Table of Contents

As filed with the Securities and Exchange Commission on June 28, 2007

Registration No. 333-

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

Form S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Parker Drilling Company*

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation or Organization)

73-0618660
(I.R.S. Employer Identification Number)

1401 Enclave Parkway, Suite 600
Houston, Texas 77077
(281) 406-2000
(Address, Including Zip Code, and Telephone Number, Including Area Code)

W. Kirk Brassfield
Senior Vice President and Chief Financial Officer
Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077
(281) 406-2000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:
William S. Anderson, Esq.
Bracewell & Giuliani LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002-2770
(713) 221-1122
Facsimile: (713) 437-5370

Approximate date of commencement of proposed sale of the securities to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☑

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☑

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Convertible Senior Notes due 2012	$125,000,000(1)(2)	$3,838(3)
Common Stock(4)	(5)	(6)
Guarantees of Convertible Senior Notes due 2012 by certain subsidiaries of Parker Drilling Company	N/A	N/A(7)
Total	—	$3,838(3)

(1) Equals the aggregate principal amount of Convertible Senior Notes due 2012 to be registered hereunder. These amounts are estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) of the Securities Act of 1933, as amended (the “Securities Act”).

(2) Includes $10,000,000 in aggregate principal amount of Convertible Senior Notes due 2012 that may be offered and sold by the underwriters pursuant to the exercise of the underwriters’ over-allotment option to purchase additional Convertible Senior Notes due 2012.

(3) Calculated pursuant to Rule 457(o) under the Securities Act.

(4) Each share of Common Stock registered hereunder includes an associated Preferred Share Purchase Right. Until the occurrence of certain prescribed events, none of which has occurred, the Preferred Share Purchase Rights are not exercisable, are evidenced by certificates representing the Common Stock and may be transferred only with the Common Stock.

(5) Includes the shares of Common Stock that may be issued upon the conversion of the Convertible Senior Notes due 2012. The settlement feature of the Convertible Senior Notes due 2012 allows, upon conversion, that cash or in certain circumstances shares of Common Stock be paid. As a result, the Registrant is unable to presently calculate or give a reasonable good faith estimate of the number of shares of Common Stock, if any, that may be issuable upon conversion of the Convertible Senior Notes due 2012. Pursuant to Rule 416 under the Securities Act, the registration statement will include an indeterminate number of shares of Common Stock (including the associated Preferred Share Purchase Rights) that may be issued or become issuable in connection with stock splits, stock dividends, recapitalizations or similar events.

(6) Pursuant to Rule 457(i) under the Securities Act, no separate registration fee is required for the shares of Common Stock (including the associated Preferred Share Purchase Rights) underlying the Convertible Senior Notes due 2012 because no additional consideration is to be received in connection with the exercise of the conversion privilege.

(7) No separate consideration will be received for any guarantee of debt securities; accordingly, pursuant to Rule 457(n) under the Securities Act, no separate registration fee is required.

* The companies listed on the next page in the Table of Additional Registrants are also included in this Registration Statement as additional Registrants.

Table of Contents

TABLE OF ADDITIONAL REGISTRANTS

Exact Name of Registrant as Specified in its Charter(1)	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number
Anachoreta, Inc.	Nevada	88-0103667
Canadian Rig Leasing, Inc.	Oklahoma	73-0972070
Choctaw International Rig Corp.	Nevada	73-1046415
Creek International Rig Corp.	Nevada	73-1046419
DGH, Inc.	Texas	75-1726918
Indocorp of Oklahoma, Inc.	Oklahoma	73-1336355
Pardril, Inc.	Oklahoma	73-0774469
Parker Aviation, Inc.	Oklahoma	73-1126372
Parker Drillex, LLC	Delaware	20-4985014
Parker Drilling (Kazakstan), LLC	Delaware	73-1319753
Parker Drilling Company Eastern Hemisphere, Ltd.	Oklahoma	73-0934907
Parker Drilling Company International, LLC	Delaware	73-1566544
Parker Drilling Company International Limited	Nevada	73-1046414
Parker Drilling Company Limited LLC	Delaware	73-1284516
Parker Drilling Company North America, Inc.	Nevada	73-1506381
Parker Drilling Company of Argentina, Inc.	Nevada	73-1547267
Parker Drilling Company of Bolivia, Inc.	Oklahoma	73-0995324
Parker Drilling Company of Mexico, LLC	Nevada	73-1670784
Parker Drilling Company of New Guinea, LLC	Delaware	73-1331670
Parker Drilling Company of Niger	Oklahoma	73-1394204
Parker Drilling Company of Oklahoma, Incorporated	Oklahoma	73-0798949
Parker Drilling Company of Singapore, LLC	Delaware	73-1080045
Parker Drilling Company of South America, Inc.	Oklahoma	73-0760657
Parker Drilling Eurasia, Inc.	Delaware	20-5422541
Parker Drilling Management Services, Inc.	Nevada	73-1567200
Parker Drilling Offshore Corporation	Nevada	76-0409092
Parker Drilling Offshore USA, L.L.C.	Oklahoma	72-1361469
Parker Drilling Pacific Rim, Inc.	Delaware	20-5743858
Parker Drillserv, LLC	Delaware	20-4985212
Parker Drilltech, LLC	Delaware	20-4985357
Parker Intex, LLC	Delaware	20-4976555
Parker North America Operations, Inc.	Nevada	73-1571180
Parker Offshore Resources, L.P.	Oklahoma	65-1166976
Parker Rigsource, LLC	Delaware	20-4976468
Parker Technology, Inc.	Oklahoma	73-1326129
Parker Technology, L.L.C.	Louisiana	62-1681875
Parker Tools, LLC	Oklahoma	81-0588864
Parker USA Drilling Company	Nevada	73-1097039
Parker USA Resources, LLC	Oklahoma	81-0588873
Parker-VSE, Inc.	Nevada	75-1282282
PD Management Resources, L.P.	Oklahoma	65-1166974
Quail Tools, L.P.	Oklahoma	72-1361471
Quail USA, LLC	Oklahoma	82-0578885
Selective Drilling Corporation	Oklahoma	73-1284213
Universal Rig Service LLC	Delaware	73-1097040

(1) The address, including zip code, and telephone number, including area code, of each of the additional Registrant's principal executive officers is c/o Parker Drilling Company, 1401 Enclave Parkway, Suite 600, Houston, Texas 77077, (281) 406-2000. The primary standard industrial classification code number of each of the additional Registrants is 1381. The name, address, including zip code, and telephone number, including area code, of the agent for service for each of the additional Registrants is W. Kirk Brassfield, Senior Vice President and Chief Financial Officer, Parker Drilling Company, 1401 Enclave Parkway, Suite 600, Houston, Texas 77077, (281) 406-2000.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, nor a solicitation of an offer to buy these securities, in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 28, 2007

Prospectus

$115,000,000

% Convertible Senior Notes due 2012

Parker Drilling Company is offering $115,000,000 million aggregate principal amount of its % Convertible Senior Notes due 2012. The notes will be our general unsecured obligations and will rank equally in right of payment with all of our existing and future obligations that are unsecured and unsubordinated. The notes will be effectively subordinated to all of our existing and future secured debt and structurally subordinated to the indebtedness and other liabilities of our non-guarantor subsidiaries.

The notes will bear interest at the rate of % per year. We will pay interest on the notes on January 15 and July 15 of each year, beginning on January 15, 2008. The notes will mature on July 15, 2012, unless earlier converted, redeemed or repurchased. You may require us to repurchase in cash some or all of your notes at any time before the notes' maturity following a fundamental change as described in this prospectus.

Holders may convert their notes based on an initial conversion rate of shares per $1,000 principal amount of notes, subject to adjustment upon certain events, only under the following circumstances: (1) during specified periods, if the price of our common stock reaches specified thresholds described in this prospectus; (2) if the trading price of the notes is below a specified threshold; (3) at any time after April 15, 2012; (4) if we chose to redeem the notes upon the occurrence of a specified accounting change, as defined in this prospectus; or (5) upon the occurrence of certain corporate transactions described in this prospectus. Subject to our election to satisfy our conversion obligation entirely in shares of our common stock, upon conversion, we will deliver an amount in cash equal to the lesser of the aggregate principal amount of notes to be converted and our total conversion obligation. If our conversion obligation exceeds the principal amount of the notes, we will deliver shares of our common stock in respect of the excess. If certain corporate transactions occur, we will deliver upon conversion of the notes additional shares of common stock as described in this prospectus.

Upon the occurrence of a specified accounting change, we may redeem the notes in whole for cash, at a price equal to 102% of the principal amount of the notes plus accrued and unpaid interest to, but excluding, the redemption date.

Our common stock is traded on the New York Stock Exchange under the symbol “PKD”. The closing price of our common stock on June 27, 2007 was $11.15 per share.

Investing in the notes involves risks. See “Risk Factors” beginning on page 11 of this prospectus.

	Per Note	Total
Public offering price(1)	%	$
Underwriting discounts	%	$
Offering proceeds to Parker Drilling Company, before expenses(1)	%	$

(1) Plus accrued interest, if any, from , 2007, if settlement occurs after that date.

We have granted the underwriters an over-allotment option to purchase an additional $10,000,000 aggregate principal amount of notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes to investors on or about , 2007, only in book-entry form through the facilities of The Depository Trust Company.

Sole Book-Running Manager

Banc of America Securities LLC

Deutsche Bank Securities **Lehman Brothers**

, 2007

You should rely only on the information contained or incorporated by reference in this prospectus or in any related free writing prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

TABLE OF CONTENTS

	Page
Available Information	ii
Incorporation of Certain Information by Reference	ii
Summary	1
Risk Factors	11
Special Note Regarding Forward-Looking Statements	19
Use of Proceeds	21
Price Range of Our Common Stock and Dividend Policy	22
Ratio of Earnings to Fixed Charges	23
Capitalization	24
Description of Certain Indebtedness	25
Description of Notes	28
Description of the Convertible Note Hedge and Warrant Transactions	53
Description of Our Capital Stock	54
Certain U.S. Federal Income Tax Considerations	58
Underwriting	65
Validity of the Securities	70
Experts	70
Form of Indenture for the Convertible Senior Notes	
Opinion of Bracewell & Giuliani LLP - Validity	
Opinion of General Counsel	
Opinion of Jones, Walker, Waechter, Poitevent, Carrere & Denegre, L.L.P.	
Opinion of Kummer Kaempfer Bonner & Renshaw	
Statement Regarding Computation of Ratios	
Consent of PricewaterhouseCoopers LLP	
Statement of Eligibility on Form T-1	

You must comply with all applicable laws and regulations in force in any applicable jurisdiction and you must obtain any consent, approval or permission required by you for the purchase, offer or sale of the notes under the laws and regulations in force in the jurisdiction to which you are subject or in which you make your purchase, offer or sale, and neither we nor the underwriters will have any responsibility therefor.

You are not to construe the contents of this prospectus as investment, legal or tax advice. You should consult your own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of an investment in the notes and any common stock issuable upon conversion of the notes. We are not, and the underwriters are not, making any representation to you regarding the legality of an investment in the notes or any common stock issuable upon conversion of the notes by you under applicable laws.

We reserve the right to withdraw this offering of notes at any time. We and the underwriters also reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the amount of notes offered hereby.

AVAILABLE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and in accordance therewith file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC, on a regular basis. You may read and copy this information or obtain copies of this information by mail from the Public Reference Room of the SEC, Station Place, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330.

The SEC also maintains a website accessible on the Internet that contains reports, proxy statements and other information about issuers, like us, who file electronically with the SEC. The address of that site is http://www.sec.gov. We make available free of charge on our website at www.parkerdrilling.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish to, the SEC. Information on our website does not constitute part of this prospectus.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act of 1933, as amended, or the Securities Act, relating to the notes that may be offered by this prospectus. This prospectus is part of that registration statement, but does not contain all of the information in the registration statement. We have omitted parts of the registration statement in accordance with the rules and regulations of the SEC. Any statement made in this prospectus concerning a contract or other document of ours is not necessarily complete, and you should read the documents that are filed as exhibits to the registration statement of which this prospectus forms a part or otherwise filed with the SEC for a more complete understanding of the document or matter. For more detail about us and any notes that may be offered in this prospectus, you may examine the registration statement on Form S-3 and the exhibits filed with it at the location listed above as well as through the SEC's website.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC's rules allow us to "incorporate by reference" the documents that we file with the SEC. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. This information incorporated by reference is a part of this prospectus, unless we provide you with different information in this prospectus or the information is modified or superseded by a subsequently filed document.

This prospectus incorporates by reference:

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, as filed with the SEC on March 1, 2007;
- our amended Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2007, as filed with the SEC on June 27, 2007;
- our Proxy Statement on Schedule 14A, as filed with the SEC on March 23, 2007;
- our Current Report on Form 8-K, as filed with the SEC on March 15, 2007;
- the description of our common stock contained in our Form 8-A dated June 16, 1969, including any amendment to that form that we may have filed in the past, or may file in the future, for the purpose of updating the description of our common stock; and
- the description of our preferred stock purchase rights contained in our Form 8-A, as filed with the SEC on January 19, 1999.

This prospectus also incorporates by reference additional documents that we may file with the SEC under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act after the time of filing of the initial registration

statement and after the date of this prospectus. These documents include annual reports, quarterly reports and other current reports, as well as proxy statements.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request these documents in writing or by telephone from:

Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077
Attention: Investor Relations
Telephone: (281) 406-2000

SUMMARY

This summary is not complete and does not contain all of the information that you should consider before deciding whether to invest in the notes. You should read carefully the entire prospectus, including “Risk Factors” and the more detailed information and financial statements and related notes thereto appearing elsewhere or incorporated by reference in this prospectus, before making an investment decision.

In this prospectus, other than in “Description of Certain Indebtedness” and “Description of Notes,” and unless the context requires otherwise, “Parker Drilling,” “we,” “us” and “our” refer to Parker Drilling Company and its subsidiaries and consolidated joint ventures.

Our Company

We are a leading worldwide provider of contract drilling and drilling-related services. Since beginning operations in 1934, we have operated in 53 foreign countries and the United States, making us among the most geographically experienced drilling contractors in the world. We have extensive experience and expertise in drilling geologically difficult wells and in managing the logistical and technological challenges of operating in remote, harsh and ecologically sensitive areas. We believe that our quality, health, safety and environmental policies and procedures are best in class.

Our revenues are derived from three segments:

- U.S. barge and land drilling;
- international land drilling and offshore barge drilling; and
- drilling-related rental tools.

We also provide project management services, such as labor, maintenance and logistics, for operators who own their own drilling rigs and who choose to rely upon our technical expertise.

Our principal executive offices are located at 1401 Enclave Parkway, Suite 600, Houston, Texas 77077, and our telephone number at that location is (281) 406-2000.

Our Rig Fleet

The diversity of our rig fleet, both in terms of geographic location and asset class, enables us to provide a broad range of services to oil and gas operators worldwide. As of June 25, 2007, our fleet of rigs available for service consisted of:

- eight land rigs in the Commonwealth of Independent States, or CIS;
- nine land rigs in the Asia Pacific region;
- seven land rigs in the Latin America region, including Mexico;
- one land rig in the U.S. domestic region;
- one barge drilling rig in the inland waters of Mexico;
- nine land rigs in the Middle East and Africa, six of which are owned by Al Rushaid Parker Drilling Co. Ltd., a joint venture in which we own a 50 percent interest;
- the world’s largest arctic-class barge rig in the Caspian Sea; and
- 16 barge drilling and workover rigs in the transition zones of the U.S. Gulf of Mexico.

Our Rental Tools Business

Quail Tools, our rental tools business based in New Iberia, Louisiana, provides premium rental tools for land and offshore oil and gas drilling and workover activities. Quail Tools offers a full line of drill pipe, drill

collars, tubing, high and low-pressure blowout preventers, choke manifolds, junk and cement mills and casing scrapers. Approximately one-fourth of Quail Tools' equipment is utilized in offshore and coastal water drilling operations of the Gulf of Mexico. Quail Tools' other rental facilities are located in Victoria, Odessa, and Texarkana, Texas; and Evanston, Wyoming. Quail Tools' principal customers are major and independent oil and gas exploration and production companies operating in the Gulf of Mexico and other major U.S. energy producing markets. Quail Tools also provides rental tools to customers operating internationally, including Trinidad and Tobago, Russia, Singapore and Nigeria.

Our Market Areas

U.S. Gulf of Mexico. The drilling industry in the U.S. Gulf of Mexico is characterized by highly cyclical activity where utilization and dayrates are typically driven by current natural gas prices. Within this area, we operate barge rigs in the shallow-water transition zones, primarily in Louisiana and Texas.

International Markets. The majority of the international drilling markets in which we operate have one or more of the following characteristics: (1) customers who typically are major, large independent or national oil companies, and integrated service providers; (2) drilling programs in remote locations with little infrastructure and/or harsh environments requiring specialized drilling equipment with a large inventory of spare parts and other ancillary equipment; and (3) difficult (*i.e.*, high pressure, deep, hazardous or geologically challenging) wells requiring specialized drilling equipment and considerable experience to drill. We compete for international business against several multi-national drilling contractors as well as an increasing number of national drilling companies.

Our operations are subject to the risks incidental to those operations as more fully described under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2006 incorporated by reference into this prospectus.

Our Strategy

Our strategy is to maintain and leverage our position as a leading provider of drilling, project management services and rental tools services to the energy industry. Our goal is to position our company as the "contractor of choice" by providing dependable and efficient drilling performance, innovative drilling solutions and high-quality rental tools services. We manage our operations in accordance with a long-term strategic growth plan. Key elements in our strategy include:

Pursuing Strategic Growth Opportunities. We are in the process of growing a fleet of drilling rigs that we believe will be preferred over our competitors' rigs regardless of the position in the energy business cycle. In 2006, we completed the construction of a 3,000 horsepower, or HP, barge rig for use in the U.S. Gulf of Mexico. Two of four new 2,000 HP international land rigs were delivered early in 2007 for drilling operations in Algeria, and the two remaining rigs are scheduled for delivery in Mexico during the third quarter of 2007. The scope of our joint venture in Saudi Arabia has expanded from four rigs to six, with the addition of two 2,000 HP rigs to the initial four 1,500 HP land rigs, one of which has spudded, two of which are expected to spud during the third quarter of 2007, and the remainder of which are expected to spud in the fourth quarter of 2007. Our new rental tools facility in Texarkana, Texas opened in April 2007 and includes a new storage and inspection location.

Sustaining the High Utilization of Our Barge and Land Rigs. Another one of our strategic objectives is to sustain the high utilization of our barge and land rigs through marketing for strategic placement in areas that provide long term oil and gas development opportunities. Our history of efficient, dependable operations creates a high value and low cost drilling service for our customers, which facilitates contract extensions or renewals.

Focusing on an Efficiency-Based Operating Philosophy for Operating Costs, Preventive Maintenance and Capital Expenditures. We continue to be vigilant in minimizing embedded administration and operations costs. During 2006, we implemented planning and forecasting tools that facilitate the review of all costs. Our

operating philosophy emphasizes continuous improvement of processes, equipment standardization and global quality, safety and supply chain management. In early 2007, we implemented new supply chain management and reporting systems. Capital expenditures are aligned with core objectives and an aggressive preventive maintenance program.

Continuing to Reduce Our Debt to Capitalization Ratio. Our long-term goal is to reduce our debt to capitalization ratio to be in the 30 percent range. Since the establishment of this goal in late 2002, we have reduced that ratio to 43 percent as of March 31, 2007 from a high of 76 percent. We expect to achieve this goal by reducing our debt and interest costs.

Our Competitive Strengths

Our competitive strengths have historically contributed to our operating performance, and we believe the following strengths enhance our outlook for the future:

Geographically Diverse Operations and Assets. We currently operate in Algeria, Bangladesh, China, Colombia, Indonesia, Kazakhstan, Kuwait, Libya, Mexico, New Zealand, Papua New Guinea, Russia, Saudi Arabia, Turkmenistan and the United States. Since our founding in 1934, we have operated in 53 foreign countries and the United States, making us among the most geographically diverse drilling contractors in the world. Our international revenues constituted approximately 47 percent of our total revenues in 2006. Our core international land drilling operations focus primarily on the CIS region, where we have eight land rigs; the Asia Pacific region, where we have nine land rigs, including seven helicopter transportable rigs; the Middle East and Africa, where we have nine land rigs, six of which are owned by a joint venture in which we have a 50% interest; and Latin America, where we are operating seven land rigs. Our international offshore drilling operations are located in the Caspian Sea, where we own and operate the world's largest arctic-class barge rig; and Mexico, where we have one barge rig. We currently have 16 drilling and workover barge rigs in the shallow water transition zones of the U.S. Gulf of Mexico, and one land rig in the U.S. domestic region.

Outstanding Safety, Preventive Maintenance, Inventory Control and Training Programs. We have an outstanding safety record. In 2006, we achieved the lowest Total Recordable Incident Rate, or TRIR, in our history. Our safety record, as evidenced by our low TRIR, has made us a leader in occupational injury prevention for the last nine years. This, along with integrated quality and safety management systems, preventive maintenance, and supply chain management programs, has contributed to our success in obtaining drilling contracts, as well as contracts to manage and provide labor resources to drilling rigs owned by third parties. Our training center provides safety and technical training curriculums in four different languages and provides regulatory compliance training throughout the world.

Strong and Experienced Senior Management Team. Our management team has extensive experience in the contract drilling industry. Our chairman, Robert L. Parker Jr., joined our company in 1973 and has served as our president and chief executive officer since 1991 and chairman of the board since April 2006. Under the leadership of Mr. Parker Jr., we have sustained our reputation as a leading worldwide provider of contract drilling services. David C. Mannon joined our senior management team in late 2004 as senior vice president and chief operating officer. Prior to joining our company, Mr. Mannon served in various managerial positions, culminating with his appointment as president and chief executive officer for Triton Engineering Services Company, a subsidiary of Noble Drilling. He brings a broad range of over 25 years of experience to our drilling operations, which enhances our ability to achieve our goals of increased utilization and profitable growth. Our chief financial officer, W. Kirk Brassfield, joined our company in 1998 and has served in several executive positions including vice president, controller and principal accounting officer. He brings 27 years of experience to the management team, including 15 years in the oil and gas industry.

The Offering

The summary below highlights information contained elsewhere or incorporated by reference in this prospectus. This summary is not complete and does not contain all the information that you should consider before investing in the notes. This summary is subject to, and qualified in its entirety by, reference to the more detailed information and financial statements included or incorporated by reference in this prospectus, including the more detailed description of the terms and conditions of the notes in the "Description of Notes" section of this prospectus. As used in this section, references to "Parker Drilling," "we," "us" and "our" refer only to Parking Drilling Company and do not include its subsidiaries.

Issuer	Parker Drilling Company, a Delaware corporation.
Notes Offered	$115.0 million aggregate principal amount of % convertible senior notes due 2012 ($125.0 million aggregate principal amount if the underwriters exercise in full their over-allotment option to purchase additional notes).
Maturity Date	July 15, 2012, unless earlier converted or repurchased.
Ranking	The notes will be our general unsecured obligations and will rank in right of payment: • equal with all of our existing and future senior unsecured indebtedness; • senior to all of our subordinated indebtedness; • effectively junior to our existing and future secured indebtedness to the extent of the value of the collateral securing that indebtedness; and • effectively junior to indebtedness of our non-guarantor subsidiaries. As of March 31, 2007: • we had $329.2 million of senior unsecured indebtedness and had no subordinated indebtedness; • we had no secured indebtedness, although we have used $21.1 million of availability under our $40.0 million revolving credit facility to secure letters of credit, leaving additional availability of $18.9 million of secured debt that could be incurred under our senior secured credit facility; and • our non-guarantor subsidiaries had outstanding liabilities, including trade and other payables but excluding intercompany amounts, in an amount equal to approximately $53.0 million. The indenture for the notes does not restrict us or our subsidiaries from incurring additional debt or other liabilities, including secured debt.
The Guarantees	The notes are guaranteed by all of our subsidiaries that guarantee our 9.625% senior notes due 2013 (the "9.625% senior notes"), and are substantially the same subsidiaries that guarantee our senior secured credit facility. Each guarantee of the notes is a general unsecured obligation of the guarantor ranking senior in right of payment to all existing and future subordinated indebtedness of that guarantor; equal in right of payment with any existing and future senior unsecured

	indebtedness of that guarantor; and effectively junior in right of payment to that guarantor's existing and future secured indebtedness, including its guarantee of indebtedness under our senior secured credit facility, to the extent of the value of the collateral securing that indebtedness. As of March 31, 2007, on an adjusted basis giving effect to this offering and our use of proceeds therefrom, the guarantees would rank: • equal in right of payment to $229.2 million of senior indebtedness of our guarantor subsidiaries, consisting of guarantees of our other unsecured senior indebtedness; and • effectively junior to future secured debt of our subsidiaries (of which there is currently none) and all existing and future debt of our non-guarantor subsidiaries (excluding indebtedness and other liabilities owed to us, if any). Each subsidiary guarantor's guarantee of the notes will be automatically released and terminated upon the release, termination or satisfaction of such subsidiary guarantor's guarantee of our 9.625% senior notes. Accordingly, if the 9.625% senior notes are redeemed or repurchased by us in whole, the guarantees of the notes will be automatically released and terminated. The 9.625% senior notes are subject to redemption, at our option, at any time on or after October 1, 2008. For information about our corporate structure, see note 5 to our consolidated financial statements for the year ended December 31, 2006, incorporated by reference into this prospectus.
Interest	The notes will bear interest at the rate of % per year. Interest on the notes is payable semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2008.
Conversion Rights	You may convert the notes based on an initial conversion rate of shares per $1,000 principal amount of notes (equal to an initial conversion price of approximately $ per share of common stock). You may elect to convert the notes before the second business day immediately preceding the maturity date only under the following circumstances: • during any fiscal quarter, and only during that fiscal quarter, after the fiscal quarter ending September 30, 2007, if the closing sale price per share of our common stock for at least 20 trading days during the period of 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter is more than 130% of the applicable conversion price on the last trading day of that preceding fiscal quarter; • during the five business day period immediately following any five consecutive trading day period in which the trading price per $1,000 principal amount of notes for each day of the five trading day period was less than 98% of the product of the closing sale price of our common stock and the current applicable conversion rate of the notes on that day; • at any time on or after April 15, 2012;

	• if we choose to redeem the notes upon the occurrence of a specified accounting change; or • upon the occurrence of specified corporate transactions. The initial conversion rate will be adjusted for certain events, but it will not be adjusted for accrued interest or additional amounts, if any. You will not receive any cash payment or additional shares representing accrued and unpaid interest upon conversion of a note, except in limited circumstances. Subject to our election to satisfy our conversion obligation entirely in shares of our common stock, upon a surrender of your notes for conversion, we will deliver an amount in cash not exceeding the aggregate principal amount of notes to be converted, and, to the extent the daily settlement amount exceeds the relevant portion of the principal amount, shares of our common stock. If we elect to satisfy our conversion obligation entirely in shares of our common stock, we will deliver to you upon conversion of your notes a number of shares of our common stock equal to (1) the aggregate principal amount of notes to be converted divided by $1,000, multiplied by (2) the applicable conversion rate. If you elect to convert your notes in connection with a fundamental change, we will deliver upon conversion of the notes an additional number of shares of our common stock.
Fundamental Change	If we undergo a fundamental change before the maturity of the notes, you will have the right, subject to certain conditions, to require us to repurchase for cash all of your notes or any portion of those notes that is equal to $1,000 in principal amount or integral multiples thereof, at a fundamental change repurchase price equal to 100% of the principal amount of the notes plus any accrued and unpaid interest, including additional amounts, if any, on the notes to but excluding the fundamental change repurchase date.
Optional Redemption upon a Specified Accounting Change	If a specified accounting change as described under "Description of Notes — Optional Redemption upon a Specified Accounting Change" occurs, we may redeem the notes in whole for cash, at a price equal to 102% of the principal amount of the notes plus accrued and unpaid interest to, but excluding, the redemption date. See "Description of Notes — Optional Redemption upon a Specified Accounting Change." The notes may not otherwise be redeemed by us prior to the maturity date.
Make Whole Premium upon a Specified Accounting Change	If we chose to redeem the notes upon a specified accounting change as described below under "Description of Notes — Optional Redemption upon a Specified Accounting Change" and a holder chooses to convert its notes in connection with such redemption as described below under "Description of Notes — Conversion in Connection with a Specified Accounting Change," we will pay, to the extent described in this prospectus, a make whole premium on the notes to the holder that converts in connection with such redemption by increasing the conversion rate applicable to such notes. The amount of the increase in the applicable conversion rate, if any, will be based on a formula which takes into account our

Table of Contents

	common stock price over a 10-day averaging period and the proposed redemption date described under "Description of Notes — Optional Redemption upon a Specified Accounting Change." See "Description of Notes — Make Whole Premium upon a Specified Accounting Change."
Sinking Fund	None.
Use of Proceeds	The net proceeds of this offering, after deducting underwriting discounts and estimated offering expenses, are expected to be approximately $111.7 million, or $121.4 million if the underwriters exercise in full their over-allotment option to purchase additional notes. We intend to use $ million of the net proceeds (and additional proceeds if the underwriters exercise their over-allotment option to purchase additional notes) of this offering to pay the net cost of the convertible note hedge and warrant transactions described below. One or more of the underwriters or their affiliates or both will be the counterparties in the convertible note hedge transactions and will receive the portion of the net proceeds from this offering applied to those transactions. See "Underwriting." We also intend to use approximately $101.0 million of the net proceeds, together with available cash, as necessary, to redeem all of the $100.0 million aggregate principal amount of the outstanding senior floating rate notes due 2010 at a redemption price of 101% of the principal amount thereof in September 2007, and any remaining proceeds for general corporate purposes.
Convertible Note Hedge and Warrant Transactions	We intend to enter into privately negotiated convertible note hedge transactions with one or more affiliates of the underwriters (which we refer to collectively as the hedge participants) that we expect will reduce the potential dilution to our common stock upon any conversion of the notes. We also intend to enter into warrant transactions with the hedge participants with respect to our common stock pursuant to which we may issue shares of our common stock. In connection with these transactions, we expect to use a portion of the net proceeds from this offering to pay the net cost of the convertible note hedge and warrant transactions. If the underwriters exercise their over-allotment option to purchase additional notes, we expect to use a portion of the net proceeds from the sale of the additional notes to enter into additional convertible note hedge transactions, and we would also expect to enter into additional warrant transactions. In connection with hedging these transactions, the hedge participants or their affiliates may enter into various derivative transactions with respect to our common stock at, and possibly after, the pricing of the notes and may unwind such derivative transactions, enter into other derivative transactions and purchase and sell our common stock in secondary market transactions following the pricing of the notes. These activities could have the effect of increasing the price of our common stock before and possibly after the pricing of the notes. The hedge participants or their affiliates are likely to modify their hedge positions from time to time before conversion or maturity of the notes by purchasing and selling shares of our common stock, other of our securities or other instruments they may wish to use in

	connection with such hedging and entering into or unwinding various derivative transactions with respect to our common stock (and are likely to do so (1) during any cash settlement averaging period related to a conversion of notes and (2) if we have elected to satisfy our conversion obligations entirely in shares of our common stock, during (a) the 40 trading-day period beginning on the 42nd scheduled trading day before the maturity date if the related conversion date is on or after April 15, 2012 or (b) the 40 trading-day period beginning on and including the third scheduled trading day after the conversion date if the related conversion date is before April 15, 2012). The effect, if any, of any of these transactions and activities on the market price of our common stock or the notes will depend in part on market conditions and cannot be ascertained at this time, but any of these activities could adversely affect the value of our common stock and the value of the notes and, as a result, the conversion value you will receive upon conversion of the notes and, under certain circumstances, your ability to convert notes.
Trustee, Paying Agent and Conversion Agent	The Bank of New York Trust Company, N.A.
Book-Entry Form	The notes will be issued in the form of one or more permanent global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC. Ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants. The laws of some jurisdictions require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to those persons may be limited.
United States Federal Income Tax Consequences	You should consult your own tax advisor with respect to the U.S. federal income tax consequences of owning the notes and the common stock into which the notes may be converted in light of your particular situation and with respect to any tax consequences arising the under the laws of any state, local foreign or other taxing jurisdictions. For a summary of the United States federal income tax consequences of the holding, disposition and conversion of the notes, and the holding and disposition of shares of our common stock, see "Certain U.S. Federal Income Tax Considerations."
NYSE Symbol for Our Common Stock	Our common stock is listed on the New York Stock Exchange under the symbol "PKD."
Risk Factors	You should carefully consider the information in the section titled "Risk Factors" included or incorporated by reference in this prospectus as well as the other information included in or incorporated by reference in this prospectus before deciding whether to invest in the notes.

Table of Contents

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables present summary consolidated financial data derived from our unaudited financial statements for the three months ended March 31, 2007 and 2006 and our audited financial statements for the years ended December 31, 2006, 2005 and 2004. In the opinion of management, the unaudited consolidated financial data have been prepared on the same basis as our audited consolidated financial statements and include all adjustments (consisting only of normal, recurring adjustments) necessary for a fair presentation of results for the interim period. The results for any interim period are not necessarily indicative of results that may be expected for a full fiscal year. The following financial data are qualified by reference to and should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes incorporated by reference into this prospectus.

	Three Months Ended March 31,		Year Ended December 31,		
	2007	**2006**	**2006(1)**	**2005(2)**	**2004**
			(dollars in thousands)		
Statement of Operations Data:					
Drilling and rental revenues:					
U.S. drilling	$ 61,624	$ 40,253	$ 191,225	$ 128,252	$ 88,512
International drilling	59,674	79,830	273,216	308,572	220,846
Rental tools	29,975	27,251	121,994	94,838	67,167
Total drilling and rental revenues	151,273	147,334	586,435	531,662	376,525
Drilling and rental operating expenses:					
U.S. drilling	26,761	17,470	83,462	66,827	54,126
International drilling	45,783	61,372	219,710	237,161	168,451
Rental tools	11,163	10,470	46,454	38,211	28,037
Depreciation and amortization	18,059	16,957	69,270	67,204	69,241
Total drilling and rental operating expenses	101,766	106,269	418,896	409,403	319,855
Drilling and rental operating income	49,507	41,065	167,539	122,259	56,670
General and administrative expense	(5,888)	(7,694)	(31,786)	(27,830)	(23,413)
Provision for reduction in carrying value of certain assets	—	—	—	(4,884)	(13,120)
Gain on disposition of assets, net	16,404	448	7,573	25,578	3,730
Total operating income	60,023	33,819	143,326	115,123	23,867
Other income (expense):					
Interest expense	(6,330)	(9,101)	(31,598)	(42,113)	(50,368)
Other income (expense), net	410	1,236	5,707	(2,782)	(9,055)
Total other income (expense)	(5,920)	(7,865)	(25,891)	(44,895)	(59,423)
Income (loss) before income taxes	54,103	25,954	117,435	70,228	(35,556)
Income tax expense (benefit)	24,109	14,496	36,409	(28,584)	15,009
Income (loss) from continuing operations	29,994	11,458	81,026	98,812	(50,565)
Discontinued operations	—	—	—	71	3,482
Net income (loss)	$ 29,994	$ 11,458	$ 81,026	$ 98,883	$ (47,083)
Other Financial Data:					
Cash flows from:					
Operating activities	$ 33,720	$ 35,681	$ 166,868	$ 122,607	$ 28,802
Investing activities	(51,939)	(16,982)	(194,651)	(12,596)	46,678
Financing activities	140	107,755	59,810	(94,102)	(98,978)
Capital expenditures	(52,991)	(35,940)	(195,022)	(69,492)	(47,318)
Other Operating Data:					
Rigs available for service(3):					
Land rigs	25.9	24.0	23.9	29.2	38.0
Barge rigs	19.0	23.0	22.2	23.0	26.0
Rig utilization(4)	69%	81%	69%	78%	53%

	Three Months Ended March 31,		Year Ended December 31,		
	2007	2006	2006(1)	2005(2)	2004
	(dollars in thousands)				
Balance Sheet Data(5):					
Cash and cash equivalents	$ 74,124	$ 186,630	$ 92,203	$ 60,176	$ 44,267
Property, plant and equipment, net	471,077	373,515	435,473	355,397	382,824
Assets held for sale	—	—	4,828	—	23,665
Total assets	954,763	916,921	901,301	801,620	726,590
Total long-term debt, including current portion	329,206	379,853	329,368	380,015	481,063
Stockholders' equity	437,110	380,878	459,099	259,829	148,917

(1) The 2006 results reflect the reversal of a $12.6 million valuation allowance at the end of 2006 and the current year utilization of $5.4 million of net operating losses, both of which are related to Louisiana state net operating loss carryforwards. See note 7 to our consolidated financial statements for the year ended December 31, 2006 incorporated by reference into this prospectus.

(2) The 2005 results reflect the reversal of a $71.5 million valuation allowance related to federal net operating loss carryforwards and other deferred tax assets. See note 7 to our consolidated financial statements for the year ended December 31, 2006 incorporated by reference into this prospectus.

(3) The number of rigs available for service is determined by calculating the number of days each rig was in our fleet and was under contract or available for contract. For example, a rig under contract or available for contract for six months of a year is 0.5 rigs available for service for such year. Rigs available for service exclude rigs classified as assets held for sale. Our method of computation of rigs available for service may or may not be comparable to other similarly titled measures of other companies.

(4) Rig utilization rates are based on a weighted average basis assuming 365 days availability for all rigs available for service. Rigs acquired or disposed of are treated as added to or removed from the rig fleet as of the date of acquisition or disposal. Rigs that are in operation or fully or partially staffed and on a revenue-producing standby status are considered to be utilized. Rigs under contract that generate revenues during moves between locations or during mobilization or demobilization are also considered to be utilized. Our method of computation of rig utilization may or may not be comparable to other similarly titled measures of other companies.

(5) Balance sheet data are as of the ends of the periods presented.

RISK FACTORS

An investment in our securities involves a high degree of risk. You should consider carefully the risks and uncertainties described below and the other information included in or incorporated by reference into this prospectus, including the financial statements and related notes incorporated by reference into this prospectus, before deciding to invest in the notes and the common stock into which the notes, under certain circumstances, are convertible. While these are the risks and uncertainties we believe are most important for you to consider, you should know that they are not the only risks or uncertainties facing us or which may adversely affect our business. If any of the following risks or uncertainties actually occur, our business, financial condition or results of operations would likely suffer.

Risks Related to Our Business

For a discussion of the risks and uncertainties related to our business, please read “Risk Factors” in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2006, which is incorporated by reference into this prospectus.

Risks Related to the Notes and Our Common Stock

Payment of principal and interest on the notes will be effectively subordinated to our and our guarantors’ senior secured debt to the extent of the value of the assets securing that debt.

The notes and the guarantees related to these notes are senior unsecured obligations of Parker Drilling Company and certain of our domestic subsidiaries and will not be secured by any of our assets. Holders of our secured obligations and the secured obligations of the guarantors, including obligations under our senior secured credit facility, will have claims that are prior to claims of the holders of the notes with respect to the assets securing those obligations. In the event of liquidation, dissolution, reorganization, bankruptcy or any similar proceeding, our assets and those of certain subsidiaries will be available to pay obligations on the notes and the guarantees only after holders of our senior secured debt have been paid the value of the assets securing such debt. Accordingly, there may not be sufficient funds remaining to pay amounts due on all or any of the notes.

Each subsidiary guarantor’s guarantee of the notes will be automatically released and terminated upon the release, termination or satisfaction of such subsidiary guarantor’s guarantee of our 9.625% senior notes due 2013. Accordingly, if the 9.625% senior notes are redeemed or repurchased by us in whole, or if the guarantees of the 9.625% senior notes are otherwise released, the guarantees of the notes will be automatically released and terminated. The 9.625% senior notes are subject to redemption, at our option, at any time on or after October 1, 2008.

We have granted the lenders under our senior secured credit facility a security interest in (i) all accounts receivable and certain deposit accounts of (a) Parker Drilling Company and (b) substantially all of our material direct and indirect domestic subsidiaries; (ii) the stock of all of our direct and indirect domestic subsidiaries; and (iii) substantially all of the personal property assets of our rental tool business. If a default on secured indebtedness occurs, persons which are granted security interests will have a prior secured claim on such assets. If those persons were to attempt to foreclose on their collateral, our financial condition and the value of the notes would be adversely affected.

We are a holding company and conduct substantially all of our operations through our subsidiaries, which may affect our ability to make payments on the notes. In addition, the structural subordination of the notes to certain of our subsidiaries’ liabilities may limit our ability to make payment on the notes.

We conduct substantially all of our operations through our subsidiaries. As a result, our cash flows and our ability to service our debt, including the notes, is dependent upon the earnings of our subsidiaries. In addition, we are dependent on the distribution of earnings, loans or other payments from our subsidiaries to us. Any payment of dividends, distributions, loans or other payments from our subsidiaries to us could be subject to statutory restrictions, including local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which our subsidiaries operate. In addition, payments of dividends or

distributions from our joint ventures are subject to contractual restrictions. Payments to us by our subsidiaries also will be contingent upon the profitability of our subsidiaries. If we are unable to obtain funds from our subsidiaries we may not be able to pay principal, premium, if any, or interest on the notes when due, or to repurchase our notes upon a fundamental change, and we may not be able to obtain the necessary funds from other sources.

Some of our subsidiaries, including our existing and future foreign subsidiaries, will not guarantee the notes. The notes will be structurally subordinated to all existing and future liabilities and preferred equity of these subsidiaries that do not guarantee the notes. In the event of liquidation, dissolution, reorganization, bankruptcy or any similar proceeding with respect to any such subsidiary, we, as common equity owner of such subsidiary, and therefore, holders of our debt, including holders of the notes, will be subject to the prior claims of such subsidiary's creditors, including trade creditors, and preferred equity holders. As of March 31, 2007, our non-guarantor subsidiaries and joint ventures collectively owned approximately 18.3 percent of our consolidated total assets and held approximately $14.1 million of our consolidated cash, cash equivalents and marketable securities of approximately $157.6 million. For further information, see note 5 to our consolidated financial statements for the year ended December 31, 2006 incorporated by reference into this prospectus.

