

TODCO  
Form 425  
May 24, 2007

May 24, 2007  
UBS Global Oil and Gas Conference  
Filed by Hercules Offshore, Inc.  
Pursuant to Rule 425 under the Securities Act of 1933  
and deemed filed pursuant to Rule 14a-12  
under the Securities Exchange Act of 1934  
Subject Company: TODCO  
Commission File No.: 1-31983

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#### Forward-looking Statements

This presentation will contain "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. These statements, which include any statement that does not relate strictly to historical facts, use terms such as anticipate,

assume,  
believe,  
estimate,  
expect,  
forecast,  
intend,  
plan,  
position,  
predict,  
project,

or strategy

or the negative connotation or other variations of such terms or other similar terminology. In particular, statements, express or implied, regarding future results of operations or ability to generate revenues, income or cash flow or to make acquisitions are forward-looking statements. These forward-looking statements include statements concerning estimated contract expiration dates, dayrates, estimated dates for completion of repairs and upgrades and commencement dates of new contracts. Such statements are subject to a number of risks, uncertainties and assumptions, including without limitation, early termination by the customer pursuant to the contract or otherwise, cancellation or completion of certain contracts earlier than expected, operational difficulties, increased or prolonged unrest in Nigeria, shipyard and other delays and other factors described in the Company's annual report on Form 10-K and its most recent periodic reports and other documents filed with the Securities and Exchange Commission, which are available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov)

or the company's website

at [www.herculesoffshore.com](http://www.herculesoffshore.com). The Company cautions you that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected or implied in these statements.

2  
\$9.2  
\$10.8  
\$13.9  
\$24.0  
\$29.1  
\$33.7  
\$42.9  
\$47.3  
\$46.8  
\$24.9

\$26.3

\$28.2

\$24.0

\$27.0

\$42.6

\$54.3

\$67.4

\$63.7

1Q 05

2Q 05

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

1Q07

Liftboats

Drilling

\$4.2

\$4.6

\$5.8

\$11.7

\$16.8

\$20.7

\$26.7

\$24.5

21.7

\$12.5

\$12.6

\$13.8

\$11.3

\$14.1

\$26.8

\$33.7

\$44.0

40.2

1Q 05

2Q 05

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

1Q07

Liftboats

Drilling

Hercules Offshore Overview

Note: See Explanatory Information slide. Division Adjusted EBITDA does not include corporate G&A and other income/exp

Quarterly Revenue

Quarterly Adjusted EBITDA

(\$ in millions)

(\$ in millions)

Unique business mix within the oil services industry

Tremendous growth since inception in mid 2004

Experienced management team

Proven track record of strong return on capital and equity

3  
37%  
37%  
36%  
28%  
27%  
24%  
23%  
19%  
13%  
0%  
5%

10%

15%

20%

25%

30%

35%

40%

45%

THE

DO

HERO

ESV

NE

GSF

RIG

RDC

PDE

Industry Leading Returns On Equity

Note:  $ROE = (\text{Last Twelve Month Net Income}) / (\text{Average Shareholders Equity})$

Competitor ratios based on reported financials.

Hercules continues to provide attractive returns in upper end of peer group

3/31/07 Last 12 Months Return on Equity

4

Pending TODCO Acquisition Highlights

Consideration to TODCO shareholders

Average per share:

0.979 Hercules shares

\$16.00 in cash

Cash or stock election feature (subject to  
proration)

Acquisition funded with existing cash on hand



and a senior secured term loan facility  
Closing expected mid-2007

Subject to:

HSR approval

Hercules and TODCO shareholder votes  
Post-transaction Board of Directors to include  
seven Hercules and three TODCO nominees



5

A Gulf of Mexico Leader. . . With Global Reach

A New Leader in Jackup Drilling

A Leader in Liftboats

A Leader in Barge Drilling

6

Creates Shareholder Value in Near and Long-term

Accretive to earnings and cash flow per share

Opportunity to enhance future returns with lower cost of capital

Potential for multiple expansion due to size and growth prospects

1Q '07 pro forma trailing 12 month revenue of \$1.4 billion and EBITDA of \$630 million

Revenue

(1)

(\$mm)

EBITDA

(1)

(\$mm)

(1)  
PF HERO represents Hercules plus TODCO financials per SEC filings; no accounting adjustments have been made.  
\$223  
\$630  
0  
250  
500  
750  
HERO  
PF HERO  
\$399  
\$1,369  
0  
500  
1,000  
1,500  
HERO  
PF HERO

7  
Pro Forma Capital Structure as of 3/31/07  
Total Debt/Total Capitalization  
Total  
Debt  
as  
a  
Multiple  
of  
LTM  
EBITDA  
(1)  
(1)  
For

comparison  
purposes,  
EBITDA  
=  
Revenue

Operating  
Expenses

SG&A

Competitor ratios based on 1Q07 reported earnings.

