are transferred to the Accepting Shareholders' bank accounts, being at the latest 4 July 2008. |
| USD | United States Dollar, the lawful currency of the United States of America |
| VPS..... | The Norwegian Central Securities Depository ("Verdipapirsentralen"). |

3 The Offer

The Offer Document contains the terms upon and subject to which Seadrill offers to acquire all the Scorpion Offshore Shares not already owned or controlled by Seadrill.

The Offer is made to all Scorpion Offshore Shareholders and has been sent to all Scorpion Offshore Shareholders with known addresses appearing in the shareholder register of Scorpion Offshore in the VPS as of 23 May 2008. Scorpion Offshore Shareholders residing in jurisdictions where the Offer Document may not be lawfully distributed have been excluded from the Offer.

3.1 Introduction

Prior to 29 April 2008, Seadrill controlled 11,394,700 Scorpion Offshore Shares, representing 21.0% of the outstanding Scorpion Offshore Shares. On 29 April 2008, Seadrill acquired a further 8,100,000 Scorpion Offshore Shares, bringing its total shareholding up to 19,494,700¹ Scorpion Offshore Shares, corresponding to 36.0% of the outstanding Scorpion Offshore Shares. On the same day, Seadrill announced its intention to make a mandatory offer to acquire all of the remaining Scorpion Offshore Shares not already owned or controlled by Seadrill.

The Offer covers all Scorpion Offshore Shares in issue as of the date of this Offer which are not owned or controlled by the Seadrill Group, being a total of 34,710,456 Scorpion Offshore Shares.

3.2 The Offeror

The Offer is made by Seadrill Limited, having its registered address at Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda. Seadrill has official registration number 36832 and is a public limited company incorporated under the laws of Bermuda.

Seadrill is engaged in the business of owning and operating drilling rigs and other vessels used in the exploration and production of oil and gas offshore. Seadrill's versatile fleet of 37 units (11 of which are under construction) includes harsh-environment semi-submersibles, jack-ups, shallow and deepwater tender rigs and deepwater drillships. In addition Seadrill has a minority shareholding in Varia Perdana Bhd., which has an ownership interest in five tender rigs operated by Seadrill, a 73.8% stake in the well-services company Seawell Ltd, as well as a minority interest in the Malaysian oil service company SapuraCrest Petroleum Bhd. and the US based drilling company Pride International Inc.

Seadrill is listed on the Oslo Stock Exchange under the ticker code "SDRL". Seadrill's shares are registered with International Securities Identification Number (ISIN) BMG 7945 E 1057.

Further information about Seadrill may be found in Section 6 of this Offer Document.

3.3 Target company

The target company is Scorpion Offshore Ltd., having its registered address at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. Scorpion Offshore has registration number 37220, and is a public limited company incorporated under the laws of Bermuda.

Scorpion Offshore is a drilling contractor with three completed jack-up drilling rigs and a total of four additional jack-up drilling rigs under construction. The company also has options to build three additional jack-up drilling rigs at the Lamprell yard.

A brief description of Scorpion Offshore is set out in Section 7 in this Offer Document.

The Scorpion Offshore Shares are registered and traded on Oslo Børs under the ticker code "SCORE" and are registered in the VPS under ISIN BMG786761061. The total number of Scorpion Offshore Shares outstanding as per this date is 54,205,156.

¹ 11,394,700 Scorpion Offshore Shares are under a forward contract with due date on 18 June 2008, while the 8,100,000 Scorpion Offshore Shares acquired on 29 April 2008 are under a forward contract with due date on 3 July 2008

3.4 Offer Price and Other Terms

Shareholders accepting the Offer will receive a consideration of NOK 80 per Scorpion Offshore Share in cash in accordance with the terms set forth herein.

Any dividend or other payment on the Scorpion Offshore Shares paid out prior to the end of the Acceptance Period shall reduce the Offer Price accordingly.

The Offer Price values Scorpion Offshore's equity at NOK 4.34 billion. Section 5 herein, titled "The Offer Price", describes the Offer Price in more detail.

No interest compensation will be paid from the date of acceptance of the Offer until settlement of the Offer is made.

3.5 Acceptance Period

The Acceptance Period shall commence on and include 26 May 2008 and continue to and include 23 June 2008 at 16:30 CET. The Acceptance Period may be extended with up to two weeks. In the event the Acceptance Period will be extended, all the other dates referred to herein will be extended accordingly.

3.6 Acceptance of the Offer

In order for a Scorpion Offshore Shareholder to accept the Offer, the Acceptance Form must be completed, signed and delivered to the Receiving Agent together with any supplementary documents prior to the end of the Acceptance Period.

Information on individual shareholdings and certain other matters relating to each Scorpion Offshore Shareholder has already been included in the Acceptance Form.

A Scorpion Offshore Shareholder will only receive settlement of the Offer as described in Section 3.7 below by complying with the above.

It is the responsibility of the Accepting Shareholder to correctly fill out the Acceptance Form and deliver it to the Receiving Agent before 16:30 CET on 23 June 2008.

The Acceptance Form must be received by the Receiving Agent at the address below by means of post, delivery or telefax:

Pareto Securities AS

Dronning Maudsgate 3

P.O. Box 1411 Vika

0115 Oslo

Norway

Telephone: +47 22 87 87 00

Telefax: +47 22 83 43 09

Sadrill reserves the right, at its sole discretion, to reject any Acceptance Form which is incorrectly completed or which is received after the expiry of the Acceptance Period.

Scorpion Offshore Shareholders whose Shares are held in multiple VPS accounts will receive and are required to submit separate Acceptance Forms for each such VPS account.

ANY SCORPION OFFSHORE SHAREHOLDER WHOSE SHARES ARE REGISTERED IN THE NAME OF A BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE MUST CONTACT SUCH PERSON IF SUCH SCORPION OFFSHORE SHAREHOLDER WISHES TO ACCEPT THE OFFER.

IN ORDER FOR SUCH A SCORPION OFFSHORE SHAREHOLDER TO VALIDLY ACCEPT THE OFFER, THE ACCEPTANCE FORM MUST BE SIGNED BY SUCH SCORPION OFFSHORE SHAREHOLDER OR HIS AUTHORISED ATTORNEY.

All Scorpion Offshore Shares to be sold by an Accepting Shareholder under the Offer must be transferred to Seadrill free of any encumbrances or other third-party rights whatsoever and with all shareholder rights attached to them. Any third party with registered encumbrances or other third-party rights over an Accepting Shareholder's VPS-account(s) must sign the Accepting Shareholder's Acceptance Form and thereby waive its rights to the Scorpion Offshore Shares recorded thereon.

The Acceptance will be irrevocable and cannot be withdrawn once the Acceptance Form has been received by the Receiving Agent.