The subsidiary guarantees could be deemed fraudulent conveyances under certain circumstances, and a court may try to subordinate or void the subsidiary guarantees.

Under the federal bankruptcy laws and comparable provisions of state fraudulent transfer laws, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

- issued the guarantee with the intent of hindering, delaying or defrauding current or future creditors; or
- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee; and
    - was insolvent or rendered insolvent by reason of such incurrence; or
    - was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
    - intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor. The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability, including contingent liabilities, on its existing debts, as they become absolute and mature; or
- it could not pay its debts as they become due.

We cannot assure what standard a court would apply in determining a guarantor's solvency and whether it would conclude that such guarantor was solvent when it incurred its guarantee.

We may not have sufficient cash to repurchase the notes at the option of the holder upon a fundamental change or to pay the cash payable upon a conversion, which may increase your credit risk.

Upon a fundamental change, subject to certain conditions, we will be required to make an offer to repurchase for cash all outstanding notes at 100% of their principal amount plus accrued and unpaid interest, including additional amounts, if any, up to but not including the date of repurchase. In addition, unless we

elect to satisfy our conversion obligation entirely in shares of our common stock, upon a conversion, we will be required to make a cash payment of up to $1,000 for each $1,000 in principal amount of notes converted. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of tendered notes or settlement of converted notes. Any credit facility in place at the time of a repurchase or conversion of the notes may also define as a default thereunder the events requiring repurchase or cash payment upon conversion of the notes or otherwise limit our ability to use borrowings to pay any cash payable on a repurchase or conversion of the notes and may prohibit us from making any cash payments on the repurchase or conversion of the notes if a default or event of default has occurred under that facility without the consent of the lenders under that credit facility. Our failure to repurchase tendered notes at a time when the repurchase is required by the indenture or to pay any cash payable on a conversion of the notes would constitute a default under the indenture. A default under the indenture or the fundamental change itself could lead to a default under the other existing and future agreements governing our indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes or make cash payments upon conversion thereof.

The convertible note hedge and warrant transactions may affect the value of the notes and our common stock.

In connection with the offering of the notes, we intend to enter into a privately negotiated convertible note hedge transaction with one or more of affiliates of the underwriters (which we refer to as the hedge participants). This transaction is expected to reduce the potential equity dilution upon conversion of the notes. We also intend to enter into warrant transactions with the hedge participants with respect to our common stock pursuant to which we may issue shares of our common stock. The warrant transaction could have a dilutive effect on our earnings per share to the extent that the price of our common stock during the measurement period at maturity of the warrant exceeds the strike price of the warrant. We expect to use approximately $ million of the net proceeds of this offering to pay the net cost of the convertible note hedge and warrant transactions. If the underwriters exercise their over-allotment option to purchase additional notes, we expect to use a portion of the net proceeds from the sale of the additional notes to enter into additional convertible note hedge transactions, and would also expect to enter into additional warrant transactions. These transactions will be accounted for as adjustments to our stockholders' equity. See "Description of Convertible Note Hedge and Warrant Transactions."

Because we will have sold the warrants to the hedge participants, the mitigating effect on dilution of the convertible note hedge transactions will be capped, which means that the convertible note hedge transactions may not completely mitigate dilution from conversion of the notes as intended.

In connection with hedging these transactions, the hedge participants or their affiliates may enter into various derivative transactions with respect to our common stock at, and possibly after, the pricing of the notes and may unwind such derivative transactions, enter into other derivative transactions and purchase and sell our common stock in secondary market transactions following the pricing of the notes. These activities could have the effect of increasing the price of our common stock before and possibly after the pricing of the notes. In addition, the hedge participants or their affiliates may modify their hedge positions from time to time before conversion or maturity of the notes including by purchasing and selling shares of our common stock, other of our securities or other instruments they may wish to use in connection with such hedging and entering into or unwinding various derivative transactions with respect to our common stock (and are likely to do so (1) during any cash settlement averaging period related to a conversion of notes and (2) if we have elected to satisfy our conversion obligations entirely in shares of our common stock, during (a) the 40 trading-day period beginning on the 42nd scheduled trading day before the maturity date if the related conversion date is on or after April 15, 2012 or (b) the 40 trading-day period beginning on and including the third scheduled trading day after the conversion date if the related conversion date is before April 15, 2012).

The potential effect, if any, of any of these transactions and activities on the market price of our common stock or the notes will depend in part on market conditions and cannot be ascertained at this time. Any of these activities could adversely affect the value of our common stock and the value of the notes and, as a

result, the value of the consideration and the number of shares, if any, that you would receive upon the conversion of the notes and, under certain circumstances, your ability to convert the notes.

The conversion rate of the notes may not be adjusted for all dilutive events that may adversely affect the trading price of the notes or our common stock issuable upon conversion of the notes.

The conversion rate of the notes is subject to adjustment upon certain events, including but not limited to the issuance of stock dividends on our common stock, the issuance of rights or warrants, subdivisions, combinations, distributions of capital stock, indebtedness or assets, cash dividends and issuer tender or exchange offers as described under "Description of Notes — Conversion Rate Adjustments." The conversion rate will not be adjusted for certain other events, such as an issuance of common stock for cash, that may adversely affect the trading price of the notes or our common stock issuable upon conversion of the notes.

The conditional conversion feature of the notes could result in you receiving less than the value of the common stock into which a note is convertible.

Before April 15, 2012, the notes are convertible only if specified conditions are met. If the specific conditions for conversion are not met, you will not be able to convert your notes, and you may not be able to receive the conversion value of your notes.

Under certain circumstances holders may receive less proceeds than expected because the price of our common stock may decline, or may not appreciate as much as holders may expect, between the day that a holder exercises its conversion right and the day the value of the shares issuable upon conversion is determined or the shares are delivered.

Unless we elect to satisfy our conversion obligations entirely in shares of our common stock, our conversion obligations will be settled, based on a daily settlement amount (as described in this prospectus) calculated on a proportionate basis for each day of a 20 trading-day cash settlement averaging period. Upon conversion of a note, holders might not receive any shares of our common stock, or they might receive fewer shares of our common stock relative to the conversion value of the note as of the conversion date. In addition, because of the 20 trading-day cash settlement averaging period, settlement will be delayed until at least the 25th trading day following the related conversion date. The cash settlement averaging period for any notes tendered for conversion on or after July 15, 2012 will be the 20 consecutive trading days beginning on and including the 22nd trading day immediately preceding the maturity date. See "Description of Notes — Conversion Rights — Payment upon Conversion — Net Share Settlement." Whether we elect to satisfy our conversion obligation entirely in shares of our common stock or not, any holder who tenders notes for conversion on or after July 15, 2012 will not receive any shares issuable in conversion therefor until the maturity date. As a result, upon conversion of the notes, you may receive less proceeds than expected because the price of our common stock may decline, or not appreciate as much as you may expect, between the conversion date and the day the settlement amount of your notes is determined or the date the settlement shares are delivered, as the case may be. See "Description of Notes — Conversion Rights — Payment upon Conversion."

The additional common stock payable on any notes converted in connection with specified corporate transactions or upon redemption in connection with specified accounting changes may not adequately compensate you for any loss you may experience as a result of such event.

If certain specified corporate transactions occur or if we redeem the notes in connection with specified accounting changes, we will under certain circumstances increase the conversion rate on notes converted in connection therewith by a number of additional shares of common stock. The number of additional shares of common stock will be determined based on the date on which the specified corporate transaction becomes effective or the redemption occurs and the price paid per share of our common stock in the specified corporate transaction or at the time of redemption as described under "Description of Notes — Conversion Rights — Additional Shares" and "— Optional Redemption upon a Specified Accounting Change." The additional common stock issuable on conversion of the notes in connection with a specified corporate transaction may

not adequately compensate you for any loss you may experience as a result of the specified corporate transaction.

You may have to pay taxes if we make or fail to make certain adjustments to the conversion rate of the notes even though you do not receive a corresponding cash distribution.

The conversion rate of the notes is subject to adjustment for certain events arising from stock splits and combinations, stock dividends, certain cash dividends and certain other actions by us that modify our capital structure. See "Description of Notes — Conversion Rights — Conversion Rate Adjustments." If, for example, the conversion rate is adjusted as a result of a distribution that is taxable to our common stockholders, such as a cash dividend, you may be required to include an amount in income for U.S. federal income tax purposes, notwithstanding the fact that you do not receive a corresponding cash distribution. In addition, a failure to adjust (or to adjust adequately) the conversion rate after an event that has the effect of increasing your proportionate interest in our company could be treated as a deemed taxable dividend to you. The amount that you would have to include in income generally will be equal to the amount of the distribution that you would have received if you had converted your notes into our common stock.

If certain types of fundamental changes occur on or before the maturity date of the notes, under some circumstances, we will increase the conversion rate for notes converted in connection with the fundamental change. Such increase may also be treated as a distribution subject to U.S. federal income tax as a dividend. See "Certain U.S. Federal Income Tax Considerations."

If you are a non-U.S. holder (as defined in "Certain U.S. Federal Income Tax Considerations"), any deemed dividend would be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable treaty, which may be set off against subsequent payments. See "Certain U.S. Federal Income Tax Considerations."

There may not be an active trading market for the notes and their price may be volatile. You may be unable to sell your notes at the price desired or at all.

There is no existing trading market for the notes. As a result, a liquid market may not develop or be maintained for the notes, you may not be able to sell any of the notes at a particular time, if at all, and the prices you receive if or when you sell the notes may not be above their initial offering price. If the notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, the price, and volatility in the price of our shares of common stock, our performance and other factors. We do not intend to list the notes on any national securities exchange or include the notes in any automated quotation system.

The underwriters have advised us that they intend to make a market in the notes after this offering is completed, but they have no obligation to do so and may cease their market-making at any time without notice. In addition, market-making will be subject to the limits imposed by the Securities Act and the Exchange Act. The liquidity of the trading market in the notes, and the market price quoted for the notes, may be adversely affected by, among other things, changes in the overall market for debt securities, changes in our financial performance or prospects, the prospects for companies in our industry generally, the number of holders of the notes, the interest of securities dealers in making a market for the notes, and prevailing interest rates.

The notes may not be rated or may receive a lower rating than anticipated by investors.

We do not intend to seek a rating on the notes. Nevertheless, if one or more rating agencies rates the notes and assigns the notes a rating lower than the rating expected by investors, or reduces their rating in the future, the market price of the notes and our common stock could be harmed.

The notes will not contain certain restrictive covenants, and there is limited protection in the event of a fundamental change.

The indenture under which the notes will be issued will not contain restrictive covenants that would protect you from several kinds of transactions that may adversely affect you. Neither the indenture nor the terms of the notes restrict us from incurring additional debt, including senior debt or secured debt. In addition, the limited covenants contained in the indenture do not require us to achieve or maintain any minimum financial ratios relating to our financial position or results of operations. The indenture also does not impose any limitation on the incurrence by our subsidiaries of any indebtedness or on our ability to transfer our assets and property among our subsidiaries. Accordingly, our guarantor subsidiaries may transfer assets and property to non-guarantor subsidiaries. Moreover, the right of each holder to require us to repurchase for cash all or part of that holder's notes is limited to the transactions specified in the definition of a "fundamental change" under "Description of Notes — Repurchase of Notes by Us at Option of Holder upon a Fundamental Change." Accordingly, we could enter into certain transactions, such as acquisitions, refinancings or a recapitalization, that could affect our capital structure and the value of our common stock but would not constitute a "fundamental change."

The accounting method for convertible debt securities with net share settlement, such as the notes, may be subject to change.

For the purpose of calculating diluted earnings per share, a convertible debt security providing for net share settlement of the excess of the conversion value over the principal amount, if any, and meeting specified requirements under Emerging Issues Task Force, or EITF, Issue No. 90-19, "Convertible Bonds with Issuer Option to Settle for Cash upon Conversion," is accounted for similar to non-convertible debt, with the stated coupon constituting interest expense and any shares issuable upon conversion of the security being accounted for under the treasury stock method. The effect of the treasury stock method is that the shares potentially issuable upon conversion of the notes are not included in the calculation of our earnings per share until the conversion price is "in the money," and we are assumed to issue the number of shares of common stock necessary to settle.

The EITF is reviewing, among other things, the accounting method for net share settled convertible debt securities. A subcommittee of the EITF is considering other methods for accounting for net share settled convertible debt securities. One such method would be where the debt and equity components of the security would be bifurcated and accounted for separately. The effect of this proposal is that the equity component would be accounted for as an original issue discount and would be included in the paid-in-capital section of stockholders' equity on an issuer's balance sheet. As a result, net income attributable to common stockholders would be lower by recognizing accretion of the discounted carrying value of the convertible debt securities (the notes) to their face amount as additional interest expense. The diluted earnings per share calculation would continue to be calculated based on the treasury stock method.

We cannot predict the outcome of the EITF deliberations, whether the EITF will require net share settled convertible debt securities to be accounted for under the existing method, the proposed method described above or some other method, when any change would be implemented or whether such a change would be implemented retroactively or prospectively. The EITF subcommittee may even recommend broader reconsideration of other forms of convertible debt securities.

We also cannot predict any other changes in GAAP that may be made affecting accounting for convertible debt securities. Any change in the accounting method for convertible debt securities could have an adverse impact on our reported or future financial results and could adversely affect the trading price of our common stock and in turn negatively affect the trading price of the notes.

The market price of the notes could be significantly affected by the market price of our common stock.

We expect that the market price of the notes will be significantly affected by the market price of our common stock. This may result in greater volatility in the market price of the notes than would be expected

for nonconvertible or nonexchangeable debt securities. The market price of our common stock likely will continue to fluctuate in response to factors including the following:

- the other risk factors described in or incorporated by reference into this prospectus, including changes in oil and gas prices;
- a reduction in rig utilization, operating revenue or net income from that expected by securities analysts and investors;
- changes in securities analysts' estimates of the financial performance of us or our competitors or the financial performance of companies in the oilfield service industry generally;
- changes in actual amounts or market expectations of the amounts of exploration and development spending by oil and gas companies;
- general conditions in the economy and in the oil and gas or oilfield service industries;
- general conditions in the securities markets;
- political instability, terrorism or war; and
- the outcome of pending and future legal proceedings, tax assessments and other claims, including the outcome of our dispute with the Ministry of Finance of the Republic of Kazakhstan. See note 10 to the notes to our unaudited consolidated condensed financial statements for the period ended March 31, 2007 incorporated by reference into this prospectus.

Most of these factors are beyond our control. In addition, the stock markets in general, including the New York Stock Exchange, have experienced price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may affect adversely the market prices of the notes and our common stock.

Sales of a significant number of shares of our common stock in the public markets, or the perception of such sales, could depress the market price of the notes.

Sales of a substantial number of shares of our common stock or other equity-related securities in the public markets could depress the market price of the notes, our common stock, or both, and impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that future sales of our common stock or other equity-related securities would have on the market price of our common stock or the value of the notes. The price of our common stock could be affected by possible sales of our common stock by investors who view the notes as a more attractive means of equity participation in our company and by hedging or arbitrage trading activity which we expect to occur involving our common stock. This hedging or arbitrage could, in turn, affect the market price of the notes.

If you hold notes, you will not be entitled to any rights with respect to our common stock, but will be subject to all changes made with respect to our common stock.

If you hold notes, you will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights or rights to receive any dividends or other distributions on our common stock), but will be subject to all changes affecting our common stock. You will only be entitled to rights on our common stock if and when we deliver shares of our common stock upon conversion for your notes and, to a limited extent, under the conversion rate adjustments applicable to the notes. For example, if an amendment is proposed to our certificate of incorporation or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to delivery of common stock to you, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or rights of our common stock that result from such amendment.

We may not be able to refinance the notes if required or if we so desire.

We may need or desire to refinance all or a portion of the notes or any other future indebtedness that we incur on or before the maturity of the notes. We may not be able to refinance any of our indebtedness on commercially reasonable terms, if at all.

The notes initially will be held in book-entry form and, therefore, you must rely on the procedures and the relevant clearing systems to exercise your rights and remedies.

Unless and until certificated notes are issued in exchange for book-entry interests in the notes, owners of the book-entry interests will not be considered owners or holders of notes. Instead, DTC, or its nominee, will be the sole holder of the notes. Payments of principal, interest and other amounts owing on or in respect of the notes in global form will be made to the paying agent, which will make payments to DTC. Thereafter, those payments will be credited to DTC participants' accounts that hold book-entry interests in the notes in global form and credited by such participants to indirect participants. Unlike holders of the notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from holders of the notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from DTC or, if applicable, a participant. Procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on any requested actions on a timely basis.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein by reference contain statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements contained in or incorporated by reference into this prospectus, other than statements of historical facts, are "forward-looking statements" for purposes of these provisions, including any statements regarding:

- prices and demand for oil and natural gas;
- levels of oil and natural gas exploration and production activities;
- demand for contract drilling and drilling related services and demand for rental tools;
- our future operating results and profitability;
- our future rig utilization, dayrates and rental tools activity;
- entering into new, or extending existing, drilling contracts and our expectations concerning when our rigs will commence operations under such contracts;
- growth through acquisitions of companies or assets;
- construction or upgrades of rigs and expectations regarding when these rigs will commence operations;
- entering into joint venture agreements with local companies;
- our future capital expenditures and investments in the acquisition and refurbishment of rigs and equipment;
- our future liquidity;
- availability and sources of funds to reduce our debt and expectations of when debt will be reduced;
- the outcome of pending and future legal proceedings, tax assessments and other claims, including the outcome of our dispute with the Ministry of Finance of the Republic of Kazakhstan;
- the availability of insurance coverage for pending or future claims;
- the enforceability of contractual indemnification in relation to pending or future claims;
- compliance with covenants under our senior secured credit facility and indentures for our senior notes; and
- organic growth of our operations.

In some cases, you can identify these statements by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "outlook," "may," "should," "will" and "would" or similar words. Forward-looking statements are based on certain assumptions and analyses made by our management in light of their experience and perception of historical trends, current conditions, expected future developments and other factors they believe are relevant. Although our management believes that their assumptions are reasonable based on information currently available, those assumptions are subject to significant risks and uncertainties, many of which are outside of our control. The following factors, as well as any other cautionary language included in or incorporated by reference into this prospectus, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our "forward-looking statements":

- worldwide economic and business conditions that adversely affect market conditions and/or the cost of doing business;
- the U.S. economy and the demand for natural gas;
- fluctuations in the market prices of oil and gas;

- imposition of unanticipated trade restrictions;
- unanticipated operating hazards and uninsured risks;
- political instability, terrorism or war;
- governmental regulations, including changes in tax laws or ability to remit funds to the U.S., that adversely affect the cost of doing business;
- adverse environmental events;
- adverse weather conditions;
- changes in the concentration of customer and supplier relationships;
- unexpected cost increases for construction of rigs or upgrade and refurbishment projects;
- delays in obtaining components for capital projects;
- shortages of skilled labor;
- unanticipated cancellation of contracts by operators without cause;
- breakdown of equipment and other operational problems;
- changes in competition;
- the effect of litigation and contingencies; and
- other similar factors, some of which are discussed in documents referred to in or incorporated by reference into this prospectus.

Each “forward-looking statement” speaks only as of the date of this prospectus, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Before you decide to invest in the notes, you should be aware that the occurrence of the events described in these risk factors and elsewhere in this prospectus and the documents incorporated by reference into this prospectus could have a material adverse effect on our business, results of operations, financial condition and cash flows.

USE OF PROCEEDS

We estimate that the net proceeds of this offering, after deducting underwriting discounts and estimated expenses of the offering payable by us, will be approximately $111.7 million, or $121.4 million if the underwriters exercise in full their over-allotment option to purchase additional notes.

We intend to apply the net proceeds from this offering for the following uses:

- approximately $ million (and additional proceeds if the underwriters exercise their over-allotment option to purchase additional notes) to pay the net cost of the convertible note hedge and warrant transactions;
- approximately $101.0 million, together with available cash, as necessary, to redeem all of the outstanding $100.0 million aggregate principal amount of our senior floating rate notes due 2010 at a redemption price of 101% of the principal amount thereof in September 2007; and
- any remaining proceeds for general corporate purposes.

Pending these uses, we intend to invest the net proceeds in short-term, investment grade, interest-bearing securities.

As of June 27, 2007, the interest rate on our outstanding floating rate notes due 2010 was 10.11%.

One or more of the underwriters or their affiliates or both will be the counterparties in the convertible note hedge transactions and will receive the portion of the net proceeds from this offering applied to those transactions. See "Underwriting."

PRICE RANGE OF OUR COMMON STOCK AND DIVIDEND POLICY

Our common stock is listed on the New York Stock Exchange under the symbol "PKD." The last reported sale price of our common stock on June 27, 2007 was $11.15 per share. The following table sets forth the high and low sales prices per share as reported on the New York Stock Exchange in the calendar periods indicated.

	High	Low
2004		
First Quarter	$ 4.49	$ 2.55
Second Quarter	4.14	2.65
Third Quarter	4.03	2.97
Fourth Quarter	4.42	3.56
2005		
First Quarter	6.15	3.75
Second Quarter	7.21	4.50
Third Quarter	9.66	6.79
Fourth Quarter	11.82	7.41
2006		
First Quarter	12.44	8.07
Second Quarter	9.84	6.10
Third Quarter	7.65	6.25
Fourth Quarter	10.05	6.50
2007		
First Quarter	9.76	7.50
Second Quarter (through June 27, 2007)	12.10	9.40

No dividends have been paid on our common stock since February 1987. Our senior secured credit agreement and the indenture governing our 9.625% senior notes contain provisions that restrict the payment of dividends. We have no present intention to pay dividends on our common stock in the foreseeable future.

RATIOS OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for each period indicated is set forth in the following table:

	Three Months Ended March 31,		Year Ended December 31,					Pro Forma(1)	
								Three Months Ended March 31,	Year Ended December 31,
	2007	2006	2006	2005	2004	2003	2002	2007	2006
Ratio of earnings to fixed charges	7.7x	3.8x	4.2x	2.6x	0.3x	0.3x	0.6x	9.3x	5.0x

(1) Reflects the redemption of all of the outstanding $100.0 million aggregate principal amount of our senior floating rate notes due 2010 at a redemption price of 101% of the principal amount thereof in September 2007 and the issuance of $115.0 million aggregate principal amount of notes in this offering at an assumed interest rate of 1.875% per year.

For purposes of calculating the ratio of earnings to fixed charges, (1) “earnings” consist of our consolidated income from continuing operations before income taxes and fixed charges and (2) “fixed charges” consist of interest expense, amortization of deferred financing costs and the portion of rental expense representing interest.

CAPITALIZATION

The following table sets forth our cash and capitalization as of March 31, 2007:

- on an actual basis; and
- on an as adjusted basis to give effect to the sale of the notes in this offering, assuming the underwriters' over-allotment option to purchase additional notes is not exercised, and the application of the net proceeds as described under "Use of Proceeds," as if such transactions had occurred on March 31, 2007.

This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes thereto incorporated by reference into this prospectus.

	As of March 31, 2007	
	Actual	As Adjusted
	(dollars in thousands)	
Cash, cash equivalents and marketable securities	$ 157,617	$ 159,354
Debt including current portion:		
Senior secured revolving credit facility	$ —	$ —
9.625% senior notes due 2013(1)	229,206	229,206
Senior floating rate notes due 2010(2)	100,000	—
Notes offered hereby	—	115,000
Capital lease and other	—	—
Total debt	329,206	344,206
Stockholders' equity:		
Preferred stock, $1 par value, 1,942,000 shares authorized, no shares outstanding	—	—
Common stock, $0.16 2/3 par value, 140,000,000 shares authorized, 110,037,624 shares issued and outstanding	18,369	18,369
Capital in excess of par value	570,620	561,029
Accumulated deficit	(151,879)	(154,456)
Total stockholders' equity(4)	437,110	424,942
Total capitalization	$ 766,316	$ 769,148

(1) Amounts shown include unamortized premium of $4,206 at March 31, 2007.

(2) We intend to redeem all of our outstanding senior floating rate notes due 2010 with a portion of the net proceeds from this offering, together with available cash as necessary, at a redemption price of 101% of the principal amount thereof in September 2007.

(3) As adjusted figure reflects assumed costs relating to the convertible note hedge transaction, proceeds relating to the warrant transaction, costs relating to the write-off of debt, and costs relating to the call premium associated with the redemption of the senior floating rate notes due 2010 in September 2007.

DESCRIPTION OF CERTAIN INDEBTEDNESS

Senior Secured Credit Facility

Our senior secured credit facility consists of a $40.0 million revolving credit facility, which terminates and must be repaid on December 20, 2007.

The amount from time to time available under the revolving credit facility may not exceed the sum of (i) up to 85% of our eligible accounts receivable and (ii) the lesser of (x) 100% of the net book value and (y) up to 50% of the net orderly liquidation value, of our eligible rental equipment. The amount of the borrowing base available in respect of eligible rental equipment shall not at any time exceed 50% of the total amount of the borrowing base.

Borrowings under the revolving credit facility bear interest, at our option, at either:

- a base rate equal to the greater of:
  - the federal funds effective rate, plus 0.50%; and
  - the prime lending rate;

  plus a spread equal to 1.00% per annum, or
- the eurodollar rate, plus a spread equal to 2.00% per annum.

We are obligated to pay the lenders certain fees on the average daily unadvanced portion of the lenders' loan commitments, and certain fees for issuance of letters of credit.

Indebtedness under the senior secured credit facility is guaranteed by each of our material direct and indirect domestic subsidiaries, or the domestic guarantors. These subsidiaries are substantially the same subsidiaries that will guarantee the notes. For purposes of this subsection, we collectively refer to us and the domestic guarantors as the credit parties.

The obligations in respect of the revolving credit facility are secured by a perfected first priority security interest in all of the credit parties' accounts receivable, certain of the credit parties' deposit accounts, substantially all of the personal property assets of our rental tools business and the stock of all of our direct and indirect domestic subsidiaries.

The senior secured credit facility contains customary covenants and restrictions on our and our subsidiaries' ability to engage in certain activities. In addition, the senior secured credit facility requires that we maintain compliance with certain financial covenants. The senior secured credit facility also includes customary events of default.

9.625% Senior Notes due 2013

General

As of March 31, 2007, we had outstanding $229.2 million (including unamortized premium) in aggregate principal amount of 9.625% senior notes due 2013. The 9.625% senior notes are governed by an indenture dated October 10, 2003 among us, the subsidiary guarantors named therein and The Bank of New York Trust Company, N.A. (as successor in interest to JPMorgan Chase Bank), as trustee, as supplemented by the First Supplemental Indenture thereto dated November 8, 2006, among us, the subsidiary guarantors named therein, and The Bank of New York Trust Company, N.A. The 9.625% senior notes mature on October 1, 2013 and bear interest at 9.625% per annum, payable semi-annually on April 1 and October 1 of each year. The 9.625% senior notes are our general unsecured obligations and are equal in right of payment with the notes offered hereby and all of our other existing and future senior unsecured debt. The 9.625% senior notes are unconditionally guaranteed, on an unsecured senior basis, jointly and severally by the same subsidiaries that will guarantee the notes offered hereby.

Optional Redemption

The 9.625% senior notes are subject to redemption, at our option, in whole or in part, at any time on or after October 1, 2008, at redemption prices (plus accrued and unpaid interest to the redemption date) starting at 104.813% of principal (plus accrued and unpaid interest) during the 12-month period beginning on October 1, 2008, and declining annually to 100% of principal (plus accrued and unpaid interest) on October 1, 2011 and thereafter.

Repurchase at the Option of Holders

If certain change of control events occur, which events are substantially similar to those specified in the notes offered hereby, each holder of 9.625% senior notes will have the right to require us to repurchase all or any part of such holder's notes for cash equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest to the date of purchase.

The indenture governing the 9.625% senior notes provides that we and our restricted subsidiaries will not engage in an asset sale, as defined in the indenture, unless we or such restricted subsidiary, as the case may be, receive consideration at the time of such asset sale at least equal to the fair market value of the assets or equity interests issued or sold or otherwise disposed of and at least 75% of the consideration received by us or such restricted subsidiary is in the form of cash or cash equivalents.

Within 365 days after the receipt of any proceeds from any asset sale, we and our restricted subsidiaries may:

- apply all or any of the net proceeds therefrom to repay our senior debt or debt of any restricted subsidiary, provided, in each case, that the related loan commitment of any revolving credit facility or other borrowing (if any) is thereby permanently reduced by the amount of such indebtedness so repaid, or
- invest all or any part of the net proceeds thereof in properties and other capital assets that replace the properties or other capital assets that were the subject of such asset sale or in other properties or other capital assets that will be used in our business and that of our restricted subsidiaries.

If the aggregate amount of net proceeds from asset sales that are not applied or invested as provided above at any time equals or exceeds $20.0 million, we will be required to make an offer to purchase the maximum principal amount of the 9.625% senior notes and such other *pari passu* indebtedness that may be purchased out of any excess proceeds.

We may use any remaining excess proceeds for general corporate purposes.

Certain Covenants

The indenture governing the 9.625% senior notes contains a number of restrictive covenants. They limit our ability to pay dividends or make distributions, restrict distributions from subsidiaries, incur additional indebtedness and issue preferred equity, create certain liens, enter into certain sale and leaseback transactions, issue or sell capital stock of our wholly owned subsidiaries, enter into certain consolidations or mergers, enter into certain transactions with affiliates and enter other lines of business.

Events of Default

The indenture governing the 9.625% senior notes contains a number of events of default that are substantially similar to those in the indenture that will govern the notes offered hereby. Upon the occurrence of an event of default, with certain exceptions, the trustee or the holders of at least 25% in principal amount of the then outstanding 9.625% senior notes may accelerate the maturity of all of the 9.625% senior notes as provided in the indenture.

Senior Floating Rate Notes due 2010

As of March 31, 2007, we had outstanding $100.0 million in aggregate principal amount of senior floating rate notes due 2010. We will use a portion of the proceeds of this offering, together with available cash as necessary, to redeem the entire aggregate principal amount outstanding of our senior floating rate notes at a redemption price of 101% of the principal amount thereof and to pay the fees and expenses of this offering and the redemption. We expect that such redemption will occur in September 2007. The senior floating rate notes are governed by an indenture, dated September 2, 2004, among us, the subsidiary guarantors named therein and The Bank of New York Trust Company, N.A. (as successor in interest to JPMorgan Chase Bank), as trustee, as supplemented by the First Supplemental Indenture thereto dated November 8, 2006, among us, the subsidiary guarantors named therein, and The Bank of New York Trust Company, N.A. The senior floating rate notes mature on September 1, 2010 and bear interest at a floating rate equal to LIBOR plus 4.75%, payable on March 1, June 1, September 1 and December 1 of each year. The senior floating rate notes are our general unsecured obligations and are equal in right of payment to the notes offered hereby and all of our other existing and future senior unsecured debt. The senior floating rate notes are unconditionally guaranteed, on an unsecured senior basis, jointly and severally by the same subsidiaries that guarantee the additional notes offered hereby. The indenture governing the senior floating rate notes contains covenants and events of default that are substantially similar to those in the indenture governing the 9.625% senior notes.

DESCRIPTION OF NOTES

The notes will be issued under an indenture to be dated as of , 2007, among Parker Drilling Company, the guarantors specified herein and The Bank of New York Trust Company, N.A., as trustee. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the United States Trust Indenture Act of 1939, as amended. Each holder may request a copy of the indenture from the trustee at the address provided herein.

The following description is a summary of the material provisions of the notes, the indenture and the guarantees and does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the notes and the indenture. We urge you to read the indenture because it, and not this description, defines each holder's rights as a holder of the notes. A copy of the indenture has been filed as an exhibit to the registration statement of which this prospectus forms a part.

As used in this "Description of Notes" section, references to "Parker Drilling," the "company," "we," "us" and "our" refer only to Parker Drilling Company and do not include its subsidiaries.

General

We are offering $115.0 million aggregate principal amount of convertible senior notes ($125.0 million aggregate principal amount if the underwriters exercise in full their over-allotment option to purchase additional notes).

The notes will mature on July 15, 2012 unless earlier converted, redeemed or repurchased. Each holder of notes has the option, subject to certain qualifications and the satisfaction of certain conditions, to convert its notes based on an initial conversion rate of shares per $1,000 principal amount of notes, subject to adjustment; however, at any time before April 15, 2012 we may irrevocably elect to satisfy all of our conversion obligations in shares of our common stock as described below under "— Conversion Rights — Payment upon Conversion — Settlement in Shares." This initial conversion rate is equivalent to an initial conversion price of approximately $ per share of common stock. Unless we elect to satisfy our conversion obligation entirely in shares of our common stock, upon a surrender of a holder's notes for conversion, we will deliver a settlement amount that will consist of an amount of cash not to exceed the aggregate principal amount of notes to be converted, and, to the extent the daily settlement amount exceeds the relevant portion of the principal amount as described below under "— Conversion Rights — Payment upon Conversion," shares of our common stock. If we elect to satisfy our conversion obligation entirely in shares of our common stock, we will deliver to holders upon conversion of their notes a number of shares of our common stock equal to (1) the aggregate principal amount of notes to be converted divided by $1,000, multiplied by (2) the applicable conversion rate as described below under "— Conversion Rights — Payment upon Conversion — Settlement in Shares." We will not issue any fractional shares upon conversion of the notes and instead will pay cash in lieu of fractional shares as described below under "— Conversion Rights — Payment upon Conversion." A holder will not receive any cash payment for interest (or additional amounts, if any) accrued and unpaid to the conversion date.

The notes are subject to repurchase by us at the option of the holder upon a fundamental change as described below under "— Repurchase of Notes by Us at Option of Holder upon a Fundamental Change" at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The notes will be issued only in denominations of $1,000 principal amount and integral multiples thereof. References to "a note" or "each note" in this prospectus refer to $1,000 principal amount of the notes.

As used in this prospectus, "business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

Notes may be presented for conversion at the office of the conversion agent and for exchange or registration of transfer at the office of the paying agent.

Any reference to “common stock” means our common stock, par value $0.16 2/3 per share.

We may, without the consent of the holders, reopen the indenture and issue additional notes under the indenture with the same terms and with the same CUSIP number as the notes offered hereby in an unlimited aggregate principal amount, so long as no such additional notes may be issued with the same CUSIP number unless they are fungible with the notes offered hereby for U.S. federal income tax purposes. We may also from time to time repurchase the notes in open market purchases or negotiated transactions without prior notice to holders.

Interest

The notes will bear interest at a rate of % per year. We will pay interest on the notes semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2008.

Interest on a note, including additional amounts, if any, will be paid to the person in whose name the note is registered at the close of business on the January 1 or July 1, as the case may be (each, a “record date”), immediately preceding the relevant interest payment date (whether or not such day is a business day), subject to certain exceptions described below. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will accrue from , 2007 or from the most recent date to which interest has been paid or duly provided for.

Upon conversion of a note, a holder will not receive any cash payment of interest (including additional amounts, if any) unless, as described below, the conversion occurs between a record date and the interest payment date to which that record date relates. If we deliver common stock upon surrender of a note for conversion, we will not issue fractional shares of common stock. Instead, we will pay cash in lieu of fractional shares as described below under “— Conversion Rights — Payment upon Conversion.” Our delivery to a holder of the full amount of common stock or cash and common stock, if any, as described below under “— Conversion Rights — Payment upon Conversion,” together with any cash payment for any fractional share, will be deemed to satisfy our obligation to pay:

- the principal amount of the note; and
- accrued but unpaid interest (including additional amounts, if any) up to but excluding the conversion date.

As a result, accrued but unpaid interest (including additional amounts, if any) up to but excluding the conversion date will be deemed to be paid in full rather than cancelled, extinguished or forfeited. For a general discussion of the U.S. federal income tax treatment upon receipt of our common stock upon conversion, see “Certain U.S. Federal Income Tax Considerations.”

If notes are converted after the close of business on a record date but before the opening of business on the interest payment date to which that record date relates, holders of those notes at the close of business on the record date will receive accrued but unpaid interest, including additional amounts, if any, payable on the notes on the corresponding interest payment date notwithstanding the conversion. Such notes, upon surrender for conversion, must be accompanied by funds equal to the amount of interest (including additional amounts, if any) payable on the notes so converted on the next succeeding interest payment date. However, no such payment need be made (i) to the extent of any overdue interest (including any overdue additional amounts) if any such amount exists at the time of conversion with respect to such note, (ii) for conversions on or after April 15, 2012, (iii) if we have specified a fundamental change repurchase date after the close of business on a record date and before the opening of business on the corresponding interest payment date or (iv) if we have specified a redemption date.

If any interest payment date, maturity date, repurchase date, redemption date or settlement date (including upon the occurrence of a fundamental change, as described below) falls on a day that is not a business day, then the required payment will be made on the next succeeding business day with the same force and effect as if made on the date that the payment was due, and no additional interest will accrue on that payment for the

period from and after the interest payment date, maturity date, repurchase date or settlement date, as the case may be, to that next succeeding business day.

Ranking

The notes will be our general unsecured obligations ranking equally in right of payment with all of our existing and future senior unsecured indebtedness and senior in right of payment to all of our existing and future indebtedness that is expressly subordinated in right of payment to the notes. The notes will be effectively junior in right of payment to all of our existing and future secured indebtedness, including indebtedness under our senior secured credit facility, to the extent of the value of the collateral securing that indebtedness. In addition, the notes will be effectively junior in right of payment to indebtedness of our non-guarantor subsidiaries.

In the event of bankruptcy, liquidation, reorganization or other winding up of the company, our assets that secure secured debt will be available to pay obligations on the notes only after all indebtedness under our secured debt has been repaid in full from such assets. In that event, there may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding.

As of March 31, 2007, we had approximately $329.2 million of total debt outstanding on a consolidated basis, consisting of $100.0 million aggregate principal amount of our senior floating rate notes and $229.2 million aggregate principal amount of our 9.625% senior notes. See “Description of Other Indebtedness.”

The Guarantees

The notes are guaranteed by all of our subsidiaries that guarantee our 9.625% senior notes due 2013 (the “9.625% senior notes”), and are substantially the same subsidiaries that guarantee our senior secured credit facility.

Each guarantee of the notes is a general unsecured obligation of the guarantor ranking senior in right of payment to all existing and future subordinated indebtedness of that guarantor; *pari passu* in right of payment with any existing and future senior unsecured indebtedness of that guarantor; and effectively junior in right of payment to that guarantor’s existing and future secured indebtedness, including its guarantee of indebtedness under our senior secured credit facility, to the extent of the value of the collateral securing that indebtedness.

As of March 31, 2007, the guarantors had total indebtedness of approximately $329.2 million, all of which was *pari passu* with their guarantees of our obligations under the notes.

Not all of our subsidiaries will guarantee the notes. Our non-guarantor subsidiaries will not have any obligations under the notes, the guarantees or the indenture. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor subsidiaries, the non-guarantor subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us. As of March 31, 2007, our non-guarantor subsidiaries and joint ventures collectively owned approximately 18 percent of our consolidated total assets and held approximately $14.1 million of our consolidated cash and cash equivalents of approximately $74.1 million. In the first three months of 2007, our non-guarantor subsidiaries and joint ventures had drilling and rental revenues of approximately $19.8 million and total operating income of approximately $1.9 million. We expect the amount of our consolidated total assets and cash and cash equivalents held by, and the amount of our consolidated drilling and rental revenues and operating income derived from, our non-guarantor subsidiaries and joint ventures to increase as we expand our international operations. For further information about the division of the revenues and assets among us, the guarantors and our non-guarantor subsidiaries, see note 12 to our consolidated financial statements for the three months ended March 31, 2007, incorporated by reference into this prospectus.

Each subsidiary guarantor’s guarantee of the notes will be automatically released and terminated upon the release, termination or satisfaction of such subsidiary guarantor’s guarantee of our 9.625% senior notes. Accordingly, if the 9.625% senior notes are redeemed or repurchased by us in whole, the guarantees of the notes will be automatically released and terminated. The 9.625% senior notes are subject to redemption, at our option, at any time on or after October 1, 2008.

The indenture does not impose any limitation on the incurrence by our subsidiaries of any indebtedness or on our ability to transfer our assets and property among our subsidiaries. Accordingly, our guarantor subsidiaries may transfer assets and property to non-guarantor subsidiaries.

Conversion Rights

General

Subject to our election to satisfy our conversion obligation entirely in shares of our common stock and subject to the qualifications and the satisfaction of the conditions and during the periods described below, a holder may convert each of its notes before the close of business on the second business day immediately preceding the maturity date into cash in an amount described below or cash and common stock, if applicable, based on an initial conversion rate of shares per $1,000 principal amount of notes, which is equivalent to an initial conversion price of approximately $ per share of common stock.

The conversion rate in effect at any given time is referred to in this prospectus as the "applicable conversion rate" and will be subject to adjustments as described below under "— Conversion Rate Adjustments," but will not be adjusted for accrued interest or additional amounts, if any. The "applicable conversion price" at any given time is equal to the principal amount of a note divided by the applicable conversion rate. Holders will be entitled to convert their notes in denominations of $1,000 principal amount or multiples thereof. Subject to the immediately following paragraph, upon surrender of a note for conversion, we will deliver cash and shares of our common stock, if any, as described below under "— Payment upon Conversion."

At any time before April 15, 2012, we may irrevocably elect, in our sole discretion and without the consent of the holders of the notes, by notice to the trustee and the holders, to satisfy all of our conversion obligations arising after the time of such notice in shares of our common stock. Any such election will apply to all notes tendered for conversion following the date of such notice.

A holder may convert its notes in whole or in part under the following circumstances, which are described in more detail below:

- upon satisfaction of the sale price condition;
- upon satisfaction of the trading price condition;
- at any time on or after April 15, 2012;
- in connection with a redemption upon a specified accounting change; or
- upon the occurrence of specified corporate transactions.