1.7x

1.6x

1.4x

0.9x

0.6x

0.5x

0.4x

1.6x

0.0x

0.4x

0.8x

1.2x

1.6x

2.0x

RIG

PF

HERO

PDE

SPN

RDC

NE

GSF

DO

Acquisition-related debt allows Hercules to optimize its capital structure

Enhanced credit quality due to increased scale and scope

Term loan provides flexibility for rapid de-leveraging with significant

expected free cash flow

Successful track record of de-leveraging following acquisitions

48%

34%

34%

33%

21%

19%

18%

12%

0%

20%

40%

60%  
SPN  
PF  
HERO  
RIG  
PDE  
RDC  
NE  
DO  
GSF



8

Summary of Strategic Rationale

Enhances position in Gulf of Mexico and increases operational flexibility

Provides asset and geographic diversity

Expands international footprint for future growth

Creates larger, more diverse jackup fleet

Timely combination in a fragmented jackup market

Combines leaders in barge drilling and liftboats

Potential to realize meaningful synergies

Economies of scale

Procurement of materials, insurance, employee benefits

Operational synergies and redundant public company

expenses

9

Provides Asset Diversity

1Q 2007 Revenue Segmentation Analysis

Pre-Transaction

\$110 MM

Post-Transaction

\$352 MM

GOM Contract

Drilling

38%

Domestic

Liftboats

30%

International

Contract Drilling

19%

International

Liftboats

13%

Domestic

Liftboats

9%

Inland Barge

Drilling

18%

International

Contract

Drilling

20%

International

Liftboats

4%

GOM Contract

Drilling

43%

Delta Towing

6%

10

1Q 2007 Geographic Revenue Analysis

Provides Geographic Diversity

Pre-Transaction

\$110 MM

Post-Transaction

\$352 MM

We expect international contribution to represent a greater portion of our revenues in the future

Middle East

6%

US GOM

68%

India  
13%  
West Africa  
13%  
US GOM, 58%  
Inland US, 18%  
Latin America,  
13%  
West Africa, 5%  
India, 4%  
Middle East, 2%

11	A Global Footprint with Significant Expansion Potential
	Mexico
	Jackup Rigs
2	
	Platform Rig
1	
	West Africa
	Jackup Rig 1
	Liftboats
17	
	Middle East

Jackup Rig 1  
Malaysia  
(1)  
Jackup Rig 1  
U.S. Gulf Coast  
Inland Barges  
27  
Land Rigs (TX)  
2  
Trinidad  
Jackup Rig  
1  
Land Rig  
1  
(1)  
Pro forma for TODCO s  
announced THE 208 relocation.  
(2)  
Includes Hercules *Rig 26*, marketing internationally.  
Brazil  
Jackup Rig 1  
Venezuela  
Land Rigs 6  
U.S. Gulf of Mexico  
Jackup Rigs  
25  
Submersible 3  
Liftboats  
47  
India  
Jackup Rig 1  
Global Summary  
Liftboats  
64  
Jackup Rigs  
33  
Inland Barges  
27  
Land Rigs  
9  
Submersible  
3  
Platform Rigs  
1  
(2)



12  
44  
43  
40  
33  
27  
25  
24  
20  
16  
13  
11  
10

9  
0  
5  
10  
15  
20  
25  
30  
35  
40  
45  
ESV  
GSF  
NE  
PF  
HERO  
PDE  
RIG  
THE  
RDC  
NBR  
DO  
COSL  
Nat'HERO  
Drilling  
24  
18  
14  
11  
9  
9  
8  
6  
3  
3  
0  
5  
10  
15  
20  
25  
PF  
HERO  
THE  
ESV  
PDE  
DO  
NBR  
RDC  
HERO

Blake  
GSF  
Fourth Largest Global Jackup Fleet  
Current Global Jackup Landscape  
Current Gulf of Mexico Jackup Landscape  
(1)  
Source: ODS-Petrodata  
(1)  
Excludes  
rigs  
that  
have  
announced  
mobilization  
out  
of  
the  
GOM,  
including  
Hercules  
Rig  
26  
and  
Pride  
Mississippi

13

A

Leading Player in US Gulf Coast Inland Barge Rigs

Note: GOM drilling barges only, excludes workover rigs

Source:

Company estimates based on public information.