If an Accepting Shareholder wishes to accept the Offer for less than all of the Scorpion Offshore Shares registered on his VPS account, item 2 in the Acceptance Form must be completed.

By executing and delivering the Acceptance Form to the Receiving Agent, the Accepting Shareholder irrevocably authorizes the Receiving Agent to block the Scorpion Offshore Shares covered by the Acceptance in favour of the Receiving Agent on behalf of Seadrill. The Scorpion Offshore Shares that have been accepted for sale in the Offer will be transferred to a new and blocked VPS account in the name of the Scorpion Offshore Shareholder. This means that no transactions relating to the Scorpion Offshore Shares covered by the Acceptance can be undertaken after the Offer has been accepted. The blocking will only be in effect in relation to the Scorpion Offshore Shares covered by the Acceptance and will not have any effect on other securities which are registered at the same VPS account. The Receiving Agent is irrevocably authorised by the Accepting Shareholder to transfer the Scorpion Offshore Shares covered by his Acceptance from the Accepting Shareholder's VPS account to a VPS account in the name of Seadrill upon settlement of the Offer.

3.7 Shareholder Rights

Scorpion Offshore Shareholders accepting the Offer will not be able to dispose their Scorpion Offshore Shares covered by the Acceptance after the shares have been transferred to a separate VPS account and blocked as described in Section 3.6 above.

Scorpion Offshore Shareholders accepting the Offer will, however, remain owners of their shares, including their right to vote for their Scorpion Offshore Shares and other shareholder rights, until settlement is completed (see section 3.8 below).

3.8 Settlement

Settlement of Acceptances received before 16:30 CET on 23 June 2008 will be made in NOK, and will be available on each Accepting Shareholder's bank account on 4 July 2008 at the latest. In the event the Acceptance Period will be extended as described in Section 3.5 above, the settlement date will be postponed accordingly.

Settlement will be made to the bank account stated in the Acceptance Form or, failing such information being provided, to the account registered in the VPS for dividend payments for each Accepting Shareholder at the time of the Acceptance. In the event that no such bank account is registered, settlement will be made by bank giro (a settlement system used in Norway, similar to a Norwegian currency banker's draft), or by cheque.

3.9 Financing of the Offer

Seadrill will finance the purchase of the Scorpion Offshore Shares under the Offer through its available cash and committed bank loans.

3.10 Bank guarantee

Seadrill has, as required by Norwegian law, established a bank guarantee covering its obligation to pay for the Scorpion Offshore Shares covered by the Offer.

Security for rightful payment has been provided in the form of a guarantee from Fokus Bank, DnB NOR ASA and Nordea Bank Finland Plc, each with 33.33%.

The guarantee provides security for payment in respect of the mandatory offer of NOK 80 for each share in Scorpion Offshore Ltd. In addition, it applies to interest for delayed payment of up to 4 weeks calculated from the date of settlement of the Offer at an interest rate of 12.25% per annum. No other demands may be made under this guarantee.

The aggregate total liability of the Guarantors under this guarantee shall not, under any circumstances, exceed an amount of NOK 2,803,000,000.00 (NOKtwobillioneightundredandthreemillion 00/100).

The guarantee is inserted as Appendix 1 to this Offer Document.

3.11 Costs

Seadrill will pay all commissions and costs directly related to any VPS transaction required to complete the purchase of the Scorpion Offshore Shares under the Offer. Scorpion Offshore Shareholders accepting the Offer will not incur any brokerage fees or other costs directly related to VPS transactions in connection with their acceptance of the Offer. Any tax consequences or costs incurred by Scorpion Offshore Shareholders for financial or legal advice or any other costs incurred by them in connection with the Offer will, on the other hand, not be paid by Seadrill.

3.12 Announcements and amendments to the Offer

Announcements issued by or on behalf of Seadrill regarding the Offer and/or the Offer Document will be deemed to have been made once they have been received by the Oslo Stock Exchange and distributed through its electronic information system. Seadrill will have no obligation to publish, advertise or otherwise communicate any such announcement through any other means.

3.13 Tax

Accepting Shareholders will be responsible for any individual tax liability arising as a result thereof and any costs incurred in obtaining advice on such matters.

3.14 Consequences for Scorpion Offshore's employees, board and management

No members of the board or the executive management in Scorpion Offshore will receive any advantages from Seadrill in connection with the Offer. Solely based on Scorpion Offshore's public disclosure, certain members of the management of Scorpion Offshore will however be entitled to certain bonuses and payments in the event their employment is terminated following a change of control. The vesting periods for the Scorpion Offshore restricted shares program will also be accelerated following a change of control. Reference is also made to Section 4 of this Offer Document.

For as long as Scorpion Offshore continues to be a stand-alone company listed on the Oslo Stock Exchange, the Offer is not expected to have any legal, economic or work related consequences for the employees of Scorpion Offshore. Assuming the Offer results in Seadrill being in a position to implement a compulsory acquisition of any remaining shares in Scorpion Offshore and to delist Scorpion Offshore from the Oslo Stock Exchange, Seadrill will seek to integrate the management structures of Scorpion Offshore with a view to create a more optimal structure whilst at the same time retaining the competence of the Scorpion Offshore organisation. As a growing company with a significant number of new rigs to be delivered in the coming years, Seadrill is in need of additional management and manpower capacity and expect to be able to offer interesting opportunities for the Scorpion Offshore personnel.

3.15 Acquisition of Scorpion Offshore Shares

Seadrill reserves the right to acquire Scorpion Offshore Shares outside the Offer both during and after the Acceptance Period, provided such transactions comply with Norwegian and other applicable law.

3.16 Regulatory approvals

No regulatory approvals are required for the completion of the Offer.

Under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules promulgated thereunder (the "**HSR Act**"), the U.S. Federal Trade Commission (the "**FTC**") and the U.S. Department of Justice (the "**DoJ**"), certain transactions may not be consummated unless notices have been filed with the FTC and the DoJ and certain waiting periods have expired or been terminated.

Notwithstanding that Seadrill does not maintain substantial assets, ownerships or businesses in the U.S., Seadrill anticipates being required to file a Pre-Merger Notification and Report with the FTC and the DoJ regarding the Offer. Upon Seadrill's filing of such notification, Scorpion Offshore would have 10 days to file its own Pre-Merger Notification and Report with the FTC and the DoJ. The waiting period applicable to the acquisition of the Scorpion Offshore Shares on the basis of the Offer is expected to expire 15 days after Seadrill's notification has been filed. Before that expiration, however, the waiting period may be extended by either the FTC or the DoJ requesting additional information or documents from Seadrill or Scorpion Offshore, or both. If such a request were made, the waiting period would not expire until the 10th day following the date on which the requested party or parties have substantially complied with the request.