Upon any determination by us, the conversion agent or the trustee, as applicable, that holders are or will be entitled to convert their notes into shares of our common stock in accordance with the foregoing provisions, we will (1) issue a press release and use our reasonable efforts to post the information on our website or otherwise publicly disclose this information or (2) provide notice to the holders of the notes in a manner contemplated by the indenture, including through the facilities of DTC.

If a holder converts its notes, we will pay any documentary, stamp or similar issue or transfer tax due on any shares of our common stock issued by us upon conversion of the notes, unless the tax is due because a holder requests the shares to be issued or delivered to another person, in which case that holder will pay that tax.

Conversion upon Satisfaction of Sale Price Condition

Before April 15, 2012, holders may surrender notes for conversion during any fiscal quarter of Parker Drilling, and only during that fiscal quarter, after the fiscal quarter ending September 30, 2007, if the closing sale price per share of our common stock for at least 20 trading days during the period of 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter is more than 130% of the applicable conversion price on the last trading day of that preceding fiscal quarter. Unless we elect to satisfy our conversion obligation entirely in shares of our common stock, upon surrender by a holder of its notes for

conversion, we will deliver cash and common stock, if applicable, as described below under "— Payment upon Conversion."

The "closing sale price" of our common stock on any date means the closing sale price per share (or, if no closing sale price is reported, the average of the bid and asked prices or, if more than one in either case, the average of the average bid and the average asked prices) on such date as reported by the New York Stock Exchange or, if our common stock is not reported by the New York Stock Exchange, in composite transactions for the principal U.S. national or regional securities exchange on which our common stock is traded. If our common stock is not listed for trading on a U.S. national or regional securities exchange, the closing sale price will be the last quoted bid price for our common stock in the over-the-counter market on the relevant date as reported by the National Quotation Bureau Incorporated or similar organization. If our common stock is not so quoted, the closing sale price will be the average of the mid-point of the last bid and asked prices for our common stock on the relevant date from each of at least three independent nationally recognized investment banking firms selected by us for this purpose.

"Trading day" means a day on which (i) trading in securities generally occurs on the New York Stock Exchange or, if our common stock is not then listed on the New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which our common stock is then listed or, if our common stock is not then listed on a U.S. national or regional securities exchange, in the principal other market on which our common stock is then traded and (ii) a closing sale price for our common stock is available on such securities exchange or market. If our common stock (or other security for which a closing sale price must be determined) is not so listed or quoted, "trading day" means a "business day."

The conversion agent, which initially will be The Bank of New York Trust Company, N.A., will, on our behalf, determine daily whether the notes are convertible as a result of the closing sale price of our common stock and notify us and the trustee.

Conversion upon Satisfaction of Trading Price Condition

Holders may surrender notes for conversion during the five business day period immediately following any five consecutive trading day period in which the trading price per $1,000 principal amount of notes (as determined following a request by a holder of the notes in accordance with the procedures described below) for each day of the five trading day period was less than 98% of the product of the closing sale price of our common stock and the current applicable conversion rate of the notes on each such day.

The "trading price" of the notes on any date of determination means the average of the secondary market bid quotations obtained by the bid solicitation agent for $5 million aggregate principal amount of the notes at approximately 3:30 p.m., New York City time, on the determination date from three independent nationally recognized securities dealers we select, *provided* that if:

- three such bids cannot reasonably be obtained by the bid solicitation agent, but two such bids are obtained, then the average of the two bids will be used; and
- only one such bid can reasonably be obtained by the bid solicitation agent, that one bid will be used; *provided further*, that if no bids can reasonably be obtained with respect to any date, then for purposes of determining whether the trading price condition has been met, the trading price per $1,000 principal amount of the notes will be deemed to be less than 98% of the product of the closing sale price of our common stock and the applicable conversion rate of the notes on that day.

The conversion agent will have no obligation to determine the trading price of the notes as described in this section unless we have requested such determination, and we will have no obligation to make such request unless a holder provides us with reasonable evidence that the trading price per $1,000 principal amount of notes would be less than 98% of the product of the closing sale price of our common stock and the conversion rate of the notes on that day. At such time, we will instruct the trustee to determine the trading price of the notes beginning on the next trading day and on each successive trading day until the trading price per $1,000 principal amount of notes is greater than or equal to 98% of the product of the closing sale price of our common stock and the conversion rate of the notes.

Conversion On or After April 15, 2012

Holders may surrender notes for conversion at any time on or after April 15, 2012 until the close of business on the second business day immediately preceding the maturity date.

Conversion in Connection with a Redemption upon a Specified Accounting Change

If we choose to redeem the notes upon a specified accounting change, described under "Optional Redemption upon a Specified Accounting Change," holders may surrender their notes for conversion at any time beginning on the date of the notice of redemption until the trading day prior to the redemption date.

Conversion upon Specified Corporate Transactions

Certain Distributions. If we elect to distribute to all or substantially all holders of our common stock:

- certain rights or warrants entitling them to purchase, for a period expiring within 60 days after the date of the distribution, shares of our common stock at less than the average of the closing sale prices of a share of our common stock for the five consecutive trading days ending on the trading day immediately preceding the public announcement date of the distribution; or
- cash, debt securities, rights or warrants to purchase our securities, or other assets (excluding dividends or distributions described in clause (1) under "— Conversion Rate Adjustments"), which distribution has a per share value as determined by our board of directors exceeding 10% of the average of the closing sale prices for the five consecutive trading days ending on the trading day immediately preceding the public announcement date for such distribution,

we must notify holders of the notes at least 30 calendar days before the ex-dividend date for such distribution. Once we have given such notice, holders may surrender their notes for conversion at any time until the earlier of the close of business on the business day immediately before the ex-dividend date or any announcement that such distribution will not take place. No holder may exercise this right to convert its notes if the holder is entitled to participate in the distribution (based on the applicable conversion rate) without conversion. The "ex-dividend" date is the first date upon which a sale of the common stock does not automatically transfer the right to receive the relevant distribution from the seller of the common stock to its buyer.

Certain Corporate Transactions. If a transaction or event that constitutes a "fundamental change" (as defined below under "— Repurchase of Notes by Us at Option of Holder upon a Fundamental Change") occurs, regardless of whether a holder has the right to require us to repurchase the notes as described under "— Repurchase of Notes by Us at Option of Holder upon a Fundamental Change," a holder may surrender notes for conversion at any time from and after the date that is 30 calendar days before the anticipated effective date of the transaction until and including the date that is 30 calendar days after the actual effective date of such transaction (or, if such transaction also results in holders having a right to require us to repurchase their notes, until the close of business on the business day before the fundamental change repurchase date). We will notify holders and the trustee as promptly as practicable following the date we publicly announce such transaction (but in no event less than 30 calendar days before the anticipated effective date of such transaction).

If a holder elects to convert its notes in connection with a fundamental change, we will deliver upon conversion of the notes an additional number of shares of our common stock as described below under "— Conversion Rate Adjustments — Additional Shares" or, in lieu thereof, we may in certain circumstances elect to adjust the applicable conversion rate and related conversion obligation so that the notes are convertible into shares of the acquiring or surviving entity, as described below under "— Conversion Rate Adjustments — Conversion After a Public Acquirer Fundamental Change."

If a fundamental change occurs, a holder may also have the right to require us to repurchase all or a portion of its notes, as described under "— Repurchase of Notes by Us at Option of Holder upon a Fundamental Change."

Conversion Procedures

To convert a note in certificate form, a holder must do each of the following:

- complete and manually sign the conversion notice on the back of the note, or a facsimile of the conversion notice, and deliver the irrevocable conversion notice to the conversion agent;
- surrender the note to the conversion agent;
- if required, furnish appropriate endorsements and transfer documents required by the conversion agent;
- if required, pay all transfer or similar taxes; and
- if required, pay funds equal to interest, including additional amounts, if any, payable on the next interest payment date.

The date on which a holder complies with these requirements is the "conversion date" under the indenture. The notes will be deemed to have been converted immediately before the close of business on the conversion date.

If a holder's interest is a beneficial interest in a global note, to convert, a holder must comply with the requirements in the last three bullets listed above and comply with the depositary's procedures for converting a beneficial interest in a global note.

The conversion agent will initially be the trustee. Subject to our election to satisfy our conversion obligation entirely in shares of our common stock, the conversion agent will, on a holder's behalf, convert the notes into cash, and, if applicable, shares of common stock based on an initial conversion rate of   shares per $1,000 principal amount of notes, subject to adjustment. A holder may obtain copies of the required form of the conversion notice from the conversion agent. Payments of cash and/or, if applicable, a stock certificate or certificates representing shares of our common stock will be delivered to the holder, or a book-entry transfer through DTC will be made, by the conversion agent for the number of shares of common stock as set forth below under "— Payment upon Conversion."

Payment upon Conversion

Net Share Settlement. Unless we elect to satisfy our conversion obligation entirely in shares of our common stock as described below under "— Settlement in Shares," upon a conversion of notes, we will satisfy our obligation to convert the notes (the "conversion obligation") by delivering to holders in respect of each $1,000 aggregate principal amount of notes being converted a "settlement amount" equal to the sum of the daily settlement amounts for each of the 20 consecutive trading days of the cash settlement averaging period.

The "daily settlement amount" for each of the 20 consecutive trading days of the cash settlement averaging period will consist of:

(1) cash equal to the lesser of $50 and the daily conversion value; and

(2) to the extent the daily conversion value exceeds $50, a number of shares of common stock equal to (A) the difference between the daily conversion value for such day and $50 (such difference being referred to as the "daily excess amount"), divided by (B) the daily VWAP (as defined below) for such day (or the consideration into which our common stock has been converted in connection with certain corporate transactions).

We will not issue any fractional shares of common stock upon conversion of the notes. Instead, we will pay the cash value of such fractional shares based upon the daily VWAP on the final trading day of the cash settlement averaging period. Upon conversion of a note, a holder will not receive any cash payment of interest (including additional amounts, if any) unless such conversion occurs between a record date and the interest payment date to which that record date relates. We will deliver the settlement amount on or before the third business day following the date on which the settlement amount is determined.

The “daily conversion value” means, for each of the 20 consecutive trading days during the cash settlement averaging period, one-twentieth (1/20) of the product of (1) the applicable conversion rate on such trading day and (2) the daily VWAP on such day.

The “daily VWAP” for our common stock means, for each of the 20 consecutive trading days during the cash settlement averaging period, the per share volume-weighted average price as displayed under the heading “Bloomberg VWAP” on Bloomberg page “PKD.N<equity> AQR” (or its equivalent successor if such page is not available) in respect of the period from scheduled open of trading until the scheduled close of trading of the primary trading session on that trading day (or if such volume-weighted average price is unavailable, the market value of one share of our common stock on that trading day determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained for this purpose by us). The daily VWAP will be determined without regard to after hours trading or any other trading outside of the regular trading session trading hours.

The “cash settlement averaging period” with respect to any notes means the 20 consecutive trading days beginning on the third trading day after the conversion date for those notes, except that (i) with respect to any note with a conversion date occurring on or after June 1, 2012, the “cash settlement averaging period” means the 20 consecutive trading days beginning on, and including, the 22nd scheduled trading day before the maturity date; and (ii) with respect to any notes converted in connection with an optional redemption upon a specified accounting change, the 20 consecutive trading days beginning on the trading day following the redemption date.

For the purposes of determining the amount of payment upon conversion only, “trading day” means a day on which (i) there is no market disruption event (as defined below) and (ii) trading generally in our common stock occurs on the New York Stock Exchange or, if our common stock is not then listed on the New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which our common stock is then listed or, if our common stock is not then listed on a U.S. national or regional securities exchange, in the principal other market on which our common stock is then traded. If our common stock (or other security for which a daily VWAP must be determined) is not so traded, “trading day” means a “business day.”

“Scheduled trading day” means a day that is scheduled to be a trading day on the primary U.S. national or regional securities exchange or market on which our common stock is listed or admitted to trading.

For the purposes of determining the amount of payment upon conversion, “market disruption event” means (i) a failure by the New York Stock Exchange or, if our common stock is not then listed on the New York Stock Exchange, by the principal other U.S. national or regional securities exchange on which our common stock is then listed or, if our common stock is not then listed on a U.S. national or regional securities exchange, by the principal other market on which our common stock is then traded, to open for trading during its regular trading session, or (ii) the occurrence or existence before 1:00 p.m., New York City time, on any trading day for our common stock for an aggregate one half-hour period of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in our common stock or in any options, contracts or future contracts relating to our common stock.

If a holder surrenders notes for conversion and the daily conversion value is being determined at a time when the notes are convertible into other property in addition to or in lieu of our common stock, the daily conversion value of each note will be determined based on the kind and amount of shares of stock, securities or other property or assets (including cash or any combination thereof) that a holder of a number of shares of our common stock equal to the applicable conversion rate would have owned or been entitled to receive in such transaction and the value thereof (in the case of assets other than cash or traded securities, as determined by our board of directors) during the cash settlement averaging period.

If a holder elects to convert its notes in connection with a fundamental change, the applicable conversion rate will be subject to further adjustment as described below under “— Additional Shares,” unless we elect to adjust the applicable conversion rate and related conversion obligation so that the notes are convertible into

shares of the acquiring or surviving entity, as described below under "— Conversion After a Public Acquirer Fundamental Change."

Settlement in Shares. We may irrevocably elect to satisfy our conversion obligations entirely in shares of our common stock (plus cash in lieu of fractional shares) at any time before April 15, 2012 by notice to the trustee and the holders informing them of that election. Simultaneously with providing this notice, we will disseminate a press release through Dow Jones & Company, Inc. or Bloomberg Business News or PR Newswire or another newswire service announcing such election or publish that information in the Wall Street Journal or another newspaper of general circulation in The City of New York or on our website. If we so elect, we will deliver to holders tendering their notes for conversion following such notice a number of shares of our common stock (the "settlement shares") equal to (i) the aggregate principal amount of notes to be converted divided by $1,000, multiplied by (ii) the applicable conversion rate on the conversion date (which may include increases to reflect any additional shares which holders may be entitled to receive as described under "— Conversion Rate Adjustments — Additional Shares").

We will deliver the settlement shares to converting holders on the third business day immediately following the related conversion date for such notes, except that in respect of notes with a conversion date on or after June 1, 2012, we will deliver the settlement shares to converting holders on the maturity date. If holders are entitled to receive additional shares as described under "— Additional Shares," then we will deliver the shares on the third business day immediately following the date on which the number of additional shares is determined.

We will deliver cash in lieu of any fractional shares of our common stock deliverable in connection with delivery of the settlement shares based on the daily VWAP on the third scheduled trading day before the settlement date.

We and the trustee may modify the indenture without the consent of the holders of the notes to eliminate our right to elect to satisfy our conversion obligations entirely in shares of our common stock as described above.

Conversion Rate Adjustments

The applicable conversion rate will be subject to adjustment, without duplication, upon the occurrence of any of the following events, except that if a holder is entitled to participate on the relevant distribution or payment date in a distribution described below without converting its notes (based on the applicable conversion rate in effect immediately before the relevant record date) then no additional conversion rate adjustment shall be made in connection with such distribution:

(1) If we issue shares of our common stock as a dividend or distribution on shares of our common stock, or if we effect a share split or share combination, the applicable conversion rate will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where

CR_0 = the conversion rate in effect immediately before the record date for such dividend or distribution, or the effective date of such share split or share combination;

CR_1 = the new conversion rate in effect immediately after the record date for such dividend or distribution, or the effective date of such share split or share combination;

OS_0 = the number of shares of our common stock outstanding immediately before such record date or effective date; and

OS_1 = the number of shares of our common stock outstanding immediately before such record date or effective date, but after giving effect to such dividend, distribution, share split or share combination.

If any dividend or distribution described in this clause (1) is declared but not so paid or made, the new conversion rate will be readjusted, as of the date that is the earlier of (i) the public announcement of the nonpayment of the dividend or distribution and (ii) the date that the dividend or distribution was to be paid or made, to the conversion rate that would then be in effect if such dividend or distribution had not been declared.

(2) If we distribute to all, or substantially all, holders of our common stock any rights, warrants or options (other than pursuant to any dividend reinvestment or share purchase plan) entitling them for a period of not more than 60 days after the date of issuance thereof to subscribe for or purchase shares of our common stock at an exercise price per share less than the average of the closing sale prices of our common stock for the 10 consecutive trading day period ending on the business day immediately preceding the time of announcement of such issuance, the applicable conversion rate will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{(OS_0 + X)}{(OS_0 + Y)}$$

where

CR_0 = the conversion rate in effect immediately before the record date for such distribution;

CR_1 = the new conversion rate in effect immediately after the record date for such distribution;

OS_0 = the number of shares of our common stock outstanding immediately before the record date for such distribution;

X = the number of shares of our common stock issuable pursuant to such rights, warrants or options; and

Y = the number of shares of our common stock equal to the quotient of (A) the aggregate price payable to exercise such rights, warrants or options divided by (B) the average of the closing sale prices of our common stock for the 10 consecutive trading days ending on the trading day immediately preceding the "ex-date" of announcement for the issuance of such rights, warrants or options.

If any right, warrant or option described in this clause (2) is not exercised or converted before the expiration of the exercisability or convertibility thereof, the new conversion rate will be readjusted, as of such expiration date, to the conversion rate that would then be in effect if such right, warrant or option had not been so issued.

(3) If we distribute shares of our capital stock, evidences of indebtedness or other assets or property to all, or substantially all, holders of our common stock, excluding:

(A) dividends, distributions, rights, warrants or options referred to in clauses (1) or (2) above;

(B) dividends or distributions paid exclusively in cash; and

(C) spin-offs described below in this clause (3),

then the applicable conversion rate will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{(SP_0 - FMV)}$$

where

CR_0 = the conversion rate in effect immediately before the record date for such distribution;

CR_1 = the new conversion rate in effect immediately after the record date for such distribution;

SP_0 = the average of closing sale prices of our common stock over the 10 consecutive trading day period ending on the trading day immediately preceding the "ex-dividend date" for such distribution; and

FMV = the fair market value (as determined by our board of directors) of the shares of capital stock, evidences of indebtedness, assets or property distributed with respect to each outstanding share of our common stock on the earlier of the record date or the "ex-dividend date" for such distribution.

Where there has been a payment of a dividend or other distribution of our common stock or shares of capital stock of any class or series, or similar equity interest, of or relating to our subsidiaries or other business units (a "spin-off"), the conversion rate in effect immediately before close of business on the 10th trading day immediately following the effective date of the spin-off will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{(FMV_0 + MP_0)}{MP_0}$$

where

CR_0 = the conversion rate in effect on the 10th trading day immediately following, and including, the effective date of the spin-off;

CR_1 = the new conversion rate immediately after the 10th trading day immediately following, and including, the effective date of the spin-off;

FMV_0 = the average of the closing sale prices of the capital stock or similar equity interest distributed to holders of our common stock applicable to one share of our common stock over the first 10 consecutive trading days after, and including, the effective date of the spin-off; and

MP_0 = the average of the closing sale prices of our common stock over the first 10 consecutive trading days after, and including, the effective date of the spin-off.

An adjustment to the applicable conversion rate made pursuant to the immediately preceding paragraph will occur on the 10th trading day following the effective date of the spin-off; *provided* that in respect of any conversion within the 10 trading days following the effective date of any spin-off, references within this clause (3) to 10 trading days will be deemed replaced with such lesser number of trading days as have elapsed between the effective date of such spin-off and the conversion date in determining the applicable conversion rate.

If any such dividend or distribution described in this clause (3) is declared but not paid or made, the new conversion rate shall be readjusted, as of the date that is the earlier of (i) the public announcement of the nonpayment of the dividend or distribution and (ii) the date on which the dividend or distribution was to be paid, to be the conversion rate that would then be in effect if such dividend or distribution had not been declared.

(4) If we make any cash dividend or distribution to all, or substantially all, of the holders of our outstanding common stock (excluding any dividend or distribution in connection with our liquidation, dissolution, or winding up), the applicable conversion rate will be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{(SP_0 - C)}$$

where

CR_0 = the conversion rate in effect immediately before the record date for such distribution;

CR_1 = the new conversion rate immediately after the record date for such distribution;

SP_0 = the closing sale price of our common stock on the trading day immediately preceding the earlier of the record date and the day immediately preceding the "ex-dividend date" for such distribution; and

C = the amount in cash per share that we distribute to holders of our common stock.

If any dividend or distribution described in this clause (4) is declared but not so paid or made, the new conversion rate will be readjusted, as of the date that is the earlier of (i) the public announcement of the nonpayment of the dividend or distribution and (ii) the date that the dividend or distribution was to be paid, to the conversion rate that would then be in effect if the dividend or distribution had not been declared.

(5) If we or any of our subsidiaries make a payment in respect of a tender offer or exchange offer for our common stock, to the extent that the cash and value (which will be, except for the value of traded securities, as determined by our board of directors) of any other consideration included in the payment per share of our common stock exceeds the closing sale price of a share of our common stock on the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer, the applicable conversion rate will be adjusted as of the 10th trading day following the date the tender or exchange offer expires based on the following formula:

$$CR_1 = CR_0 \times \frac{(AC + (SP_1 \times OS_1))}{(SP_1 \times OS_0)}$$

where

CR_0 = the conversion rate in effect on the 10th day immediately following, and including, the date such tender or exchange offer expires;

CR_1 = the conversion rate in effect immediately after the 10th trading day immediately following, and including, the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by our board of directors) paid or payable for our common stock purchased in such tender or exchange offer;

OS_0 = the number of shares of our common stock outstanding on the trading day immediately before the date such tender or exchange offer expires;

OS_1 = the number of shares of our common stock outstanding on the trading day immediately after the date such tender or exchange offer expires (after giving effect to the purchase or exchange of shares pursuant to such tender or exchange offer); and

SP_1 = the average closing sale prices of our common stock over the 10 consecutive trading day period commencing on the trading day immediately after the date such tender or exchange offer expires.

The adjustment to the applicable conversion rate under the preceding clause will occur on the 10th trading day from, and including, the trading day next succeeding the date such tender or exchange offer expires, *provided* that in respect of any conversion within 10 trading days immediately following, and including, the expiration date of any tender or exchange offer, references with respect to 10 trading days will be deemed replaced with such lesser number of trading days as have elapsed between the expiration date of such tender or exchange offer and the conversion date in determining the applicable conversion rate.

In addition to these adjustments, we may in our sole discretion increase the applicable conversion rate as our board of directors deems advisable to avoid or diminish any income tax to holders of our notes resulting from any dividend or distribution of capital stock issuable upon conversion of the notes (or rights to acquire capital stock) or from any event treated as such for income tax purposes. We may also, from time to time in our sole discretion, to the extent permitted by applicable law, increase the applicable conversion rate by any amount for any period of at least 20 days if our board of directors has determined that such increase would be in our best interests. If our board of directors makes that determination, it will be conclusive. We will give

holders of notes at least 15 days' prior notice of the increase in the conversion rate. For a general discussion of the U.S. federal income tax treatment of an adjustment to the conversion rate of the notes, see "Certain U.S. Federal Income Tax Considerations — Tax Consequences to U.S. Holders — Constructive Distributions."

To the extent that we have a rights plan in effect upon any conversion of the notes into common stock, a holder will receive, in addition to the common stock, the rights under the rights plan, unless, before any conversion, the rights have separated from the common stock, in which case the applicable conversion rate will be adjusted at the time of separation as described in clause (3) above. A further adjustment will occur as described in clause (3) above if such rights become exercisable to purchase different securities, evidences of indebtedness or assets, subject to readjustment in the event of the expiration, termination or redemption of such rights.

In the event of:

- any reclassification of our common stock;
- a consolidation, merger, binding share exchange or combination involving us; or
- a sale or conveyance to another person or entity of all or substantially all of our property or assets;

then, from the effective date of such transaction, the daily conversion value and the amounts received in settlement of our conversion obligation will be computed as set forth above under "— Payment upon Conversion" and will be determined based on the kind and amount of shares of stock, securities, assets or other property (including cash or any combination thereof) that a holder of a number of shares of our common stock equal to the applicable conversion rate multiplied by the number of notes owned would have been entitled to receive in such transaction. However, if in any such transaction holders of common stock would be entitled to elect the consideration for their common stock, we will make adequate provisions so that upon conversion the holders of the notes will be entitled to elect, voting as a class, the consideration that they will receive upon conversion of the notes subject to cash settlement as described above under "— Payment upon Conversion," if applicable.

Notwithstanding the foregoing, the applicable conversion rate will not be adjusted:

- upon the issuance of any shares of our common stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on our securities and the investment of additional optional amounts in shares of our common stock under any plan;
- upon the issuance of any shares of our common stock or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by us or any of our subsidiaries;
- upon the issuance of any shares of our common stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in the preceding bullet and outstanding as of the date the notes were first issued;
- for a change in the par value of the common stock; or
- for accrued and unpaid interest, including additional amounts, if any.

In addition, we will not be required to adjust the conversion rate unless the adjustment would result in a change of at least 1% of the conversion rate. We will, however, carry forward any adjustments that are less than 1% of the conversion rate and take them into account when determining subsequent adjustments. In addition, we will make any carry-forward adjustments not otherwise effected upon required purchases of the notes in connection with a fundamental change, upon any conversion of the notes, on every one-year anniversary from the original issue date and on the record date immediately prior to the maturity date of the notes.

Adjustments to the applicable conversion rate will be rounded to the nearest ten-thousandth, with five one-hundred-thousandths rounded upward (*e.g.*, 0.76545 would be rounded up to 0.7655).

Optional Redemption upon a Specified Accounting Change

We may redeem the notes in whole for cash from the date a specified accounting change has become effective until 90 days after the date such change became effective. We will give notice of redemption not less than 30 nor more than 60 days before the redemption date by mail to the trustee and each holder of notes. For purposes of this paragraph, the effective date of the specified accounting change shall mean the date the standards with respect to such specified accounting change under generally accepted accounting principles have been issued.

The redemption price for any such redemption will be equal to 102% of the principal amount of the notes plus accrued and unpaid interest, to but excluding the redemption date.

"Specified accounting change" means any changes in generally accepted accounting principles applicable to any net share settled convertible notes that require us to separately account for the liability and equity components of the notes, cause the notes to be remeasured at fair value with changes reported in earnings as they occur, cause notes to be treated under the if-converted method for earnings per share or otherwise cause an adverse accounting impact on our results of operations solely as a result of having issued the notes, provided that our board of directors determines, in its sole discretion, that such impact is material.

Additional Shares

If a fundamental change (as defined below under "— Repurchase of Notes by Us at Option of Holder upon a Fundamental Change") occurs prior to the maturity date and a holder elects to convert its notes in connection with such transaction, and unless we elect to adjust the applicable conversion rate and related conversion obligation so that the notes are convertible into shares of the acquiring or surviving entity, as described below under " — Conversion After a Public Acquirer Fundamental Change," we will deliver a number of additional shares (the "additional shares") for the notes surrendered for conversion in connection with the fundamental change as described below. Those additional shares will constitute a make-whole premium by increasing the applicable conversion rate for the notes surrendered for conversion if and as required below. A conversion of the notes will be deemed for these purposes to be "in connection with a fundamental change" if the notice of conversion is received by the conversion agent from and including the date that is 30 calendar days prior to the anticipated effective date of the fundamental change to the close of business on the date that is the later to occur of (i) 30 calendar days after the actual effective date of the fundamental change and (ii) the fundamental change repurchase date. The number of additional shares will be determined by reference to the table below, based on the date on which the transaction becomes effective (the "effective date") and the price (the "stock price") paid per share for our common stock in the transaction. If holders of our common stock receive only cash in the corporate transaction, the stock price will be the cash amount paid per share. Otherwise, the stock price will be the average of the closing sale prices (as defined under "— Conversion upon Satisfaction of Sale Price Condition" above) of our common stock on the five trading days immediately before but not including the effective date of the transaction.

The stock prices set forth in the first row of the table below (*i.e.*, column headers) will be adjusted as of any date on which the conversion rate of the notes is adjusted, as described above under "— Conversion Rate Adjustments." The adjusted stock prices will equal the stock prices applicable immediately before such adjustment multiplied by a fraction, the numerator of which is the conversion rate immediately before the adjustment giving rise to the stock price adjustment and the denominator of which is the conversion rate as so adjusted. The number of additional shares will be adjusted in the same manner as the conversion rate as set forth under "— Conversion Rate Adjustments."

The following table sets forth the stock price, effective date and number of additional shares per $1,000 principal amount of notes:

	Stock Price											
Effective Date	$	$	$	$	$	$	$	$	$	$	$	$
, 2007												
, 2008												
, 2009												
, 2010												
, 2011												
, 2012												

Notwithstanding the foregoing, in no event will the maximum conversion rate exceed per $1,000 principal amount of notes, subject to adjustments in the same manner as the conversion rate as set forth under "— Conversion Rate Adjustments."

The exact stock prices and effective dates may not be set forth in the table above, in which case:

- if the stock price is between two stock price amounts in the table or the effective date is between two effective dates in the table, the number of additional shares will be determined by straight-line interpolation between the number of additional shares set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;
- if the stock price is in excess of $ per share (subject to adjustment), no additional shares will be added to the conversion rate; and
- if the stock price is less than $ per share (subject to adjustment), no additional shares will be added to the conversion rate.

Notwithstanding the foregoing, a holder will not have the right to receive additional shares upon a fundamental change described in clause (3) of the definition thereof if more than 90% of the consideration in the transaction or transactions consists of common stock traded or to be traded immediately following the fundamental change on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market or the Nasdaq Global Market, and, as a result of the transaction or transactions, the notes become convertible into that common stock (and any rights attached thereto).

Our obligation to increase the conversion rate in connection with a fundamental change transaction could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness of economic remedies.

Conversion After a Public Acquirer Fundamental Change

Notwithstanding the provisions described above under " — Conversion Rate Adjustments — Additional Shares," if a fundamental change constituting a public acquirer change in control (as defined below) occurs, we may, in lieu of adjusting the applicable conversion rate as provided above, elect to adjust the conversion rate and the related conversion obligation such that from and after the effective date of such public acquirer change in control, holders of notes will be entitled to convert their notes (subject to the satisfaction of the conditions to conversion described under "— Conversion Rights") into a number of shares of public acquirer common stock (as defined below), still subject to the arrangements for payment upon conversion otherwise applicable, at a conversion rate equal to the conversion rate in effect immediately before the public acquirer change in control multiplied by a fraction:

- the numerator of which will be (i) in the case of a share exchange, merger or binding share exchange pursuant to which our common stock is converted into cash, securities or other property, the average value of all cash and any other consideration (as determined by our board of directors) paid or payable per share of common stock or (ii) in the case of any other public acquirer change in control, the average of the closing sale prices of our common stock for the 10 consecutive trading days prior to but excluding the effective date of such public acquirer change in control; and

- the denominator of which will be the average of the closing sale prices of the public acquirer common stock for the 10 consecutive trading days commencing on the trading day next succeeding the effective date of such public acquirer change in control.

A "public acquirer change in control" means a fundamental change in which the acquirer has a class of common stock traded on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market or the Nasdaq Global Market or which will be so traded or quoted when issued or exchanged in connection with such fundamental change (the "public acquirer common stock"). If an acquirer does not itself have a class of common stock satisfying the foregoing requirement, it will be deemed to have "public acquirer common stock" if a corporation that directly or indirectly owns at least a majority of the acquirer has a class of common stock satisfying the foregoing requirement; in that case, all references to public acquirer common stock shall refer to such class of common stock. Majority owned for these purposes means having "beneficial ownership" (as determined in accordance with Rule 13d-3 under the Exchange Act) of more than 50% of the total voting power of all shares of the respective entity's capital stock that are entitled to vote generally in the election of directors.

Upon a public acquirer change in control, if we so elect, holders may convert their notes (subject to the satisfaction of the conditions to conversion described under "— Conversion Rights" above) at the adjusted conversion rate described in the second preceding paragraph but will not be entitled to the increase in the conversion rate as described above under "— Conversion Rate Adjustments — Additional Shares." We are required to notify holders of our election in our notice to holders of such fundamental change as set forth below under " — Repurchase of Notes by Us at Option of Holder upon a Fundamental Change." In addition, upon a public acquirer change in control, in lieu of converting notes, the holder can, subject to certain conditions, require us to repurchase all or a portion of its notes as described below.

In the event of a public acquirer change of control whereby we elect to adjust the conversion rate as described in the third preceding paragraph, the acquirer will execute a supplemental indenture providing for the conversion and settlement of notes as set forth above. In addition, such supplemental indenture will provide that if the securities to be issued upon conversion of notes require registration with or approval of any governmental authority under any federal or state law before such securities may be validly issued upon conversion of notes, the acquirer will use all commercially reasonable efforts, to the extent then permitted by the rules and interpretations of the SEC (or any successor thereto) or such other governmental authority, to secure such registration or approval.

Make Whole Premium upon a Specified Accounting Change

If we choose to redeem the notes upon a specified accounting change, as described under "Optional redemption upon a specified accounting change," and a holder chooses to convert such holder's notes as described under "Conversion upon a specified accounting change," we will pay, to the extent described below, a make whole premium in the form of an increase in applicable conversion rate, if you convert your notes between the date we give notice of the redemption and the day prior to the redemption date. Any make whole premium will have the effect of increasing the amount of cash or shares otherwise due to holders of notes upon conversion as described under "Conversion rights — General." The increase in the applicable conversion rate will be equal to the sum of (A) the number of shares indicated in the table under "Additional shares," where the applicable "effective date" is the proposed redemption date and the applicable "stock price" is the average of the closing prices of our common stock for each of the ten trading days ending the third trading day prior to the redemption date, referred to as the Average Price, and (B) an additional number of shares of common stock equal to $20 per $1,000 principal of notes divided by the Average Price.

Notwithstanding the foregoing, in no event will the maximum conversion rate exceed   per $1,000 principal amount of notes, subject to adjustments in the same manner as the conversion rate as set forth under "— Conversion Rate Adjustments."

To the extent the Average Price is not one of the stock prices and/or the proposed redemption date is not one of the effective dates set forth on the table under "Additional shares," relevant adjustments shall be made in the same manner as indicated in the paragraphs beneath the table under "Additional shares."

Repurchase of Notes by Us at Option of Holder upon a Fundamental Change

Except as provided below, if a fundamental change, as defined below, occurs, each holder will have the right on the fundamental change repurchase date to require us to repurchase for cash all of its notes or any portion of those notes that is equal to $1,000 in principal amount or integral multiples thereof, at a fundamental change repurchase price equal to 100% of the principal amount of the notes plus any accrued and unpaid interest, including additional amounts, if any, on the notes to but not including the fundamental change repurchase date. If the fundamental change repurchase date is on a date that is after a record date and on or before the corresponding interest payment date, we will pay such interest (including additional amounts, if any) to the person to whom principal is payable.

Within 15 calendar days after the occurrence of a fundamental change, we are required to give notice to each holder and the trustee of such occurrence and of each holder's resulting repurchase right and the procedures that each holder must follow to require us to repurchase its notes as described below. In addition to providing such notice, we will issue a press release at such time. The fundamental change repurchase date specified by us will be 30 calendar days after the date on which we give this notice.

The fundamental change repurchase notice given by a holder electing to require us to repurchase its notes will be given so as to be received by the paying agent no later than the close of business on the business day immediately preceding the fundamental change repurchase date and must state:

- if certificated notes have been issued, the certificate numbers of the holder's notes to be delivered for repurchase or, if the notes are not issued in certificated form, the fundamental change repurchase notice must comply with appropriate DTC procedures;
- the portion of the principal amount of notes to be repurchased, which must be $1,000 or an integral multiple thereof; and
- that the notes are to be repurchased by us pursuant to the applicable provisions of the indenture.

A holder may withdraw its fundamental change repurchase notice by delivering a written notice of withdrawal to the paying agent before the close of business on the business day immediately preceding the fundamental change repurchase date. The notice of withdrawal must state:

- the principal amount at maturity of notes being withdrawn;
- if certificated notes have been issued, the certificate numbers of the notes being withdrawn (or, if the notes are not issued in certificated form, the notice of withdrawal must comply with appropriate DTC procedures); and
- the principal amount of the notes, if any, that remain subject to the fundamental change repurchase notice.

A "fundamental change" will be deemed to have occurred at such time after the original issuance of the notes as:

(1) a "person" or "group" within the meaning of Section 13(d)(3) of the Exchange Act files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of shares of our common stock representing more than 50% of the voting power of our common stock entitled to vote generally in the election of directors; or

(2) the first day on which a majority of the members of our board of directors does not consist of continuing directors; or

(3) a consolidation, merger or binding share exchange, or any conveyance, transfer, sale, lease or other disposition of all or substantially all of our properties and assets to another person, or any other

transaction pursuant to which all or substantially all of our common stock is exchanged for or converted into cash, securities or other property, in each case other than:

- any transaction:

  (i) that does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of our capital stock; or

  (ii) pursuant to which holders of our capital stock immediately before the transaction have the entitlement to exercise, directly or indirectly, 50% or more of the total voting power of all shares of capital stock entitled to vote generally in elections of directors of the continuing or surviving or successor person immediately after giving effect to such issuance; or

- any merger, share exchange, transfer of assets or similar transaction solely for the purpose of changing our jurisdiction of incorporation and resulting in a reclassification, conversion or exchange of outstanding common stock, if at all, solely into common stock or ordinary shares or common equity interests of the surviving entity or a direct or indirect parent of the surviving entity; or

- any consolidation, merger, conveyance, transfer, sale, lease or other disposition with or into or to or among any of our subsidiaries, so long as such merger, consolidation, conveyance, transfer, sale, lease or other disposition is not part of a plan or a series of transactions designed to or having the effect of merging or consolidating with any other person (other than one or more of our subsidiaries); or

(4) a termination of trading.

A "continuing director" means a director who either was a member of our board of directors on the date of original issuance of the notes or who becomes a member of our board of directors subsequent to that date and whose appointment, election or nomination for election by our shareholders is duly approved by a majority of the continuing directors on our board of directors at the time of such approval, either by specific vote or by approval of the proxy statement issued by us on behalf of the board of directors in which such individual is named as nominee for director.

A "termination of trading" will be deemed to have occurred if our common stock (or other common stock into which the notes are then convertible) at any time is not listed for trading on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market, or other U.S. national securities exchange.

The term "person" includes any syndicate or group that would be deemed to be a "person" under Section 13(d)(3) of the Exchange Act.

The definition of fundamental change includes a phrase relating to the conveyance, transfer, sale, lease or disposition of "all or substantially all" of our properties and assets. There is no precise, established definition of the phrase "substantially all" under applicable law. Accordingly, a holder's ability to require us to repurchase its notes as a result of a conveyance, transfer, sale, lease or other disposition of less than all our properties and assets may be uncertain.

Notwithstanding the foregoing, a holder will not have the right to require us to repurchase its notes upon a fundamental change described in clause (3) above if more than 90% of the consideration in the transaction or transactions consists of common stock traded or to be traded immediately following the change of control on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market or another U.S. national securities exchange and, as a result of the transaction or transactions, the notes become convertible into that common stock (and any rights attached thereto).

Rule 13e-4 under the Exchange Act requires the dissemination of certain information to security holders if an issuer tender offer occurs and may apply if the repurchase option becomes available to holders of the notes. We will comply with this rule and file Schedule TO (or any similar schedule) to the extent required at that time.

If the paying agent holds money sufficient to pay the fundamental change repurchase price of the notes which holders have elected to require us to repurchase on the business day following the fundamental change repurchase date in accordance with the terms of the indenture, then, immediately after the fundamental change repurchase date, those notes will cease to be outstanding, and interest, including additional amounts, if any, on the notes will cease to accrue, whether or not the notes are transferred by book entry or delivered to the paying agent. Thereafter, all other rights of the holders will terminate, other than the right to receive the fundamental change repurchase price upon book-entry transfer of the notes or delivery of the notes.

The term “fundamental change” is limited to specified transactions and does not include other events that might adversely affect our financial condition or business operations. The foregoing provisions would not necessarily protect holders of the notes if highly leveraged or other transactions involving us occur that may affect holders adversely. We could, in the future, enter into certain transactions, including certain recapitalizations, that would not constitute a fundamental change with respect to the fundamental change repurchase feature of the notes but that would increase the amount of our (or our subsidiaries’) outstanding indebtedness.

Our ability to repurchase notes for cash upon the occurrence of a fundamental change is subject to important limitations. Our ability to repurchase the notes for cash may be limited by restrictions on our ability to obtain funds for such repurchase through dividends from our subsidiaries, the terms of our then existing borrowing arrangements or otherwise.

The fundamental change purchase feature of the notes may in certain circumstances make it more difficult or discourage a takeover of our company. The fundamental change purchase feature, however, is not the result of our knowledge of any specific effort:

- to accumulate shares of our common stock;
- to obtain control of us by means of a merger, tender offer solicitation or otherwise; or
- by management to adopt a series of anti-takeover provisions.

Instead, the fundamental change repurchase feature is a term frequently contained in securities similar to the notes.

Merger or Sale of Assets

The indenture provides that we may not consolidate with or merge with or into any other person or convey, transfer or lease all or substantially all our assets to another person, unless:

- the resulting, surviving, transferee or lessee person (the “successor company”) will be an entity organized and existing under the laws of the United States of America, any state thereof or the District of Columbia;
- immediately after giving effect to such transaction, no default under the indenture will have occurred and be continuing; and
- we will have delivered to the trustee an officers’ certificate and an opinion of counsel, each stating that the consolidation, merger or transfer and such supplemental indenture, if any, comply with the indenture.

The successor company will succeed to, and be substituted for, and may exercise every right and power of us under, the indenture, however, in the case of a conveyance, transfer or lease of all or substantially all our assets, we will not be released from the obligation to pay the principal of and interest on the notes.