27

14

4

3

2

2

0

5  
10  
15  
20  
25  
30  
PF HERO  
PKD  
Axxis  
NBR  
Tetra  
Coastal

14

A Leading Provider of Liftboat Services

Current Gulf of Mexico Liftboat Landscape

Current West Africa Liftboat Landscape

Source:

Company estimates based on public information.

(1)

Denotes cold-stacked or abandoned vessels.

47

27

15

6

6

4  
3  
3  
2  
1  
0  
10  
20  
30  
40  
50  
HERO  
SPN  
Aries  
Montco  
OL  
Laredo  
AMC  
OMC  
Seahorse  
CS Liftboats  
17  
3  
2  
1  
1  
0  
5  
10  
15  
20  
HERO  
Zumax  
(1)  
Zukus  
(1)  
NV De Brandt  
Shoreline

15  
August  
2005  
Acquired  
the *Whale*  
Shark  
liftboat from  
CS Liftboats  
June  
2005  
Acquired *Rig 16*  
from Transocean  
and 17 liftboats  
from Superior  
Energy  
October



2004

Acquired 22  
liftboats from  
Global Industries  
August

2004

Acquired five  
jackup rigs from  
Parker Drilling  
Successful integration of 12 asset acquisitions since formation

Integrated several large fleets, operations and employees

Opportunistic acquisition strategy  
Focus on return on capital employed  
Successful Acquisition Track Record

February

2006

Acquired *Rig 26*  
from Aries  
Offshore Partners  
Ltd.

November

2005

Acquired seven  
liftboats from  
Danos & Curole  
September

2005

Acquired *Rig 31*  
from Hydrocarbon  
Capital II LLC

June

2006

Acquired six  
liftboats from  
Laborde Marine  
Lifts

November

2006

Acquired eight  
liftboats and  
assumed rights to  
operate five  
additional liftboats  
from Halliburton

January

2005

Acquired *Rig 25*  
from Parker Drilling  
and *Rig 30*

from  
Porterhouse  
Offshore, L.P.  
March  
2007  
Entered into a  
definitive merger  
agreement to  
acquire TODCO

16

TODCO Transaction Consistent With Hercules  
Strategy  
Grow the Company

Merger expedites growth initiative

Utilize critical mass and financial strength to enhance future growth  
Quickly integrate and deploy newly acquired assets

Identify and implement operational best practices

Past successes of effectively integrating acquisitions  
Maintain Financial Discipline

Pro forma debt level of 1.6x LTM EBITDA is within industry range

Use significant expected free cash to de-lever

Diversify asset base and geographic footprint

Leverage combined operational and management depth to continue and accelerate international expansion

Business Outlook

18

US Gulf of Mexico Shows Signs of Stabilizing

Current GOM demand for 64 jackups against marketed supply of 73  
jackups, leaving 9 rigs hot-stacked

GOM dayrates have been steady for past few months

Jackup

Avail.

Supply

0

20

40

60  
80  
100  
120  
140  
160  
\$0  
\$20  
\$40  
\$60  
\$80  
\$100  
\$120  
Contracted  
Stacked Ready  
Dayrate  
Contracted  
Dayrate  
GOM Jackup Supply and Demand  
Source: ODS-Petrodata, Jefferies & Company, company estimates  
Backlog  
Dayrate  
53% reduction  
in supply  
Current GOM Jackup Backlog  
0  
50  
100  
150  
200  
250  
300  
\$-  
\$25  
\$50  
\$75  
\$100  
\$125

19  
0  
100  
200  
300  
400  
500  
600  
\$-  
\$25  
\$50  
\$75  
\$100  
\$125  
\$150



\$175

\$200

International Jackup Demand Remains Strong

International Jackup Supply and Demand

Backlog

Dayrate

Jackup

Avail.