Either or both of the FTC and the DoJ may examine whether the proposed acquisition by Seadrill of Scorpion Offshore Shares would substantially lessen competition in the United States, where Scorpion Offshore owns some assets. The FTC and/or the DoJ may take such actions as it deems necessary or desirable on the basis of the public interest, and seek to impose measures such as a prohibition of the acquisition of the Scorpion Offshore Shares on the basis of the Offer or look to obtain an order to divest any Scorpion Offshore Shares that have already been acquired or to divest substantial assets of affiliated enterprises of Seadrill and/or of Scorpion Offshore.

If Seadrill is required to submit a filing pursuant to the HSR Act, it expects to do so within three business days after the date of this Offer Document.

In addition to the HSR Act, given that Seadrill and Scorpion Offshore conduct operations in a number of other jurisdictions, it is possible although not expected that other regulatory filings or approvals may be required or advisable in connection with the completion of the Offer.

3.17 Compulsory Acquisition of Scorpion Offshore Shares

It is the intention of Seadrill to complete a compulsory acquisition (squeeze-out) of the remaining minority shares, if any, following completion of the Offer. According to the BCA, an acquiring party is generally able to acquire compulsorily the shares of minority holders of a Bermuda Company in the following ways:

- (i) By a procedure under the BCA known as a "scheme of arrangement". A scheme of arrangement could be effected by obtaining the agreement of the company and of holders of common shares, representing in the aggregate a majority in number and at least 75% in value of the common shareholders present and voting at a court ordered meeting held to consider the scheme of arrangement. The Bermuda Supreme Court must then sanction the scheme of arrangement. If a scheme of arrangement receives all necessary agreements and sanctions, upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme of arrangement.
- (ii) Pursuant to Section 102 of the BCA, if the acquiring party is a company, by acquiring pursuant to a tender offer 90% of the shares or class of shares not already owned by, or by a nominee for, the acquiring party (the offeror), or any of its subsidiaries, has, within four months after the making an offer for all the shares or class of shares not owned by, or by a nominee for, the offeror, or any of its subsidiaries, obtained the approval of the holders of 90% or more of all the shares to which the offer relates, the offeror may, at any time

within two months beginning with the date on which the approval was obtained, require any nontendering shareholder by notice to transfer its shares on the same terms as the original offer. In those circumstances, nontendering shareholders will be compelled to sell their shares unless the Bermuda Supreme Court (on application made within a one-month period from the date of the offeror's notice of its intention to acquire such shares) orders otherwise.

- (iii) Pursuant to Section 103 of the BCA, where the acquiring party or parties hold not less than 95% of the shares or a class of shares of the company, by acquiring, pursuant to a notice given to the remaining shareholders or class of shareholders, the shares of such remaining shareholders or class of shareholders. When this notice is given, the acquiring party is entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the notice, unless a remaining shareholder, within one month of receiving such notice, applies to the Bermuda Supreme Court for an appraisal of the value of their shares. This provision only applies where the acquiring party offers the same terms to all holders of shares whose shares are being acquired.

3.18 Delisting of the Scorpion Offshore Shares

Sadrill may, if it no longer considers the listing of the Scorpion Offshore Shares on the Oslo Stock Exchange appropriate, propose to the general meeting of Scorpion Offshore that Scorpion Offshore shall apply to the Oslo Stock Exchange for the delisting of its shares. Such proposal requires the approval of a 2/3 majority of the Scorpion Offshore Shares represented in such general meeting in order to be adopted. Any such delisting is to be decided by the Oslo Stock Exchange in accordance with the Norwegian Stock Exchange Regulations. The board of directors of the Oslo Stock Exchange may also decide, at its own initiative, to have the Scorpion Offshore Shares delisted from the Oslo Stock Exchange.

Sadrill intends to apply for a delisting of the Scorpion Offshore Shares from the Oslo Stock Exchange in the event that the requirements for delisting are met.

3.19 Jurisdiction and choice of law

The Offer is subject to Norwegian law. Any dispute arising out of or in connection with the Offer or the Offer Document shall be subject to the exclusive jurisdiction of the Norwegian courts with the Oslo Court of First Instance as the agreed venue.

3.20 Statement from the board of directors of Scorpion Offshore

In accordance with Section 6-16 of the Securities Trading Act, the board of directors of Scorpion Offshore is required to issue a statement regarding the Offer, including information on the employees' views and other factors of significance for assessing whether the Offer should be accepted by the Scorpion Offshore Shareholders. Such statement must be made no later than one week prior to the expiry of the Acceptance Period. Under Rule 14e-2 under the U.S. Exchange Act, the board of directors of Scorpion Offshore is required to provide a statement within 10 days after commencement of the Acceptance Period.

3.21 Non-Norwegian shareholders

The Offer and this Offer Document is not to be regarded as an offer, neither directly nor indirectly, in jurisdictions where such offer pursuant to legislation and regulations in the relevant jurisdictions would be prohibited by applicable law. Scorpion Offshore Shareholders not resident in Norway considering accepting the Offer must make inquiries on relevant and applicable legislation, including but not limited to whether public consent is required and possible tax consequences. The Offer is not made, neither directly nor indirectly, and Acceptances will not be accepted from or on behalf of, Scorpion Offshore Shareholders in any jurisdiction where presenting the Offer or acceptance thereof would be in conflict with the laws of such jurisdictions. This Offer Document and related acceptance forms may not be distributed, forwarded or transmitted into or from any jurisdiction where prohibited

by applicable law. Any purported acceptance of the Offer in breach of these requirements will not be valid.

3.22 Miscellaneous

Confirmation of receipt of Acceptance Forms or other documents will not be issued by or on behalf of Seadrill.

The Offer Document will be sent to all Scorpion Offshore Shareholders registered in Scorpion Offshore's shareholder register in the VPS on 23 May 2008 using the addresses held on file at VPS, except for Scorpion Offshore Shareholders in jurisdictions where this Offer Document may not lawfully be distributed.

Further information on the Offer is available from:

Carnegie ASA

Stranden 1

P.O.Box 684 Sentrum

0106 Oslo

Norway

Telephone: +47 22 00 93 00

Telefax: +47 22 00 99 60

www.carnegie.no

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Dronning Mauds gate 3

P.O. Box 1411 Vika

0115 Oslo

Norway

Telephone: +47 22 87 87 00

Telefax: +47 22 87 87 10

www.pareto.no

4 Background for the Offer

Since its incorporation in May 2005, Seadrill has, through acquisitions and orders of new offshore drilling units, grown to be the world's fourth largest offshore drilling company in terms of market capitalization. The ambition for Seadrill is to create a world leading offshore drilling company. In line with that ambition, Seadrill has stated that its intention is to pursue a further consolidation in the offshore drilling industry. The Offer is in line with this intention.