Events of Default; Notice and Waiver

The following will constitute defaults under the indenture, subject to any additional limitations, qualifications and cure periods included in the indenture:

- a default in the payment of principal of the notes when due at maturity, upon repurchase, redemption or otherwise;
- a default in the payment of any interest, including additional amounts, if any, on the notes when due and such failure continues for a period of 30 days past the applicable due date;
- we fail to provide notice of the occurrence of a fundamental change as required by the indenture;
- a default in our obligation to deliver the settlement amount upon conversion of the notes, together with cash in lieu thereof in respect of any fractional shares, upon conversion of any notes;
- the failure by us to comply with our obligation to repurchase the notes at the option of a holder upon a fundamental change as required by the indenture or on any other repurchase date;
- the failure by us to perform or observe any of our other covenants or warranties in the indenture or in the notes for 60 days after written notice to us from the trustee or to us and the trustee from the holders of at least 25% in principal amount of the outstanding notes has been received by us;
- the failure by us to make any payment by the end of any applicable grace period after maturity or acceleration of indebtedness for borrowed money of us or our significant subsidiaries in an amount in excess of $15 million and continuance of such failure;
- the failure by us or any of our significant subsidiaries to pay final judgments aggregating in excess of $15 million, which judgments are not paid, discharged or stayed for a period of 60 days;
- except as permitted by the indenture, any subsidiary guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason (other than in accordance with the terms of that guarantee and the indenture) to be in full force and effect or any guarantor, or any person acting on behalf of any guarantor, denies or disaffirms its obligations under its guarantee; and
- certain events of bankruptcy, insolvency and reorganization of us or any of our significant subsidiaries.

The foregoing will constitute events of default whatever the reason for any such event of default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

If a default under the indenture occurs and is continuing and is known to the trustee, the trustee must, except as provided below, mail to each holder of the notes notice of the default within 90 days after it occurs. The trustee may withhold notice to the holders of the notes of a default, except defaults in non-payment of principal or interest (including additional amounts, if any) on the notes. The trustee must, however, consider it to be in the interest of the holders of the notes to withhold this notice.

If an event of default (other than an event of default relating to certain events of bankruptcy, insolvency or reorganization of us) occurs and continues, the trustee or the holders of at least 25% in principal amount of the outstanding notes may declare the principal and accrued and unpaid interest, including additional amounts, if any, on the outstanding notes to be immediately due and payable. In case of certain events of bankruptcy, insolvency or reorganization as described above, the principal and accrued and unpaid interest, including additional amounts, if any, on the notes will automatically become immediately due and payable. Under certain circumstances, the holders of a majority in aggregate principal amount of the outstanding notes may rescind such acceleration with respect to the notes and, as is discussed below, waive these past defaults.

Notwithstanding the foregoing, the indenture for the notes provides that, to the extent elected by us, the sole remedy for an event of default relating to the failure by us to file any documents or reports that we are required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act and for any failure to comply with the requirements of Section 314(a)(1) of the Trust Indenture Act will for the first 120 days after

the occurrence of such an event of default consist exclusively of the right to receive additional interest on the notes equal to 0.25% per annum of the principal amount of the notes. If we so elect, these additional amounts will be payable in the same manner and on the same dates as the stated interest payable on the notes. These additional amounts will accrue on all outstanding notes from and including the date on which such event of default first occurs to but not including the 120th day thereafter (or such earlier date on which such event of default shall have been cured or waived). On such 120th day after such event of default (if the event of default relating to the reporting obligations is not cured or waived prior to such 120th day), the notes will be subject to acceleration as provided above. The provisions of the indenture described in this paragraph will not affect the rights of holders of notes if any other event of default occurs. If we do not elect to pay the additional amounts upon an event of default in accordance with this paragraph, the notes will be subject to acceleration as provided above.

In order to elect to pay the additional amounts as the sole remedy during the first 120 days after the occurrence of an event of default relating to the failure to comply with the reporting obligations in accordance with the immediately preceding paragraph, we must notify all holders of notes and the trustee and paying agent of such election. If we fail to timely give such notice or pay the additional amounts, the notes will be subject immediately to acceleration as provided above.

The holders of a majority in aggregate principal amount of outstanding notes will have the right to direct the time, method and place of any proceedings for any remedy available to the trustee or of exercising any trust or power conferred on the trustee, subject to limitations specified in the indenture. The trustee, however, may refuse to follow any direction that conflicts with law or the indenture or that the trustee determines is unduly prejudicial to the rights of any other holder of the notes or that would involve the trustee in personal liability. Before taking any action under the indenture, the trustee will be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking the action.

The holders of a majority in aggregate principal amount of outstanding notes may waive any past defaults under the indenture, except a default due to the non-payment of principal or interest, including additional amounts, if any, a failure to convert any notes into common stock, a default arising from our failure to repurchase any notes when required pursuant to the terms of the indenture or a default in respect of any covenant that cannot be amended without the consent of each holder affected.

No holder of the notes may pursue any remedy under the indenture, except in the case of a default due to the non-payment of principal or interest, including additional amounts, if any, on the notes, unless:

- the holder has given the trustee written notice of a default;
- the holders of at least 25% in principal amount of outstanding notes make a written request to the trustee to pursue the remedy;
- the holders of a majority in aggregate principal amount of outstanding notes have not given the trustee a direction that, in the opinion of the trustee, is inconsistent with such request within a 60 day period; and
- the trustee fails to comply with the request within 60 days after receipt of the request and offer of indemnity.

The indenture will require us every year to deliver to the trustee a statement as to performance of our obligations under the indenture and as to any default.

A default in the payment of the notes, or a default with respect to the notes that causes them to be accelerated, may give rise to a cross-default under our existing borrowing arrangements.

Legal Defeasance and Covenant Defeasance

The notes will not be subject to any defeasance provisions under the indenture.

Amendment and Modification

Except as provided below, the consent of the holders of a majority in aggregate principal amount of the outstanding notes (voting as a single class) is required to modify or amend the indenture. However, a modification or amendment requires the consent of the holder of each outstanding note affected by such modification or amendment if it would:

- reduce the principal amount of or change the stated maturity of any note;
- reduce the rate or extend the time for payment of interest, including additional amounts, if any, on any note;
- reduce any amount payable upon repurchase of any note (including upon the occurrence of a fundamental change) or change the time at which or circumstances under which the notes may or shall be repurchased;
- impair the right of a holder to institute suit for payment on any note;
- change the currency in which any note is payable;
- impair the right of a holder to convert any note or reduce the number of shares of common stock or any other property receivable upon conversion;
- reduce the quorum or voting requirements under the indenture;
- change our obligation to maintain an office or agency in the places and for the purposes specified in the indenture;
- subject to specified exceptions, amend or modify certain of the provisions of the indenture relating to amendment or modification or waiver of provisions of the indenture; or
- reduce the percentage of notes required for consent to any amendment or modification of the indenture.

We and the trustee may modify certain provisions of the indenture without the consent of the holders of the notes, including to:

- add guarantees with respect to the notes or secure the notes;
- remove guarantees with respect to the notes as provided in the indenture;
- eliminate our right to elect to satisfy our conversion obligations entirely in shares of our common stock as described under "— Conversion Rights — Payment upon Conversion — Settlement in Shares";
- evidence the assumption of our obligations by a successor person under the provisions of the indenture relating to consolidations, mergers and sales of assets;
- surrender any of our rights or powers under the indenture;
- add covenants or events of default for the benefit of the holders of notes;
- cure any ambiguity, manifest error or defect;
- cure any omission or correct any inconsistency in the indenture, *provided* that the rights of the holders are not adversely affected in any material respect;
- modify or amend the indenture to permit the qualification of the indenture or any supplemental indenture under the Trust Indenture Act of 1939 as then in effect;
- establish the forms or terms of the notes;
- evidence the acceptance of appointment by a successor trustee;
- provide for uncertificated notes in addition to or in place of certificated notes; *provided*, *however*, that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Internal

Revenue Code of 1986, as amended (the "Code"), or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code;

- conform the indenture and the form or terms of the notes to the "Description of Notes" as set forth in this prospectus; and
- make other changes to the indenture or forms or terms of the notes, *provided* no such change individually or in the aggregate with all other such changes has or will have a material adverse effect on the interests of the holders of the notes.

Calculations in Respect of Notes

We will be responsible for making all calculations called for under the notes, unless otherwise set forth above. These calculations include, but are not limited to, determinations of the market prices of our common stock, the amount of accrued interest (including additional amounts, if any) payable on the notes and the conversion rate of the notes. We will make all these calculations in good faith, and, absent manifest error, our calculations will be final and binding on holders of notes. We will provide a schedule of our calculations to each of the trustee and the conversion agent, and each of the trustee and the conversion agent is entitled to rely upon the accuracy of our calculations without independent verification. The trustee will forward our calculations to any holder of notes upon the request of that holder.

Trustee, Paying Agent and Conversion Agent

We have appointed The Bank of New York Trust Company N.A., the trustee under the indenture, as paying agent, conversion agent, note registrar and custodian for the notes. The trustee or its affiliates may also provide banking and other services to us in the ordinary course of their business.

Notices

Except as otherwise described herein, notices to registered holders of the notes will be given by mail to the addresses as they appear in the security register. Notices will be deemed to have been given on the date of mailing.

Governing Law

The notes and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Form, Denomination, Exchange, Registration and Transfer

The notes will be issued:

- in fully registered form;
- without interest coupons; and
- in denominations of $1,000 principal amount and integral multiples of $1,000. Holders may present notes for conversion, registration of transfer and exchange at the office maintained by us for such purpose, which will initially be the Corporate Trust Office of the trustee in The City of New York.

Payment and Paying Agent

We will maintain an office or agent where we will pay the principal on the notes, and a holder may present the notes for conversion, registration of transfer or exchange for other denominations, which shall initially be an office or agency of the trustee.

Payments on the notes represented by the global note referred to below will be made to The Depository Trust Company, New York, New York, which is referred to herein as DTC, or its nominee, as the case may be, as the registered owner thereof, in immediately available funds. We expect that DTC or its nominee, upon

receipt of any payment on the notes represented by a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments. Transfers between participants in DTC will be effected in accordance with DTC's rules and will be settled in immediately available funds.

Book-Entry Delivery and Settlement

We will issue the notes in the form of one or more permanent global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC.

DTC has advised us as follows:

- DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under Section 17A of the Exchange Act.
- DTC holds securities that its participants deposit with DTC and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities, through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates.
- Direct participants include securities brokers and dealers, trust companies, clearing corporations and other organizations.
- DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc.
- Access to the DTC system is also available to others, such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.
- The rules applicable to DTC and its participants are on file with the Securities and Exchange Commission.

We are providing the following descriptions of the operations and procedures of DTC to the holders solely as a matter of convenience. These operations and procedures are solely within the control of DTC and are subject to change by DTC from time to time. None of us, the underwriters nor the trustee takes any responsibility for these operations or procedures, and each holder is urged to contact DTC or its participants directly to discuss these matters.

We expect that under procedures established by DTC:

- Upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants designated by the underwriters with portions of the principal amounts of the global notes.
- Ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global

note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the indenture and under the notes. Except as provided below, owners of beneficial interests in a global note will not be entitled to have notes represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes and will not be considered the owners or holders thereof under the indenture or under the notes for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of notes under the indenture or the global note.

Notes represented by a global note will be exchangeable for registered certificated securities with the same terms only if: (1) DTC is unwilling or unable to continue as depositary or if DTC ceases to be a clearing agency registered under the Exchange Act and a successor depositary is not appointed by us within 90 days; (2) we decide to discontinue use of the system of book-entry transfer through DTC (or any successor depositary); or (3) a default under the indenture occurs and is continuing.

Neither we, nor the trustee, will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC or for maintaining, supervising or reviewing any records of DTC relating to the notes.

DESCRIPTION OF THE CONVERTIBLE NOTE HEDGE AND WARRANT TRANSACTIONS

In connection with the offering of the notes, we intend to enter into privately negotiated convertible note hedge transactions with one or more affiliates of the underwriters (which we refer to collectively as the hedge participants) that we expect will reduce the potential dilution to our common stock upon any conversion of the notes. We also intend to enter into warrant transactions with the hedge participants with respect to our common stock pursuant to which we may issue shares of our common stock. In connection with these transactions, we expect to use a portion of the net proceeds from this offering to pay the net cost of the convertible note hedge and warrant transactions. If the underwriters exercise their over-allotment option to purchase additional notes, we expect to use a portion of the net proceeds from the sale of the additional notes to enter into additional convertible note hedge transactions, and we would also expect to enter into additional warrant transactions.

In connection with hedging these transactions, the hedge participants or their affiliates may enter into various derivative transactions with respect to our common stock at, and possibly after, the pricing of the notes and may unwind such derivative transactions, enter into other derivative transactions and purchase and sell our common stock in secondary market transactions following the pricing of the notes. These activities could have the effect of increasing the price of our common stock before and possibly after the pricing of the notes.

The hedge participants or their affiliates are likely to modify their hedge positions from time to time before conversion or maturity of the notes by purchasing and selling shares of our common stock, other of our securities or other instruments they may wish to use in connection with such hedging and entering into or unwinding various derivative transactions with respect to our common stock (and are likely to do so (1) during any cash settlement averaging period related to a conversion of notes and (2) if we have elected to satisfy our conversion obligations entirely in shares of our common stock, during (a) the 40 trading-day period beginning on the 42nd scheduled trading day before the maturity date if the related conversion date is on or after April 15, 2012 or (b) the 40 trading-day period beginning on and including the third scheduled trading day after the conversion date if the related conversion date is before April 15, 2012). The effect, if any, of any of these transactions and activities on the market price of our common stock or the notes will depend in part on market conditions and cannot be ascertained at this time, but any of these activities could adversely affect the value of our common stock and the value of the notes and, as a result, the conversion value you will receive upon conversion of the notes and, under certain circumstances, your ability to convert notes.

For a discussion of the potential impact of any market or other activity by the counterparty (and/or its affiliates) in connection with these convertible note hedge and warrant transactions, see “Underwriting — Conflicts/Affiliates” and “Risk Factors — Risks Related to the Offering — The convertible note hedge and warrant transactions may affect the value of the notes and our common stock.”

DESCRIPTION OF OUR CAPITAL STOCK

Common Stock

Our authorized capital stock includes 280,000,000 shares of common stock, par value $0.16 2/3 per share, of which 111,659,306 shares were outstanding as of June 21, 2007.

Holders of common stock may not cumulate their votes in elections of directors, and holders have no preemptive rights to acquire any shares of our capital stock or any securities convertible into or exchangeable for any such shares. Holders of common stock may vote one vote for each share held on all matters voted upon by our stockholders, including the election of our directors.

Subject to the rights of any then outstanding shares of preferred stock, the holders of common stock may receive such dividends as our board of directors may declare in its discretion out of legally available funds. No dividends have been paid on our common stock since February 1987. Our existing credit agreement and the indentures governing our 9.625% senior notes and our senior floating rate notes contain provisions that restrict the payment of dividends. We have no present intention to pay dividends on our common stock in the foreseeable future.

Holders of common stock will share equally in our assets upon liquidation after payment or provision for all liabilities and any preferential liquidation rights of any preferred stock then outstanding.

Shares of common stock are not subject to any redemption provisions and are not convertible into any of our other securities.

All outstanding shares of common stock are fully paid and non-assessable. Any additional common stock we issue will also be fully paid and non-assessable.

Preferred Stock

Our authorized capital stock includes 1,942,000 shares of preferred stock, par value $1.00 per share, none of which were outstanding as of June 21, 2007. Holders of preferred stock may not cumulate their votes in elections of directors, and holders have no preemptive rights to acquire any shares of our capital stock or any securities convertible into or exchangeable for any such shares.

We may issue preferred stock from time to time in one or more series. Subject to the provisions of our Restated Certificate of Incorporation and limitations prescribed by law, our board of directors may adopt resolutions to issue the shares of preferred stock constituting any series, to fix the number of shares of the series and to establish the designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including dividend rights (including whether dividends are cumulative), dividend rates, terms of redemption (including sinking fund provisions), redemption prices, conversion or exchange rights and liquidation preferences of the shares of the series, in each case without any further action or vote by our stockholders.

Generally, holders of preferred stock may vote one vote for each share held on all matters voted upon by our stockholders, including the election of our directors, and holders of all series of preferred stock will vote together with holders of common stock as one class. If dividends on preferred stock are in arrears for six quarters or a sinking fund obligation with respect to the preferred stock has been in default for one year, then, at any ensuing annual meeting of our stockholders, holders of preferred stock, voting separately as a class without regard to series, may elect two directors. This special voting right will continue until all dividend arrearages and sinking fund defaults have been cured, and while this special voting right persists, holders of preferred stock will be entitled to participate with holders of common stock in the election of any other directors.

A vote of the holders of at least two-thirds of the preferred stock then outstanding, acting as a class without regard to series, is required to approve any amendment to our Restated Certificate of Incorporation altering materially any existing provision of the preferred stock.

Undesignated preferred stock may enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a tender offer, proxy contest, merger or otherwise, and to thereby protect the continuity of our management. The issuance of shares of a new series of preferred stock may adversely affect the rights of the holders of our common stock. For example, any new series of preferred stock issued will rank prior to our common stock as to dividend rights, liquidation preference or both and may be convertible into shares of common stock. As a result, the issuance of shares of a new series of preferred stock may discourage bids for our common stock or may otherwise adversely affect the market price of our common stock.

Anti-takeover Provisions

Certain provisions in our Corrected Restated Certificate of Incorporation and By-Laws and our stockholders' rights plan may encourage persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts.

Classified Board of Directors and Limitations on Stockholder Actions

Our board of directors is divided into three classes. The directors of each class are elected for three-year terms, and the terms of the three classes are staggered so that directors from a single class are elected at each annual meeting of stockholders. Any stockholder wishing to submit a nomination to the board of directors must follow certain procedures outlined in our By-Laws. In addition, our By-Laws require written application by the holders of 75% of our outstanding voting stock to call a special stockholders' meeting.

Business Combinations under Delaware Law

We are a Delaware corporation and are subject to Section 203 of the Delaware General Corporation Law. Generally, Section 203 prevents a person who owns 15% or more of our outstanding voting stock (an "interested stockholder") from engaging in a merger or other specified business combination with us for three years following the date that the person became an interested stockholder. These restrictions do not apply if:

- before the person became an interested stockholder, our board of directors approved either the transaction in which the interested stockholder became an interested stockholder or the business combination;
- upon completion of the transaction that resulted in the interested stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock that was outstanding at the time the transaction commenced; or
- following the transaction in which the person became an interested stockholder, the business combination is approved by both our board of directors and the holders of at least two-thirds of our outstanding voting stock that is not owned by the interested stockholder.

Stockholders' Rights Plan

Our board of directors has adopted a stockholders' rights plan (the "Rights Plan"). Under the Rights Plan, each Right entitles the registered holder under the circumstances described below to purchase from us one one-thousandth of a share of our Junior Participating Preferred Stock (the "Preferred Shares") at a price of $30 per one one-thousandth of a preferred share (the "Purchase Price"), subject to adjustment. The following is a summary of certain terms of the Rights Plan. The Rights Plan is filed as an exhibit to the registration statement of which this prospectus is a part and this summary is qualified by reference to the specific terms of the Rights Plan.

Until the Distribution Date (as defined below), the Rights attach to all common stock certificates representing outstanding shares. No separate certificates evidencing the Rights ("Rights Certificates") will be

distributed. A Right is issued for each share of common stock issued. The Rights will separate from the common stock and a Distribution Date will occur upon the earlier of:

- 10 business days following a public announcement that a person or group of affiliated or associated persons (an “Acquiring Person”) has acquired beneficial ownership of 15% or more of our outstanding Voting Shares (as defined in the Rights Agreement), or
- 10 business days following the commencement or announcement of an intention to commence a tender offer or exchange offer the consummation of which would result in the person or group beneficially owning 15% or more of our outstanding Voting Shares.

Until the Distribution Date or the earlier of redemption or expiration of the Rights, the Rights are evidenced by the certificates representing the common stock. As soon as practicable following the Distribution Date, separate Rights Certificates will be mailed to holders of record of the common stock as of the close of business on the Distribution Date and such separate Right Certificates alone will thereafter evidence the Rights.

The Rights are not exercisable until the Distribution Date. The rights will expire on June 30, 2008 (the “Final Expiration Date”), unless the Final Expiration Date is extended or the Rights are earlier redeemed or exchanged.

If a person or group acquires 15% or more of our Voting Shares, each Right then outstanding (other than Rights beneficially owned by the Acquiring Persons which would become null and void) becomes a right to buy that number of shares of common stock (or under certain circumstances, the equivalent number of one one-thousandths of a Preferred Share) that at the time of such acquisition has a market value of two times the Purchase Price of the Right.

If we are acquired in a merger or other business combination transaction or assets constituting more than 50% of our consolidated assets or producing more than 50% of our earning power or cash flow are sold, proper provision will be made so that each holder of a Right will thereafter have the right to receive, upon the exercise of the Right at the then current Purchase Price of the Right, that number of shares of common stock of the acquiring company which at the time of such transaction has a market value of two times the Purchase Price of the Right.

The dividend and liquidation rights, and the non-redemption feature, of the Preferred Shares are designed so that the value of one one-thousandth of a Preferred Share purchasable upon exercise of each Right will approximate the value of one share of common stock. The Preferred Shares issuable upon exercise of the Rights will be non-redeemable and rank junior to all other series of our preferred stock. Each whole Preferred Share will be entitled to receive a quarterly preferential dividend in an amount per share equal to the greater of (a) $1.00 in cash, or (b) in the aggregate, 1,000 times the dividend declared on the common stock. In the event of liquidation, the holders of Preferred Shares may receive a preferential liquidation payment equal to the greater of (a) $1,000 per share, or (b) in the aggregate, 1,000 times the payment made on the shares of common stock. In the event of any merger, consolidation or other transaction in which the shares of common stock are exchanged for or changed into other stock or securities, cash or other property, each whole Preferred Share will be entitled to receive 1,000 times the amount received per share of common stock. Each whole Preferred Share will be entitled to 1,000 votes on all matters submitted to a vote of our stockholders, and Preferred Shares will generally vote together as one class with the common stock and any other capital stock on all matters submitted to a vote of our stockholders.

The number of outstanding Rights and the number of one one-thousandths of a Preferred Share or other securities or property issuable upon exercise of the Rights, and the Purchase Price payable, may be adjusted from time to time to prevent dilution.

At any time after a person or group of affiliated or associated persons acquires beneficial ownership of 15% or more of our outstanding Voting Shares and before a person or group acquires beneficial ownership of 50% or more of our outstanding Voting Shares, our board of directors may, at its option, issue common stock in mandatory redemption of, and in exchange for, all or part of the then outstanding and exercisable Rights (other than Rights owned by such person or group which would become null and void) at an exchange ratio of one share of common stock (or one one-thousandth of a Preferred Share) for each Right, subject to adjustment.

At any time prior to the first public announcement that a person or group has become the beneficial owner of 15% or more of the outstanding Voting Shares, our Board of Directors may redeem all but not less than all the then outstanding Rights at a price of $0.01 per Right (the “Redemption Price”). The Redemption of the rights may be made effective at such time, on such basis and with such conditions as our Board of Directors in its sole discretion may establish. Immediately upon the action of our board of directors ordering Redemption of the rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

This summary of U.S. federal income tax considerations set forth in this prospectus was written to support the promotion and marketing of the notes. This summary is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax-related penalties that may be imposed on such person. Each person considering an investment in the notes should seek advice based on such person's particular circumstances from an independent tax advisor.

* * * * *

The following is a summary of certain material U.S. federal income tax consequences of the purchase, ownership and disposition of the notes and of the common stock into which the notes may be converted. It does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a particular investor's decision to invest in the notes, and does not address certain tax rules that are generally assumed to be understood by investors. This summary is based on the U.S. Internal Revenue Code of 1986, as amended, referred to in this prospectus as the "Code," existing and proposed Treasury Regulations, administrative rulings and judicial decisions, all as of the date of this prospectus and all subject to change or differing interpretations, possibly with retroactive effect. This summary is limited to beneficial owners of notes that will hold the notes and the common stock into which the notes may be converted as capital assets within the meaning of Section 1221 of the Code.

This summary does not address the tax consequences to investors that are subject to special rules, such as financial institutions, banks, thrift institutions, real estate investment trusts, personal holding companies, regulated investment companies, insurance companies, tax-exempt entities, brokers and dealers in securities or currencies, traders in securities that elect to use mark-to-market method of accounting, persons that hold the notes in a "straddle" or as part of a "hedging," "conversion" or constructive sale transaction, U.S. holders (as defined below) whose functional currency is not the U.S. dollar, and persons who have ceased to be citizens or residents of the United States. Further, we do not address:

- the U.S. federal income tax consequences to stockholders in, or partners or beneficiaries of, an entity that is an owner of the notes or our common stock;
- the U.S. federal estate and gift or alternative minimum tax consequences of the purchase, ownership or sale of the notes or our common stock; or
- any state, local or foreign tax consequences of the purchase, ownership and sale of the notes or our common stock.

For purposes of this summary, you are a "U.S. holder" if you are a beneficial owner of a note or share of our common stock for U.S. federal income tax purposes and you are:

- a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) created or organized under the laws of the United States or of any state thereof (including the District of Columbia);
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust (or, if certain other conditions are met and you have elected to continue to be treated as a U.S. trust).

A non-U.S. holder is a beneficial owner of a note or share of our common stock that is not a U.S. holder.

If a partnership or other entity treated as a partnership for U.S. federal income tax purposes owns notes or shares of our common stock, the tax treatment of a partner in the partnership will generally depend upon the partner's status and the activities of the partnership. If you are a partnership investing in notes or shares of our common stock (or if you are a partner in such partnership), you are urged to consult your own tax advisors about the U.S. federal income tax consequences of acquiring, owning and disposing of the notes and the shares of our common stock.

This summary is not binding on the Internal Revenue Service, referred to in this prospectus as the "IRS." We have not sought, and will not seek, any ruling from the IRS with respect to the statements made in this summary, and there can be no assurance that the IRS will not take a position contrary to these statements or that a contrary position taken by the IRS will not be sustained by a court. If you are considering purchasing the notes, you are urged to consult your own tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction or under any applicable tax treaty.

Tax Consequences to U.S. Holders

This subsection describes material U.S. federal income tax consequences to a U.S. holder. If you are not a U.S. holder, this subsection does not apply to you and you should refer to " — Tax Consequences to Non-U.S. Holders" below.

Payments of Interest

It is expected, and therefore this discussion assumes, that the notes will be treated as issued without original issue discount ("OID") for federal income tax purposes. Accordingly, you will generally be required to include stated interest in income as ordinary income at the time the interest is received or accrued, according to your method of tax accounting. However, your notes will be issued with OID if their principal amount exceeds their issue price by more than a *de minimis* amount. If your notes have OID, you will be required to include all OID in income over the term of the notes as it accrues in accordance with a constant yield-to-maturity method, regardless of whether you are a cash or accrual-method taxpayer. Accordingly, you could be treated as receiving interest income without a corresponding receipt of cash. Your aggregate tax basis in your notes would be increased by any OID that you include in income. In compliance with applicable Treasury Regulations, we will furnish annually to you and to the IRS information with respect to the amount of accrued OID, if any.

Market Discount

If you acquire a note, other than at original issue, at a cost less than the note's principal amount, the amount of this difference will be treated as market discount for U.S. federal income tax purposes, unless the difference is less than a specified *de minimis* amount. Under the market discount rules, you will be required to treat any principal payment on the note and any gain realized on disposition of a note as ordinary income to the extent of the accrued market discount not previously included in income. In general, market discount will be treated as accruing on a straight-line basis over the remaining term of the note as of the time of acquisition or, at your election, under a constant-yield method. If such an election is made, it will apply only to the note with respect to which it is made and cannot be revoked.

If you acquire a note at a market discount, you may also elect to include market discount in income over the remaining term of the note. Once made, this election applies to all market discount obligations acquired by you on or after the first taxable year to which the election applies and cannot be revoked without the consent of the IRS. Your tax basis in a note will be increased by any amount of market discount that was previously included in your income. If you acquire a note at a market discount and do not elect to include accrued market discount in income over the remaining term of the note, you may be required to defer until maturity or a taxable disposition of the note your deduction of a portion of the interest on any indebtedness you incur or maintain to purchase or to carry the note.

Upon a conversion of a note into our common stock, any accrued market discount on the note not previously included in income will be carried over to the common stock received upon conversion of the note, and any gain recognized upon the disposition of the common stock will be treated as ordinary income to the extent of this carried- over accrued market discount. If you receive a combination of cash and stock upon exercise of your conversion right, you will recognize all or a portion of the accrued market discount at that time, depending on the amount of cash you receive.

Amortizable Bond Premium

If you acquire a note, other than at original issuance, at a cost greater than its principal amount, you generally will be considered to have acquired the note with amortizable bond premium for U.S. federal income tax purposes, except to the extent the excess is attributable to the note's conversion feature. The amount attributable to the conversion feature of a note may be determined under any reasonable method, including by comparing the note's purchase price to the market price of a similar note without a conversion feature.

You may elect to amortize bond premium from the acquisition date to the note's maturity date under a constant-yield method. The amount amortized in any taxable year generally is treated as an offset to interest income on the note and not as a separate deduction. If you elect to amortize bond premium, you must reduce your tax basis in the note by the amount of the premium amortized in any year. Once made, this election applies to all debt obligations owned or subsequently acquired by you on or after the first day of the first taxable year to which the election applies, and cannot be revoked without the consent of the IRS. If you do not make an election to amortize bond premium, you will be required to include all amounts of interest as income, and the premium will either reduce the gain or increase the loss you recognize upon the taxable disposition of the note.

Sale, Exchange, Redemption or Repurchase of the Notes

Except as set forth above under " — Market Discount" or below under "— Conversion of the Notes," you will generally recognize gain or loss upon the sale, exchange, redemption or repurchase of a note equal to the difference between (1) the amount of cash proceeds and the fair market value of any property received and (2) your adjusted tax basis in the note. Any gain or loss you recognize generally will be treated as a capital gain or loss (except to the extent the amount received is attributable to accrued unpaid interest not previously included in income, which will be taxable as ordinary interest income). The capital gain or loss will be long term if your holding period is more than one year at the time of sale, exchange, redemption or repurchase and will be short-term if your holding period is one year or less. The deductibility of capital losses is subject to certain limitations.

Conversion of the Notes

You generally will not recognize any income, gain or loss upon conversion of the notes solely into our common stock (other than cash received in lieu of a fractional share and in respect of accrued interest) except to the extent any portion of the common stock is attributable to accrued interest not previously included in income (which will be taxable as ordinary income) and except with respect to cash received in lieu of a fractional share of our common stock (which generally will result in capital gain or loss, measured by the difference between the cash received for the fractional share and your adjusted tax basis in the fractional share). Your tax basis in the common stock received on conversion of a note will be the same as your adjusted tax basis in the note at the time of conversion (reduced by any basis allocable to a fractional share) except that your tax basis in any common stock received with respect to accrued interest on a note not previously included in income will equal the fair market value of such common stock on the date received. Your holding period for the common stock received on conversion will generally include your holding period for the note converted, except that the holding period for any common stock received with respect to accrued interest on a note not previously included in income will commence on the day immediately following the date of receipt.

If we satisfy the conversion option in part cash and part common shares, the U.S. federal income tax treatment will depend upon whether the conversion is characterized as a recapitalization or as in part a conversion and in part a redemption of the notes.

If the conversion of the notes is characterized as a recapitalization, you will recognize as taxable income any gain realized in the conversion to the extent of the cash received (excluding amounts of shares allocable to interest, which will be taxable as ordinary income if not previously included in your income, and cash received in lieu of a fractional common share), but no loss will be recognized on such conversion. Your tax basis in the common shares received on conversion (other than shares received in respect of interest) will equal your tax basis in the converted note (reduced by any tax basis allocable to a fractional common share),

plus the amount of taxable gain recognized on the conversion. Your holding period for the common shares received will include the holding period for the converted note (except for any common shares received allocable to accrued but unpaid interest, which will have a holding period beginning on the day after receipt). Cash received in lieu of a fractional common share upon conversion of the notes will generally be treated as a payment in exchange for the fractional share. Accordingly, the receipt of cash in lieu of a fractional common share generally will result in capital gain or loss measured by the difference between the cash received for the fractional share and your adjusted tax basis allocable to the fractional share.

If the conversion of the notes is instead treated as in part a conversion into common shares and in part a payment in redemption of the notes, your treatment with respect to the portion of a note considered to be converted into common shares (excluding shares allocable to interest, which will be taxable as ordinary income if not previously included in your income, and cash received in lieu of a fractional common share) will be as described above. Cash received in lieu of a fractional common share upon conversion of a note will generally be treated as a payment in exchange for the fractional share. Accordingly, the receipt of cash in lieu of a fractional common share generally will result in capital gain or loss measured by the difference between the cash received for the fractional share and your adjusted tax basis allocable to the fractional share. The cash received with respect to the portion of the note considered to be redeemed would likely be treated as received in redemption of such portion. In that event, you would generally recognize gain or loss equal to the difference between the amount of cash received (excluding amounts allocable to interest, which will be taxable as ordinary income if not previously included in your income) and your adjusted tax basis allocable to such portion of the note exchanged therefor.

Alternatively, in the event that we satisfy the conversion obligation entirely in cash, you will recognize gain or loss equal to the difference between the proceeds received by you (excluding amounts attributable to accrued but unpaid interest which will be taxable as ordinary income if not previously included in your income) and your adjusted tax basis in the note. See " — Sale, Exchange, Redemption or Repurchase of the Notes" above.

Constructive Distributions

The conversion rate of the notes will be adjusted in certain circumstances, such as a stock split or stock dividend, a distribution of cash or other assets to our stockholders (including certain self-tender transactions), and certain transactions that constitute a fundamental change. See "Description of Notes — Conversion Rights — Conversion Rate Adjustments." Under Section 305(c) of the Code, adjustments (or failures to make adjustments) that have the effect of increasing a note owner's proportionate interest in our assets or earnings may in some circumstances result in a deemed distribution to the note owner. Adjustments to the conversion rate made pursuant to a *bona fide* reasonable adjustment formula that has the effect of preventing the dilution of the interests of the note owners, however, will generally not be considered to result in a deemed distribution. Conversion rate adjustments arising from a stock split or a stock dividend are generally considered to be pursuant to a *bona fide* reasonable adjustment formula and thus will not give rise to a deemed dividend. However, certain of the possible conversion rate adjustments (generally including adjustments to the conversion rate to compensate holders for distributions of cash or property to our stockholders) will not qualify as being pursuant to a *bona fide* reasonable adjustment formula. If those kinds of adjustments are made, the note owners will be deemed to have received a distribution even though they will not have received any cash or property as a result of such adjustments. Conversely, if an event occurs that increases the interests of note owners and the conversion rate is not adjusted, the resulting increase in the proportionate interests of note owners could be treated as a taxable stock dividend to them.

Constructive distributions to note owners or stockholders will result in dividend income to them to the extent of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) at that time, with any excess treated as a nontaxable return of capital or as capital gain as more fully described in " — Taxation of Distributions on Our Common Stock" below. It is not clear whether any such constructive dividend would be eligible for the preferential rates of U.S. federal income tax currently applicable to certain dividends received by non-corporate holders or whether a corporate holder would be entitled to claim the dividends-received deduction with respect to such a constructive dividend. Any taxable constructive stock

dividends resulting from a change to, or a failure to change, the conversion rate would in other respects be treated in the same manner as dividends paid in cash or other property. Investors should carefully review the conversion rate adjustment provisions and consult their tax advisors with respect to the tax consequences of any such adjustment, including any potential consequences of a taxable stock dividend to basis and holding period.

Taxation of Distributions on Our Common Stock

After you convert a note into our common stock, any distributions you receive in respect of our common stock will be treated as a dividend, subject to tax as ordinary income, to the extent payable out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) at that time, then as a tax-free return of capital to the extent of your tax basis in the shares of our common stock, and thereafter as capital gain from the sale or exchange of the stock. Dividends received by a corporate U.S. shareholder will be eligible for the dividends-received deduction if the shareholder meets certain holding period and other applicable requirements. Dividends received by a non-corporate U.S. shareholder will qualify for taxation at reduced rates (effective for tax years beginning before January 1, 2011) if the holder meets certain holding period and other applicable requirements.

Sale, Exchange or Other Disposition of Our Common Stock

Upon a sale, exchange or other disposition of shares of our common stock, you will generally recognize capital gain or loss in an amount equal to the difference between (1) the cash proceeds and the fair market value of any property received on the sale, exchange or other disposition and (2) your adjusted tax basis in the shares of our common stock. The gain or loss will be long-term capital gain or loss if your holding period for the common stock is more than one year at the time of sale, exchange or other disposition and will be short term if your holding period is one year or less. The deductibility of capital losses is subject to limitations.

Tax Consequences to Non-U.S. Holders

This subsection describes material U.S. federal income tax consequences to a non-U.S. holder. If you are not a non-U.S. holder, this subsection does not apply to you and you should refer to "— Tax Consequences to U.S. Holders" above.

Special rules may apply to certain non-U.S. holders such as "controlled foreign corporations," "passive foreign investment companies," or, in certain circumstances, individuals who are U.S. expatriates. If you are a non-U.S. holder that falls within any of the foregoing categories, you should consult your own tax advisors to determine the U.S. federal, state, local and foreign tax consequences that may be relevant to you. Further, this summary does not address all of the special rules that may be applicable to foreign partnerships or partnerships with foreign partners. If you are a partnership holding notes or shares of our common stock, you are urged to consult your own tax advisor concerning the tax, withholding and reporting rules that may apply to you.

Payments with Respect to the Notes

Subject to the discussion below under "— Constructive Dividends," if you are a non-U.S. holder, all payments of principal or interest (including additional amounts, if any) made to you on the notes, and any gain realized on a sale, exchange, conversion, redemption or repurchase of the notes, will be exempt from U.S. federal income and withholding tax, provided that:

- you do not (directly or indirectly, actually or constructively) own 10% or more of the total combined voting power of all classes of our stock that are entitled to vote;
- you are not a bank whose receipt of interest on a note is described in Section 88l(c)(3)(A) of the Code;
- you provide your name and address, and certify, under penalties of perjury, that you are not a U.S. person (which certification may be made on an IRS Form W-8BEN (or successor form)) or (2) you

hold your notes through certain qualified foreign intermediaries and you satisfy the certification requirements of applicable Treasury Regulations; and

- in the case of a sale, exchange, conversion, redemption or repurchase of the notes:
  - if you are an individual non-U.S. holder, you are present in the United States for less than 183 days in the taxable year of disposition; and
  - your holding of the notes is not effectively connected with the conduct of a trade or business in the United States.

If you cannot satisfy the requirements described above with respect to interest payments, payments of interest will be subject to the 30% U.S. federal withholding tax, unless you provide us with a properly executed (1) IRS Form W-8BEN (or successor form) claiming an exemption from or reduction in withholding under the benefit of an applicable income tax treaty or (2) IRS Form W-8ECI (or successor form) stating that interest paid on the notes is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States, and, if a tax treaty applies, are attributable to a U.S. permanent establishment.

If you are engaged in a trade or business in the United States and interest on a note or gain recognized on the sale, exchange, conversion, repurchase or redemption of the note is effectively connected with the conduct of that trade or business, you will be subject to U.S. federal income tax (but not the 30% withholding tax if you provide a Form W-8ECI as described above) on that interest or gain on a net income basis in the same manner as if you were a U.S. person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a “branch profits tax” equal to 30% (or lower applicable income tax treaty rate) of your earnings and profits for the taxable year, subject to certain adjustments, that are effectively connected with your conduct of a trade or business in the United States. For this purpose, any such interest or gain will be included in the earnings and profits of a foreign corporation. An individual non-U.S. holder who is in the United States for more than 183 days in the taxable year in which the note is sold, exchanged, redeemed or repurchased, and meets certain other conditions, will be subject to a flat 30% U.S. federal income tax on any gain recognized on such a disposition, which gain may be offset by such a person’s U.S.-source capital losses, if any.

Constructive Dividends

Under certain circumstances, a non-U.S. holder may be deemed to have received a constructive dividend resulting from certain adjustments, or failure to make adjustments, to the number of shares of our common stock to be issued upon conversion. Any constructive dividend deemed paid to a non-U.S. holder will be subject to withholding at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. A non-U.S. holder who wishes to claim the benefit of an applicable treaty rate is required to satisfy applicable certification and other requirements, such as the provision of IRS Form W-8BEN, as discussed above. It is possible that U.S. federal tax on the constructive dividend would be withheld from interest paid to the non-U.S. holder of the notes. Non-U.S. holders who are subject to withholding tax under such circumstances should consult their own tax advisors as to whether they can obtain a refund for all or a portion of the withholding tax.

Payments on Common Stock

Any dividends paid to a non-U.S. holder with respect to the shares of our common stock will generally be subject to withholding tax at a rate of 30%, or such lower rate as may be specified by an applicable income tax treaty. Dividends that are effectively connected with such a person’s conduct of a trade or business within the United States, and, if a tax treaty applies, are attributable to a U.S. permanent establishment, are not subject to the withholding tax, but instead are subject to U.S. federal income tax on a net income basis at applicable graduated individual or corporate rates, as the case may be. Certain certification and disclosure requirements, such as the provision of IRS Form W-8ECI, as discussed above, must be complied with for such “effectively connected” income to be exempt from withholding. Any such effectively connected dividends

received by a foreign corporation may, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A non-U.S. holder of shares of our common stock who wishes to claim the benefit of an applicable treaty rate is required to satisfy applicable certification and other requirements, such as the provision of IRS Form W-8BEN, as discussed above. Alternatively, if you are eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty, you may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the IRS.

Sale, Exchange or Other Disposition of Shares of Common Stock

Any gain recognized upon the sale, exchange or other disposition of a share of our common stock generally will not be subject to U.S. federal income tax unless:

- that gain is effectively connected with your conduct of a trade or business in the United States or where a tax treaty applies, is attributable to a U.S. permanent establishment; or
- you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met.
- we are or have been a U.S. real property holding corporation, as defined in the Code, at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever period is shorter. We believe that we are not, and do not anticipate becoming, a U.S. real property holding corporation.