Supply

0

20

40

60

80

100

120

140

160

180

\$0

\$20

\$40

\$60

\$80

\$100

\$120

\$140

\$160

\$180

\$200

Contracted

Stacked Ready

Dayrate

Contracted

Dayrate

Current International Jackup Backlog

International jackup utilization is still effectively at 100% and backlog is near record highs

Source: ODS-Petrodata, Jefferies & Company. West Africa 300 IC dayrate used to approximate average market rates for work

20

Inland Barge Update

Largest operator in US Gulf Coast

74 total barges of which 22 are workover only

Of 52 drilling barges, TODCO owns 27, Parker owns 14 (79% of supply)

TODCO holds excess supply with 17 operating and 10 cold stacked

Average Backlog 59 days

(1)

TODCO fleet as of April 30, 2007 and Hercules estimates

Latest Contracted Dayrates

Marketed  
Rigs  
Working  
Rigs  
Avg  
High  
Conventional  
<2000hp  
1  
1  
32,000  
\$  
32,000  
\$  
Conventional  
2000hp  
2  
2  
35,000  
  
35,000  
  
Conventional  
3000hp  
3  
2  
38,500  
  
42,000  
  
Posted  
2000hp  
3  
1  
68,000  
  
68,000  
  
Posted  
3000hp  
8  
8  
47,500  
  
58,000  
  
17  
14  
44,786  
\$

51,286  
\$  
(1)

21

Hercules

Liftboat Fleet

Starfish

Class 140

Liftboat

Swordfish

Class 200

Liftboat

(1)

Within the liftboat industry, the terms leg-length and liftboat class are used interchangeably.

Note:

Edgar Filing: TODCO - Form 425

Utilization is defined as the total number of operating days in the period as a percentage of the total number of calendar days in which liftboats were actively marketed. Dayrates include reimbursements from customers under relevant contracts.

70%  
Leg -  
Length /  
Liftboat  
Class  
(1)  
Number of  
Apr-06  
Apr-07  
Y-o-Y  
YTD 2007  
(Feet)  
Vessels  
Dayrate  
Dayrate  
% Change  
Utilization  
Gulf of Mexico  
260'  
1  
\$29,512  
\$32,728  
11%  
93%  
230'  
3  
\$24,896  
28,199  
13%  
44%  
190-215'  
6  
18,913  
22,110  
17%  
79%  
170'  
2  
NA  
20,061  
NA  
38%  
140-150'  
6  
9,780  
9,997  
2%  
79%

120-130'

14

7,323

8,643

18%

64%

105'

15

5,665

7,175

27%

66%

Domestic Total

47

\$10,617

\$12,582

19%

67%

West Africa

All Vessels

17

\$9,644

\$11,065

15%

78%

22  
Investment Highlights  
Successful  
History of  
Growth  
Leading Market  
Positions  
Diversification  
by Assets,  
Geography, and  
Customers  
Experienced  
Management



Team  
Favorable  
Industry  
Fundamentals  
Industry Leading  
Returns

23  
Explanatory Information  
Adjusted  
EBITDA  
is  
calculated  
as  
net  
income  
before  
interest  
expense,  
taxes,  
depreciation  
and  
amortization,  
gain

on  
disposal  
of  
assets  
and  
loss  
on  
early  
retirement  
of  
debt.  
Adjusted  
EBITDA  
is  
included  
in  
this  
presentation  
because  
our  
management  
considers  
it  
an  
important  
supplemental  
measure  
of  
our  
performance  
and  
believes  
that  
it  
is  
frequently  
used  
by  
securities  
analysts,  
investors  
and  
other  
interested  
parties  
in  
the  
evaluation  
of  
companies

in  
our  
industry,  
some  
of  
which  
present  
EBITDA  
and  
Adjusted  
EBITDA  
when  
reporting  
their  
results.  
We  
regularly  
evaluate  
our  
performance  
as  
compared  
to  
other  
companies  
in  
our  
industry  
that  
have  
different  
financing  
and  
capital  
structures  
and/or  
tax  
rates  
by  
using  
Adjusted  
EBITDA.  
In  
addition,  
we  
utilize  
Adjusted  
EBITDA  
in  
evaluating

acquisition  
targets.  
Management  
also  
believes  
that  
Adjusted  
EBITDA  
is  
a  
useful  
tool  
for  
measuring  
our  
ability  
to  
meet  
our  
future  
debt  
service,  
capital  
expenditures  
and  
working  
capital  
requirements,  
and  
Adjusted  
EBITDA  
is  
commonly  
used  
by  
us  
and  
our  
investors  
to  
measure  
our  
ability  
to  
service  
indebtedness.  
Adjusted  
EBITDA  
is  
not