On 28 April 2008 Seadrill announced that it had resolved to not accept the voluntary offer set forth from Fortune Private Equity LLC on 9 April 2008. Subsequently, on 29 April 2008, Seadrill acquired a further 8,100,000 Scorpion Offshore Shares bringing its total shareholding up to 36%, i.e. above the 33.3% threshold for putting forward a mandatory offer for the remaining Scorpion Offshore Shares.

The Board of Seadrill has in connection with the acquisition of the shares made a thorough evaluation of different ways to expand the Company further. Lead-time for new building of floater assets is currently more than three years. The Board concluded that investment in a fleet of seven modern high spec jack-ups which all will be delivered within the end of 2009, will boost the Company's cash generation and add value and dividend potential going forward. The shareholders of Seadrill should be assured that Seadrill's focus will continue to be to develop the world's leading fleet of modern deepwater floater assets, however opportunistic investment approaches will be used to optimize the equity return to the shareholders until further growth can be secured in the deepwater market.

There has been no contact between Seadrill and Scorpion Offshore relating to the Offer prior to the launch of the Offer.

5 The Offer Price

5.1 The price offered

The Offer Price is NOK 80 for each Scorpion Offshore Share, not already owned or controlled by Seadrill, payable in cash. The Offer Price values Scorpion Offshore’s equity at NOK 4.33 billion. The Offer Price is identical to the price offered by Fortune Private Equity LLC on Scorpion Offshore on 9 April 2008.

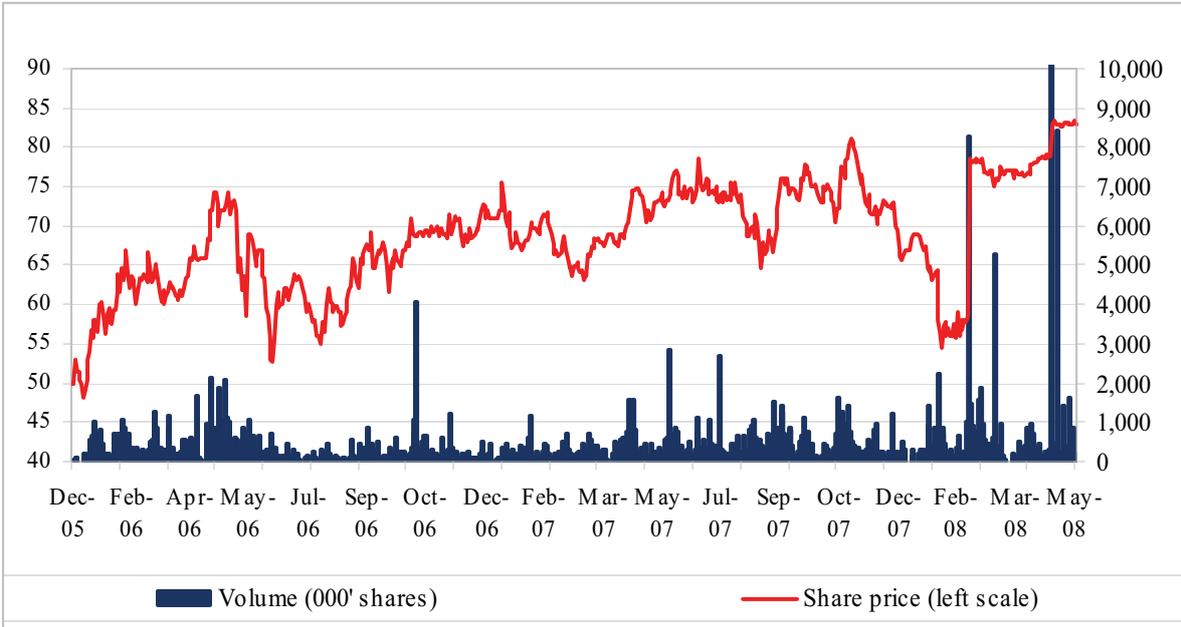
Prior to the opening of Oslo Børs on 30 April 2008, Seadrill announced that they held a total of 36.0% of the outstanding shares in Scorpion Offshore. The closing price for the Scorpion Offshore Shares was NOK 78.75 on 28 April 2008, the day prior to the announcement.

The Offer Price is the same price paid by Seadrill for the 8,100,000 Scorpion Offshore Shares acquired on 28 April 2008, and represents a premium of:

- 1.5% to the closing price of NOK 78.75 for the Scorpion Offshore Share on 28 April 2008, the last trading day prior to the announcement of Seadrill holding a total of 36.0% of the Scorpion Offshore Shares and thus triggering the mandatory offer obligation
- 3.3% to the volume weighted average share price on the Oslo Stock Exchange in the 30-day period prior to 29 April 2008
- 11.1% to the volume weighted average share price on the Oslo Stock Exchange in the 90-day period prior to 29 April 2008

5.2 Share price development for Scorpion Offshore (closing price)

The graph below shows the development in the trading price (closing price) and the traded volume for the Scorpion Offshore Share on the Oslo Stock Exchange in the period from and including 20 December 2005 (time of listing) to and including 22 May 2008:



Source: Oslo Stock Exchange

6 Short presentation of Seadrill

The following section contains a brief presentation of Seadrill and its operations. For a more detailed description of the Seadrill Group, please refer to Seadrill's homepage: www.seadrill.com.

6.1 Company information

Seadrill is engaged in the business of owning and operating drilling rigs and other vessels used in the exploration and production of oil and gas offshore. Seadrill currently operates a versatile fleet of 37 units (of which 11 are under construction), including harsh-environment semi-submersibles, jack-ups, shallow and deepwater tender rigs and deepwater drillships. Seadrill's ambition is to be a leading provider of high quality and cost-efficient drilling rigs to the offshore oil and gas industry.

Seadrill currently owns and operates four semi-submersible rigs. Furthermore, Seadrill has five semi-submersible rigs on order, of which two are ordered from Jurong, two are ordered from Daewoo and one of which is ordered from Samsung. One unit is scheduled for delivery in Q2/2008, one unit in Q3/2008, two units in Q4/2008 and one unit in Q2/2010. Seadrill currently owns and operates one drillship. Furthermore, Seadrill has three drillships on order from Samsung with delivery scheduled for Q2/2008, Q4/2008 and Q2/2010, respectively.

Seadrill currently owns and operates seven jack-up rigs. In addition, Seadrill has one jack-up rig under construction with delivery scheduled in Q2/2008.