An individual non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax on a net income basis under regular graduated U.S. federal income tax rates. An individual non-U.S. holder described in the second bullet point above will be subject to a flat 30% U.S. federal income tax on the gain derived from the sale, which may be offset by the individual's U.S.-source capital losses, if any. A non-U.S. holder that is a foreign corporation and is described in the first bullet point above will be subject to tax on gain on a net-income basis under regular graduated U.S. federal income tax rates and, in addition, may be subject to a branch profits tax at a 30% rate or a lower rate if so specified by an applicable income tax treaty.

Backup Withholding and Information Reporting

If you are a U.S. holder of notes or shares of our common stock, information reporting requirements generally will apply to all payments we make to you and the proceeds from a sale of a note or share of our common stock made to you, unless you are an exempt recipient such as a corporation. If you fail to supply your correct taxpayer identification number, underreport your tax liability or otherwise fail to comply with applicable U.S. information reporting or certification requirements, the IRS may require us to backup withhold U.S. federal income tax at the rate set by Section 3406 of the Code (currently 28%) from those payments.

In general, if you are a non-U.S. holder, you will not be subject to backup withholding and information reporting with respect to payments that we make to you, provided that we do not have actual knowledge or reason to know that you are a U.S. person and you have given us the certification that you are not a U.S. person as described under "— Tax Consequences to Non-U.S. Holders — Payments with Respect to the Notes." In addition, if you are a non-U.S. holder, you generally will be subject to backup withholding and information reporting with respect to the proceeds of the sale of a note or share of our common stock within the United States or conducted through certain U.S.-related financial intermediaries, unless the payor receives the certification that you are not a U.S. person as described above under "— Tax Consequences to Non-U.S. Holders — Payments with Respect to the Notes" and does not have actual knowledge or reason to know that you are a U.S. person, as defined in the Code, or you otherwise establish an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability, provided the required information is furnished to the IRS.

UNDERWRITING

We are offering the notes described in this prospectus through a number of underwriters. Banc of America Securities LLC is the representative of the underwriters. We have entered into a firm commitment underwriting agreement with the representative. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the principal amount of notes listed next to its name in the following table:

Underwriters	Principal Amount of Notes
Banc of America Securities LLC	$
Deutsche Bank Securities Inc.	
Lehman Brothers Inc.	
Total	$

The underwriting agreement is subject to a number of terms and conditions and provides that the underwriters must buy all of the notes if they buy any of them. The underwriters will sell the notes to the public when and if the underwriters buy the notes from us.

The underwriters initially will offer the notes to the public at the price specified on the cover page of this prospectus and to selected dealers at that price less a concession of not more than % of the principal amount of notes. The underwriters may also allow, and those dealers may re-allow, a concession of not more than % of the principal amount of notes to some other dealers. If all the notes are not sold at the public offering price, the underwriters may change the public offering price and the other selling terms. The notes are offered subject to a number of conditions, including:

- receipt and acceptance of the notes by the underwriters; and
- the underwriters' right to reject orders in whole or in part.

Option to Purchase Additional Notes. We have granted the underwriters an over-allotment option to purchase up to $10,000,000 aggregate principal amount of additional notes at the same price per note as they are paying for the notes shown in the table above. These additional notes would cover sales by the underwriters which exceed the total number of notes shown in the table above. The underwriters may exercise this option at any time and from time to time, in whole or in part, within 30 days after the date of this prospectus. To the extent that the underwriters exercise this option, each underwriter will purchase additional notes from us in approximately the same proportion as it purchased the notes shown in the table above. We will pay the expenses associated with the exercise of the option.

Discount and Commissions. The following table shows the per note and total underwriting discounts and commissions to be paid to the underwriters by us. These amounts are shown assuming no exercise and full exercise of the underwriters' over-allotment option to purchase additional notes.

We estimate that the expenses of the offering to be paid by us, not including underwriting discounts and commissions, will be approximately $430,000.

	Paid by Us	
	No Exercise	Full Exercise
Per Note	%	%
Total	$	$

Listing. The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. We cannot assure the liquidity of the trading market for the notes or that an active public market for the notes will develop. If an active public trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected.

Stabilization. In connection with this offering, the underwriters may engage in activities that stabilize, maintain or otherwise affect the price of the notes, including:

- stabilizing transactions;
- short sales;
- syndicate covering transactions; and
- purchases to cover positions created by short sales.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the notes while this offering is in progress. Stabilizing transactions may include making short sales of the notes, which involves the sale by the underwriters of a greater number of notes than they are required to purchase in this offering, and purchasing notes from us or on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ over-allotment option to purchase additional notes referred to above, or may be “naked” shorts, which are short positions in excess of that amount. Syndicate covering transactions involve purchases of notes in the open market after the distribution has been completed in order to cover syndicate short positions.

The underwriters may close out any covered short position either by exercising their over-allotment option to purchase additional notes, in whole or in part, or by purchasing notes in the open market. In making this determination, the underwriters will consider, among other things, the price of notes available for purchase in the open market compared to the price at which the underwriters may purchase additional notes as referred to above.

A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the notes in the open market that could adversely affect investors who purchased in this offering. To the extent that the underwriters create a naked short position, they will purchase notes in the open market to cover the position.

These activities may have the effect of raising or maintaining the market price of the notes or preventing or retarding a decline in the market price of the notes. As a result of these activities, the price of the notes may be higher than the price that otherwise might exist in the open market. If the underwriters commence the activities, they may discontinue them at any time.

Lock-up Agreements. We, our directors and executive officers, and certain of our existing stockholders and have entered into lock-up agreements with the underwriters. Under these agreements, subject to exceptions, we may not issue any new shares of common stock, and those holders of stock may not, directly or indirectly, offer, sell, contract to sell, pledge or otherwise dispose of or hedge any common stock or securities convertible into or exchangeable for shares of common stock, or publicly announce the intention to do any of the foregoing, without the prior written consent of Banc of America Securities LLC for a period of 90 days in our case and 45 days in the case of our directors and executive officers from the date of this prospectus. This consent may be given at any time without public notice. In addition, during these lock-up periods, we have also agreed not to file any registration statement for, and each of our officers and stockholders has agreed not to make any demand for, or exercise any right of, the registration of, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock without the prior written consent of Banc of America Securities LLC.

Indemnification. We will indemnify the underwriters against some liabilities, including liabilities under the Securities Act. If we are unable to provide this indemnification, we will contribute to payments the underwriters may be required to make in respect of those liabilities.

Selling Restrictions. Each underwriter intends to comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes or has in its possession or distributes the prospectus.

European Economic Area. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) an offer of the notes to the public may not be made in that Relevant Member State prior to the publication of a prospectus in relation to the notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of notes to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

No prospectus (including any amendment, supplement or replacement thereto) has been prepared in connection with the offering of the notes that has been approved by the *Autorité des marchés financiers* or by the competent authority of another State that is a contracting party to the Agreement on the European Economic Area and notified to the *Autorité des marchés financiers*; no notes have been offered or sold and will be offered or sold, directly or indirectly, to the public in France except to permitted investors ("Permitted Investors") consisting of persons licensed to provide the investment service of portfolio management for the account of third parties, qualified investors (*investisseurs qualifiés*) acting for their own account and/or investors belonging to a limited circle of investors (*cercle restreint d'investisseurs*) acting for their own account, with "qualified investors" and "limited circle of investors" having the meaning ascribed to them in Articles L. 411-2, D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code *Monétaire et Financier* and applicable regulations thereunder; none of this prospectus or any other materials related to the offering or information contained therein relating to the notes has been released, issued or distributed to the public in France except to Permitted Investors; and the direct or indirect resale to the public in France of any notes acquired by any Permitted Investors may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Code *Monétaire et Financier* and applicable regulations thereunder.

The underwriters severally acknowledge and agree that:

(i) it has not offered or sold and will not offer or sell the notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

The offering of notes has not been cleared by the Italian Securities Exchange Commission (*Commissione Nazionale per le Società e la Borsa*, the "CONSOB") pursuant to Italian securities legislation and, accordingly, has represented and agreed that the notes may not and will not be offered, sold or delivered, nor may or will copies of the prospectus or any other documents relating to the notes be distributed in Italy, except (i) to professional investors (*operatori qualificati*), as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of July 1, 1998, as amended, (the "Regulation No. 11522"), or (ii) in other circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of February 24, 1998 (the "Financial Service Act") and Article 33, first paragraph, of CONSOB Regulation No. 11971 of May 14, 1999, as amended.

Any offer, sale or delivery of the notes or distribution of copies of the prospectus or any other document relating to the notes in Italy may and will be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be: (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of September 1, 1993, as amended (the "Italian Banking Law"), Regulation No. 11522, and any other applicable laws and regulations; (ii) in compliance with Article 129 of the Italian Banking Law and the implementing guidelines of the Bank of Italy; and (iii) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

Any investor purchasing the notes in the offering is solely responsible for ensuring that any offer or resale of the notes it purchased in the offering occurs in compliance with applicable laws and regulations.

The prospectus and the information contained therein are intended only for the use of its recipient and, unless in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of the "Financial Service Act" and Article 33, first paragraph, of CONSOB Regulation No. 11971 of May 14, 1999, as amended, is not to be distributed, for any reason, to any third party resident or located in Italy. No person resident or located in Italy other than the original recipients of this document may rely on it or its content.

Italy has only partially implemented the Prospectus Directive, the provisions under the heading "European Economic Area" above shall apply with respect to Italy only to the extent that the relevant provisions of the Prospectus Directive have already been implemented in Italy.

Insofar as the requirements above are based on laws which are superseded at any time pursuant to the implementation of the Prospectus Directive, such requirements shall be replaced by the applicable requirements under the Prospectus Directive.

Online Offering. A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters participating in this offering. Other than the prospectus in electronic format, the information on any such website, or accessible through any such website, is not part of the prospectus. The representative may agree to allocate a number of notes to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters that will make Internet distributions on the same basis as other allocations.

Conflicts/Affiliates. The underwriters and their affiliates have provided, and may in the future provide, various investment banking, commercial banking and other financial services for us and our affiliates for which services they have received, and may in the future receive, customary fees. Certain of the underwriters or their affiliates are lenders and agents under our senior secured credit facility.

In connection with the offering of the notes, we intend to enter into a convertible note hedge transaction with one or more affiliates of the underwriters. We also intend to enter into a warrant transaction with such parties. These transactions are expected to reduce the potential dilution upon conversion of the notes and, from our perspective, increase the effective conversion price of the notes. We intend to use $ million of the net proceeds of this offering to pay the net cost of the convertible note hedge and warrant transactions. If the underwriters exercise their over-allotment option to purchase additional notes, we expect to use a portion of the net proceeds from the sale of the additional notes to enter into additional convertible bond hedge and warrant transactions.

In connection with hedging these transactions, one or more affiliates of the underwriters:

- may enter into various derivative transactions with respect to our common stock concurrently with and shortly after the pricing of the notes; and
- may enter into, or may unwind, various derivatives and/or purchase or sell our common stock in secondary market transactions following the pricing of the notes (including during any cash settlement averaging period related to a conversion of notes).

These activities could impact the price of our common stock and the notes.

VALIDITY OF THE SECURITIES

The validity of the securities offered by this prospectus will be passed upon for Parker Drilling Company by Bracewell & Giuliani LLP, Houston, Texas. Certain legal matters with respect to the securities offered by this prospectus will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

EXPERTS

The consolidated financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2006, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

$115,000,000

% Convertible Senior Notes due 2012

PROSPECTUS

, 2007

Banc of America Securities LLC
Deutsche Bank Securities
Lehman Brothers

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. ***Other Expenses of Issuance and Distribution***

The following is a statement of the expenses (all of which are estimates) to be incurred by Parker Drilling Company:

		Amount to be paid
SEC registration fee	$	3,838
Legal fees and expenses		140,000
Accounting fees and expenses		200,000
Printing fees		80,000
Miscellaneous		6,162
Total	$	430,000

Item 15. ***Indemnification of Directors and Officers***

Section 145 of the General Corporation Law of the State of Delaware empowers a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. A Delaware corporation may indemnify directors, officers, employees and other agents of such corporation in an action by or in the right of the corporation under the same conditions, except that no indemnification is permitted without judicial approval if the person to be indemnified has been adjudged to be liable to the corporation. Where a director, officer, employee or agent of the corporation is successful on the merits or otherwise in the defense of any action, suit or proceeding referred to above or in defense of any claim, issue or matter therein, the corporation must indemnify such person against the expenses (including attorneys' fees) which he or she actually and reasonably incurred in connection therewith.

The By-Laws of Parker Drilling Company contains provisions that provide for indemnification of officers and directors to the fullest extent permitted by, and in the manner permissible under, the General Corporation Law of the State of Delaware.

As permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, Parker Drilling Company's Certificate of Incorporation contains a provision eliminating the personal liability of a director to Parker Drilling Company or its stockholders for monetary damages for breach of fiduciary duty as a director, subject to certain exceptions.

Parker Drilling Company has entered into indemnification agreements with certain of its officers and directors that provide for indemnification of such officers and directors to the fullest extent permitted by, and in the manner permissible under, the General Corporation Law of the State of Delaware.

Parker Drilling Company maintains policies insuring its officers and directors against certain civil liabilities, including liabilities under the Securities Act.

Item 16. ***Exhibits***

Exhibit No.	Description
1.1*	Form of Underwriting Agreement
4.1**	Form of Indenture for the Convertible Senior Notes due 2012 (including form of Note for the Convertible Senior Notes due 2012)
4.2	Rights Agreement, dated as of July 14, 1998, between Parker Drilling Company and Norwest Bank Minnesota, N.A., as Rights Agent (incorporated by reference to Exhibit I to the Company's Registration Statement on Form 8-A dated January 19, 1999)
4.3	Amendment No. 1 to the Rights Agreement dated as of September 22, 1998 (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-3 (Registration No. 333-36498) dated May 8, 2000)
4.4	Indenture dated as of October 10, 2003, between Parker Drilling Company, as issuer, certain Subsidiary Guarantors (as defined therein) and JPMorgan Chase Bank, as Trustee, respecting the 9.625% Senior Notes due 2013 (incorporated by reference to the Company's Registration Statement on Form S-4 (Registration No. 333-110374) dated November 10, 2003)
4.5	First Supplemental Indenture dated as of November 8, 2006, between Parker Drilling Company and the Subsidiary Guarantors and the Bank of New York Trust Company, N.A., as Trustee, respecting the 9.625% Senior Notes due 2013 (incorporated herein by reference to Exhibit 4.3 to the Company's Form 10-Q for the quarter ended September 30, 2006)
4.6	Indenture dated as of September 2, 2004, between Parker Drilling Company and JP Morgan Chase Bank, as trustee, respecting the $150.0 million Senior Floating Rate Notes due 2010 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, dated September 7, 2004)
4.7	First Supplemental Indenture dated as of November 8, 2006, between Parker Drilling Company and the Subsidiary Guarantors and the Bank of New York Trust Company, N.A., as Trustee, respecting the Floating Rate Notes due 2010 (incorporated by reference to Exhibit 4.4 to the Company's Form 10-Q for the quarter ended September 30, 2006)
4.8	Credit Agreement dated as of December 20, 2004 among Parker Drilling Company, certain banks parties thereto as lenders, Lehman Brothers, Inc., as the arranger, Bank of America N.A., as the syndication agent and Lehman Commercial Paper, Inc., as administrative agent, respecting the $40.0 million credit agreement that expires December 20, 2007 (incorporated by reference to Exhibit 99 to the Company's Form 8-K, dated December 27, 2004)
4.9	First Amendment to the Credit Agreement dated December 20, 2004 among Parker Drilling Company, as Borrower, the Several Lenders Parties thereto, Lehman Brothers, Inc., as Sole Advisor, Sole Lead Arranger and Sole Bookrunner, Bank of America, N.A., as Syndication Agent and Lehman Commercial Paper, Inc., as Administrative Agent dated March 1, 2006, (incorporated by reference to Exhibit 4(i) to the Company's Annual Report on Form 10-K for the year ended December 31, 2005)
4.10	Second Amendment to the Credit Agreement dated December 20, 2004 among Parker Drilling Company, as Borrower, the Several Lenders Parties thereto, Lehman Brothers, Inc., as Sole Advisor, Sole Lead Arranger and Sole Bookrunner, Bank of America, N.A., as Syndication Agent and Lehman Commercial Paper, Inc., as Administrative Agent dated February 9, 2007 (incorporated by reference to Exhibit 10(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006)
4.11	Form of stock certificate for the common stock of the Company (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3 (Registration No. 333-04779) dated June 11, 1996)
5.1**	Validity Opinion of Bracewell & Giuliani LLP
5.2**	Opinion of General Counsel of Parker Drilling Company
5.3**	Opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
5.4**	Opinion of Kummer Kaempfer Bonner & Renshaw
12.1**	Statement regarding computation of ratios of earnings to fixed charges

Table of Contents

Exhibit No.	Description
23.1**	Consent of PricewaterhouseCoopers LLP
23.2**	Consent of Bracewell & Giuliani LLP (included in their opinion filed as Exhibit 5.1)
24.1**	Powers of attorney (set forth on the signature pages hereto)
25.1**	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Trust Company, N.A., as Trustee under the Indenture for the Convertible Senior Notes due 2012

* To be filed as an exhibit to a Current Report on Form 8-K and incorporated herein by reference.

** Filed herewith.

Item 17. ***Undertakings***

The undersigned registrant hereby undertakes:

To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (i), (ii) and (iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i),

(vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: each undersigned registrant undertakes that in a primary offering of securities of an undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by an undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about an undersigned registrant or its securities provided by or on behalf of an undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by an undersigned registrant to the purchaser.

That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY

By: /s/ W. Kirk Brassfield
Name: W. Kirk Brassfield
Title: Senior Vice President and Chief Financial Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert L. Parker Jr. Robert L. Parker Jr.	Chairman, President and Chief Executive Officer and Director *(Principal Executive Officer)*
/s/ James W. Whalen James W. Whalen	Vice Chairman of the Board and Director
/s/ W. Kirk Brassfield W. Kirk Brassfield	Senior Vice President and Chief Financial Officer *(Principal Financial Officer)*
/s/ Lynn G. Cullom Lynn G. Cullom	Controller *(Principal Accounting Officer)*
/s/ George J. Donnelly George J. Donnelly	Director
/s/ John W. Gibson, Jr. John W. Gibson, Jr.	Director

Signature	Title
/s/ Robert W. Goldman Robert W. Goldman	Director
/s/ Robert E. McKee III Robert E. McKee III	Director
/s/ Roger B. Plank Roger B. Plank	Director
/s/ R. Rudolph Reinfrank R. Rudolph Reinfrank	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

ANACHORETA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert A. Wagner Robert A. Wagner	President and Director (*Principal Accounting Officer*)
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

CANADIAN RIG LEASING, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ John G. Williams John G. Williams	President and Director (*Principal Executive Officer*)
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

CHOCTAW INTERNATIONAL RIG CORP.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

CREEK INTERNATIONAL RIG CORP.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

DGH, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Bruce J. Korver Bruce J. Korver	President and Director (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

INDOCORP OF OKLAHOMA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Dennis A. Roper Dennis A. Roper	President (*Principal Executive Officer*)
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARDRIL, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Bruce J. Korver Bruce J. Korver	President and Director (*Principal Executive Officer*)
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER AVIATION, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Donald F. Rosenborough Donald F. Rosenborough	President and Director (*Principal Executive Officer*)
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLEX, LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)
* Robert L. Parker Jr.	Chairman, President and Chief Executive Officer and Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* James W. Whalen	Vice Chairman of the Board and Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* George J. Donnelly	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC

Signature	Title
* John W. Gibson, Jr.	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* Robert W. Goldman	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* Robert E. McKee III	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* Roger B. Plank	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC
* R. Rudolph Reinfrank	Director of Parker Drilling Company, the sole member of Universal Rig Services LLC, the sole member of Parker Drillex, LLC

* By: /s/ W. Kirk Brassfield
W. Kirk Brassfield, Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING (KAZAKSTAN), LLC

By: PD Dutch Holdings C.V., its sole member

By: Parker 5272, LLC, its general partner

By: PD International Holdings C.V., its sole member

By: Parker Rigsource, LLC, its managing general partner

By: Parker Drilling Pacific Rim, Inc., its sole member

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director of Parker Drilling Pacific Rim, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Pacific Rim, Inc.
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Pacific Rim, Inc. (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY EASTERN HEMISPHERE, LTD.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Gregory L. Helmen Gregory L. Helmen	President (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ Robert A. Wagner Robert A. Wagner	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY INTERNATIONAL, LLC

By: PD Dutch Holdings C.V., its sole member

By: Parker 5272, LLC, its general partner

By: PD International Holdings C.V., its sole member

By: Parker Rigsource, LLC, its managing general partner

By: Parker Drilling Pacific Rim, Inc., its sole member

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director of Parker Drilling Pacific Rim, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Pacific Rim, Inc.
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Pacific Rim, Inc. (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY
INTERNATIONAL LIMITED

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Michael D. Drennon Michael D. Drennon	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY LIMITED LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Bruce J. Korver Bruce J. Korver	President (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)
* Robert L. Parker Jr.	Chairman, President and Chief Executive Officer and Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* James W. Whalen	Vice Chairman of the Board and Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* George J. Donnelly	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* John W. Gibson, Jr.	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC

Signature	Title
* Robert W. Goldman	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* Robert E. McKee III	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* Roger B. Plank	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* R. Rudolph Reinfrank	Director of Parker Drilling Company, the sole member of Parker Drilling Company Limited LLC
* By: /s/ W. Kirk Brassfield W. Kirk Brassfield, Attorney-in-Fact	

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY
NORTH AMERICA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF ARGENTINA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF BOLIVIA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF MEXICO, LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President, Chief Executive Officer and Manager of Parker Drilling Offshore USA, LLC, its sole member, and Director of Parker Drilling Offshore Corporation, sole member of Parker Drilling Offshore USA, LLC (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, sole member of Parker Drilling Offshore USA, LLC
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Offshore Corporation, sole member of Parker Drilling Offshore USA, LLC (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF NEW GUINEA, LLC

By: PD Selective Holdings C.V., its sole member

By: Parker 3source, LLC, its general partner

By: PD Offshore Holdings C.V., its sole member

By: Parker Drillserv, LLC, its managing general partner

By: Parker Drilling Eurasia, Inc., its sole member

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director of Parker Drilling Eurasia, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Eurasia, Inc.
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Eurasia, Inc. (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF NIGER

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF OKLAHOMA, INCORPORATED

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF SINGAPORE, LLC

By: PD Selective Holdings C.V., its sole member

By: Parker 3source, LLC, its general partner

By: PD Offshore Holdings C.V., its sole member

By: Parker Drillserv, LLC, its managing general partner

By: Parker Drilling Eurasia, Inc., its sole member

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director of Parker Drilling Eurasia, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Eurasia, Inc.
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Eurasia, Inc. (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING COMPANY OF
SOUTH AMERICA, INC.

By:/s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Steven L. Carmichael Steven L. Carmichael	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING EURASIA, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING MANAGEMENT
SERVICES, INC.

By: /s/ Bruce J. Korver
Name: Bruce J. Korver
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ David W. Tucker David W. Tucker	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)
/s/ Todd Migliore Todd Migliore	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING OFFSHORE CORPORATION

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING OFFSHORE USA, L.L.C.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President, Chief Executive Officer and Manager of Parker Drilling Offshore Corporation and Director of Parker Drilling Offshore Corporation, its sole member (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President and Treasurer (*Principal Financial and Accounting Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, its sole member
/s/ David W. Tucker David W. Tucker	Director of Parker Drilling Offshore Corporation, its sole member

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLING PACIFIC RIM, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLSERV, LLC

By: /s/ Steven L. Carmichael
Name: Steven L. Carmichael
Title: Vice President and Secretary

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President (*Principal Executive Officer*)
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Eurasia, Inc., its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Eurasia, Inc., its sole member
/s/ David W. Tucker David W. Tucker	Director of Parker Drilling Eurasia, Inc., its sole member

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER DRILLTECH, LLC

By: /s/ Steven L. Carmichael
Name: Steven L. Carmichael
Title: Vice President and Secretary

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President (*Principal Executive Officer*)
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Eurasia, Inc., its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Eurasia, Inc., its sole member
/s/ David W. Tucker David W. Tucker	Director of Parker Drilling Eurasia, Inc., its sole member

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER INTEX, LLC

By: /s/ Steven P. Granger
Name: Steven P. Granger
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Christopher A. Gordy Christopher A. Gordy	President (*Principal Executive Officer*)
/s/ Steven P. Granger Steven P. Granger	Vice President and Treasurer (*Principal Financial and Accounting Officer*)
* Robert L. Parker Jr.	Chairman, President and Chief Executive Officer and Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* James W. Whalen	Vice Chairman of the Board and Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* George J. Donnelly	Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* John W. Gibson, Jr.	Director of Parker Drilling Company, the sole member of Parker Intex, LLC

Signature	Title
* Robert W. Goldman	Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* Robert E. McKee III	Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* Roger B. Plank	Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* R. Rudolph Reinfrank	Director of Parker Drilling Company, the sole member of Parker Intex, LLC
* By: /s/ W. Kirk Brassfield W. Kirk Brassfield, Attorney-in-Fact	

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER NORTH AMERICA OPERATIONS, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert A. Wagner Robert A. Wagner	President and Director (*Principal Executive Officer*)
/s/ Frank J. Husband Frank J. Husband	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER OFFSHORE RESOURCES, L.P.

By: Parker Drilling Management Services, Inc., its general partner

By: /s/ Bruce J. Korver
Name: Bruce J. Korver
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ David W. Tucker David W. Tucker	President and Director of Parker Drilling Management Services, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Vice President, Treasurer and Director of Parker Drilling Management Services, Inc. (*Principal Financial and Accounting Officer*)
/s/ Todd Migliore Todd Migliore	Director of Parker Drilling Management Services, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER RIGSOURCE, LLC

By: /s/ Steven L. Carmichael
Name: Steven L. Carmichael
Title: Vice President and Secretary

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Michael M. Woodman Michael M. Woodman	President and Director of Parker Drilling Pacific Rim, Inc., its sole member (*Principal Executive Officer*)
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Pacific Rim, Inc., its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Pacific Rim, Inc., its sole member
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Pacific Rim, Inc., its sole member (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER TECHNOLOGY, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Denis Graham Denis Graham	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER TECHNOLOGY, L.L.C.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Denis Graham Denis Graham	President and Manager *(Principal Executive Officer)*
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Offshore Corporation, its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, its sole member
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Offshore Corporation, its sole member *(Principal Financial and Accounting Officer)*

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER TOOLS, LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert A. Wagner Robert A. Wagner	President (*Principal Executive Officer*)
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Offshore Corporation, its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, its sole member
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Offshore Corporation, its sole member (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER USA DRILLING COMPANY

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President (*Principal Executive Officer*)
/s/ Frank J. Husband Frank J. Husband	Director
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER USA RESOURCES, LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert A. Wagner Robert A. Wagner	President (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President and Treasurer (*Principal Financial and Accounting Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Management Services, Inc., its sole member
/s/ Todd Migliore Todd Migliore	Director of Parker Drilling Management Services, Inc., its sole member
/s/ David W. Tucker David W. Tucker	Director of Parker Drilling Management Services, Inc., its sole member

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PARKER-VSE, INC.

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Robert A. Wagner Robert A. Wagner	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

PD MANAGEMENT RESOURCES, L.P.
By: Parker Drilling Management Services, Inc., its general partner

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ David W. Tucker David W. Tucker	President and Director of Parker Drilling Management Services, Inc. (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Vice President, Treasurer and Director of Parker Drilling Management Services, Inc. (*Principal Financial and Accounting Officer*)
/s/ Todd Migliore Todd Migliore	Director of Parker Drilling Management Services, Inc.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

QUAIL TOOLS, L.P.

By: Quail USA, LLC, its general partner

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ R. Allen Henley R. Allen Henley	President and Director of Parker Drilling Offshore Corporation, the sole member of Quail USA, LLC, its general partner (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, the sole member of Quail USA, LLC, its general partner
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director of Parker Drilling Offshore Corporation, the sole member of Quail USA, LLC, its general partner (*Principal Financial and Accounting Officer*)

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

QUAIL USA, LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ W. Kirk Brassfield W. Kirk Brassfield	President (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President and Treasurer of Quail USA, LLC and Director of Parker Drilling Offshore Corporation, its sole member (*Principal Financial and Accounting Officer*)
/s/ R. Allen Henley R. Allen Henley	Director of Parker Drilling Offshore Corporation, its sole member
/s/ Bruce J. Korver Bruce J. Korver	Director of Parker Drilling Offshore Corporation, its sole member

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

SELECTIVE DRILLING CORPORATION

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President and Director (*Principal Executive Officer*)
/s/ Bruce J. Korver Bruce J. Korver	Director
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on the 28th day of June, 2007.

UNIVERSAL RIG SERVICE LLC

By: /s/ David W. Tucker
Name: David W. Tucker
Title: Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that the individuals whose signatures appears below hereby constitute and appoint Robert L. Parker Jr. and W. Kirk Brassfield, and each of them, his or her true and lawful attorney-in-fact and agents, with full and several power of substitution and resubstitution, for him or her in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on June 28, 2007.

Signature	Title
/s/ Frank J. Husband Frank J. Husband	President (*Principal Executive Officer*)
/s/ David W. Tucker David W. Tucker	Vice President, Treasurer and Director (*Principal Financial and Accounting Officer*)
* Robert L. Parker Jr.	Chairman, President and Chief Executive Officer and Director of Universal Rig Service LLC
* James W. Whalen	Vice Chairman of the Board and Director of Parker Drilling Company, the sole member of Universal Rig Service LLC
* George J. Donnelly	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC
* John W. Gibson, Jr.	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC

Signature	Title
* Robert W. Goldman	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC
* Robert E. McKee III	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC
* Roger B. Plank	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC
* R. Rudolph Reinfrank	Director of Parker Drilling Company, the sole member of Universal Rig Service LLC

*By: /s/ W. Kirk Brassfield
W. Kirk Brassfield, Attorney-in-Fact

EXHIBIT INDEX

Exhibit No.	Description
1.1*	Form of Underwriting Agreement
4.1**	Form of Indenture for the Convertible Senior Notes due 2012 (including form of Note for the Convertible Senior Notes due 2012)
4.2	Rights Agreement, dated as of July 14, 1998, between Parker Drilling Company and Norwest Bank Minnesota, N.A., as Rights Agent (incorporated by reference to Exhibit I to the Company's Registration Statement on Form 8-A dated January 19, 1999)
4.3	Amendment No. 1 to the Rights Agreement dated as of September 22, 1998 (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-3 (Registration No. 333-36498) dated May 8, 2000)
4.4	Indenture dated as of October 10, 2003, between Parker Drilling Company, as issuer, certain Subsidiary Guarantors (as defined therein) and JPMorgan Chase Bank, as Trustee, respecting the 9.625% Senior Notes due 2013 (incorporated by reference to the Company's Registration Statement on Form S-4 (Registration No. 333-110374) dated November 10, 2003)
4.5	First Supplemental Indenture dated as of November 8, 2006, between Parker Drilling Company and the Subsidiary Guarantors and the Bank of New York Trust Company, N.A., as Trustee, respecting the 9.625% Senior Notes due 2013 (incorporated herein by reference to Exhibit 4.3 to the Company's Form 10-Q for the quarter ended September 30, 2006)
4.6	Indenture dated as of September 2, 2004, between Parker Drilling Company and JP Morgan Chase Bank, as trustee, respecting the $150.0 million Senior Floating Rate Notes due 2010 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, dated September 7, 2004)
4.7	First Supplemental Indenture dated as of November 8, 2006, between Parker Drilling Company and the Subsidiary Guarantors and the Bank of New York Trust Company, N.A., as Trustee, respecting the Floating Rate Notes due 2010 (incorporated by reference to Exhibit 4.4 to the Company's Form 10-Q for the quarter ended September 30, 2006)
4.8	Credit Agreement dated as of December 20, 2004 among Parker Drilling Company, certain banks parties thereto as lenders, Lehman Brothers, Inc., as the arranger, Bank of America N.A., as the syndication agent and Lehman Commercial Paper, Inc., as administrative agent, respecting the $40.0 million credit agreement that expires December 20, 2007 (incorporated by reference to Exhibit 99 to the Company's Form 8-K, dated December 27, 2004)
4.9	First Amendment to the Credit Agreement dated December 20, 2004 among Parker Drilling Company, as Borrower, the Several Lenders Parties thereto, Lehman Brothers, Inc., as Sole Advisor, Sole Lead Arranger and Sole Bookrunner, Bank of America, N.A., as Syndication Agent and Lehman Commercial Paper, Inc., as Administrative Agent dated March 1, 2006, (incorporated by reference to Exhibit 4(i) to the Company's Annual Report on Form 10-K for the year ended December 31, 2005)
4.10	Second Amendment to the Credit Agreement dated December 20, 2004 among Parker Drilling Company, as Borrower, the Several Lenders Parties thereto, Lehman Brothers, Inc., as Sole Advisor, Sole Lead Arranger and Sole Bookrunner, Bank of America, N.A., as Syndication Agent and Lehman Commercial Paper, Inc., as Administrative Agent dated February 9, 2007 (incorporated by reference to Exhibit 10(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006)
4.11	Form of stock certificate for the common stock of the Company (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3 (Registration No. 333-04779) dated June 11, 1996)
5.1**	Validity Opinion of Bracewell & Giuliani LLP
5.2**	Opinion of General Counsel of Parker Drilling Company
5.3**	Opinion of Opinion of Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
5.4**	Opinion of Kummer Kaempfer Bonner & Renshaw
12.1**	Statement regarding computation of ratios of earnings to fixed charges

Exhibit No.	Description
23.1**	Consent of PricewaterhouseCoopers LLP
23.2**	Consent of Bracewell & Giuliani LLP (included in their opinion filed as Exhibit 5.1)
24.1**	Powers of attorney (set forth on the signature pages hereto)
25.1**	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of The Bank of New York Trust Company, N.A., as Trustee under the Indenture for the Convertible Senior Notes due 2012

* To be filed as an exhibit to a Current Report on Form 8-K and incorporated herein by reference.

** Filed herewith.

Exhibit 4.1

PARKER DRILLING COMPANY

and

THE GUARANTORS FROM TIME TO TIME PARTY HERETO

[ ]% Convertible Senior Notes Due 2012

INDENTURE

Dated as of [ ], 2007

THE BANK OF NEW YORK TRUST COMPANY, N.A.

TRUSTEE

Exhibit 4.1

Cross-Reference Table [1]

Trust Indenture Act Section Indenture Section

Trust Indenture Act Section		Indenture Section
310	(a)(1)	7.10
	(a)(2)	7.10
	(a)(3)	N.A.
	(a)(4)	N.A.
	(a)(5)	N.A.
	(b)	7.08,7.10
	(c)	N.A.
311	(a)	7.11
	(b)	7.11
	(c)	N.A.
312	(a)	2.05
	(b)	11.03
	(c)	11.03
313	(a)	7.06
	(b)(1)	7.06
	(b)(2)	7.06
	(c)	7.06,11.02
	(d)	7.06
314	(a)	4.02
	(b)	N.A.
	(c)(1)	11.04
	(c)(2)	11.04
	(c)(3)	N.A.
	(d)	N.A.
	(e)	11.05
	(f)	4.04
315	(a)	7.01(b)
	(b)	7.05
	(c)	7.01(a)
	(d)	7.01(c)
	(e)	6.11
316	(a)(1)(A)	6.05
	(a)(1)(B)	6.04
	(a)(2)	N.A.
	(b)	6.07
	(c)	1.05(e)
317	(a)(1)	6.08
	(a)(2)	6.09
	(b)	2.04
318	(a)	11.01

N.A. means not applicable.

1 This Cross-Reference Table is not part of the Indenture.

TABLE OF CONTENTS

ARTICLE 1
Definitions and Incorporation by Reference

Section 1.01 Definitions 1
Section 1.02 Other Definitions 9
Section 1.03 Incorporation by Reference of Trust Indenture Act 10
Section 1.04 Rules of Construction 10
Section 1.05 Acts of Holders 11

ARTICLE 2
The Securities

Section 2.01 Form and Dating 12
Section 2.02 Execution and Authentication 12
Section 2.03 Registrar, Paying Agent, Bid Solicitation Agent and Conversion Agent 13
Section 2.04 Paying Agent to Hold Money and Securities in Trust 13
Section 2.05 Securityholder Lists 14
Section 2.06 Transfer and Exchange 14
Section 2.07 Replacement Securities 15
Section 2.08 Outstanding Securities; Determinations of Holders' Action 16
Section 2.09 Temporary Securities 16
Section 2.10 Cancellation 17
Section 2.11 Persons Deemed Owners 17
Section 2.12 CUSIP Numbers 17
Section 2.13 Payment 17

ARTICLE 3
Repurchases

Section 3.01 Optional Redemption upon a Specified Accounting Change; Make Whole Premium upon a Specified Accounting Change 18
Section 3.02 Repurchase of Securities at Option of the Holder upon a Fundamental Change 18
Section 3.03 Effect of Fundamental Change Repurchase Notice 21
Section 3.04 Deposit of Fundamental Change Repurchase Price 22
Section 3.05 Securities Purchased in Part 22
Section 3.06 Covenant to Comply with Securities Laws upon Purchase of Securities 22
Section 3.07 Repayment to the Company 23

ARTICLE 4
Covenants

Section 4.01 Payment of Securities 23
Section 4.02 SEC and Other Reports 23
Section 4.03 Compliance Certificate 23

Section 4.04 Further Instruments and Acts 24
Section 4.05 Maintenance of Office or Agency 24

ARTICLE 5
Successor Company

Section 5.01 When Company May Merge or Transfer Assets 24

ARTICLE 6
Defaults and Remedies

Section 6.01 Events of Default 25
Section 6.02 Acceleration 27
Section 6.03 Other Remedies 28
Section 6.04 Waiver of Past Defaults 28
Section 6.05 Control by Majority 28
Section 6.06 Limitation on Suits 28
Section 6.07 Rights of Holders to Receive Payment 29
Section 6.08 Collection Suit by Trustee 29
Section 6.09 Trustee May File Proofs of Claim 29
Section 6.10 Priorities 30
Section 6.11 Undertaking for Costs 30
Section 6.12 Waiver of Stay, Extension or Usury Laws 30

ARTICLE 7
Trustee

Section 7.01 Duties of Trustee 31
Section 7.02 Rights of Trustee 32
Section 7.03 Individual Rights of Trustee 33
Section 7.04 Trustee’s Disclaimer 33
Section 7.05 Notice of Defaults 34
Section 7.06 Reports by Trustee to Holders 34
Section 7.07 Compensation and Indemnity 34
Section 7.08 Replacement of Trustee 35
Section 7.09 Successor Trustee by Merger 36
Section 7.10 Eligibility; Disqualification 36
Section 7.11 Preferential Collection of Claims Against Company 36

ARTICLE 8
Discharge of Indenture

Section 8.01 Discharge of Liability on Securities 37
Section 8.02 Repayment to the Company 37
Section 8.03 Application of Trust Money 37

ARTICLE 9
Amendments

Section 9.01 Without Consent of Holders 37
Section 9.02 With Consent of Holders 38
Section 9.03 Compliance With Trust Indenture Act 39
Section 9.04 Revocation and Effect of Consents, Waivers and Actions 39
Section 9.05 Notice of Amendments, Notation on or Exchange of Securities 40
Section 9.06 Trustee to Sign Supplemental Indentures 40
Section 9.07 Effect of Supplemental Indentures 40

ARTICLE 10
Conversions

Section 10.01 Conversion Privilege 40
Section 10.02 Conversion Procedure; Applicable Conversion Rate; Fractional Shares 44
Section 10.03 Payment upon Conversion 46
Section 10.04 Adjustment of Applicable Conversion Rate 47
Section 10.05 Reserved 54
Section 10.06 Effect of Reclassification, Consolidation, Merger or Sale 54
Section 10.07 Taxes on Shares Issued 56
Section 10.08 Reservation of Shares, Shares to Be Fully Paid; Compliance with Governmental Requirements 56
Section 10.09 Responsibility of Trustee 57

ARTICLE 11
Subsidiary Guarantees

Section 11.01 Subsidiary Guarantee 57
Section 11.02 Subordination on Guarantor Liability 58
Section 11.03 Guarantors May Consolidate, etc., on Certain Terms 59
Section 11.04 Releases of Subsidiary Guarantee 59
Section 11.05 Additional Subsidiary Guarantees 60

ARTICLE 12
Miscellaneous

Section 12.01 Trust Indenture Act Controls 60
Section 12.02 Notices 60
Section 12.03 Communication by Holders with Other Holders 61
Section 12.04 Certificate and Opinion as to Conditions Precedent 61
Section 12.05 Statements Required in Certificate or Opinion 61
Section 12.06 Separability Clause 62
Section 12.07 Rules by Trustee, Paying Agent, Conversion Agent and Registrar 62
Section 12.08 Legal Holidays 62
Section 12.09 Governing Law 62
Section 12.10 No Recourse Against Others 62

Section 12.11 Successors 62
Section 12.12 Multiple Originals 62

EXHIBIT A Form of Global Security
EXHIBIT B Form of Certificated Security
EXHIBIT C Transfer Certificate
EXHIBIT D Notice of Occurrence of Fundamental Change

SCHEDULE I Number of Additional Shares

Exhibit 4.1

INDENTURE dated as of [ ], 2007 among PARKER DRILLING COMPANY, a Delaware corporation ("**Company**"), the subsidiary guarantors from time to time parties hereto (collectively, the "**Guarantors**") and THE BANK OF NEW YORK TRUST COMPANY, N.A., a national banking association ("**Trustee**").

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Company's [ ]% Convertible Senior Notes Due 2012:

ARTICLE 1
Definitions and Incorporation by Reference

Section 1.01 *Definitions.*

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Applicable Conversion Price**" means, at any given time, $1,000 divided by the Applicable Conversion Rate at such time.

"**Applicable Procedures**" means, with respect to any transfer or transaction involving a Global Security or beneficial interest therein, the rules and procedures of the Depositary for such Security, in each case to the extent applicable to such transaction and as in effect from time to time.