a  
substitute  
for  
the  
GAAP  
measures  
of  
earnings  
or  
of  
cash  
flow  
and  
is  
not  
necessarily  
a  
measure  
of  
our  
ability  
to  
fund  
our  
cash  
needs.  
In  
addition,  
it  
should  
be  
noted  
that  
companies  
calculate  
EBITDA  
and  
Adjusted  
EBITDA  
differently  
and,  
therefore,  
Adjusted  
EBITDA  
as  
presented  
for  
us  
may  
not

be  
comparable  
to  
EBITDA  
and  
Adjusted  
EBITDA  
reported  
by  
other  
companies.  
Adjusted  
EBITDA  
has  
material  
limitations  
as  
a  
performance  
measure  
because  
it  
excludes  
interest  
expense,  
taxes,  
depreciation  
and  
amortization,  
gain  
on  
disposal  
of  
assets  
and  
loss  
on  
early  
retirement  
of  
debt.  
The  
following  
tables  
reconcile  
Adjusted  
EBITDA  
with  
net  
income.

Note: Reconciliations for Drilling and Liftboats do not include corporate adjustments.

EBITDA Reconciliation

(\$ in millions)

Drilling

Liftboats

1Q 05

2Q 05

Q3 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

1Q 07

1Q 05

2Q 05

Q3 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

1Q 07

Net Income

\$9.5

\$7.6

\$10.5

\$0.5

\$25.6

\$15.6

\$19.1

\$27.2

\$25.7

\$2.5

\$1.5

\$2.5

(\$1.6)

\$7.5

\$9.3

\$12.6

\$12.7

\$7.8

Plus: Interest Expense

1.8

1.8

1.9

1.5

1.3

1.4

1.7



2.3  
1.4  
0.5  
0.6  
0.9  
0.8  
0.7  
0.8  
0.9  
1.4  
0.8  
Plus: Income Tax Expense

6.9  
15.1  
7.5  
10.5  
10.0  
9.3

8.9  
4.4  
5.5  
7.6  
4.7  
5.3  
Plus: Depreciation and Amortization  
1.3  
1.3  
1.4  
1.5  
1.7  
2.3  
3.5  
4.0  
3.9  
1.2  
1.5  
2.3  
3.2  
4.3  
5.2  
5.6  
5.7  
7.8  
Plus: Loss on Early Retirement of Debt

1.8

0.8

0.9

0.5

Less: Gain on Disposal of Assets

29.6

1.1

Adjusted EBITDA

\$12.5

\$12.6

\$13.8

\$11.3

\$14.1

\$26.8

\$33.7

\$43.5

\$40.2

\$4.2

\$4.6

\$5.8

\$11.7  
\$16.8  
\$20.7  
\$26.7  
\$24.5  
\$21.7

24  
Explanatory Information (cont.)  
We  
have  
calculated  
pro  
forma  
EBITDA  
combining  
Hercules  
Offshore  
and  
TODCO.  
EBITDA  
is  
calculated  
as

total  
revenues  
less  
direct  
operating  
expenses  
less  
general  
&  
administrative  
expenses  
not  
including  
depreciation  
and  
amortization.

The  
pro  
forma  
represents  
Hercules  
plus  
TODCO  
financials  
per  
SEC  
filings.

No  
accounting  
adjustments  
have  
been  
made.

The  
following  
table  
calculates

pro  
forma  
EBITDA.

Pro forma HERO EBITDA Calculation  
(\$ in millions)

1Q 06  
2Q 06  
3Q 06  
4Q 06  
1Q 07

LTM  
Hercules Revenue  
\$56

\$76  
\$97  
\$115  
\$110  
\$399  
TODCO Revenue  
\$184  
\$226  
\$242  
\$260  
\$242  
\$970  
Pro forma Revenue  
\$240  
\$302  
\$340  
\$375  
\$352  
\$1,369  
Hercules Operating Expense  
\$22  
\$26  
\$33  
\$43  
\$42  
\$144  
TODCO Operating Expense  
\$107  
\$141  
\$129  
\$133  
\$115  
\$518  
Less: Pro forma Operating Expenses  
\$129  
\$167  
\$162  
\$176  
\$156  
\$661  
Hercules General & Administrative  
\$7  
\$7  
\$7  
\$9  
\$9  
\$32  
TODCO General & Administrative  
\$10  
\$11

\$11  
\$10  
\$13  
\$45  
Less: Pro forma G&A Expenses  
\$16  
\$17  
\$18  
\$20  
\$22  
\$77  
Hercules EBITDA  
\$28  
\$43  
\$57  
\$63  
\$60  
\$223  
TODCO EBITDA  
\$67  
\$75  
\$102  
\$117  
\$114  
\$408  
PF HERO EBITDA  
\$94  
\$118  
\$159  
\$179  
\$174  
\$630

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Explanatory Information (cont.)