Seadrill is also the owner and operator of 14 tender rigs included five tender rigs owned by Varia Perdana Bhd., in which Seadrill has a minority shareholding of 49%. In addition, Seadrill has two tender rigs under construction with delivery scheduled for Q1/2010.

Furthermore, Seadrill holds a 73.8% stake in the well-services company Seawell, which was registered on the Norwegian OTC list in October 2007, as well as a minority interest in the US based drilling company Pride International Inc. and Malaysian oil service company SapuraCrest Petroleum Bhd.

Seadrill also controls 36.0% of Scorpion Offshore Ltd, as further described in this Offer Document.

6.2 The asset base

Seadrill's asset base as of the date hereof consists of 26 units in operation, including four semi-submersible rigs, one drillship, seven jack-up rigs and 14 tender rigs. Seadrill has in addition five semi-submersible rigs, three drillships, one jack-up rig and two tender rigs on order. Seadrill's fleet is also supplemented through its minority interests in Varia Perdana Bhd., SapuraCrest Petroleum Bhd and Pride International Inc.

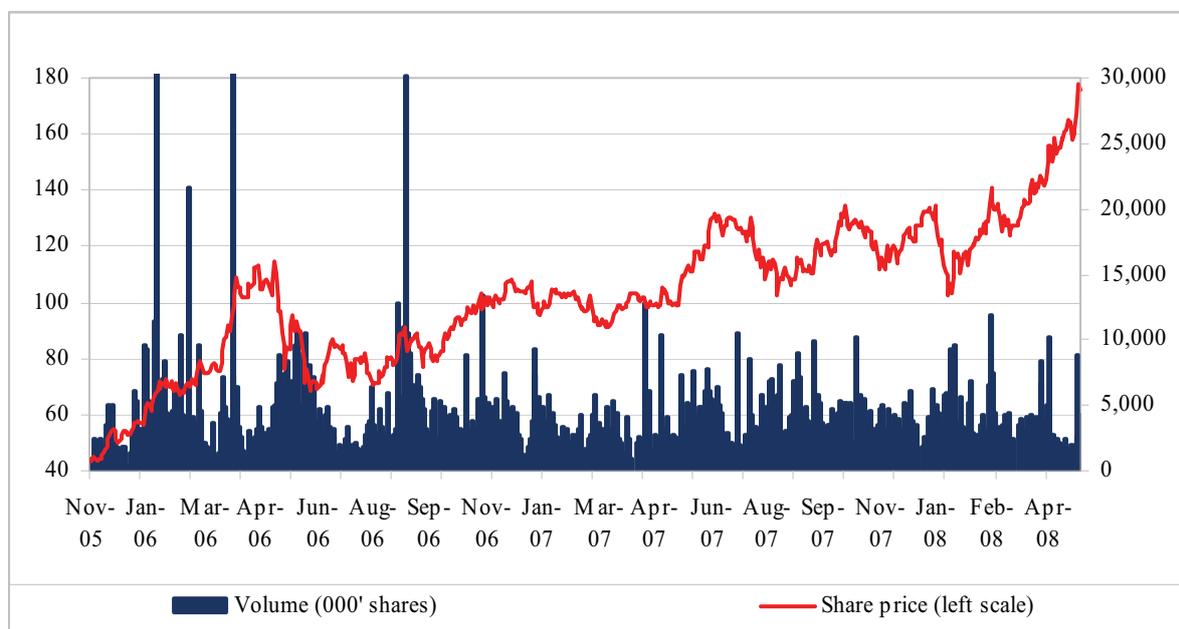
6.3 Shareholder information

Seadrill is incorporated in Bermuda. Seadrill's issued share capital is, at the date hereof, USD 798,266,432 represented by 399,133,216 shares, all fully paid, each with a nominal value of USD 2.00.

As of 22 May 2008, Seadrill has a total of 4,709 shareholders, of which 3,970 were non-Norwegian, and 739 were Norwegian. The table below shows the 20 largest shareholders in Seadrill as per 22 May 2008:

| Shareholders | | Number of Shares | % |
|--------------------------------------|--|--------------------|---------------|
| 1 | Hemen Holding Limited..... | 131,747,583 | 33.01 |
| 2 | State Street Bank A/C Client..... | 37,262,326 | 9.34 |
| 3 | Lehman Brothers Inc. | 18,161,862 | 4.55 |
| 4 | Mellon Bank AS Agent Mellon Bank NA..... | 10,634,067 | 2.66 |
| 5 | Goldman Sachs & Co. | 10,419,807 | 2.61 |
| 6 | Fidelity Funds Europe Fund (Sicav)..... | 9,353,100 | 2.34 |
| 7 | Citibank N.A. A/C UMB Funds..... | 8,789,980 | 2.20 |
| 8 | Citibank N.A. A/C Vanguard Energy..... | 8,453,000 | 2.12 |
| 9 | Bank of New York, BR S/A MSF Mutual Disco..... | 7,785,547 | 1.95 |
| 10 | JP Morgan Chase Bank Clients Treaty Account..... | 7,197,022 | 1.80 |
| 11 | Morgan Stanley & Co. Client Treaty Account..... | 5,685,676 | 1.42 |
| 12 | JP Morgan Chase Bank Omnibus lending account..... | 5,588,337 | 1.40 |
| 13 | Clearstream Banking CID Department, Frankfurt..... | 5,459,149 | 1.37 |
| 14 | Skagen Kon-Tiki..... | 4,351,303 | 1.09 |
| 15 | State Street Bank AN A/C Client Omnibus..... | 4,312,685 | 1.08 |
| 16 | Bank of New York, BR S/A MSF-Mutual shares..... | 3,877,050 | 0.97 |
| 17 | Vital Forsikring omløpsmidler..... | 3,775,974 | 0.95 |
| 18 | Euroclear Bank S.A..... | 3,004,189 | 0.75 |
| 19 | Bank of New York, BR S/A MSF Mutual Quali..... | 2,740,832 | 0.69 |
| 20 | Investors Bank & Trust..... | 2,529,768 | 0.63 |
| Total 20 largest holders..... | | 291,129,257 | 72.93 |
| Other shareholders..... | | 108,003,959 | 27.07 |
| Total shares..... | | 399,133,216 | 100.00 |

Seadrill's shares have been listed on the Oslo Stock Exchange since 22 November 2005. The graph below shows the development in the trading price (closing price) and the traded volume for Seadrill's shares in the period from its listing on 22 November 2005 to 22 May 2008:



Source: The Oslo Stock Exchange

7 Short presentation of Scorpion Offshore

This section contains a brief presentation of Scorpion Offshore and its operations. The information has been derived from publicly available information only. Seadrill does not accept any liability for the accuracy or completeness of the information regarding Scorpion Offshore and its subsidiaries set forth herein.