"**Bid Solicitation Agent**" means the agent of the Company appointed to obtain quotations for the Securities as set forth under the definition of Trading Price, which agent shall initially be the Trustee. The Company may, from time to time, change the Bid Solicitation Agent.

"**Board of Directors**" means either the board of directors of the Company or any duly authorized committee of such board.

"**Board Resolution**" means a resolution of the Board of Directors.

"**Business Day**" means, with respect to any Security, any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in the City of New York.

"**Capital Stock**" for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that corporation.

“**cash**” means U.S. legal tender.

“**Cash Settlement Averaging Period**” with respect to any Security means the 20 consecutive Trading Days beginning on the third Trading Day after the Conversion Date for such Security, except that (i) with respect to any Security with a Conversion Date occurring on or after June 1, 2012, the Cash Settlement Averaging Period means the 20 consecutive Trading Days beginning on, and including, the 22nd Scheduled Trading Day before Stated Maturity and (ii) with respect to any Security converted in connection with an optional redemption upon a Specified Accounting Change, the 20 consecutive Trading Days beginning on the Trading Day following the Redemption Date.

“**Certificated Securities**” means Securities that are in the form of the Securities attached hereto as Exhibit B.

“**close of business**” means 5:00 p.m. (New York City time).

“**Closing Sale Price**” of the Common Stock on any date means the closing sale price per share (or, if no closing sale price is reported, the average of the bid and asked prices or, if more than one in either case, the average of the average bid and the average asked prices) on such date as reported by the New York Stock Exchange or, if the Common Stock is not reported by the New York Stock Exchange, in composite transactions for the principal U.S. national or regional securities exchange on which the Common Stock is traded. If the Common Stock is not listed for trading on a U.S. national or regional securities exchange, the closing sale price will be the last quoted bid price for the Common Stock in the over-the-counter market on the relevant date as reported by the National Quotation Bureau Incorporated or similar organization. If the Common Stock is not so quoted, the closing sale price will be the average of the mid-point of the last bid and asked prices for the Common Stock on the relevant date from each of at least three independent nationally recognized investment banking firms selected by the Company for this purpose.

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time.

“**Common Stock**” means the common stock, par value $0.16 2/3 per share, of the Company existing on the date of this Indenture or any other shares of Capital Stock of the Company into which such Common Stock shall be reclassified or changed, including, subject to Section 1.06 below, in the event of a merger, consolidation or other similar transaction involving the Company that is otherwise permitted hereunder in which the Company is not the surviving Person, the common stock of such surviving corporation.

“**Company**” means the party named as the “**Company**” in the preamble of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

“**Company Notice**” means a notice to Holders delivered pursuant to Section 3.02.

“**Company Request**” or “**Company Order**” means a written request or order signed in the name of the Company by any Officer.

"**Continuing Director**" means a director who either was a member of the Board of Directors on the date of original issuance of the Securities or who becomes a member of the Board of Directors subsequent to that date and whose appointment, election or nomination for election by the Company's stockholders is duly approved by a majority of the Continuing Directors on the Board of Directors at the time of such approval, either by specific vote or by approval of the proxy statement issued by the Company on behalf of the Board of Directors in which such individual is named as nominee for director, it being understood that any director appointed or nominated to fill a vacancy on the Board of Directors (without regard to the cause of such vacancy) by any Continuing Director shall be deemed a Continuing Director until the next annual meeting of the Company's stockholders at which directors are elected.

"**Conversion Settlement Date**" means (A) in the event the Company has not validly made a Physical Settlement Election, with respect to the Settlement Amount owing by the Company as set forth in Section 10.03(a), the third Business Day immediately following the date that the Settlement Amount is determined and (B) with respect to Settlement Shares owing by the Company in the event the Company has validly made a Physical Settlement Election as set forth in Section 10.03(b), the third Business Day immediately following the Conversion Date for such Securities, except that (i) in respect of Securities with a Conversion Date on or after June 1, 2012, the Conversion Settlement Date shall be on Stated Maturity and (ii) in respect of Securities as to which Additional Shares will be added to the Applicable Conversion Rate pursuant to Section 10.01(c) with a Conversion Date prior to June 1, 2012, the Conversion Settlement Date for the Settlement Shares (other than the Additional Shares) shall be the third Business Day following the Conversion Date, and the Conversion Settlement Date for the Additional Shares shall be the later of (x) the third Business Day following the Conversion Date and (y) the relevant effective date described in Section 10.01(c) on which the number of Additional Shares is determined.

"**Corporate Trust Office**" means the designated office of the Trustee at which at any time its corporate trust business shall be principally administered, which office at the date hereof is located at 601 Travis, 18th Floor, Houston, Texas 77022, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor Trustee (or such other address as a successor Trustee may designate from time to time by notice to the Holders and the Company).

"**Daily Conversion Value**" on each of the 20 consecutive Trading Days during the Cash Settlement Averaging Period, one-twentieth (1/20) of the product of (1) the Applicable Conversion Rate on such Trading Day and (2) the Daily VWAP on such day.

"**Daily VWAP**" means, for each of the 20 consecutive Trading Days during the Cash Settlement Averaging Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "PKD.N <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from scheduled open of trading until the scheduled close of trading of the primary trading session on that Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of the Common Stock on that Trading Day determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained for this purpose by the

Company). The Daily VWAP will be determined without regard to after hours trading or any other trading outside of the regular trading session trading hours.

"**Default**" means any event that is, or after notice or passage of time, would be, an Event of Default.

"**Depositary**" means, with respect to the Securities issuable or issued in whole or in part in global form, DTC and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"**DTC**" means The Depository Trust Company.

"**Ex-Dividend Date**" means the first date upon which a sale of the Common Stock, regular way on the relevant exchange or in the relevant market for the Common Stock, does not automatically transfer the right to receive the relevant distribution from the seller of the Common Stock to its buyer.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Fair Market Value**" or "**fair market value**" means the amount which a willing buyer would pay a willing seller in an arm's-length transaction.

"**Fundamental Change**" means the occurrence at such time after the original issuance of the Securities when any of the following has occurred:

(1) a "Person" or "group" within the meaning of Section 13(d)(3) of the Exchange Act files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such Person or group has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of shares of Common Stock representing more than 50% of the Voting Stock; or

(2) the first day on which a majority of the members of the Board of Directors does not consist of Continuing Directors; or

(3) a consolidation, merger or binding share exchange, or any conveyance, transfer, sale, lease or other disposition of all or substantially all of the Company's properties and assets to another Person, or a recapitalization, reclassification or other transaction pursuant to which all or substantially all of the Common Stock is exchanged for or converted into cash, securities or other property, in each case other than:

> (a) any transaction (i) that does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of the Company's Capital Stock or (ii) pursuant to which holders of the Company's Capital Stock immediately prior to such transaction have the entitlement to exercise, directly or indirectly, 50% or more of the total Voting Stock of the continuing or surviving or successor Person immediately after giving effect to such issuance; or

(b) any merger, share exchange, transfer of assets or similar transaction solely for the purpose of changing the Company's jurisdiction of incorporation and resulting in a reclassification, conversion or exchange of outstanding shares of Common Stock, if at all, solely into shares of common stock, or ordinary shares or common equity interests of the surviving entity or a direct or indirect parent of the surviving corporation; or

(c) any consolidation, merger, conveyance, transfer, sale, lease or other disposition with or into or among any Subsidiary, so long as such merger, consolidation, conveyance, transfer, sale, lease or other disposition is not part of a plan or a series of transactions designed to or having the effect of merging or consolidating with any other Person(other than one or more of Subsidiary); or

(4) a Termination of Trading.

The term "Person" as used in this definition includes any syndicate or group that would be deemed to be a "Person" under Section 13(d)(3) of the Exchange Act.

"**Global Securities**" means Securities that are in the form of the Securities attached hereto as Exhibit A, and that are registered in the register of Securities in the name of a Depositary or a nominee thereof.

"**Guarantors**" means each of the Subsidiaries of the Company that guarantees the Company's 9.625% senior notes due 2013.

"**Holder**" or "**Securityholder**" means a Person in whose name a Security is registered on the Registrar's books.

"**Indenture**" means this Indenture, as amended or supplemented from time to time in accordance with the terms hereof, including the provisions of the TIA that are deemed to be a part hereof.

"**Interest**" means interest payable on each Security pursuant to Section 1 of the Securities.

"**Interest Payment Date**" means January 15 and July 15 of each year, commencing January 15, 2008.

"**Interest Record Date**" means January 1 and July 1 of each year.

"**Issue Date**" of any Security means the date on which the Security was originally issued or deemed issued as set forth on the face of the Security.

"**Market Disruption Event**" means, for the purposes of determining the Settlement Amount, (i) a failure by New York Stock Exchange or, if the Common Stock is not then listed on New York Stock Exchange, by the principal other U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, by the principal other market on which the Common Stock is then traded, to open for trading during its regular trading session, or (ii) the occurrence

or existence before 1:00 p.m., New York City time, on any Trading Day for the Common Stock for an aggregate one half hour period of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Common Stock or in any options, contracts or future contracts relating to the Common Stock.

"**Officer**" means the Chairman of the Board, the President, any Senior Vice President, Executive Vice President or Vice President, the Chief Financial Officer, the Treasurer or the Secretary of the Company.

"**Officer's Certificate**" means a written certificate containing the information specified in Sections 11.04 and 11.05, signed in the name of the Company by any Officer (solely in his or her capacity as such), and delivered to the Trustee. An Officer's Certificate given pursuant to Section 4.03 shall be signed by the principal executive officer, principal financial officer or principal accounting officer of the Company but need not contain the information specified in Sections 11.04 and 11.05.

"**opening of business**" means 9:00 a.m. (New York City time).

"**Opinion of Counsel**" means a written opinion containing the information specified in Sections 11.04 and 11.05, from legal counsel. The counsel may be an employee of, or counsel to, the Company who is reasonably acceptable to the Trustee.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**Physical Settlement Election**" means the irrevocable election by the Company prior to April 15, 2012, to satisfy its Conversion Obligation in respect of conversions of Securities with a Conversion Date after the Physical Settlement Election Date solely in shares of Common Stock (plus cash in lieu of fractional shares) in accordance with Section 10.03(b) hereof.

"**Physical Settlement Election Date**" means the date on which a Physical Settlement Election Notice is delivered to the Trustee and Holders.

"**Physical Settlement Election Notice**" means a written notice of a Physical Settlement Election provided by the Company to the Trustee and each Holder of Securities.

"**Prospectus**" means the prospectus of the Company dated [ ], 2007 relating to the offering of the Securities.

"**Public Acquirer Change in Control**" means a Fundamental Change in which the acquirer has a class of common stock traded on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market or the Nasdaq Global Market or which will be so traded or quoted when issued or exchanged in connection with such Fundamental Change ("**Public Acquirer Common Stock**"). If an acquirer does not itself have a class of common stock satisfying the foregoing requirement, it will be deemed to have Public Acquirer Common Stock if a company that directly or indirectly owns at least a majority of the acquirer has a class of common stock satisfying the foregoing requirement, in such case, all references to Public

Acquirer Common Stock shall refer to such class of common stock. Majority owned for these purposes means having "beneficial ownership" (as determined in accordance with Rule 13d-3 under the Exchange Act) of more than 50% of the total voting power of all shares of the respective entity's capital stock that are entitled to vote generally in the election of directors.

"**Public Acquirer Common Stock**" has the meaning specified in the definition of Public Acquirer Change in Control.

"**Record Date**" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the Common Stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

"**Responsible Officer**" means, when used with respect to the Trustee, any officer of the Trustee within the Corporate Trust Office of the Trustee who has direct responsibility for the administration of this Indenture and, for the purposes of Section 7.01(c)(2) and 7.05 shall also mean any other officer of the Trustee to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject matter.

"**Scheduled Trading Day**" means a day that is scheduled to be a Trading Day on the primary U.S. national or regional securities exchange or market on which the Common Stock is listed or admitted to trading.

"**SEC**" means the Securities and Exchange Commission.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"**Security**" means any of the Company's [ ]% Convertible Senior Notes Due 2012, as amended or supplemented from time to time, issued under this Indenture.

"**Securityholder**" or "**Holder**" means a Person in whose name a Security is registered on the Registrar's books.

"**Significant Subsidiary**" means any Subsidiary of the Company that is a significant subsidiary at any determination date pursuant to Regulation S-X, Rule 1-02(w).

"**Specified Accounting Change**" means any changes in generally accepted accounting principles applicable to any net share settled Securities that require the Company to separately account for the liability and equity components of the Securities, cause the Securities to be re-measured at fair value with changes reported in earnings as they occur, cause Securities to be treated under the if-converted method for earnings per share or otherwise cause an adverse accounting impact on the Company's results of operations solely as a result of having issued the Securities; provided that the Company's Board of Directors determines, in its sole discretion, that such impact is material.

“**Stated Maturity**”, when used with respect to any Security, means July 15, 2012.

“**Stock Price**” means the price per share of Common Stock paid in connection with a Fundamental Change transaction pursuant to which Additional Shares will be added to the Applicable Conversion Rate as set forth in Section 10.01(c) hereof, which shall be equal to (i) if Holders of Common Stock receive only cash in such Fundamental Change transaction, the cash amount paid per share of Common Stock and (ii) in all other cases, the average of the Closing Sale Prices of the Common Stock on the five Trading Days immediately before, but not including, the effective date of such Fundamental Change transaction.

“**Subsidiary**” means any Person of which at least a majority of the outstanding Voting Stock shall at the time directly or indirectly be owned or controlled by the Company or by one or more Subsidiaries or by the Company and one or more Subsidiaries.

“**Subsidiary Guarantee**” means any guarantee by a Guarantor of the Company’s payment obligations under this Indenture and on the Securities, executed pursuant to the provisions of this Indenture.

“**Termination of Trading**” means the occurrence, at any time, of the Common Stock of the Company (or other common stock into which the Securities are then convertible) not being listed for trading on a U.S. national or regional securities exchange.

“**TIA**” means the Trust Indenture Act of 1939 as in effect on the date of this Indenture, *provided*, *however*, that in the event the TIA is amended after such date, TIA means, to the extent required by any such amendment, the TIA as so amended.

“**Trading Day**” means a day on which (i) trading in securities generally occurs on the New York Stock Exchange or, if the Common Stock is not then listed on the New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, in the principal other market on which the Common Stock is then traded and (ii) a Closing Sale Price for the Common Stock is available on such securities exchange or market; *provided* that for the purposes of determining the amount of payment upon conversion only, “Trading Day” means a day on which (i) there is no Market Disruption Event and (ii) trading generally in the Common Stock occurs on the New York Stock Exchange or, if the Common Stock is not then listed on the New York Stock Exchange, on the principal other U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, in the principal other market on which the Common Stock is then traded. If the Common Stock (or other security for which a Closing Sale Price or Daily VWAP, as applicable, must be determined) is not so traded, “Trading Day” means a Business Day.

“**Trading Price**” of the Securities on any date of determination means the average of the secondary market bid quotations obtained by the Bid Solicitation Agent for $5 million aggregate principal amount of the notes at approximately 3:30 p.m., New York City time, on the determination date from three independent nationally recognized securities dealers the Company selects, *provided* that if three such bids cannot reasonably be obtained by the Bid Solicitation

Agent, but two such bids are obtained, then the average of the two bids will be used; and only one such bid can reasonably be obtained by the Bid Solicitation Agent, that one bid will be used; *provided further*, that if no bids can reasonably be obtained with respect to any date, then for purposes of determining whether the trading price condition has been met, the trading price per $1,000 principal amount of the Securities will be deemed to be less than 98% of the product of the Closing Sale Price of the Common Stock and the applicable conversion rate of the Securities on that day.

"**Trustee**" means the party named as the "Trustee" in the preamble of this Indenture unless and until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

"**Underwriting Agreement**" means the Underwriting Agreement, dated as of June [ ], 2007, between the Company and Banc of America Securities LLC, as representative of the several underwriters, relating to the Securities."

Voting Stock" of a Person means Capital Stock of such Person of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such Person (irrespective of whether or not at the time Capital Stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

Section 1.02 *Other Definitions.*

Terms:	**Defined in Section:**
"Act"	1.05(a)
"Additional Interest"	6.01(k)
"Additional Shares"	10.01(c)
"Applicable Conversion Rate"	10.02(a)
"Average Price"	3.01(e)
"Bankruptcy Law"	6.01(h)
"Conversion Agent"	2.03
"Conversion Date"	10.02(d)
"Conversion Notice"	10.02(c)
"Conversion Obligation"	10.03(a)
"Daily Excess Amount"	10.03(a)(i)(B)
"Daily Settlement Amount"	10.03(a)(i)
"Depositary"	1.01
"effective date"	10.01(c)
"Event of Default"	6.01
"Exchange Property"	10.06(a)
"Fiscal Quarter"	10.01(a)(1)
"Fundamental Change Repurchase Date"	3.02(a)
"Fundamental Change Repurchase Notice"	3.02(c)
"Fundamental Change Repurchase Price"	3.02(a)
"Indemnitees"	7.07(c)

Terms:	Defined in Section:
“legal holiday”	12.08
“Legend”	2.06(g)
“Losses”	7.07(c)
“Measurement Period”	10.01(a)(2)
“Notice of Default”	6.01
“Paying Agent”	2.03
“Redemption Date”	3.01(a)
“Registrar”	2.03
“Settlement Amount”	10.03(a)
“Settlement Shares”	10.03(b)
“Spin Off”	10.04(c)
“successor company”	5.01(a)
“Trigger Event”	10.04(c)

Section 1.03 *Incorporation by Reference of Trust Indenture Act.* Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

“**Commission**” means the SEC.

“**indenture securities**” means the Securities.

“**indenture security holder**” means a Securityholder.

“**indenture to be qualified**” means this Indenture.

“**indenture trustee**” or “**institutional trustee**” means the Trustee.

“**obligor**” on the indenture securities means the Company.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rules have the meanings assigned to them by such definitions.

Section 1.04 *Rules of Construction*. Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles as in effect from time to time;

(3) “or” is not exclusive;

(4) “including” means including, without limitation;

(5) words in the singular include the plural, and words in the plural include the singular; and

(6) references to Sections and Articles are to references to Sections and Articles of this Indenture.

Section 1.05 *Acts of Holders*. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in Person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company, as described in Section 12.02. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "**Act**" of Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to such officer the execution thereof. Where such execution is by a signer acting in a capacity other than such signer's individual capacity, such certificate or affidavit shall also constitute sufficient proof of such signer's authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The principal amount and serial number of any Security and the ownership of Securities shall be proved by the register for the Securities.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

(e) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by or pursuant to a Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of

the requisite proportion of outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the outstanding Securities shall be computed as of such record date; *provided* that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than six months after the record date.

ARTICLE 2
The Securities

Section 2.01 *Form and Dating*. (a) The Securities and the Trustee's certificate of authentication shall be substantially in the form of Exhibits A and B, which are a part of this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage (provided that any such notation, legend or endorsement required by usage is in a form acceptable to the Company). The Company shall provide any such notations, legends or endorsements to the Trustee in writing. Each Security shall be dated the date of its authentication. The Securities may, but need not, have the corporate seal of the Company or a facsimile thereof affixed thereto or imprinted thereon.

(b) Global Securities in General. Each Global Security shall represent such of the outstanding Securities as shall be specified therein and each shall provide that it shall represent the aggregate amount of outstanding Securities from time to time endorsed in the Schedule of Increases and Decreases of Global Security attached thereto and that the aggregate amount of outstanding Securities represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, repurchases and conversions.

Any adjustment of the aggregate principal amount of a Global Security to reflect the amount of any increase or decrease in the amount of outstanding Securities represented thereby shall be made by the Trustee in accordance with instructions given by the Holder thereof as required by Section 2.12 hereof, and shall be made on the records of the Trustee and the Depositary.

(c) Book-Entry Provisions. This Section 2.01(c) shall apply only to Global Securities deposited with or on behalf of the Depositary.

The Company shall execute and the Trustee shall, in accordance with this Section 2.01(d), authenticate and deliver initially one or more Global Securities that (a) shall be registered in the name of the Depositary or a nominee thereof, (b) shall be delivered by the Trustee to the Depositary or held by the Trustee pursuant to the Depositary's instructions and (c) shall be substantially in the form of Exhibit A attached hereto.

(d) Certificated Securities. Securities not issued as interests in the Global Securities shall be registered in the name of the Holder and issued in certificated form substantially in the form of Exhibit B attached hereto.

Section 2.02 *Execution and Authentication*. The Securities shall be executed on behalf of the Company by one Officer. The signature of such Officer on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signature of an individual who was, at the time of the execution of the Securities, an Officer shall bind the Company, notwithstanding that such individual has ceased to hold such office prior to the authentication and delivery of such Securities or did not hold such office at the date of authentication of such Securities.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein duly executed by the Trustee by manual signature of an authorized signatory, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

The Trustee shall authenticate and deliver the Securities for original issue in an aggregate principal amount of up to $115,000,000 (plus up to an additional $10,000,000 upon exercise of the underwriters' over-allotment option to purchase additional Securities pursuant to the Underwriting Agreement) upon one or more Company Orders without any further action by the Company. The aggregate principal amount of the Securities due at the Stated Maturity thereof outstanding at any time may not exceed the amount set forth in the foregoing sentence.

The Securities shall be issued only in registered form without coupons and only in denominations of $1,000 of principal amount and any integral multiple of $1,000.

Section 2.03 *Registrar, Paying Agent, Bid Solicitation Agent and Conversion Agent.* The Company shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange ("**Registrar**"), an office or agency where Securities may be presented for purchase or payment ("**Paying Agent**") and an office or agency where Securities may be presented for conversion ("**Conversion Agent**"). The Registrar shall keep a register of the Securities and of their transfer and exchange. The Company may have one or more co-registrars, one or more additional paying agents, one or more additional Bid Solicitation Agents and one or more additional conversion agents. The term Paying Agent includes any additional paying agent, including any named pursuant to Section 4.05. The term Conversion Agent includes any additional conversion agent, including any named pursuant to Section 4.05.

The Company shall enter into an appropriate agency agreement with any Registrar, Paying Agent, Conversion Agent, Bid Solicitation Agent or co-registrar (in each case, if such Registrar, agent or co-registrar is a Person other than the Trustee). The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall promptly notify the Trustee of the name and address of any such agent. If the Company fails to maintain a Registrar, Paying Agent, Conversion Agent or Bid Solicitation Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent, Registrar, Conversion Agent or co-registrar.

The Company initially appoints the Trustee as Registrar, Conversion Agent, Bid Solicitation Agent and Paying Agent in connection with the Securities.

Section 2.04 *Paying Agent to Hold Money and Securities in Trust.* Except as otherwise provided herein, on or prior to each due date of payments in respect of any Security, the

Company shall deposit with the Paying Agent a sum of money (in immediately available funds if deposited on the due date) or shares of Common Stock sufficient to make such payments when so becoming due. The Company shall require each Paying Agent (other than the Trustee) to agree in writing that the Paying Agent shall hold in trust for the benefit of Securityholders or the Trustee all money and shares of Common Stock held by the Paying Agent for the making of payments in respect of the Securities and shall promptly notify the Trustee of any Default by the Company in making any such payment. At any time during the continuance of any such Default, the Paying Agent shall, upon the written request of the Trustee, forthwith pay to the Trustee all money and shares of Common Stock so held in trust. If the Company, a Subsidiary or an Affiliate of either of them acts as Paying Agent, it shall segregate the money and shares of Common Stock held by it as Paying Agent and hold it as a separate trust fund. The Company at any time may require a Paying Agent to pay all money and shares of Common Stock held by it to the Trustee and to account for any funds and Common Stock disbursed by it. Upon doing so, the Paying Agent shall have no further liability for the money or shares of Common Stock.

Section 2.05 *Securityholder Lists*. The Trustee shall preserve the most recent list available to it of the names and addresses of Securityholders. If the Trustee is not the Registrar, the Company shall cause to be furnished to the Trustee at least semiannually on January 1 and July 1 a listing of Securityholders dated within 15 days of the date on which the list is furnished and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders.

Section 2.06 *Transfer and Exchange.* (a) Upon surrender for registration of transfer of any Security, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Securityholder or such Securityholder's attorney duly authorized in writing, at the office or agency of the Company designated as Registrar or co-registrar pursuant to Section 2.03, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of any authorized denomination or denominations, of a like aggregate principal amount. The Company shall not charge a service charge for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer or exchange of the Securities from the Securityholder requesting such transfer or exchange.

At the option of the Holder, Securities may be exchanged for other Securities of any authorized denomination or denominations, of a like aggregate principal amount upon surrender of the Securities to be exchanged, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Securityholder or such Securityholder's attorney duly authorized in writing, at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

The Company shall not be required to make, and the Registrar need not register, transfers or exchanges of Securities in respect of which a Fundamental Change Repurchase Notice has been given and not withdrawn by the Holder thereof in accordance with the terms of this Indenture (except, in the case of Securities to be purchased in part, the portion thereof not to be purchased).

(b) Successive registrations and registrations of transfers and exchanges as aforesaid may be made from time to time as desired, and each such registration shall be noted on the register for the Securities.

(c) Except as otherwise set forth in this Indenture, any such action taken by a Holder shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Security and of any Securities issued in exchange or substitution therefor, irrespective of whether any notation in regard thereto is made upon such Security or any Security issued in exchange or substitution therefor.

(d) Any Registrar appointed pursuant to Section 2.03 hereof shall provide to the Trustee such information as the Trustee may reasonably require in connection with the delivery by such Registrar of Securities upon transfer or exchange of Securities.

(e) No Registrar shall be required to make registrations of transfer or exchange of Securities during any periods designated in the text of the Securities or in this Indenture as periods during which such registration of transfers and exchanges need not be made.

Section 2.07 *Replacement Securities*. If (a) any mutilated Security is surrendered to the Trustee, or (b) the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security, and there is delivered to the Company and the Trustee such security and/or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and upon its written request the Trustee shall authenticate and deliver, in exchange for any such mutilated Security or in lieu of any such destroyed, lost or stolen Security, a new Security of like tenor and principal amount, bearing a certificate number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, or is about to be purchased by the Company pursuant to Article 3 hereof, the Company in its discretion may, instead of issuing a new Security, pay or purchase such Security, as the case may be.

Upon the issuance of any new Securities under this Section 2.07, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security issued pursuant to this Section 2.07 in lieu of any mutilated, destroyed, lost or stolen Security shall constitute an additional obligation of the Company and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Securities duly issued hereunder.

The provisions of this Section 2.07 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 2.08 *Outstanding Securities; Determinations of Holders' Action.* Securities outstanding at any time are all the Securities authenticated by the Trustee except for those cancelled by it, those purchased pursuant to Section 2.07, those delivered to it for cancellation and those described in this Section 2.08 as not outstanding. A Security does not cease to be outstanding because the Company or an Affiliate thereof holds the Security; *provided*, *however*, that in determining whether the Holders of the requisite principal amount of Securities have given or concurred in any request, demand, authorization, direction, notice, consent, waiver, or other Act hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other act, only Securities which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Subject to the foregoing, only Securities outstanding at the time of such determination shall be considered in any such determination (including, without limitation, determinations pursuant to Article 6 and Article 9).

If a Security is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Security is held by a bona fide purchaser.

If the Paying Agent holds, in accordance with this Indenture, on the Business Day immediately following a Fundamental Change Repurchase Date, or on Stated Maturity, money or securities, if permitted hereunder, sufficient to pay Securities payable on that date, then from and after such Fundamental Change Repurchase Date or Stated Maturity, as the case may be, such Securities shall cease to be outstanding and Interest on such Securities shall cease to accrue.

If a Security is converted in accordance with Article 10, then from and after the date of conversion, such Security shall cease to be outstanding, and Interest shall cease to accrue and the rights of the Holders therein shall terminate (other than the right to receive the Settlement Amount).

Section 2.09 *Temporary Securities.* Pending the preparation of Certificated Securities, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the Certificated Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the Officers executing such Securities may determine, as conclusively evidenced by their execution of such Securities.

If temporary Securities are issued, the Company shall cause Certificated Securities to be prepared without unreasonable delay. After the preparation of Certificated Securities, the temporary Securities shall be exchangeable for Certificated Securities upon surrender of the temporary Securities at the office or agency of the Company designated for such purpose pursuant to Section 2.03, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of Certificated Securities of authorized

denominations. Until so exchanged the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as Certificated Securities.

Section 2.10 *Cancellation*. All Securities surrendered for payment, purchase by the Company pursuant to Article 3, conversion or registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly cancelled by the Trustee. The Company may not issue new Securities to replace Securities it has paid or delivered to the Trustee for cancellation other than in connection with registrations of transfer or exchange or that any Holder has converted pursuant to Article 10. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of by the Trustee in accordance with the Trustee's customary procedure.

Section 2.11 *Persons Deemed Owners*. Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of the principal amount of the Security or any portion thereof, or the payment of any Fundamental Change Repurchase Price in respect thereof, and Interest, for the purpose of conversion and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

Section 2.12 *CUSIP Numbers*. The Company may issue the Securities with one or more "CUSIP," "ISIN" or other similar numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP," "ISIN" or other similar numbers in notices as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a purchase and that reliance may be placed only on the other identification numbers printed on the Securities. The Company shall promptly notify the Trustee of any change in the CUSIP, ISIN or other similar numbers.

Section 2.13 *Payment*. If any Interest Payment Date, Stated Maturity, Fundamental Change Repurchase Date, Conversion Settlement Date or other date when payment is required to be made under this Indenture falls on a day that is not a Business Day, then the required payment will be made on the next succeeding Business Day with the same force and effect as if made on the date that the payment was due, and no additional Interest will accrue on that payment for the period from and after the Interest Payment Date, Stated Maturity, Fundamental Change Repurchase Date, Conversion Settlement Date or other payment date, as the case may be, to that next succeeding Business Day.

ARTICLE 3

Repurchases

Section 3.01 *Optional Redemption upon a Specified Accounting Change; Make Whole Premium upon a Specified Accounting Change*. (a) The Company may redeem the Securities in whole for cash from the date a Specified Accounting Change has become effective until 90 days after the date such change became effective. The Company will give notice of redemption not less than 30 nor more than 60 days before the specified for redemption (the "**Redemption Date**") by mail to the Trustee and each Securityholder. For purposes of this paragraph, the effective date of the Specified Accounting Change shall mean the date the standards with respect to such Specified Accounting Change under generally accepted accounting principles have been issued.

(b) The redemption price for any such redemption will be equal to 102% of the principal amount of the Securities plus accrued and unpaid interest to, but not including, the Redemption Date.

(c) The Securities shall not otherwise be redeemable at the option of the Company prior to their Stated Maturity.

(d) If the Company chooses to redeem the Securities upon a Specified Accounting Change, as described in this Section 3.01, Holders may surrender their Securities for conversion at any time beginning on the date of the notice of redemption until the Trading Day immediately prior to the Redemption Date.

(e) If a Holder chooses to convert pursuant to Section 3.01(d), the Company will pay, to the extent described below, a make whole premium in the form of an increase in Applicable Conversion Rate, if the Holder converts its Securities between the date the Company gives notice of the redemption and the day prior to the Redemption Date. Any make whole premium will have the effect of increasing the amount of cash or shares otherwise due to Holders of Securities upon conversion. The increase in the Applicable Conversion Rate will be equal to the sum of (A) the number of shares indicated in the table attached as Schedule I hereto where the applicable "effective date" is the proposed Redemption Date and the applicable "stock price" is the average of the closing prices of the Common Stock for each of the ten Trading Days ending the third Trading Day prior to the Redemption Date (the "**Average Price**") and (B) an additional number of shares of common stock equal to $20 per $1,000 principal of Securities divided by the Average Price. To the extent the Average Price is not one of the stock prices and/or the proposed Redemption Date is not one of the effective dates set forth on the in the table attached as Schedule I hereto, relevant adjustments shall be made in the same manner as described in Section 10.01(c).

Section 3.02 *Repurchase of Securities at Option of the Holder upon a Fundamental Change*. (a) If a Fundamental Change occurs, each Holder will have the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Securities, or any portion thereof that is equal to or an integral multiple of $1,000 principal amount, at a repurchase price equal to 100% of the principal amount of the Securities repurchased, plus accrued and unpaid Interest on those Securities (the "**Fundamental Change Repurchase Price**") to, but not including, the date that is 30 calendar days following the date of the notice of a Fundamental

Change mailed by the Company pursuant to Section 3.02(b) (the "**Fundamental Change Repurchase Date**"), subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 3.02(c). If the Fundamental Change Repurchase Date is on a date that is after an Interest Record Date and on or prior to the corresponding Interest Payment Date, the Company will pay such interest to the Person to whom principal is payable.

(b) No later than 15 calendar days after the occurrence of a Fundamental Change, the Company will mail a Company Notice of the Fundamental Change (substantially in the form of Exhibit D) by mail to the Trustee and to each Holder (and to beneficial owners if required by applicable law). In addition to providing such notice, the Company will issue a press release. The Company Notice shall include a form of Fundamental Change Repurchase Notice to be completed by the Holder and shall state:

(i) briefly, the events causing a Fundamental Change and the date of such Fundamental Change;

(ii) whether such Fundamental Change will also constitute a Public Acquirer Change in Control and the conversion rights available to the Holders in connection with such Public Acquirer Change in Control, including the period of conversion and any adjustments to the applicable Conversion Rate;

(iii) the date by which the Fundamental Change Repurchase Notice pursuant to this Section 3.02 must be delivered to the Paying Agent in order for a Holder to exercise the repurchase rights;

(iv) the Fundamental Change Repurchase Date;

(v) the Fundamental Change Repurchase Price;

(vi) the name and address of the Paying Agent and the Conversion Agent;

(vii) the Applicable Conversion Rate;

(viii) that the Securities as to which a Fundamental Change Repurchase Notice has been given may be converted if they are otherwise convertible pursuant to Article 10 hereof only if the Fundamental Change Repurchase Notice has been withdrawn in accordance with the terms of this Indenture;

(ix) that the Securities must be surrendered to the Paying Agent (by effecting book entry transfer of the Securities or delivering Certificated Securities, together with necessary endorsements, as the case may be) to collect payment;

(x) that the Fundamental Change Repurchase Price for any Security as to which a Fundamental Change Repurchase Notice has been duly given and not withdrawn shall be paid promptly following the later of the Business Day immediately following the Fundamental Change Repurchase Date and the time of surrender of such Security as described in clause (ix);

(xi) briefly, the procedures the Holder must follow to exercise rights under this Section 3.02;

(xii) briefly, the conversion rights, if any, that exist on the Securities at the date of the Company Notice and as a result of such Fundamental Change;

(xiii) the procedures for withdrawing a Fundamental Change Repurchase Notice;

(xiv) that, unless the Company defaults in making payment of such Fundamental Change Repurchase Price on Securities for which a Fundamental Change Repurchase Notice is submitted, Interest on Securities surrendered for purchase by the Company shall cease to accrue from and after the Fundamental Change Repurchase Date; and

(xv) the CUSIP, ISIN or other similar number(s), as the case may be, of the Securities.

At the Company's request, the Trustee shall give such Company Notice to each Holder in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Notice shall be prepared by the Company.

(c) A Holder may exercise its rights specified in this Section 3.02 upon delivery of a written notice of repurchase (a '**Fundamental Change Repurchase Notice**") to the Paying Agent at any time on or prior to the close of business on the Business Day immediately preceding the Fundamental Change Repurchase Date, stating:

(i) if Certificated Securities have been issued, the certificate number(s) of the Securities which the Holder shall deliver to be repurchased or, if Certificated Securities have not been issued, the Fundamental Change Repurchase Notice shall comply with the appropriate Depositary procedures for book-entry transfer;

(ii) the portion of the principal amount of the Security which the Holder shall deliver to be repurchased, which portion must be $1,000 or an integral multiple of $1,000; and

(iii) that such Security shall be repurchased pursuant to the terms and conditions specified in Section 4 of the Securities and in this Indenture.

The delivery of such Security (together with all necessary endorsements) and the Fundamental Change Repurchase Notice to the Paying Agent at the offices of the Paying Agent shall be a condition to the receipt by the Holder of the Fundamental Change Repurchase Price therefor; *provided*, *however*, that such Fundamental Change Repurchase Price shall be so paid pursuant to this Section 3.02 only if the Security (together with all necessary endorsements) so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Fundamental Change Repurchase Notice.

The Company shall repurchase from the Holder thereof, pursuant to this Section 3.02, a portion of a Security if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to the repurchase of all of a Security also apply to the repurchase of such portion of such Security.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 3.02 shall be consummated by the delivery of the Fundamental Change Repurchase Price promptly following the later of the Business Day following the Fundamental Change Repurchase Date or the time of delivery of such Security (together with all necessary endorsements or notifications of book-entry transfer).

Notwithstanding the foregoing, Holders shall not have the right to require the Company to repurchase the Securities upon a Fundamental Change described in clause (3) of the definition thereof if (i) more than 90% of the consideration in the transaction or transactions constituting such Fundamental Change consists of shares of common stock traded or to be traded immediately following such Fundamental Change on the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market or another U.S. national securities exchange and, as a result of such transaction or transactions, the Securities become convertible into such common stock (and any rights attached thereto) subject to the settlement provisions of Section 10.03

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Fundamental Change Repurchase Notice contemplated by this Section 3.02(c) shall have the right to withdraw such Fundamental Change Repurchase Notice by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.03(b) at any time prior to the close of business on the Business Day immediately preceding the Fundamental Change Repurchase Date.

The Paying Agent shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written withdrawal thereof.

Section 3.03 *Effect of Fundamental Change Repurchase Notice.* (a) Upon receipt by the Paying Agent of the Fundamental Change Repurchase Notice specified in Section 3.02, the Holder of the Security in respect of which such Fundamental Change Repurchase Notice was given shall (unless such Fundamental Change Repurchase Notice is withdrawn as specified in Section 3.03(b)) thereafter be entitled solely to receive the Fundamental Change Repurchase Price with respect to such Security whether or not the Security is, in fact, properly delivered. Such Fundamental Change Repurchase Price shall be paid to such Holder, subject to receipt of funds and/or securities by the Paying Agent, promptly following the later of (x) the Business Day following the Fundamental Change Repurchase Date with respect to such Security (provided the conditions in Section 3.02 have been satisfied) and (y) the time of delivery of such Security to the Paying Agent by the Holder thereof in the manner required by Section 3.02. Securities in respect of which a Fundamental Change Repurchase Notice has been given by the Holder thereof may not be converted pursuant to and to the extent permitted by Article 10 hereof on or after the date of the delivery of such Fundamental Change Repurchase Notice unless such Fundamental Change Repurchase Notice has first been validly withdrawn as specified in Section 3.03(b).

(b) A Fundamental Change Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent at any time, if received by the Paying Agent prior to the close of business on the Business Day immediately preceding the Fundamental Change Repurchase Date specifying:

(1) the principal amount, if any, of such Security which remains subject to the original Fundamental Change Repurchase Notice and which has been or shall be delivered for purchase by the Company,

(2) if Certificated Securities have been issued, the certificate number, if any, of the Security in respect of which such notice of withdrawal is being submitted (or, if Certificated Securities have not been issued, that such withdrawal notice shall comply with the appropriate Depositary procedures), and

(3) the principal amount of the Security with respect to which such notice of withdrawal is being submitted.

Section 3.04 *Deposit of Fundamental Change Repurchase Price*. Prior to 11:00 a.m. (local time in the City of New York) on the Business Day next following the Fundamental Change Repurchase Date the Company shall deposit with the Paying Agent (or, if the Company or a Subsidiary or an Affiliate of either of them is acting as the Paying Agent, shall segregate and hold in trust as provided in Section 2.04) an amount of cash in immediately available funds sufficient to pay the aggregate Fundamental Change Repurchase Price of all the Securities or portions thereof which are to be purchased as of the Fundamental Change Repurchase Date.

Section 3.05 *Securities Purchased in Part*. Any Certificated Security which is to be purchased only in part (but any such partial purchase shall be in minimum principal amounts equal to $1,000 or an integral multiple of $1,000) shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, a new Security or Securities, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Security so surrendered which is not purchased.

Section 3.06 *Covenant to Comply with Securities Laws upon Purchase of Securities*. When complying with the provisions of Section 3.02 hereof (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), and subject to any exemptions available under applicable law, the Company shall, if then applicable, (i) comply with Rule 13e-4 and Rule 14e-1 (or any successor provision) and any other applicable tender offer rules under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act, and (iii) otherwise comply with all Federal and state securities laws so as to permit the rights and obligations under Section 3.02 to be exercised in the time and in the manner specified in Section 3.02.

Section 3.07 *Repayment to the Company*. The Trustee and the Paying Agent shall return to the Company any cash that remains unclaimed as provided in Section 12 of the Securities, together with interest, if any, thereon (subject to the provisions of Section 7.01(f)), held by them for the payment of the Fundamental Change Repurchase Price.

ARTICLE 4
Covenants

Section 4.01 *Payment of Securities.* The Company shall make all payments in respect of the Securities on the dates and in the manner provided in the Securities or pursuant to this Indenture. Any amounts of cash in immediately available funds or shares of Common Stock to be given to the Trustee or Paying Agent shall be deposited with the Trustee or Paying Agent by 11:00 a.m., New York City time, by the Company on the applicable payment date. The principal amount of, and Interest on the Securities, and the Fundamental Change Repurchase Price and amounts payable on conversion shall be considered paid on the applicable date due if on such date (which, in the case of a Fundamental Change Repurchase Price, shall be on the Business Day immediately following the applicable Fundamental Change Repurchase Date) the Trustee or the Paying Agent holds, in accordance with this Indenture, cash or securities, if permitted hereunder, sufficient to pay all such amounts then due.