Last Twelve Months Return on Equity is calculated as Net Income divided by average Shareholders Equity for the period. The

Last Twelve Months Return on Equity for the period ending March 31, 2007.

(\$ in millions)

2006 Net Income

119

less: 1Q06 Net Income

31

plus: 1Q07 Net Income

33

3/31/07 LTM Net Income

121

3/31/07 Equity



431

3/31/06 Equity

248

Average Shareholders Equity

340

Return on Equity

36%

Hercules Offshore

3/31/07 Last Twelve Months Return On Equity Calculation

26  
Risk Factors  
Risks  
with  
respect  
to  
the  
combination  
of  
Hercules  
Offshore  
and  
TODCO,  
as  
well  
as  
other  
recent  
and  
future  
acquisitions,  
include  
the  
risk  
that  
we  
will  
not  
be  
able  
to  
close  
the  
transaction,  
as  
well  
as  
difficulties  
in  
the  
integration  
of  
the

operations  
and  
personnel  
of  
the  
acquired  
company,  
diversion  
of  
management's  
attention  
away  
from  
other  
business  
concerns,  
and  
the  
assumption  
of  
any  
undisclosed  
or  
other  
liabilities  
of  
the  
acquired  
company.  
We  
expect  
to  
incur  
substantial  
transaction  
and  
merger  
related  
costs  
associated  
with  
completing  
the  
merger  
with  
TODCO,  
obtaining  
regulatory  
approvals,  
combining

the  
operations  
of  
the  
two  
companies  
and  
achieving  
desired  
synergies.  
Additional  
unanticipated  
costs  
may  
be  
incurred  
in  
the  
integration  
of  
the  
businesses  
of  
Hercules  
Offshore  
and  
TODCO.  
Expected  
benefits  
of  
the  
merger  
may  
not  
be  
achieved  
in  
the  
near  
term,  
or  
at  
all.  
Hercules  
Offshore  
will  
have  
a  
significant  
amount

of  
additional  
debt  
as  
a  
result  
of  
the  
merger.  
This  
debt  
will  
require  
us  
to  
use  
cash  
flow  
to  
repay  
indebtedness,  
may  
have  
a  
material  
adverse  
effect  
on  
our  
financial  
health,  
and  
may  
limit  
our  
future  
operations  
and  
ability  
to  
borrow  
additional  
funds.  
For  
additional  
information  
regarding  
the  
risks  
associated

with  
the  
TODCO  
acquisition,  
please  
read  
the  
risk  
factors  
section  
in  
the  
joint  
proxy  
statement/prospectus  
included  
in  
Hercules  
registration  
statement  
in  
Form  
S-4  
(No.  
333-142314).

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Important Information to be Filed

In connection with the TODCO acquisition, Hercules Offshore has filed with the SEC a registration statement on Form S-4 that contains a joint proxy statement/prospectus. Investors and security holders of Hercules Offshore and TODCO are urged to read the registration

statement and definitive joint proxy statement/prospectus (if and when it becomes available) and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they contain and will contain important information about Hercules

Offshore, TODCO and the merger. A definitive joint proxy statement/prospectus will be sent to security holders of Hercules Offshore seeking their approval of the issuance of shares of common stock in the acquisition. Investors and security holders may obtain these documents free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov).

In addition, the documents filed with the SEC by Hercules Offshore may be obtained free of charge from our website at [www.herculesoffshore.com](http://www.herculesoffshore.com) or by calling our investor relations

department at (713) 979-9300. The documents filed with the SEC by TODCO may be obtained free of charge from TODCO's website at [www.theoffshoredrillingcompany.com](http://www.theoffshoredrillingcompany.com)

or by calling

TODCO's

investor relations department at (713) 278-6000. Investors and security holders are urged to read the joint proxy statement/prospectus and the other relevant materials when they

become available before making any voting or investment decision with respect to the proposed merger.

Hercules Offshore, TODCO and their respective directors, and executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the participants in the solicitation is set forth in the registration statement on Form S-4 and will be set forth in the joint proxy statement/prospectus when it becomes available.