7.1 Company information

Scorpion Offshore Ltd. is a company registered on Bermuda which is involved in the ownership, operation and construction of drilling rigs. The company currently has three completed jack-up drilling rigs and a total of four additional jack-up drilling rigs under construction at the Keppel AmFELS and Lamprell yards (two at each yard). The rigs under construction are due for delivery between June 2008 and December 2009. The company also has options to build three additional jack-up drilling rigs at the Lamprell yard.

The company was established in August 2005 and acquired, at that time, certain assets from a predecessor company which had been formed in April 2005. These assets included the contracts for the construction of two rigs and options for two additional rigs. From June 2005 to January 2006, Scorpion (including the predecessor company) executed fixed price contracts for the construction of five jack-up rigs of LeTourneau Super 116 design at the Keppel AmFELS shipyard in Brownsville, Texas.

In July 2007, the company acquired the contract for construction of one additional rig of similar design at the Lamprell shipyard in the United Arab Emirates, and as part of the transaction also obtained options for the construction of four additional rigs. The first of these options was declared in December 2007.

The company's first rig was delivered from yard in May 2007 and commenced operation on a contract in India in September 2007. The second rig was delivered in October 2007 and commenced operation on a contract in Brazil in March 2008. The third rig was delivered in April 2008 and will be mobilized to a contract in Vietnam beginning July 2008. Furthermore, on 7 April 2008, the company announced it had received a letter of intent for the Company's fourth rig (which is scheduled for delivery in August 2008) for operations offshore Venezuela beginning in late October 2008.

Delivery of the remaining three rigs is scheduled for 2008 (one rig) and 2009 (two rigs).

Until the delivery of its first rig onto contract, the company had no sources of revenue. Revenues from the first rig commenced in September 2007.

7.2 Board of directors and management

The company's directors are Mr. Robert A. Solberg (chairman), Jon C. Cole, Michael L. Harvey, Roger P. Herbert, Christopher Paus, and Robert B. Woods.

Key members of the Scorpion Offshore's management include Jon C. Cole (President and CEO), Mark L. Mey (SVP and CFO), George B. Brumley (VP Operations), Gabriel Padilla (VP Engineering), Craig Dauterive (VP Marketing), Travis G. Fitts, jr. (VP Human Resources and HSE), and Anthony Gallegos (VP Business Development).

The company had a total of 78 employees as per medio February.

7.3 Shareholder information

As of 22 May 2008 the company had a total of 819 shareholders on record in VPS. Of these, 669 were Norwegian and 150 were non-Norwegian.

Scorpion Offshore's authorized share capital is USD 300,000 divided into 150,000,000 Shares with a nominal value of USD 0.002 per Share. The outstanding number of shares is 54,205,156. The unissued

shares are at the disposal of the board of directors of Scorpion Offshore. Seadrill is not aware of any resolution that has been made for the issuance of additional shares.

Scorpion Offshore currently has no outstanding warrant and option arrangements giving the right to subscribe for new shares.

All issued shares in Scorpion Offshore are vested with equal shareholder rights in all respects. There is only one class of shares. All shares are freely transferable, limited only by a restriction that Scorpion Offshore may refuse transfers leading to more than 50% of the shares being held by Norwegian shareholders.

The Scorpion Offshore Shares are registered in Scorpion Offshore's registry on Bermuda with DnB NOR Bank ASA as the only shareholder. A sub registry is maintained in VPS where the shares are registered with ISIN BMG 786761061. The registrar for Scorpion Offshore's shares is DnB NOR Bank ASA.

The table below shows the 20 largest shareholders of Scorpion Offshore per 22 May 2008.

| | Shareholders | Number of Shares | % |
|----|---|-------------------------|---------------|
| 1 | DnB Nor Markets, Market Making | 11,271,700 ² | 20.79 |
| 2 | Nordea Bank Norge AS, egenhandelskonto | 8,100,000 ³ | 14.94 |
| 3 | Polgas Ltd. | 7,531,250 | 13.89 |
| 4 | UBS AG, London Branch..... | 3,801,100 | 7.01 |
| 5 | Deutsche Bank AG London Prime Brokerage..... | 3,262,215 | 6.02 |
| 6 | Credit Suisse Securities (Europe) Prime Brokerage | 1,528,800 | 2.82 |
| 7 | Goldman Sachs & Co. Security client | 1,429,040 | 2.64 |
| 8 | Credit Suisse Securities (Europe) Ltd./Firms | 1,252,950 | 2.31 |
| 9 | Morgan Stanley & Co. Client equity account..... | 1,177,406 | 2.17 |
| 10 | RBC Dexia Investor S/A | 1,161,200 | 2.14 |
| 11 | Cole, Jon C | 1,117,500 ⁴ | 2.06 |
| 12 | Barclays Bank Plc | 713,800 | 1.32 |
| 13 | Skandinaviska Enskilda A/C Clients account..... | 633,922 | 1.17 |
| 14 | Skandinaviska Enskilda A/C Clients account | 632,439 | 1.17 |
| 15 | LBPB Nominees Limited | 556,679 | 1.03 |
| 16 | Lehman Brothers Interproprietary accounts | 531,980 | 0.98 |
| 17 | Goldman Sachs Int. – Security clients segr. | 513,800 | 0.95 |
| 18 | Mey, Mark L..... | 464,000 ⁵ | 0.86 |
| 19 | Fairbanks, Jonathan Barcroft..... | 460,362 | 0.85 |
| 20 | Bank of New York, BR BNY GCM..... | 401,200 | 0.74 |
| | Total 20 largest holders | 46,541,343 | 85.86 |
| | Other shareholders | 7,663,813 | 14.14 |
| | Total shares | 54,205,156 | 100.00 |

² Controlled by Seadrill in accordance with a forward contract (see also Section 3.1 above)

³ Controlled by Seadrill in accordance with a forward contract (see also Section 3.1 above)

⁴ Restricted shares

⁵ Restricted shares

7.4 Selected financial information

The financial information set out below summarizes the published accounts of Scorpion Offshore (which are prepared in accordance with U.S. generally accepted accounting principles).