Section 4.02 *SEC and Other Reports.* The Company shall deliver to the Trustee, within 15 days after it is required to file such annual and quarterly reports, information, documents and other reports with the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act; *provided*, *however*, that, to the extent permitted by law, any such document, information and other reports filed and publicly available through the SEC's EDGAR filing system shall be deemed to have been received by the Trustee. The Company shall also comply with the other provisions of TIA Section 314(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

Section 4.03 *Compliance Certificate*. The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company (beginning with the fiscal year ending December 31, 2007) an Officer's Certificate, stating whether or not to the knowledge of the signer thereof, the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which such Officer may have knowledge and otherwise comply with Section 314(a)(4) of the TIA.

The Company shall, so long as any of the Securities are outstanding, deliver to the Trustee, within 30 days of any executive officer of the Company becoming aware of any Default

or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.04 *Further Instruments and Acts*. The Company shall execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

Section 4.05 *Maintenance of Office or Agency*. The Company will maintain an office or agency of the Trustee, Registrar, Paying Agent and Conversion Agent where Securities may be presented or surrendered for payment, where Securities may be surrendered for registration of transfer, exchange, purchase or conversion and where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The office of the Trustee, located at 601 Travis, 18th Floor, Houston, Texas 77002 shall initially be such office or agency for all of the aforesaid purposes. Such office or agency need not be the principal securities clearance or processing office of the Trustee. The Company shall give prompt written notice to the Trustee of the location, and of any change in the location, of any such office or agency (other than a change in the location of the office of the Trustee). If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of the Trustee set forth in Section 12.02.

The Company may also from time to time designate one or more other offices or agencies where the Securities may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency for such purposes.

ARTICLE 5
Successor Company

Section 5.01 *When Company May Merge or Transfer Assets.* The Company shall not consolidate with or merge with or into any other Person or convey, transfer or lease all or substantially all its properties and assets to another Person, unless:

(a) the resulting, surviving transferee or lessee Person (the "**successor company**") will be an entity organized and existing under the laws of the United States of America, any state thereof or the District of Columbia;

(b) immediately after giving effect to such transaction, no Default or Event of Default will have occurred and be continuing; and

(c) the Company will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article 5.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise) of the properties and assets of one or more Subsidiaries (other than to the Company or another

Subsidiary), which, if such assets were owned by the Company, would constitute all or substantially all of the properties and assets of the Company and its Subsidiaries, taken as a whole, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The successor company formed by such consolidation or into which the Company is merged or the successor company to which such conveyance, transfer, lease or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor had been named as the Company herein; and thereafter, except in the case of a conveyance, transfer or lease of all or substantially all the Company's properties and assets (in which case the Company will not be discharged from the obligation to pay the principal amount of the Securities and Interest) and except for obligations, if any, that the Company may have under a supplemental indenture, the Company shall be discharged from all obligations and covenants under this Indenture and the Securities. Subject to Section 9.06, the Company, the Trustee and the successor company shall enter into a supplemental indenture to evidence the succession and substitution of such successor company and such discharge and release of the Company.

ARTICLE 6
Defaults and Remedies

Section 6.01 *Events of Default*. So long as any Securities are outstanding, each of the following shall be an "**Event of Default**":

(a) following the exercise by the Holder of the right to convert a Security in accordance with Article 10 hereof, the Company fails to comply with its obligations to deliver the cash or shares of Common Stock, if any, required to be delivered as part of the applicable Settlement Shares or Settlement Amount on the applicable Conversion Settlement Date;

(b) the Company defaults in its obligation to provide timely notice of a Fundamental Change to the Trustee and each Holder as required under Section 3.02(b);

(c) any default in the payment of the principal amount of any Security when due at maturity, upon repurchase or otherwise (including, without limitation, upon the exercise by a Holder of its right to require the Company to repurchase such Securities pursuant to and in accordance with Section 3.02 hereof);

(d) any default in the payment of any Interest, when due and payable, and continuance of such default for a period of 30 days past the applicable due date;

(e) the Company or any Guarantor fails to perform or observe any term, covenant or warranty or agreement in the Securities or this Indenture (other than those referred to in clause (a) through clause (d) above) and such failure continues for 60 days after receipt by the Company of a Notice of Default;

(f) the Company or any of its Significant Subsidiaries fails to make any payment by the end of any applicable grace period after maturity or acceleration of indebtedness

for borrowed money of the Company or its Significant Subsidiaries in an amount in excess of $15,000,000 and continuance of such failure;

(g) the Company or any of its Significant Subsidiaries fails to pay final judgments aggregating in excess of $15,000,000, which judgments are not paid, discharged or stayed for a period of 60 days;

(h) the entry by a court having jurisdiction in the premises of (i) a decree or order for relief in respect of the Company or any of its Significant Subsidiaries, in an involuntary case or proceeding under any applicable bankruptcy, insolvency, reorganization or other similar law (any "**Bankruptcy Law**") or (ii) a decree or order adjudging the Company or any Significant Subsidiary, a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company or any Significant Subsidiary, under any applicable Bankruptcy Law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Significant Subsidiary or of any substantial part of any of their property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order described in clause (i) or (ii) above is unstayed and in effect for a period of 60 consecutive days;

(i) (i) the commencement by the Company or any Significant Subsidiary, of a voluntary case or proceeding under any applicable Bankruptcy Law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or (ii) the consent by the Company or any Significant Subsidiary, to the entry of a decree or order for relief in respect of the Company or any Significant Subsidiary, in an involuntary case or proceeding under any applicable Bankruptcy Law or to the commencement of any bankruptcy or insolvency case or proceeding against the Company or any Significant Subsidiary, or (iii) the filing by the Company or any Significant Subsidiary, of a petition or answer or consent seeking reorganization or relief under any applicable Bankruptcy Law, or (iv) the consent by the Company or any Significant Subsidiary to the filing of such petition or to the appointment of or the taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Significant Subsidiary or of any substantial part of any of their property, or (v) the making by the Company or any Significant Subsidiary, of a general assignment for the benefit of creditors, or the admission by the Company or any Significant Subsidiary, in writing of its inability to pay its debts generally as they become due; and

(j) except as permitted by this Indenture, any Subsidiary Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason (other than in accordance with the terms of that Subsidiary Guarantee and this Indenture) to be in full force and effect or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Subsidiary Guarantee.

The foregoing shall constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

For the avoidance of doubt, clause (e) above shall not constitute an Event of Default until the Trustee notifies in writing the Company, or the Holders of at least 25% in aggregate principal amount of the Securities at the time outstanding notify in writing the Company and the Trustee, of such default and the Company does not cure such default (and such default is not waived) within the time specified in clause (e) above after actual receipt of such notice. Any such notice must specify the default, demand that it be remedied and state that such notice is a "**Notice of Default**."

(k) Notwithstanding anything to the contrary in this Indenture, to the extent elected by the Company in its sole discretion, the sole remedy for an Event of Default described in clause (e) above relating to the failure to comply with Section 4.02 hereof or the failure to comply with Section 314(a)(1) of the TIA, if applicable, will for the first 120 days after the occurrence of such an Event of Default consist exclusively of the right to receive additional interest on the Securities at an annual rate equal to 0.25% of the principal amount of the Securities (the "**additional interest**") and will be payable on the same dates and in the same manner as Interest accruing on the Securities. The additional interest will accrue on all outstanding Securities from and including the date on which an Event of Default relating to the failure to comply with Section 4.02 hereof or the failure to comply with Section 314(a)(1) of the TIA first occurs to, but not including, the 120th day thereafter (or such earlier date on which the Event of Default relating to the failure to comply with Section 4.02 or the failure to comply with Section 314(a)(1) of the TIA shall have been cured or waived). On such 120th day (or earlier, if the Event of Default relating to the failure to comply with Section 4.02 or the failure to comply with Section 314(a)(1) of the TIA is cured or waived prior to such 120th day), such additional interest will cease to accrue and, if the Event of Default relating to the failure to comply with Section 4.02 or the failure to comply with Section 314(a)(1) of the TIA has not been cured or waived prior to such 120th day, the Securities will be subject to acceleration as provided in Section 6.02 hereof. The provisions of this paragraph will not affect the rights of Holders of Securities in the event of the occurrence of any other Event of Default. In the event the Company does not timely elect to pay the additional interest upon an Event of Default relating to the failure to comply with Section 4.02 or failure to comply with Section 314(a)(1) of the TIA in accordance with this paragraph, the Securities will be subject to acceleration as provided in Section 6.02 hereof. To make such election, the Company must notify the Holders, the Trustee and the Paying Agent of such election on or prior to the date such failure to comply with Section 4.02 or the failure to comply with Section 314(a)(1) of the TIA becomes an Event of Default.

Section 6.02 *Acceleration*. Subject to Section 6.01(j), if an Event of Default (other than an Event of Default specified in Section 6.01(h) or Section 6.01(i) with respect to the Company) occurs and is continuing (the Event of Default not having been cured or waived), the Trustee by notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Securities at the time outstanding by notice to the Company and the Trustee, may declare the principal amount of the Securities and any accrued and unpaid Interest on all the Securities to be immediately due and payable. Upon such a declaration, such accelerated amount shall be due and payable immediately. If an Event of Default specified in Section 6.01(h)or Section 6.01(i) with respect to the Company occurs and is continuing, the principal amount of the Securities and any accrued and unpaid Interest on all the Securities shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Securityholders. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding,

by notice to the Trustee and the Company (and without notice to any other Securityholder) may rescind an acceleration and its consequences, and thereby waive the Events of Default giving rise to such acceleration, if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived except nonpayment of the principal amount of the Securities and any accrued and unpaid Interest that have become due solely as a result of acceleration, which amounts, if such rescission is effective, shall no longer be payable as a result of acceleration. No such rescission shall affect any subsequent Event of Default or impair any right consequent thereto.

Section 6.03 *Other Remedies*. If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of the principal amount of the Securities and any accrued and unpaid Interest on the Securities or to enforce the performance of any provision of the Securities or this Indenture.

The Trustee may maintain a proceeding even if the Trustee does not possess any of the Securities or does not produce any of the Securities in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of, or acquiescence in, the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 6.04 *Waiver of Past Defaults*. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding, by notice to the Trustee (and without notice to any other Securityholder), may waive any existing or past Default and its consequences except (1) an Event of Default described in clauses (a), (b), (c) and (d) of Section 6.01 or (2) an Event of Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Securityholder affected, which, in each case may be waived only upon the written consent of each affected Holder. When a Default is waived, it is deemed cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right. This Section 6.04 shall be in lieu of Section 316(a)(1)(B) of the TIA and such Section 316(a)(1)(B) is hereby expressly excluded from this Indenture, as permitted by the TIA.

Section 6.05 *Control by Majority.* The Holders of a majority in aggregate principal amount of the Securities at the time outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines is unduly prejudicial to the rights of other Securityholders or would involve the Trustee in Personal liability; *provided*, that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction or this Indenture. Prior to taking any action under this Indenture, the Trustee may require indemnity satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

Section 6.06 *Limitation on Suits*. A Securityholder may not pursue any remedy with respect to this Indenture or the Securities, except in the case of a Default due to the non-payment of the principal amount of the Securities, any accrued and unpaid Interest or any unpaid Settlement Amounts or Settlement Shares, unless:

(1) the Holder gives to the Trustee written notice stating that a Default is continuing;

(2) the Holders of at least 25% in aggregate principal amount of the Securities at the time outstanding make a written request to the Trustee to pursue the remedy;

(3) the Trustee does not comply with the request within 60 days after receipt of such notice, request and offer of security or indemnity; and

(4) the Holders of a majority in aggregate principal amount of the Securities at the time outstanding do not give the Trustee a direction that, in the opinion of the Trustee, is inconsistent with the request within a 60-day period.

A Securityholder may not use this Indenture to prejudice the rights of any other Securityholder or to obtain a preference or priority over any other Securityholder.

Section 6.07 *Rights of Holders to Receive Payment*. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of the principal amount of the Securities and any accrued and unpaid Interest in respect of the Securities held by such Holder, on or after the respective due dates expressed in the Securities or any Fundamental Change Repurchase Date, and to convert the Securities in accordance with Article 10, or to bring suit for the enforcement of any such payment or the right to convert on or after such respective dates, shall not be impaired or affected adversely without the consent of such Holder.

Section 6.08 *Collection Suit by Trustee*. If an Event of Default described in Section 6.01 clauses (a) through (d) (other than (b)) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount owing with respect to the Securities and the amounts provided for in Section 7.07.

Section 6.09 *Trustee May File Proofs of Claim*. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal amount of the Securities and any accrued and unpaid Interest in respect of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of any such amount) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole principal amount of the Securities and any accrued and unpaid Interest and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel or any other amounts due the Trustee under Section 7.07 and of the Holders allowed in such judicial proceeding, and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee,

liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

The Company agrees not to object to the Trustee participating as a member of any official committee of creditors of the Company as it deems necessary or advisable.

Section 6.10 *Priorities*. Any money collected by the Trustee pursuant to this Article 6 and, after an Event of Default, any money or other property distributable in respect of the Company's obligations under this Indenture, shall be paid out in the following order:

FIRST: to the Trustee (including any predecessor Trustee) for amounts due under Section 7.07;

SECOND: to Securityholders for amounts due and unpaid on the Securities for the principal amount of the Securities and any accrued and unpaid Interest, ratably, without preference or priority of any kind, according to such amounts due and payable on the Securities; and

THIRD: the balance, if any, to the Company.

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section 6.10. At least 15 days before such record date, the Trustee shall mail to each Securityholder and the Company a notice that states the record date, the payment date and the amount to be paid.

Section 6.11 *Undertaking for Costs*. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant (other than the Trustee) in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in aggregate principal amount of the Securities at the time outstanding. This Section 6.11 shall be in lieu of Section 315(e) of the TIA and such Section 315(e) is hereby expressly excluded from this Indenture, as permitted by the TIA.

Section 6.12 *Waiver of Stay, Extension or Usury Laws*. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury or other law wherever enacted, now or at any time hereafter in force, which would prohibit

or forgive the Company from paying all or any portion of the principal amount of the Securities and any accrued and unpaid Interest on Securities, as contemplated herein, or which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 7
Trustee

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied duties shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture, but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine such certificates and opinions to determine whether or not they conform to the requirements of this Indenture, but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein. This Section 7.01(b) shall be in lieu of Section 315(a) of the TIA and such Section 315(a) is hereby expressly excluded from this Indenture, as permitted by the TIA.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) this Section 7.01(c) does not limit the effect of Sections 7.01(b) and 7.01(g);

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

Subparagraphs (c)(1), (2) and (3) shall be in lieu of Sections 315(d)(1), 315(d)(2) and 315(d)(3) of the TIA and such Sections 315(d)(1), 315(d)(2) and 315(d)(3) are hereby expressly excluded from this Indenture, as permitted by the TIA.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to this Section 7.01.

(e) The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee (acting in any capacity hereunder) shall be under no liability for interest on any money received by it hereunder unless otherwise agreed in writing with the Company (provided that any interest earned on money held by the Trustee in trust hereunder shall be the property of the Company).

(g) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 7.02 *Rights of Trustee*. Subject to the provisions of Section 7.01:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document (whether in original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officer's Certificate;

(c) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(d) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith which it believes to be authorized or within its rights or powers conferred under this Indenture;

(e) the Trustee may consult with counsel selected by it and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(f) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders, pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby;

(g) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order

and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(h) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to, during regular business hours, examine the books, records and premises of the Company, Personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation;

(i) Except with respect to Section 4.01 and subject to Section 7.05, the Trustee shall have no duty to inquire as to the performance of the Company with respect to the covenants contained in Article 4;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder;

(k) the Trustee may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer's Certificate may be signed by any Person authorized to sign an Officer's Certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded; and

(l) the permissive rights of the Trustee to take certain actions under this Indenture shall not be construed as a duty unless so specified herein.

Section 7.03 *Individual Rights of Trustee*. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, Conversion Agent, Bid Solicitation Agent or co-registrar may do the same with like rights. However, the Trustee must comply with Section 7.10 and Section 7.11.

Section 7.04 *Trustee's Disclaimer*. The Trustee makes no representation as to, and shall have no responsibility for, the validity or adequacy of this Indenture or the Securities, it

shall not be accountable for the Company's use or application by the Company of the Securities or of the proceeds from the Securities, it shall not be responsible for the correctness of any statement in the registration statement for the Securities under the Securities Act or in any offering document for the Securities, the Indenture or the Securities (other than its certificate of authentication), or the determination as to which beneficial owners are entitled to receive any notices hereunder.

Section 7.05 *Notice of Defaults*. If a Default or an Event of Default occurs and if it is known to the Trustee, the Trustee shall give to each Securityholder notice of the Default or Event of Default within 90 days after it occurs, unless such Default or Event of Default shall have been cured or waived before the giving of such notice. Notwithstanding the preceding sentence, except in the case of a Default or Event of Default described in clauses (c) and (d) of Section 6.01, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interest of the Securityholders. The preceding sentence shall be in lieu of the proviso to Section 315(b) of the TIA and such proviso is hereby expressly excluded from this Indenture, as permitted by the TIA. The Trustee shall not be deemed to have knowledge of a Default or an Event of Default except (i) any Default or Event of Default occurring pursuant to Section 6.01(a), 6.01(c) or 6.01(d) or (ii) any Default or Event of Default of which the Trustee shall have received written notice from the Company or the Holders of at least 25% in aggregate principal amount of the Securities, which notice specifically references this Indenture and the Securities, or obtained actual knowledge

Section 7.06 *Reports by Trustee to Holders.* Within 60 days after each December 31 beginning with December 31, 2007, the Trustee shall mail to each Securityholder a brief report dated as of such December 31 that complies with TIA Section 313(a), if required by such Section 313(a). The Trustee also shall comply with TIA Section 313(b). Any reports required by this Section 7.06 shall be transmitted by mail to Securityholders pursuant to TIA Section 313(c).

A copy of each report at the time of its mailing to Securityholders shall be filed with the SEC and each securities exchange, if any, on which the Securities are listed. The Company agrees to notify the Trustee promptly whenever the Securities become listed on any securities exchange and of any delisting thereof.

Section 7.07 *Compensation and Indemnity*. The Company agrees:

(a) to pay to the Trustee from time to time such compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited (to the extent permitted by law) by any provision of law in regard to the compensation of a trustee of an express trust);

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses, advances and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its own negligence, willful misconduct or bad faith; and

(c) to indemnify and hold the Trustee and its directors, officers, agents and employees (collectively, the "**Indemnitees**") harmless from and against any and all claims, liabilities, losses, damages, fines, penalties and expenses, including out-of-pocket, incidental expenses, legal fees and expenses and the allocated costs and expenses of in-house counsel and legal staff ("**Losses**") that may be imposed on, incurred by or asserted against the Indemnitees or any of them for following any instruction or other direction upon which the Trustee is authorized to rely pursuant to the terms of this Indenture. In addition to and not in limitation of the immediately preceding sentence, the Company also agrees to indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by or asserted against the Indemnitees or any of them in connection with or arising out of the Trustee's performance under this Indenture, *provided* the Trustee has not acted with negligence, acted in bad faith or engaged in willful misconduct.

To secure the Company's payment obligations in this Section 7.07, the Trustee shall have a lien prior to the Securities on all money or property held or collected by the Trustee, except that held in trust to pay the principal amount of, or the Fundamental Change Repurchase Price or Interest on, particular Securities.

The Company's payment, reimbursement and indemnity obligations pursuant to this Section 7.07 shall survive the satisfaction and discharge of this Indenture, the resignation or removal of the Trustee and the termination of this Indenture for any reason. In addition to and without prejudice to its rights hereunder, when the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 6.01(h) or Section 6.01(i), the expenses, including the reasonable charges and expenses of its counsel and the compensation for services payable pursuant to Section 7.07(a), are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or similar laws.

For the purposes of this Section 7.07, the "Trustee" shall include any predecessor Trustee; provided, however, that except as may be otherwise agreed among the parties, the negligence, willful misconduct or bad faith of any Trustee hereunder shall not affect the rights of any other Trustee hereunder.

Section 7.08 *Replacement of Trustee*. The Trustee may resign at any time by so notifying the Company; *provided*, *however*, that no such resignation shall be effective until a successor Trustee has accepted its appointment pursuant to this Section 7.08. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding may remove the Trustee by so notifying the Trustee and the Company in writing. The Company shall remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10;

(2) the Trustee is adjudged bankrupt or insolvent;

(3) a receiver or public officer takes charge of the Trustee or its property; or

(4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint, by resolution of its Board of Directors, a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company satisfactory in form and substance to the retiring Trustee and the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Securityholders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of a majority in aggregate principal amount of the Securities at the time outstanding may petition any court of competent jurisdiction at the expense of the Company for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

So long as no Default or Event of Default shall have occurred and be continuing, if the Company shall have delivered to the Trustee (i) a Board Resolution appointing a successor Trustee, effective as of a date at least 30 days after delivery of such Resolution to the Trustee, and (ii) an instrument of acceptance of such appointment, effective as of such date, by such successor Trustee in accordance with this Indenture, the Trustee shall be deemed to have resigned as contemplated in this Section 7.08, the successor Trustee shall be deemed to have been accepted as contemplated in this Indenture, all as of such date, and all other provisions of this Indenture shall be applicable to such resignation, appointment and acceptance.

Section 7.09 *Successor Trustee by Merger*. Any corporation or association into which the Trustee in its individual capacity may be merged or converted or with which it may be consolidated or to which it transfers all or substantially all of its corporate trust business or assets, or any corporation or association resulting from any merger, conversion or consolidation to which the Trustee in its individual capacity may be sold or otherwise transferred, shall be the Trustee hereunder without further act.

Section 7.10 *Eligibility; Disqualification*. The Trustee shall at all times satisfy the requirements of TIA Sections 310(a)(1) and 310(b). The Trustee (or any parent holding company) shall have a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition. Nothing herein contained shall prevent the Trustee from filing with the Commission the application referred to in the penultimate paragraph of TIA Section 310(b).

Section 7.11 *Preferential Collection of Claims Against Company*. The Trustee shall comply with TIA Section 311(a), excluding any creditor relationship listed in TIA Section

311(b). A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated therein.

ARTICLE 8
Discharge of Indenture

Section 8.01 *Discharge of Liability on Securities*. When (i) the Company causes to be delivered to the Trustee all outstanding Securities (other than Securities replaced or repaid pursuant to Section 2.07) for cancellation or (ii) all outstanding Securities have become due and payable (whether on conversion, maturity, repurchase or otherwise) and the Company deposits with the Trustee cash and, if applicable, shares of Common Stock sufficient to pay all amounts due and owing on all outstanding Securities (other than Securities replaced pursuant to Section 2.07), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, subject to Section 7.07, cease to be of further effect. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Indenture on demand of the Company accompanied by an Officer's Certificate and Opinion of Counsel and at the cost and expense of the Company.

Section 8.02 *Repayment to the Company*. The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Securities that remains unclaimed for one year, subject to applicable abandoned property law.

After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another Person and the Trustee and the Paying Agent shall have no further liability to the Securityholders with respect to such money or securities for that period commencing after the return thereof.

Section 8.03 *Application of Trust Money*. The Trustee shall hold in trust all money and other consideration deposited with it pursuant to Section 8.01 and shall apply such deposited money and other consideration through the Paying Agent and in accordance with this Indenture to the payment of amounts due on the Securities. Money and other consideration so held in trust is subject to the Trustee's rights under Section 7.07.

ARTICLE 9
Amendments

Section 9.01 *Without Consent of Holders*. The Company, the Guarantors and the Trustee may modify or amend this Indenture or the Securities without the consent of any Securityholder to:

(a) add guarantees with respect to the Securities or secure the Securities, including without limitation to add any Subsidiary as an additional Guarantor as provided in Section 11.05 hereof or to evidence the succession of another Person to any Guarantor pursuant to Section 11.03 hereof and the assumption by any such successor of the covenants and agreements of such Guarantor contained herein and in the Subsidiary Guarantee of such Guarantor;

(b) conform this Indenture and the Securities to the "Description of Notes" as set forth in the Prospectus;

(c) add to the covenants of the Company or Events of Default for the benefit of the Holders of Securities;

(d) surrender any right or power herein conferred upon the Company;

(e) eliminate the right of the Company to make a Physical Settlement Election in order to satisfy its Conversion Obligations pursuant to Section 10.03(b) hereof;

(f) provide for the assumption by a successor company of the Company's obligations to the Holders of Securities in the case of a merger, consolidation, conveyance, transfer, sale or lease pursuant to Article 5 or Section 10.06 hereof;

(g) comply with the requirements of the SEC in order to effect or maintain the qualification of this Indenture or any supplemental indenture under the TIA;

(h) cure any ambiguity, manifest error or defect;

(i) cure any omission or correct any inconsistency in the Indenture, *provided* that the rights of the Securityholders are not adversely affected in any material respect;

(j) make other changes to this Indenture or forms or terms of the Securities so long as no such change individually or in the aggregate with all other such changes has or will have a material adverse effect on the interests of the Holders of the Securities;

(k) establish the form of Securities (substantially in the form of Exhibit B);

(l) evidence and provide for the acceptance of the appointment under this Indenture of a successor Trustee in accordance with the terms of this Indenture;

(m) provide for uncertificated Securities in addition to or in place of Certificated Securities; *provided*, *however*, that the uncertificated Securities are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Securities are described in Section 163(f)(2)(B) of the Code; or

(n) release any Guarantor from any of its obligations under its Subsidiary Guarantee or this Indenture, except in accordance with the terms of this Indenture.

Section 9.02 *With Consent of Holders*. Except as provided below in this Section 9.02 and in Section 9.01, this Indenture or the Securities may be amended, modified or supplemented, and noncompliance in any particular instance with any provision of this Indenture or the Securities may be waived, in each case with the written consent of the Holders of at least a majority of the principal amount of the Securities at the time outstanding.

Without the written consent or the affirmative vote of each Holder of Securities affected thereby, an amendment, supplement or waiver under this Section 9.02 may not:

(a) reduce the principal amount of or change the Stated Maturity of any Security;

(b) reduce the Fundamental Change Repurchase Price or change the time at which or circumstances under which the Securities may or shall be repurchased;

(c) change the currency in which any Security or Interest thereon or the Fundamental Change Repurchase Price thereof is payable;

(d) reduce the rate of accrual for, or extend the time for payment of Interest, on any Security;

(e) impair the right of any Holder to institute suit for the enforcement of any payment on or with respect to any Security;

(f) impair the right of the Holders of the Securities to convert any Security as provided in Article 10 or reduce the number of shares or other consideration due upon conversion, except as otherwise permitted pursuant to Article 5 or Section 10.06 hereof;

(g) change the Company's obligation to maintain an office or agency in the places and for the purposes specified in this Indenture;

(h) amend or modify any of the provisions of this Section, or reduce the percentage of the aggregate principal amount of outstanding Securities required to amend, modify, supplement or waive a provision of the Indenture or the Securities, except to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each outstanding Security affected thereby; or

(i) reduce the percentage of the aggregate principal amount of the outstanding Securities the consent of whose Holders is required for any such supplemental indenture entered into in accordance with this Section 9.02 or the consent of whose Holders is required for any waiver provided for in this Indenture.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof.

After an amendment under this Section 9.02 becomes effective, the Company shall mail to each Holder a notice briefly describing the amendment.

Section 9.03 *Compliance With Trust Indenture Act*. Every supplemental indenture executed pursuant to this Article shall comply with the TIA as then in effect.

Section 9.04 *Revocation and Effect of Consents, Waivers and Actions*. Until an amendment, waiver or other action by Holders becomes effective, a consent thereto by a Holder of a Security hereunder is a continuing consent by the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same obligation as the consenting Holder's Security, even if notation of the consent, waiver or action is not made on the Security. However, any such Holder or subsequent Holder may revoke the consent, waiver or action as to such Holder's Security or portion of the Security if the Trustee receives the notice of revocation

before the date the amendment, waiver or action becomes effective. After an amendment, waiver or action becomes effective, it shall bind every Securityholder.

Section 9.05 *Notice of Amendments, Notation on or Exchange of Securities*. Securities authenticated and delivered after the execution of any supplemental indenture pursuant to this Article 9 may, and shall if required by the Company, bear a notation in form approved by the Company as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for outstanding Securities.

Section 9.06 *Trustee to Sign Supplemental Indentures*. The Trustee shall sign any supplemental indenture authorized pursuant to this Article 9 if the amendment contained therein does not affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign such supplemental indenture. In signing such supplemental indenture the Trustee shall receive, and (subject to the provisions of Section 7.01) shall be fully protected in relying upon, an Officer's Certificate and an Opinion of Counsel stating that such amendment is authorized or permitted by this Indenture.

Section 9.07 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

ARTICLE 10
Conversions

Section 10.01 *Conversion Privilege*. (a) Subject to and upon compliance with the provisions of this Article 10, a Holder of a Security shall have the right, at such Holder's option, to convert all or any portion (if the portion to be converted is $1,000 principal amount or an integral multiple thereof) of such Security prior to the close of business on the second Business Day immediately preceding Stated Maturity into cash and shares of Common Stock, if applicable, based on the Applicable Conversion Rate only as follows:

(1) before April 15, 2012, during any fiscal quarter of the Company (a "**Fiscal Quarter**") (and only during such Fiscal Quarter) commencing after the Fiscal Quarter ending September 30, 2007, if the Closing Sale Price of the Common Stock for at least 20 Trading Days during the period of 30 consecutive Trading Days ending on the last Trading Day of the immediately preceding Fiscal Quarter is more than 130% of the Applicable Conversion Price in effect on such last Trading Day;

(2) during the five Business Days immediately following any five consecutive Trading Day period (the " **Measurement Period**") in which the Trading Price per $1,000 original principal amount of the Securities (as determined following a request by a Holder of the Securities in accordance with the procedures described below) for each day of such Measurement Period was less than 98% of the product of the Closing Sale Price of the Common

Stock and the Applicable Conversion Rate on each such day. The Trustee or another party appointed by the Trustee will, on the Company's behalf, determine if the Securities are convertible as a result of the Trading Price of the Securities and notify the Company and the Trustee if the Trustee has appointed another party to determine if the Securities are convertible pursuant to this clause (2); *provided*, that the Trustee or such other Person appointed by the Trustee shall have no obligation to determine the Trading Price of the Securities unless the Company has requested such determination and the Company shall have no obligation to make such request unless requested to do so in writing by a Holder of the Security. Upon making any such request, any such requesting Holder shall provide reasonable evidence that (A) such requesting Holder is a Holder of the Security as of the date of such notice, and (B) the Trading Price per $1,000 principal amount of Securities would be less than 98% of the product of the Closing Sale Price of the Common Stock and the Applicable Conversion Rate on that day. At such time, the Company shall instruct the Trustee to determine the Trading Price of the Securities beginning on the next Trading Day and on each successive Trading Day until the Trading Price per $1,000 original principal amount of the Securities is greater than or equal to 98% of the product of the Closing Sale Price of the Common Stock and the Applicable Conversion Rate;

(3) any time on or after April 15, 2012 and prior to the close of business on the second Business Day immediately preceding Stated Maturity;

(4) as provided in clause (b) of this Section 10.01; and

(5) upon a redemption in connection with a Specified Accounting Change pursuant to Section 3.01, at any time beginning on the date of the notice of redemption until the Trading Day prior to the Redemption Date.

The Company or, if applicable, the Conversion Agent (in the case of a conversion pursuant to clause (1) above) or the Trustee (in the case of a conversion pursuant to clause (2) above) on behalf of the Company, shall determine on a daily basis during the time periods specified in Section 10.01(a)(1) or, following a request by a Holder of Securities in accordance with the procedures specified in Section 10.01(a)(2), whether the Securities shall be convertible as a result of the occurrence of an event specified in such Sections and, if the Securities shall be so convertible, the Company, the Conversion Agent or the Trustee, as applicable, shall promptly deliver to the Conversion Agent, the Trustee or the Company, as applicable, written notice thereof. Whenever the Securities shall become convertible pursuant to this Section 10.01 (as determined in accordance with this Section 10.01), the Company or, at the Company's request, the Trustee in the name and at the expense of the Company, shall promptly notify the Holders of the event triggering such convertibility in the manner provided in Section 12.02, or the Company shall promptly disseminate a press release and use its reasonable efforts to post the information on its website or otherwise publicly disclose the information. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice.

(b) In the event that:

(1) (A) the Company distributes to all or substantially all holders of Common Stock rights or warrants entitling them to purchase, for a period expiring within 60 days after the

date of such distribution, Common Stock at less than the average of the Closing Sale Prices of the Common Stock for the five consecutive Trading Days ending on the Trading Day immediately preceding the public announcement date for such distribution; or (B) the Company distributes to all or substantially all holders of Common Stock cash, debt securities, rights or warrants to purchase the Company's securities, or other assets (excluding dividends or distributions described in Section 10.04(a)), which distribution has a per share value as determined by the Board of Directors exceeding 10% of the average of the Closing Sale Prices of the Common Stock for the five consecutive Trading Days ending on the Trading Day immediately preceding the public announcement date of such distribution, then, in either case, the Securities may be surrendered for conversion at any time on and after the date that the Company gives notice to the Holders of such distribution, which shall be not less than 30 calendar days prior to the Ex-Dividend Date for such distribution, until the earlier of the close of business on the Business Day immediately preceding the Ex-Dividend Date for such distribution or the date on which the Company announces that such distribution shall not take place, even if the Securities are not otherwise convertible at such time; *provided* that no Holder of a Security shall have the right to convert its Securities if the Holder is entitled to participate in such distribution (based on the Applicable Conversion Rate) without conversion; or

(2) a Fundamental Change occurs prior to Stated Maturity (regardless of whether Holders have a right to require the Company to repurchase the Securities upon such Fundamental Change as set forth in Article 3), then the Securities may be surrendered for conversion at any time from and after the date that is 30 calendar days prior to the anticipated effective date of such transaction until and including the date that is 30 calendar days after the actual effective date of such transaction (or, if such transaction also constitutes a Fundamental Change pursuant to which Holders have a right to require the Company to repurchase the Securities pursuant to Section 3.02, until the close of business on the Business Day immediately preceding the applicable Fundamental Change Repurchase Date). The Company shall notify Holders and the Trustee as promptly as practicable following the date that it publicly announces the Fundamental Change transaction giving rise to the above conversion right (but in no event less than 30 calendar days prior to the anticipated effective date of such transaction).

(c) If a Fundamental Change occurs prior to Stated Maturity and a Holder elects to convert its Securities in connection with such Fundamental Change (regardless of whether such Holder has the right to require the Company to repurchase its Securities as set forth in Article 3), the Applicable Conversion Rate shall be increased by an additional number of shares of Common Stock (the "**Additional Shares**") as described below; provided, however that no increase will be made in the case of a Fundamental Change if (i) at least 90% of the consideration paid for the Company's Common Stock (excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights) in such Fundamental Change transaction consists of shares of capital stock traded on the New York Stock Exchange or a U.S. national securities exchange or quoted on another established automated over-the-counter trading market in the United States (or that will be so traded or quoted immediately following the transaction) and as a result of such transaction or transactions the Securities become convertible into such shares of such capital stock or (ii) the Company elects to adjust the Conversion Rate and the related Conversion Obligation in connection with a Public Acquirer Change in Control pursuant to subsection (d) of this Section. The Company shall notify each of the Holders and the Trustee of the Fundamental Change no later than 30 Scheduled Trading

Days prior to the anticipated effective date of the Fundamental Change. Such notice shall also state whether such Fundamental Change will also constitute a Public Acquirer Change in Control and whether the Company will elect to adjust the Conversion Rate and the related Conversion Obligation pursuant to subsection (d) of this Section. A conversion of the Securities will be deemed for these purposes to be "in connection with" a Fundamental Change if the Conversion Notice is received by the Conversion Agent from and including the date that is 30 calendar days prior to the anticipated effective date of the Fundamental Change to the close of business on the date that is the later to occur of (i) 30 calendar days after the actual effective date of the Fundamental Change and (ii) the Fundamental Change Repurchase Date.

The number of Additional Shares to be added to the Applicable Conversion Rate as described in the immediately preceding paragraph shall be determined by reference to the table attached as Schedule I hereto, based on the effective date of such Fundamental Change transaction and the Stock Price paid in connection with such transaction; *provided* that if the Stock Price is between two Stock Price amounts in the table or such effective date is between two effective dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the higher and lower Stock Price amounts and the two dates, as applicable, based on a 365-day year. The "**effective date**" with respect to a Fundamental Change transaction means the date that a Fundamental Change becomes effective.

The Stock Prices set forth in the first row of the table in Schedule I hereto shall be adjusted as of any date on which the Applicable Conversion Rate of the Securities is adjusted pursuant to Section 10.04. The adjusted Stock Prices shall equal the Stock Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Applicable Conversion Rate immediately prior to the adjustment giving rise to the Stock Price adjustment and the denominator of which is the Applicable Conversion Rate as so adjusted. The number of Additional Shares shall be adjusted in the same manner as the Applicable Conversion Rate as set forth in Section 10.04.

Notwithstanding the foregoing, in no event shall the total number of shares of Common Stock issuable upon conversion of the Securities pursuant to this clause (c) exceed [ ] per $1,000 principal amount of Securities, nor shall the amount of Additional Shares exceed [ ] per $1,000 principal amount of Securities, in each case, subject to adjustments in the same manner as the Applicable Conversion Rate as set forth in Section 10.04.

(d) In the event of a Fundamental Change constituting a Public Acquirer Change in Control, the Company may, in lieu of adjusting the applicable Conversion Rate as provided in subsection (c), elect, by giving notice in writing to all Holders and the Trustee of such election in accordance with subsection (c) of this Section, to adjust the Conversion Rate and the related Conversion Obligation such that from and after the effective date of such Public Acquirer Change in Control, Holders shall be entitled to convert their Securities into a number of shares of Public Acquirer Common Stock at a Conversion Rate equal to the Conversion Rate in effect immediately prior to the Public Acquirer Change in Control multiplied by a fraction the numerator of which shall be (i) in the case of a share exchange, merger or binding share exchange pursuant to which Common Stock is converted into cash, securities or other property, the average value of all cash and any other consideration paid or payable per share of Common

Stock or (ii) in the case of any other Public Acquirer Change in Control, the average of the Closing Sale Prices of Common Stock for the ten (10) consecutive Trading Days prior to but excluding the effective date of such Public Acquirer Change in Control, and the denominator of which shall be the average of the Closing Sale Prices of the Public Acquirer Common Stock for the ten (10) consecutive Trading Days commencing on the Trading Day next succeeding the effective date of such Public Acquirer Change in Control.

Section 10.02 *Conversion Procedure; Applicable Conversion Rate; Fractional Shares*. (a) Subject to the Company's rights under Section 10.01 and Section 10.03, each Security shall be convertible at the office of the Conversion Agent into a combination of cash and fully paid and nonassessable shares (calculated to the nearest 1/10,000th of a share) of Common Stock, if any, at a rate (the "**Applicable Conversion Rate**") equal to, initially, [ ] shares of Common Stock for each $1,000 principal amount of Securities. The Applicable Conversion Rate shall be adjusted in certain instances as provided in Section 10.04 hereof, but shall not be adjusted for any accrued and unpaid Interest. Upon conversion, no payment shall be made by the Company with respect to any accrued and unpaid Interest, unless, as described below, such conversion occurs between an Interest Record Date and the Interest Payment Date to which such Interest Record Date relates, in which case the Holders of the Securities on the Interest Record Date shall receive accrued and unpaid Interest payable on the Securities on the applicable Interest Payment Date. Instead, such amount shall be deemed paid by the applicable Settlement Amount or Settlement Shares, as applicable, delivered upon conversion of any Security. In addition, no payment shall be made in respect of dividends on the Common Stock with a record date prior to the Conversion Date. The Company shall not issue any fraction of a share of Common Stock in connection with any conversion of Securities, but instead shall, subject to Section 10.03 hereof, make a cash payment (calculated to the nearest cent) equal to such fraction multiplied by the Daily VWAP on the final Trading Day of the Cash Settlement Averaging Period or, if the Company has made a valid Physical Settlement Election, on the third Scheduled Trading Day before the Conversion Settlement Date.

(b) At any time on or before April 15, 2012, the Company may irrevocably make a Physical Settlement Election as set forth in Section 10.03(b).

(c) Before any Holder of a Security shall be entitled to convert the same, such Holder shall (1) in the case of Global Securities, comply with the procedures of the Depositary in effect at that time for converting a beneficial interest in a Global Security, and in the case of Certificated Securities, surrender such Securities, duly endorsed to the Company or in blank, at the office of the Conversion Agent, and (2) give written notice to the Company in the form on the reverse of such Certificated Security (the "**Conversion Notice**") at said office or place that such Holder elects to convert the same and shall state in writing therein the principal amount of Securities to be converted (which shall be equal to or an integral multiple of $1,000 principal amount) and the name or names (with addresses) in which such Holder wishes the certificate or certificates for Common Stock included in the Settlement Amount, if any, or Settlement Shares, as applicable, to be registered.

Before any such conversion, a Holder also shall pay all taxes or duties, if any, as provided in Section 10.07 and any amount payable pursuant to Section 10.02(h).

If more than one Security shall be surrendered for conversion at one time by the same Holder, the number of full shares of Common Stock, if any, that shall be deliverable upon conversion shall be computed on the basis of the aggregate principal amount of the Securities (or specified portions thereof to the extent permitted thereby) so surrendered.

(d) A Security shall be deemed to have been converted as of the close of business on the date (the "**Conversion Date**") that the Holder has complied with Section 10.02(c).

(e) The Company shall, on the Conversion Settlement Date, to the extent applicable as set forth in Section 10.03, (i) pay the cash component (including cash in lieu of any fraction of a share to which such Holder would otherwise be entitled) of the Conversion Obligation determined pursuant to Section 10.03 to the Holder of a Security surrendered for conversion, or such Holder's nominee or nominees, and (ii) issue, or cause to be issued, and deliver to the Conversion Agent or to such Holder, or such Holder's nominee or nominees, certificates for the number of full shares of Common Stock, if any, to which such Holder shall be entitled as part of such Conversion Obligation. The Company shall not be required to deliver certificates for shares of Common Stock while the stock transfer books for such stock or the security register are duly closed for any purpose, but certificates for shares of Common Stock shall be issued and delivered as soon as practicable after the opening of such books or security register, and the Person or Persons entitled to receive the Common Stock as part of the applicable Settlement Amount or Settlement Shares, as applicable, upon such conversion shall be treated for all purposes as the record holder or holders of such Common Stock, as of the close of business on the applicable Conversion Settlement Date.