USD million (unless specified)

| Selected balance sheet data | 30 June 2006 | 30 June 2007 | 31 Dec 2006 | 31 Dec 2007 |
|------------------------------------|---------------------|---------------------|--------------------|--------------------|
| Total current assets | 143.4 | 35.3 | 75.8 | 60.0 |
| Net properties and equipment | 294.7 | 540.5 | 417.4 | 699.4 |
| Total assets | 458.2 | 585.2 | 501.4 | 767.3 |
| Total indebtedness | 240.3 | 333.4 | 248.9 | 458.0 |
| Shareholder's equity | 217.9 | 251.8 | 252.5 | 309.2 |

| Selected profit and loss data | Year ended | | Six months ended | |
|--------------------------------------|---------------------|---------------------|-------------------------|--------------------|
| | 30 June 2006 | 30 June 2007 | 31 Dec 2006 | 31 Dec 2007 |
| Revenues | - | - | - | 30.1 |
| Operating result | (11.4) | (13.6) | (5.4) | 4.0 |
| Net result | (4.1) | (8.4) | (3.2) | (2.2) |
| Net earnings per share, USD | (0.11) | (0.18) | (0.05) | 0.11 |

| Selected cash flow data | Year ended | | Six months ended | |
|--------------------------------|---------------------|---------------------|-------------------------|--------------------|
| | 30 June 2006 | 30 June 2007 | 31 Dec 2006 | 31 Dec 2007 |
| Net from operating activities | (5.6) | (2.3) | (0.8) | (1.2) |
| Net from investing activities | (351.9) | (155.2) | (54.2) | (125.4) |
| Net from financing activities | 422.8 | 102.0 | 35.2 | 152.1 |
| Cash and eq., end of period | 68.8 | 13.4 | 49.0 | 38.8 |

8 Tax Consequences

The following is a summary of certain Norwegian tax consequences for Scorpion Offshore Shareholders accepting the Offer. This summary is based on applicable rules and regulations as of the date of this Offer Document. The summary is solely intended to provide general guidelines and does not address all aspects that may be relevant to a Scorpion Offshore Shareholder. The tax treatment of each Scorpion Offshore Shareholder may depend on the relevant person's specific situation. Any person who is in any doubt as to his tax position is strongly recommended to consult his own professional adviser or tax consultant, in order to determine the particular tax consequences applicable to them and the relevance or effect of any domestic or foreign tax laws or treaties.

8.1 Shareholders resident in Norway

8.1.1 Individuals who are Scorpion Offshore Shareholders

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes.

A capital gain or loss generated by a Norwegian individual Scorpion Offshore Shareholder through a disposal of shares in Scorpion Offshore is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for computation of general income in the year of disposal. The general income is taxable at a rate of 28 percent. The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of. The taxable gain/deductible loss is calculated per share as the difference between the consideration received and the tax cost price of the share.

Unused tax free allowance on a share may be set off against gains upon the realization of the same share, but this may not lead to or increase a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realization of a share will be annulled. The allowance is calculated separately for each share as the tax cost price of the share multiplied with a determined risk-free interest rate, which will be based on the effective interest rate after tax on Norwegian treasury bills with three months maturity. The annual allowance will be allocated to the shareholder owning the share on 31 December the relevant income year. The part of the annual allowance exceeding any dividend distributed on the share the same year ("unused allowance") will be added to the tax cost price of the share and be included in the basis for calculating the allowance the next year, and may also be carried forward and set off against future dividends received on, and against gains upon the realization of, the same share.

If shares acquired at different times are realized, the shareholder must apply a "first-in first-out" (FIFO) principle when calculating the gain or loss, i.e. the shares that were first acquired will be deemed as first sold.

Costs incurred in connection with the acquisition and realization of shares may be deducted from the Norwegian individual shareholders' general income in the year of realization.

8.1.2 Companies that are Scorpion Offshore Shareholders

Since Bermuda is considered a low tax jurisdiction for Norwegian tax purposes, a capital gain or loss generated by a Norwegian corporate Scorpion Offshore Shareholder through a disposal of shares in Scorpion Offshore is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for computation of general income in the year of disposal. The general income is taxable at a rate of 28 percent. The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of. The taxable gain/deductible loss is calculated per share as the difference between the consideration received and the tax cost price of the share.

8.2 Tax Consequences for Non-Norwegian Shareholders

A gain from the sale of shares in Scorpion Offshore by a non-Norwegian shareholder will not be subject to tax in Norway unless the foreign Scorpion Offshore Shareholder (i) holds the Scorpion Offshore Shares effectively connected with a business carried out in Norway, or (ii) an individual Scorpion Offshore Shareholder has been a resident of Norway for tax purposes within the five calendar years prior to the sale. The taxation of capital gains may be limited pursuant to an applicable tax treaty.

8.3 VAT and transfer taxes etc

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of shares. Neither is VAT charged on any purchase, disposal or redemption of shares.

Appendix 1: Bank guarantee





Nordea Bank Finland Plc., c/o Nordea Bank Norge ASA, Middelthunsgate 17, P.O. Box 1166 Sentrum, N-0107 Oslo, Att. Shipping Department

in writing confirming:

a) that Seadrill Limited has failed to perform its obligations under the Offer, specifying in what respect Seadrill Limited has so failed, and that, as a result thereof, the shareholder has become entitled to payment of the amount claimed by him under the terms of the Offer,

b) that the amount claimed has not otherwise been paid to the shareholder, neither directly nor indirectly, by or on behalf of Seadrill Limited.

Any demand for payment must be accompanied by:

a) a copy of the acceptance form of the shareholder making such demand; and

b) a transcript of the shareholder's VPS account

This guarantee shall be in force and effect until 4 August 2008. If Seadrill Limited extends the Acceptance Period under the Offer, the validity of this guarantee will be extended correspondingly. Any demand under this guarantee must be made to either of the Guarantors in writing. A demand must be received by us no later than 4 August, 2008 at 16:00 CET in order for us to make payment hereunder.

Upon request from us, a written statement from the receiving agent, Pareto Securities AS, will confirm whether the Offer has been accepted in accordance with the Offer Document and the acceptance form in relation to an individual claimant.

This guarantee shall be governed, construed and interpreted under the laws of Norway.

SIGNATORIES

Fokus Bank, Norwegian Branch of Danske Bank AIS

By: 
 Name: P MIRID
 Title: SVP

By: 
 Name: Liv-Sissel H. Hæmmer
 Title: Vice President

By: 
 Name: Haakon Risholm
 Title: Senior Vice President

By: 
 Name: Gunnar Negaard
 Title: Head of Credit

By: 
 Name: Arne Berglund
 Title: Senior Vice President





Fokus Bank, Norwegian Branch of Danske Bank AIS

DnB NOR Bank ASA

Nordea Bank Finland Plc.

23. May 2008

Guarantee ("Selvskyldnergaranti")

With reference to Seadrill Limited's mandatory offer to purchase shares in Scorpion Offshore Ltd. (the "Offer") in accordance with the Norwegian Securities Trading Act of 29 June 2007 No 75 (the "Securities Trading Act"), chapter 6, and on the basis of the offer document with regard to the Offer (hereinafter the "Offer Document") dated 23 May 2008, we DnB Nor ASA, Fokus Bank, Norwegian Branch of Danske Bank AIS, and Nordea Bank Finland Plc. (hereinafter the "Guarantors") on a several basis with the following fractions:

| | |
|---|---------|
| DnB NOR Bank ASA | 33 1/3% |
| Fokus Bank, Norwegian Branch of Danske Bank AIS | 33 1/3% |
| Nordea Bank Finland Plc. | 33 1/3% |

for the account of:

Seadrill Limited
 Par-la-Ville Place
 14 Par-la-Ville Road
 Hamilton HM 08, Bermuda

hereby unconditionally guarantee as for our own debt and not as surety merely (Norwegian: "selvskyldnergaranti") in favour of all shareholders in Scorpion Offshore Ltd receiving and accepting the Offer in accordance with the terms and conditions of the Offer Document and the acceptance form scheduled thereto, the payment by Seadrill Limited of the purchase price for the Scorpion Offshore Shares accepted in accordance with the terms thereof.

This guarantee provides security for payment in respect of the mandatory offer of NOK 80 for each share in Scorpion Offshore Ltd. In addition, it applies to interest for delayed payment of up to 4 weeks calculated from the date of settlement of the Offer at an interest rate of 12.25 pct per annum. No other demands may be made under this guarantee.

The aggregate total liability of the Guarantors under this guarantee shall not, under any circumstances, exceed an amount of NOK 2.803.000.000.00 (NOK to billion eight hundred and threemillion 00/100). Pursuant to Section 6-10 of the Regulations of 29 June 2007 no. 876 the guarantee amount may be reduced after the expiry of the acceptance period of the Offer provided the Oslo Stock Exchange permits it.

Demands for payments hereunder should be received by either:
 Fokus Bank, Stortingsgaten 6, P.O. Box 1170 Sentrum, N-0107 OSLO, Att. Large Corporates, or;
 DnB NOR Bank ASA, Stranden 1, N-0021 OSLO, Att. Shipping Department, or;


 Page 1

Appendix 2: Acceptance Form

Acceptance Form

This acceptance form (the "Acceptance Form") shall be used in order to accept the mandatory offer (the "Offer") by Seadrill Limited ("Seadrill") to purchase all outstanding shares in Scorpion Offshore ("Scorpion Offshore") on the terms set forth in the offer document dated 23 May 2008 (the "Offer Document") to which this Acceptance Form is attached.

Shareholder:

Return to:

Pareto Securities AS
P.O. Box 1411 Vika
0115 Oslo, Norway
Tel: +47 22 87 87 00
Fax: +47 22 83 43 09

The shareholder register in Scorpion Offshore on 23 May 2008 shows:

| | | | |
|--------------|---------------------------------------|----------------|----------------------------|
| VPS-account: | Bank account number for cash payment: | No. of shares: | Rights holders registered: |
| | | | |

ACCEPTANCE DEADLINE:

This Acceptance Form must be received by Pareto Securities AS ("Pareto") no later than 16:30 CET on 23 June 2008. Shareholders having their shares in Scorpion Offshore registered on several VPS-accounts will receive one Acceptance Form for each such VPS account. Accepting shareholders must complete and return all Acceptance Forms received by the acceptance deadline. Seadrill reserves the right to reject any or all acceptances incorrectly completed or received after the expiry of the acceptance period.

To Seadrill and Pareto:

- I/We confirm that I/we have received and reviewed the Offer Document and that I/we accept the Offer for all my/our shares in Scorpion Offshore in accordance with the terms set forth in the Offer Document unless otherwise stated by me/us below in 2. My/our acceptance also comprises any shares in Scorpion Offshore which I/we, in addition to the number of shares stated above, have acquired or will acquire prior to the deadline of the acceptance of the Offer and which will be registered on my/our VPS accounts.
- I/We only accept the Offer for _____ number of my/our shares in Scorpion Offshore in accordance with the terms set forth in the Offer Document. *(Only to be filled out if you wish to undertake a partial acceptance)*
- I/We accept that I/we may not sell, otherwise dispose of, encumber or transfer to another VPS account, the shares in Scorpion Offshore tendered hereunder. Pareto is hereby irrevocably authorised to block the shares tendered hereunder in favour of Pareto on behalf of Seadrill.
- Pareto is irrevocably authorised to transfer the shares tendered hereunder from my/our VPS account to a VPS account in the name of Seadrill upon settlement of the Offer.
- I/We accept that settlement will be made by way of transfer of Norwegian Kroner (NOK) to the above referred bank account. If the bank account no. is not filled in, settlement will be made to the bank account registered on my/our VPS account for dividend payments.
- My/Our shares in Scorpion Offshore are transferred free of any encumbrances and any other third party rights whatsoever and with all shareholder rights attached to them. Any third party with registered encumbrances or other third-party rights over my/our shares in Scorpion Offshore and/or the VPS account(s) on which they are registered must sign the Acceptance Form and thereby waive their rights therein and approve the transfer of my/our shares in Scorpion Offshore to Seadrill free of such encumbrances and third party right whatsoever. I/We acknowledge that this acceptance may only be regarded to be valid if any registered holders of rights have given such written consent on this Acceptance Form (this is done by inserting YES in the box 'Rights holders registered' above at the right hand side of this form and by signing below).
- I/We understand and agree that the Offer is not being made to, nor will tenders be accepted from or on behalf of Scorpion Offshore shareholders in jurisdictions in which the making of the Offer or acceptance thereof would not be in compliance with the laws of such jurisdiction. I/We confirm that my/our acceptance of the Offer is not restricted according to the laws of the jurisdiction applicable to me/us. Seadrill will pay all costs directly related to VPS transactions in connection with this Acceptance Form.

This Acceptance Form and the Offer is subject to Norwegian law with the Oslo District Court as legal venue.

Place _____ Date _____ Telephone no. _____ Signature *)

*) If signed pursuant to proxy, a proxy form or company certificate confirming the authorized signature must be enclosed

Rights holder(s):

In the event that there is registered holder(s) of rights on the VPS-account this is marked with a YES above in the right-hand box of this Acceptance Form. As rights holder the undersigned consents that the transaction is undertaken on the above-mentioned terms.

Place _____ Date _____ Telephone no. _____ Rights holder's signature *)

*) If signed pursuant to proxy, a proxy form or company certificate confirming the authorized signature must be enclosed. If more than one charge holder is registered, each of the charge holders must sign.

Seadrill Limited
Par-la-Ville Place
14 Par-la-Ville Road
Hamilton HM 08
BERMUDA

or

Seadrill Management AS
Finnestadveien 28
P.O. Box 110
4001 Stavanger
NORWAY
Phone: +47 51 30 90 00
Fax: +47 51 30 99 00
www.seadrill.com

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www.carnegie.no

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Fax: +47 22 87 87 10
www.pareto.no