(f) In case any Security shall be surrendered for partial conversion, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Security so surrendered, without charge to such Holder (subject to the provisions of Section 10.07 hereof), a new Security or Securities in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Securities.

(g) By delivering the combination of cash and shares of Common Stock, if any, together with a cash payment in lieu of any fractional shares to the Conversion Agent or to the Holder or such Holder's nominee or nominees, the Company shall have satisfied in full its Conversion Obligation with respect to such Security, and upon such delivery, accrued and unpaid Interest, if any, with respect to such Security shall be deemed to be paid in full rather than canceled, extinguished or forfeited, and such amounts shall no longer accrue.

(h) If a Securityholder delivers a Conversion Notice after the Interest Record Date for a payment of Interest but prior to the corresponding Interest Payment Date, such Securityholder must pay to the Company, at the time such Securityholder surrenders Securities for conversion, an amount equal to the Interest that has accrued and shall be paid on the related Interest Payment Date. The preceding sentence shall not apply if (1) the Company has specified a Fundamental Change Repurchase Date that is after the close of business on an Interest Record Date but on or prior to the opening of business on the corresponding Interest Payment Date, (2) to the extent of overdue Interest, if any overdue Interest exists at the time of conversion with respect to the Securities converted, (3) if a Holder converts its Securities after the close of

business on or after April 15, 2012 or (4) the Company has specified a redemption date pursuant to Article III.

Section 10.03 *Payment upon Conversion*. (a) In the event that the Company has not made a Physical Settlement Election as set forth in clause (b) below, upon conversion of Securities, the Company shall satisfy its obligation to convert the Securities (the "**Conversion Obligation**") by delivering to Holders surrendering Securities for conversion, for each $1,000 principal amount of Securities, a settlement amount (the "**Settlement Amount**") equal to the sum of the Daily Settlement Amounts for each of the 20 consecutive Trading days of the related Cash Settlement Averaging Period.

(i) The "**Daily Settlement Amount**" for each of the 20 consecutive Trading Days of the related Cash Settlement Averaging Period, shall consist of:

(A) cash equal to the lesser of $50 and the Daily Conversion Value on such Trading Day; and

(B) to the extent the Daily Conversion Value on such Trading Day exceeds $50, a number of shares of Common Stock equal to (x) the difference between such Daily Conversion Value and $50 (such difference being referred to as the "**Daily Excess Amount**"), divided by (y) the Daily VWAP for such day (or the consideration into which the Common Stock has been converted as described in Section 10.06); *provided* that no fractional shares shall be issued, and in lieu thereof, the Company shall pay an amount in cash as set forth in Section 10.02 above.

(ii) The Settlement Amount will be delivered on the Conversion Settlement Date.

(b) At any time on or before April 15, 2012, the Company may irrevocably make a Physical Settlement Election, in its sole discretion and without the consent of the Holders, by valid delivery of a Physical Settlement Notice, to satisfy all Conversion Obligations arising out of conversions of Securities after the Physical Settlement Election Date. In addition to the giving of such Physical Settlement Election Notice, the Company shall disseminate a press release through Dow Jones & Company, Inc. or Bloomberg Business News or PR Newswire 02 or another newswire service announcing such Physical Settlement Election or publish such information in The Wall Street Journal or another newspaper of general circulation in the City of New York or on the Company's website. Upon any such conversion following a valid Physical Settlement Election and the related Physical Settlement Date, the Company shall, subject to the provisions of this Article 10, satisfy its Conversion Obligation by delivering to converting Holders on the Conversion Settlement Date a number of shares of Common Stock (the "**Settlement Shares**") equal to the aggregate principal amount of Securities to be converted divided by $1,000 and multiplied by the Applicable Conversion Rate on the Conversion Date (which may include increases to reflect any Additional Shares as described under Section 10.01(c) above); *provided* that no fractional shares shall be issued, and in lieu thereof, the Company shall pay an amount in cash as set forth in Section 10.02 above.

Section 10.04 *Adjustment of Applicable Conversion Rate.* The Applicable Conversion Rate shall be adjusted, without duplication, from time to time by the Company in accordance with this Section 10.04, except that the Company will not make any adjustment if Holders of Securities are entitled to participate on the relevant distribution or payment date, as a result of holding the Securities, in the transactions described below without having to convert their Securities (based on the Applicable Conversion Rate in effect immediately before the relevant Record Date):

(a) If the Company, at any time or from time to time while any of the Securities are outstanding, issues shares of Common Stock as a dividend or distribution on shares of Common Stock, or if the Company effects a share split or share combination, then the Applicable Conversion Rate will be adjusted based on the following formula:

$$CR^1 = \frac{CR_0 x OS^1}{OS_0}$$

where

CR_0 = the Applicable Conversion Rate in effect immediately prior to the Ex-Dividend Date of such dividend or distribution, or the effective date of such share split or share combination, as applicable;

CR^1 = the Applicable Conversion Rate in effect immediately after such Ex-Dividend Date or effective date of such share split or combination, as applicable;

OS_0 = the number of shares of Common Stock outstanding immediately before such Ex-Dividend Date or effective date; and

OS^1 = the number of shares of Common Stock outstanding immediately before such Ex-Dividend Date or effective date, but after giving effect to such dividend, distribution, share split or combination, as applicable.

Such adjustment will become effective immediately after the Ex-Dividend Date for such dividend or distribution, or the effective date for such share split or share combination. If any dividend or distribution of the type described in this Section 10.04(a) is declared but not so paid or made, the Applicable Conversion Rate shall again be adjusted, as of the date that is the earlier of (i) the public announcement of the non-payment of the dividend or distribution and (ii) the date that the dividend or distribution was to be paid or made, to the Applicable Conversion Rate which would then be in effect if such dividend or distribution had not been declared.

(b) If the Company, at any time or from time to time while any of the Securities are outstanding, issues to all holders of Common Stock any rights, warrants or options (other than pursuant to any dividend reinvestment or share purchase plan) entitling them for a period of not more than 60 calendar days from the date of issuance of such rights, warrants or options to subscribe for or purchase shares of Common Stock at an exercise price per share less than the average of the Closing Sales Prices of Common Stock for the 10 consecutive Trading

Day period ending on the Business Day immediately preceding the date of announcement of such issuance, the Applicable Conversion Rate shall be adjusted based on the following formula:

$$CR^1 = CR_0 x \frac{OS_0 + X}{OS_0 + Y}$$

where

CR_0 = the Applicable Conversion Rate in effect immediately prior to the Record Date for such issuance;

CR^1 = the Applicable Conversion Rate in effect immediately after such Record Date;

OS_0 = the number of shares of Common Stock outstanding immediately before such Record Date for such issuance;

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants or options; and

Y = the number of shares of Common Stock equal to the quotient of (A) the aggregate price payable to exercise such rights, warrants or options divided by (B) the average of the Closing Sale Prices of Common Stock for the 10 consecutive Trading Day period ending on the Trading Day immediately preceding the "ex-date" of announcement of the issuance of such rights, warrants or options.

To the extent such rights, warrants or options are not exercised or converted prior to the expiration of the exercisability or convertability thereof, the Applicable Conversion Rate will be readjusted, as of such expiration date, to the Applicable Conversion Rate which would then be in effect had the adjustments made upon the issuance of such rights, warrants or options been made on the basis of the delivery of only the number of shares of Common Stock actually delivered. In the event that such rights, warrants or options are not so issued, the Conversion Rate shall again be adjusted to be the Applicable Conversion Rate which would then be in effect if such rights, warrants or options had not been issued. In determining whether any rights, warrants or options entitle the Holders to subscribe for or purchase shares of Common Stock at less than the average of the Closing Sale Prices of Common Stock for the 10 consecutive Trading Day period ending on the Business Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received for such rights or warrants and the value of such consideration, if other than cash, as shall be determined in good faith by the Board of Directors of the Company.

(c) If the Company, at any time or from time to time while the Securities are outstanding, distributes shares of any class of Capital Stock of the Company, evidences of indebtedness or other assets or property of the Company to all, or substantially all, holders of its Common Stock, excluding:

(i) dividends or distributions referred to in Section 10.04(a);

(ii) rights, warrants or options referred to in Section 10.04(b);

(iii) dividends or distributions paid exclusively in cash; and

(iv) Spin-Offs (as defined below) to which the provisions set forth below in this Section 10.04(c) shall apply;

then the Conversion Rate will be adjusted based on the following formula:

$$CR^1 = CR_0 x \frac{SP_0}{SP_0 - FMV}$$

where

CR_0 = the Applicable Conversion Rate in effect immediately prior to the Record Date for such distribution;

CR^1 = the Applicable Conversion Rate in effect immediately after such Record Date for such distribution;

SP_0 = the average of the Closing Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and

FMV = the Fair Market Value (as determined by the Board of Directors of the Company) of the shares of Capital Stock, evidences of indebtedness, assets or property distributed with respect to each outstanding share of the Common Stock on the earlier of the Record Date or the Ex-Dividend Date for such distribution.

Such adjustment shall become effective immediately prior to the opening of business on the day following the Ex-Dividend Date for such distribution.

Where there has been a payment of a dividend or other distribution on the Common Stock of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit (a “**Spin-Off**”), the Applicable Conversion Rate in effect immediately before 5:00 p.m., New York City time, on the 10th Trading Day immediately following the effective date of the Spin-Off shall be increased based on the following formula:

$$CR^1 = CR_0 x \frac{FMV_0 + MP_0}{MP_0}$$

where

CR_0 = the Applicable Conversion Rate in effect on the 10th Trading Day immediately

following, and including, the effective date of the Spin-Off;

CR^1 = the Applicable Conversion Rate in effect immediately after the 10th Trading Day immediately following, and including, the effective date of the Spin-Off;

FMV_0 = the average of the Closing Sale Prices of the Capital Stock or similar equity interest distributed to holders of Common Stock applicable to one share of Common Stock over the first 10 consecutive Trading Day period after, and including, the effective date of the Spin-Off; and

MP_0 = the average of the Closing Sale Prices of Common Stock over the first 10 consecutive Trading Day period after, and including the effective date of the Spin-Off.

The adjustment to the Applicable Conversion Rate under the preceding paragraph will occur on the 10th Trading Day from, and including, the effective date of the Spin-Off; *provided* that in respect of any conversion within the 10 Trading Days following the effective date of any Spin-Off, references within this Section 10.04(c) to "10 Trading Days" shall be deemed replaced with such lesser number of Trading Days as have elapsed between the effective date of such Spin-Off and the Conversion Date in determining the Applicable Conversion Rate.

If any dividend or distribution described in this Section 10.04(c) is declared but not paid or made, the Applicable Conversion Rate shall be readjusted, as of the date that is the earlier of (i) the public announcement of the non-payment of the dividend or distribution and (ii) the date on which the dividend or distribution was to have been paid, in which case, the Applicable Conversion Rate will be the Applicable Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

For the purposes of this Section 10.04(c), rights, warrants or options distributed by the Company to all holders of Common Stock entitling them to subscribe for or purchase shares of the Company's capital stock (either initially or under certain circumstances), which rights, warrants or options until the occurrence of a specified event or events (a "**Trigger Event**"): (1) are deemed to be transferred with such shares of Common Stock; (2) are not exercisable; and (3) are also issued in respect of future issuances of Common Stock, shall be deemed not to have been distributed for purposes of this Section 10.04(c), (and no adjustment to the Conversion Rate under this Section 10.04(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 10.04(c). If any such right, warrant or option, including any such existing rights, warrants or options distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights, warrants or options become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and record date with respect to new rights, warrants or options with such rights (and a termination or expiration of the existing rights, warrants or options without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, warrants or options or any Trigger Event or other

event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Applicable Conversion Rate under this Section 10.04(c) was made, (1) in the case of any such rights, warrants or options which shall all have been redeemed or purchased without exercise by any Holders thereof, the Applicable Conversion Rate shall be readjusted upon such final purchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or purchase price received by a holder of Common Stock with respect to such rights, warrants or options (assuming such holder had retained such rights, warrants or options), made to all applicable holders of Common Stock as of the date of such redemption or purchase, and (2) in the case of such rights, warrants or options which shall have expired or been terminated without exercise by any holders thereof, the Applicable Conversion Rate shall be readjusted as if such rights, warrants or options had not been issued.

(d) If any cash dividend or other distribution is made to all, or substantially all, holders of Common Stock (excluding any dividend or distribution in connection with the Company's liquidation, dissolution, or winding up), the Applicable Conversion Rate shall be adjusted based on the following formula:

$$CR^1 = CR_0 x \frac{SP_0}{SP_0 - C}$$

where

CR_0 = the Applicable Conversion Rate in effect immediately prior to the Record Date for such distribution;

CR^1 = the Applicable Conversion Rate in effect immediately after the Record Date for such distribution;

SP_0 = the Closing Sale Price of a share of Common Stock on the Trading Day immediately preceding the earlier of the Record Date and the day immediately preceding the Ex-Dividend Date for such distribution; and

C = the amount in cash per share the Company distributes to holders of Common Stock.

If any dividend or distribution described in this Section 10.04(d) is declared but not so paid or made, the new Applicable Conversion Rate shall be adjusted, as of the date that is the earlier of (i) the public announcement of the non-payment of the dividend or distribution and (ii) the date that the dividend or distribution was to be paid, to the Applicable Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(e) If the Company or any Subsidiary makes a payment in respect of a tender offer or exchange offer for Common Stock, to the extent that the cash and value (which will be, except for the value of traded securities, determined by the Board of Directors) of any other consideration included in the payment per share of Common Stock exceeds the Closing Sale

Price per share of Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer, the Applicable Conversion Rate shall be adjusted as of the 10th Trading Day following the date the tender or exchange offer expires based on the following formula:

$$CR^1 = CR_0 x \frac{AC + (SP^1 x OS^1)}{OS_0 x SP^1}$$

where

CR_0	=	the Applicable Conversion Rate in effect on the 10th day immediately following, and including, the date such tender or exchange offer expires;
CR^1	=	the Applicable Conversion Rate in effect immediately after the 10th Trading Day immediately following, and including, the date the tender or exchange offer expires;
AC	=	the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares purchased in such tender or exchange offer;
OS_0	=	the number of shares of Common Stock outstanding on the Trading Day immediately prior to the date such tender or exchange offer expires;
OS^1	=	the number of shares of Common Stock outstanding on the Trading Day immediately after the date such tender or exchange offer expires (after giving effect to the purchase or exchange of shares pursuant to such tender or exchange offer); and
SP^1	=	the average of the Closing Sale Prices of Common Stock over the 10 consecutive Trading Day period commencing on the Trading Day immediately after the date such tender or exchange offer expires.

The adjustment to the Applicable Conversion Rate under this Section 10.04(e) shall occur on the 10th Trading Day from, and including, the Trading Day next succeeding the date such tender or exchange offer expires; provided that in respect of any conversion within the 10 Trading Days immediately following, and including, the expiration date of any tender or exchange offer, references within this Section 10.04(e) to “10 Trading Days” shall be deemed replaced with such lesser number of Trading Days as have elapsed between the expiration date of such tender or exchange offer and the Conversion Date in determining the Applicable Conversion Rate.

If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Applicable Conversion Rate shall again be adjusted to be the Applicable Conversion Rate that would then be in effect if such tender or exchange had not been made.

(f) No adjustment to the Applicable Conversion Rate will be required unless the adjustment would require an increase or decrease of at least 1% of the Applicable Conversion Rate. If the adjustment is not made because the adjustment does not change the Applicable Conversion Rate by at least 1%, then the adjustment that is not made will be carried forward and taken into account in any future adjustments. In addition, the Company will make any carry forward adjustments not otherwise effected upon required purchases of the Securities in connection with a Fundamental Change, upon any conversion of the Securities, on every one year anniversary from the original issue date and on the Record Date immediately prior to Stated Maturity of the Securities. Adjustments to the Applicable Conversion Rate will be rounded to the nearest ten-thousandth, with five one-hundred-thousandths rounded upward (*e.g.*, 0.76545 would be rounded up to 0.7655).

(g) The Company from time to time may, to the extent permitted by applicable law, increase the Applicable Conversion Rate by any amount for a period of at least 20 days if the Board of Directors shall have made a determination that such increase would be in the best interests of the Company, which determination shall be conclusive. Whenever the Applicable Conversion Rate is increased pursuant to this Section 10.04(g) or Section 10.04(h) below, the Company shall mail to Holders of record of the Securities a notice of the increase at least 15 days prior to the date the increased Applicable Conversion Rate takes effect, and such notice shall state the increased Applicable Conversion Rate and the period during which it will be in effect.

(h) The Company may (but is not required to) make such increases in the Applicable Conversion Rate, in addition to any adjustments required by Section 10.04(a), Section 10.04(b), Section 10.04(c), Section 10.04(d), Section 10.04(e) or Section 10.04(g), as the Board of Directors considers to be advisable to avoid or diminish income tax to Holders resulting from any dividend or distribution of Capital Stock issuable on conversion of the Securities (or rights to acquire shares) or from any event treated as such for income tax purposes.

(i) Except as otherwise provided in this Indenture, all calculations under this Article 10 shall be made by the Company. No adjustment shall be made for the Company's issuance of Common Stock or securities convertible into or exchangeable for shares of Common Stock or rights to purchase Common Stock or convertible or exchangeable securities, other than as provided in this Section 10.04. The Company shall make such calculations in good faith and, absent manifest error, such calculations shall be binding on the Holders.

(j) Whenever the Applicable Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Conversion Agent an Officer's Certificate setting forth the Applicable Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until a Responsible Officer of the Trustee shall have received such Officer's Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Applicable Conversion Rate and may assume without inquiry that the last Applicable Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Applicable Conversion Rate setting forth the adjusted Applicable Conversion Rate, a brief statement of the facts requiring such adjustment and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Applicable

Conversion Rate to each Securityholder at such Holder's last address appearing on the list of Securityholders provided for in Section 2.05, within 20 days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(k) For purposes of this Section 10.04, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company so long as the Company does not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company, but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

(l) Notwithstanding anything to the contrary in this Article 10, no adjustment to the Applicable Conversion Rate shall be made:

(i) upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or Interest payable on the Company's Securities and the investment of additional optional amounts in shares of Common Stock under any plan;

(ii) upon the issuance of any shares of Common Stock or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any Subsidiary;

(iii) upon the issuance of any shares of Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in (ii) above outstanding as of the date the Securities were first issued;

(iv) for a change in the par value of the Common Stock;

(v) for accrued and unpaid Interest; or

(vi) for the avoidance of doubt, for the issuance of Common Stock by the Company (other than to all or substantially all holders of Common Stock) or the payment of cash by the Company upon conversion or repurchase of Securities.

Section 10.05 *Reserved.*

Section 10.06 *Effect of Reclassification, Consolidation, Merger or Sale. (*a) If any of the following events occur, namely (i) any reclassification of the outstanding shares of Common Stock (other than a subdivision or combination to which Section 10.04(c) applies or a change in par value) as a result of which holders of Common Stock shall be entitled to receive cash, securities or other property (such property, the "**Exchange Property**") with respect to or in exchange for such Common Stock, (ii) any consolidation, merger, binding share exchange or combination of the Company with another Person as a result of which holders of Common Stock shall be entitled to receive Exchange Property with respect to or in exchange for such Common Stock, (iii) any sale or conveyance of all or substantially all the properties and assets of the Company to any other Person as a result of which holders of Common Stock shall be entitled to receive Exchange Property with respect to or in exchange for such Common Stock, or (iv) any Public Acquirer Change in Control whereby the Company elects to adjust the Conversion Rate

and the related Conversion Obligation pursuant to Section 10.01(d), then: then the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which shall comply with the TIA as in force at the date of execution of such supplemental indenture) providing for the conversion and settlement of the Securities as set forth in this Indenture. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 10. If, in the case of any such reclassification, change, consolidation, merger, binding share exchange, combination, sale or conveyance, the Exchange Property receivable thereupon by a holder of Common Stock includes shares of stock or other securities and assets of a corporation other than the successor or purchasing corporation, as the case may be, in such reclassification, change, consolidation, merger, binding share exchange, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Securities as the Board of Directors shall reasonably consider necessary by reason of the foregoing.

(b) The Conversion Obligation with respect to each $1,000 principal amount of Securities converted following the effective date of any such transaction, shall be calculated (as provided in clause (c) below) based on the Exchange Property. In the event holders of the Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the Company shall make adequate provision whereby the Holders of the Securities shall have a reasonable opportunity to determine the form of consideration, consistent with the election rights and restrictions applicable to holders of Common Stock, into which all of the Securities, treated as a single class, shall be convertible from and after the effective date of such transaction. Such determination shall be made pursuant to Section 1.05 and shall be subject to any limitations to which all of the holders of the Common Stock are subject, such as pro-rata reductions applicable to any portion of the consideration payable in such event and shall be conducted in such a manner as to be completed by the date which is the earliest of (a) the deadline for elections to be made by holders of the Common Stock in connection with such transaction, and (b) two Trading Days prior to the anticipated effective date of such event. The Company shall provide notice of the opportunity to determine the form of such consideration, as well as notice of the determination made by Holders of the Securities by issuing a press release and providing a copy of such notice to the Trustee. The Company shall not become a party to any such transaction unless its terms are consistent with the preceding.

(c) The Conversion Obligation in respect of any Securities converted following the effective date of any such transaction shall be computed in the same manner as set forth in Section 10.03(a) except that (1) if the Securities become convertible into Exchange Property, the Daily VWAP of the Common Stock shall be deemed to equal the sum of (A) 100% of the value of any Exchange Property consisting of cash received per share of Common Stock, (B) the Daily VWAP of any Exchange Property received per share of Common Stock consisting of securities that are traded on a U.S. national securities exchange and (2) the Fair Market Value of any other Exchange Property received per share, as determined by an independent nationally recognized investment bank selected by the Company for this purpose. Settlement (in cash and/or shares) shall occur on the Conversion Settlement Date, *provided*, that any amount of the Settlement Amount or Settlement Shares, as applicable, to be delivered in shares of Common Stock shall be paid in Exchange Property rather than shares of Common Stock. If the Exchange Property includes more than one kind of property, the amount of Exchange Property of each kind

to be delivered shall be in the proportion that the value of the Exchange Property (as calculated pursuant to Section 10.03) of such kind bears to the value of all such Exchange Property. If the foregoing calculations would require the Company to deliver a fractional share or unit of Exchange Property to a Holder of Securities being converted, the Company shall deliver cash in lieu of such fractional share or unit based on the value of the Exchange Property.

(d) The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Holder of Securities, at its address appearing on the Security register provided for in Section 2.05 of this Indenture, within 20 days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(e) The above provisions of this Section shall similarly apply to successive reclassifications, changes, consolidations, mergers, statutory share exchanges, combinations, sales and conveyances.

(f) If this Section 10.06 applies to any event or occurrence, Section 10.04 shall not apply to such event or occurrence.

Section 10.07 *Taxes on Shares Issued.* The issue of stock certificates on conversions of Securities shall be made without charge to the converting Holder for any tax in respect of the issue thereof, except for applicable withholding, if any. The Company shall not, however, be required to pay any tax or duty which may be payable in respect of any transfer involved in the issue and delivery of stock in any name other than that of the Holder or beneficial owner of any Securities converted, and the Company shall not be required to issue or deliver any such stock certificate unless and until the Person or Persons requesting the issue thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid or that none is due.

Section 10.08 *Reservation of Shares, Shares to Be Fully Paid; Compliance with Governmental Requirements.* (a) The Company shall provide, free from preemptive rights, out of its authorized but unissued shares or shares held in treasury, sufficient shares of Common Stock for the conversion of the Securities from time to time as such Securities are presented for conversion.

(b) Before taking any action which would cause an adjustment increasing the Applicable Conversion Rate to an amount that would cause the Applicable Conversion Price to be reduced below the then par value, if any, of the shares of Common Stock issuable upon conversion of the Securities, the Company shall take all corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue shares of such Common Stock at such adjusted Applicable Conversion Rate.

(c) (i) The Company covenants that all shares of Common Stock which may be issued upon conversion of Securities shall upon issue be fully paid and non-assessable by the Company and free from all taxes, liens and charges with respect to the issue thereof.

(ii) The Company covenants that, if any shares of Common Stock to be provided for the purpose of conversion of Securities hereunder require registration

with or approval of any governmental authority under any federal or state law before such shares may be validly issued upon conversion, the Company shall in good faith and as expeditiously as possible, to the extent then permitted by the rules and interpretations of the SEC (or any successor thereto), endeavor to secure such registration or approval, as the case may be.

Section 10.09 *Responsibility of Trustee.* The Trustee and any other Conversion Agent shall not at any time be under any duty or responsibility to any Holder of Securities to determine the Applicable Conversion Rate or whether any facts exist which may require any adjustment of the Applicable Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the conversion of any Security; and the Trustee and any other Conversion Agent make no representations with respect thereto. Neither the Trustee nor any Conversion Agent shall be responsible for any failure of the Company to issue, transfer or deliver any shares of Common Stock or stock certificates or other securities or property or cash upon the surrender of any Security for the purpose of conversion or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article 10. Without limiting the generality of the foregoing, neither the Trustee nor any Conversion Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 10.06 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Holders upon the conversion of their Securities after any event referred to in such Section 10.06 or to any adjustment to be made with respect thereto, but, subject to the provisions of Section 7.01, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon the Officer’s Certificate (which the Company shall be obligated to file with the Trustee prior to the execution of any such supplemental indenture) with respect thereto.

ARTICLE 11

Subsidiary Guarantees

Section 11.01 *Subsidiary Guarantee.* Subject to this Article 11, each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably guarantee to each Holder of a Security authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Securities or the obligations of the Company hereunder or thereunder, that: (a) the principal of and premium and interest on the Securities will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and Interest on the overdue principal of, premium, and Interest on the Securities, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof and (b) in case of any extension of time of payment or renewal of any Securities or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be

jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this Subsidiary Guarantee is a general unsecured obligation of such Guarantor and it is a guarantee of payment and not a guarantee of collection.

The Guarantors hereby agree that their obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Securities or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Securities with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a Guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Subsidiary Guarantee shall not be discharged except by complete performance of the obligations contained in the Securities and this Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by the Company or a Guarantor either to the Trustee or such Holder, this Subsidiary Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Subsidiary Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Subsidiary Guarantee. The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under this Subsidiary Guarantee.

Section 11.02 *Subordination on Guarantor Liability.* Each Guarantor, and by its acceptance of Securities, each Holder, hereby confirms that it is the intention of all such parties that the Subsidiary Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law or federal and state laws relating to fraudulent conveyances or transfers or the insolvency of debtors the extent applicable to any Subsidiary Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to such maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 11, result

in the obligations of such Guarantor under its Subsidiary Guarantee not constituting a fraudulent transfer or conveyance.

Section 11.03 *Guarantors May Consolidate, etc., on Certain Terms.* Except as otherwise provided in Section 11.05, a Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(a) immediately after giving effect to that transaction, no Default exists; and

(b) either:

(i) subject to Section 11.05 hereof, the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than a Guarantor or the Company) assumes all the obligations of that Guarantor under the Securities and this Indenture (including its Subsidiary Guarantee) on the terms set forth herein or therein pursuant to a supplemental indenture; or

(ii) the net proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture.

In case of any such consolidation, merger, sale or other disposition and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee, of the Subsidiary Guarantee and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. All the Subsidiary Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Subsidiary Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Subsidiary Guarantees had been issued at the date of the execution hereof.

[Except as set forth in Article 5 hereof, and notwithstanding clauses (a) and (b) above, any Guarantor may merge with another Subsidiary that has no significant assets or liabilities and was incorporated solely for the purposes of reincorporating that Guarantor in another jurisdiction so long as the amount of our indebtedness and the indebtedness of the Guarantors is not increased as a result of the merger.]

Section 11.04 *Releases of Subsidiary Guarantee.* The Subsidiary Guarantee of a Guarantor shall be automatically released and terminated upon the release and termination of such Guarantor's guarantee of the Company's 9.625% senior notes due 2013.

Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel together to the effect that all conditions precedent set forth in this Section 11.04 to the release of the Subsidiary Guarantee of a Guarantor have been satisfied, to the extent such conditions can be satisfied as of such date, the Trustee shall execute any documents reasonably

required in order to evidence the release of any Guarantor from its obligations under its Subsidiary Guarantee.

Any Guarantor not released from its obligations under its Subsidiary Guarantee shall remain liable for the full amount of principal of and interest on the Securities and for the other obligations of any Guarantor under this Indenture as provided in this Article 11.

Section 11.05 *Additional Subsidiary Guarantees*. If any Subsidiary of the Company that is not a Guarantor (the "**New Guarantor**") becomes a guarantor of the Company's 9.625% senior notes due 2013, then the New Guarantor shall, within ten Business Days, execute and deliver to the Trustee a supplemental indenture pursuant to which the New Guarantor shall become a Guarantor and guarantee the obligations of the Company under this Indenture and the Securities. Concurrently with the execution and delivery of such supplemental indenture, the Company shall deliver to the Trustee an Opinion of Counsel and an Officers' Certificate to the effect that such supplemental indenture has been duly authorized, executed and delivered by such New Guarantor, and that, subject to the application of bankruptcy, insolvency, moratorium, fraudulent conveyance or transfer or other similar laws relating to creditors' rights generally and to the principles of equity, whether considered in a proceeding at law or in equity, and other customary exceptions, such New Guarantor's Subsidiary Guarantee is a legal, valid and binding obligation of such New Guarantor. Upon the release, termination or satisfaction of the New Guarantor's Subsidiary Guarantee or assumption of the Other Indebtedness, the New Guarantor's Subsidiary Guarantee shall automatically be released and terminated. Upon request of the New Guarantor, the Trustee will provide written evidence of such release and termination.

ARTICLE 12
Miscellaneous

Section 12.01 *Trust Indenture Act Controls.* If any provision of this Indenture limits, qualifies, or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

Section 12.02 *Notices.* Any request, demand, authorization, notice, waiver, consent or communication by the Company or the Trustee to the other is duly given if in writing and delivered in Person or mailed by first-class mail, postage prepaid, addressed as follows or transmitted by facsimile transmission to the following facsimile numbers:

if to the Company:

Parker Drilling Company.
1401 Enclave Parkway, Suite 600
Houston, TX 77077
Attn: Chief Financial Officer
Facsimile: (281) 406-2331

With a copy to (which shall not constitute notice):

Bracewell & Guiliani LLP
711 Louisiana Street, Suite 2300

Houston, TX 77002
Attn: William S. Anderson, Esq.
Facsimile: (713) 437-5370

if to the Trustee:

The Bank of New York Trust Company, N.A.
601 Travis, 18th Floor
Houston, Texas 77022
Attn: Mauri Cowen
Facsimile: (713) 483-7038

The Company or the Trustee by notice given to the other in the manner provided above may designate additional or different addresses for subsequent notices or communications.

Any notice or communication given to a Securityholder shall be delivered to the Securityholder, in accordance with the procedures of the Registrar or by first-class mail, postage prepaid, at the Securityholder's address as it appears on the registration books of the Registrar and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not received by the addressee; *provided*, *however*, that no notice to the Trustee shall be deemed to be duly given unless and until the Trustee actually receives same at the address given above.

If the Company mails a notice or communication to the Securityholders, it shall mail a copy to the Trustee and each Registrar, Paying Agent, Conversion Agent or co-registrar.

Section 12.03 *Communication by Holders with Other Holders.* Securityholders may communicate pursuant to TIA Section 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar, the Paying Agent, the Conversion Agent and anyone else shall have the protection of TIA Section 312(c).

Section 12.04 *Certificate and Opinion as to Conditions Precedent*. Upon any request or application by the Company to the Trustee to take any action under this Indenture (other than to authenticate the Securities under Section 2.02), the Company shall furnish to the Trustee:

(1) an Officer's Certificate stating that, in the opinion of the signer, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with.

Section 12.05 *Statements Required in Certificate or Opinion.* Each Officer's Certificate or Opinion of Counsel delivered pursuant to Section 12.04 with respect to compliance with a covenant or condition provided for in this Indenture shall include:

(1) a statement that each Person making such Officer's Certificate or Opinion of Counsel has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such Officer's Certificate or Opinion of Counsel are based;

(3) a statement that, in the opinion of each such Person, he has made such examination or investigation as is necessary to enable such Person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement that, in the opinion of such Person, such covenant or condition has been complied with.

Section 12.06 *Separability Clause.* In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 12.07 *Rules by Trustee, Paying Agent, Conversion Agent and Registrar.* The Trustee may make reasonable rules for action by or a meeting of Securityholders. The Registrar, the Conversion Agent, the Bid Solicitation Agent and the Paying Agent may make reasonable rules for their functions.

Section 12.08 *Legal Holidays* . A "**legal holiday**" is any day other than a Business Day. If any specified date (including a date for giving notice) is a legal holiday, the action shall be taken on the next succeeding day that is not a legal holiday, and, if the action to be taken on such date is a payment in respect of the Securities, no Interest shall accrue with respect to such payment for the intervening period.

Section 12.09 *Governing Law*. THIS INDENTURE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

Section 12.10 *No Recourse Against Others*. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Securities.

Section 12.11 *Successors*. All agreements of the Company in this Indenture and the Securities shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

Section 12.12 *Multiple Originals.* The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Indenture.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Indenture on behalf of the respective parties hereto as of the date first above written.

PARKER DRILLING COMPANY.

By: ______________________________
Name:
Title:

GUARANTORS:

[LIST NAMES]

By: ______________________________
Name:
Title:

THE BANK OF NEW YORK TRUST COMPANY, N.A., as Trustee

By: ______________________________
Name:
Title:

XHIBIT A

[FORM OF FACE OF GLOBAL SECURITY]

PARKER DRILLING COMPANY.

[ ]% Convertible Senior Notes Due 2012

CUSIP: 701081AR2
ISSUE DATE: [ ], 2007 Principal Amount: $[115],000,000
No.

PARKER DRILLING COMPANY., a Delaware corporation, promises to pay to Cede & Co. or registered assigns, the principal amount of One Hundred Fifteen Million Dollars, on [ ], 2012.

Interest Rate: [ ]% per year.

Interest Payment Dates: January 15 and July 15 of each year, commencing January 15, 2008.

Interest Record Date: January 1 and July 1 of each year.

Reference is hereby made to the further provisions of this Security set forth on the reverse side of this Security, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: ___, 2007

PARKER DRILLING COMPANY

By: ______________________________
Name:
Title:

GUARANTORS:

ANACHORETA, INC
CANADIAN RIG LEASING, INC.
CHOCTAW INTERNATIONAL RIG CORP.
CREEK INTERNATIONAL RIG CORP.
DGH, INC.
INDOCORP OF OKLAHOMA, INC.
PARDRIL, INC.
PARKER AVIATION, INC.
PARKER DRILLEX, LLC
PARKER DRILLING (KAZAKSTAN), LLC
PARKER DRILLING COMPANY EASTERN HEMISPHERE, LTD.
PARKER DRILLING COMPANY INTERNATIONAL, LLC
PARKER DRILLING COMPANY INTERNATIONAL LIMITED
PARKER DRILLING COMPANY LIMITED LLC
PARKER DRILLING COMPANY NORTH AMERICA, INC.
PARKER DRILLING COMPANY OF ARGENTINA, INC.
PARKER DRILLING COMPANY OF BOLIVIA, INC.
PARKER DRILLING COMPANY OF MEXICO, LLC
PARKER DRILLING COMPANY OF NEW GUINEA, LLC
PARKER DRILLING COMPANY OF NIGER

PARKER DRILLING COMPANY OF OKLAHOMA, INCORPORATED
PARKER DRILLING COMPANY OF SINGAPORE, LLC
PARKER DRILLING COMPANY OF SOUTH AMERICA, INC.
PARKER DRILLING COMPANY EURASIA, INC.
PARKER DRILLING OFFSHORE CORPORATION
PARKER DRILLING OFFSHORE USA, LLC
PARKER DRILLING PACIFIC RIM, INC.
PARKER NORTH AMERICA OPERATIONS, INC.
PARKER TECHNOLOGY, INC.
PARKER TECHNOLOGY, L.L.C.
PARKER TOOLS, LLC
PARKER USA DRILLING COMPANY
PARKER USA RESOURCES, LLC
PARKER-VSE, INC.
QUAIL USA, LLC
SELECTIVE DRILLING CORPORATION
UNIVERSAL RIG SERVICE LLC

By: ______________________________
Name:
Title:

PARKER DRILLING MANAGEMENT SERVICES, INC.

By: ______________________________
Name:
Title:

PARKER DRILLSERV, LLC
PARKER DRILLTECH, LLC
PARKER RIGSOURCE, LLC

By: ______________________________
Name:
Title:

PARKER INTEX, LLC

By: ______________________________
Name:
Title:

PARKER OFFSHORE RESOURCES, L.P.

By: Parker Drilling Management Services, Inc., its general partner
By: ______________________________
Name:
Title:

PD MANAGEMENT RESOURCES, L.P.

By: Parker Drilling Management Services, Inc., its general partner

By: ______________________________
Name:
Title:

QUAIL TOOLS, L.P.

By: Quail USA, LLC, its general partner

By: ______________________________
Name:
Title:

THE BANK OF NEW YORK TRUST COMPANY, N.A., as Trustee

By: ______________________________
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION THE BANK OF NEW YORK, as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

By: ______________________________

Authorized Officer

Dated: [ ], 2007

[FORM OF REVERSE OF GLOBAL SECURITY]

[ ]% Convertible Senior Notes Due 2012

This Security is one of a duly authorized issue of [ ]% Convertible Senior Notes Due 2012 (the "**Securities**") of Parker Drilling Company., a Delaware corporation (including any successor corporation under the Indenture hereinafter referred to, the "**Company**"), issued under an Indenture, dated as of [ ], 2007 (the "**Indenture**"), among the Company, the subsidiary guarantors from time to time parties thereto (the "**Guarantors**") and The Bank of New York Trust Company, N.A., as trustee (the "**Trustee**"). The terms of the Security include those stated in the Indenture, those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended ("**TIA**"), and those set forth in this Security. This Security is subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of all such terms. To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Security and the terms of the Indenture, the terms of the Indenture shall control. Capitalized terms used but not defined herein have the meanings assigned to them in the Indenture unless otherwise indicated.

1. **Interest**.

The Securities shall bear Interest on the principal amount thereof at a rate of [ ]% per year.

Interest shall be payable semi-annually in arrears on each Interest Payment Date to Holders at the close of business on the preceding Interest Record Date. Interest shall be computed on the basis of a 360-day year comprised of twelve 30 day months and will accrue from [ ], 2007 or from the most recent date to which Interest has been paid or duly provided for.

The Company shall pay Interest to the Securityholder of record on the Interest Record Date, except that if a Securityholder elects to require the Company to repurchase Securities on a date that is after an Interest Record Date but on or prior to the corresponding Interest Payment Date, the Company shall pay accrued and unpaid Interest on the Securities being repurchased to, but not including, the Fundamental Change Repurchase Date to the Securityholder of record on the Fundamental Change Repurchase Date.

If the principal amount of any Security or any accrued and unpaid Interest is not paid when due (whether upon acceleration pursuant to Section 6.02 of the Indenture, upon the date set for payment of the Fundamental Change Repurchase Price pursuant to Section 4 hereof, upon the Stated Maturity of the Securities, upon the Interest Payment Dates), then in each such case the overdue amount shall, to the extent permitted by law, bear cash interest at the rate of [ ]% per annum, compounded semi-annually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable in cash on demand but if not so demanded shall be paid quarterly to the Holders on the last day of each quarter.

2. **Method of Payment**.

Except as provided below, the Company shall pay Interest on (i) Global Securities, to DTC in immediately available funds, (ii) any Certificated Security having an aggregate principal amount of $2,000,000 or less, by check mailed to the Holder of such Security and (iii) any Certificated Security having an aggregate principal amount of more than $2,000,000, by wire transfer in immediately available funds if requested by the Holder of any such Security as least five Business Days prior to the relevant Interest Payment Date.

At Stated Maturity, the Company shall pay Interest on Certificated Securities at the Company's office or agency maintained for that purpose, which initially shall be the office or agency of the Trustee located at 601 Travis, 18th Floor, Houston, Texas 77002.

Subject to the terms and conditions of the Indenture, the Company shall make payments in cash in respect of Fundamental Change Repurchase Prices and at Stated Maturity to Holders who surrender Securities to a Paying Agent to collect such payments in respect of the Securities. The Company shall pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Company may make such cash payments by check payable in such money.

3. **Indenture**.

The Securities are general unsecured obligations of the Company in an initial aggregate principal amount of $115,000,000 (or, to the extent the Underwriters exercise their over-allotment option to purchase additional Securities, $125,000,000) aggregate principal amount. The Company may, without the consent of the Holders, reopen the Indenture and issue additional Securities under the Indenture with the same terms and with the same CUSIP number as the Securities in an unlimited aggregate principal amount, so long as no such additional Securities may be issued with the same CUSIP number unless they are fungible with the Securities issued on the date the Securities were initially issued under the Indenture for U.S. federal income tax purposes.

4. **Purchase By the Company at the Option of the Holder**.

At the option of any Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase the Securities held by such Holder after the occurrence of a Fundamental Change for a Fundamental Change Repurchase Price equal to 100% of the principal amount of those Securities plus accrued and unpaid Interest on those Securities up to, but not including, the Fundamental Change Repurchase Date. To exercise such right, a Holder shall deliver to the Paying Agent a Fundamental Change Repurchase Notice containing the information set forth in the Indenture at any time on or prior to the close of business on the Business Day immediately preceding the Fundamental Change Repurchase Date and shall deliver the Securities to the Paying Agent as set forth in the Indenture.

Holders have the right to withdraw any Fundamental Change Repurchase Notice by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash sufficient to pay the Fundamental Change Repurchase Price of all Securities or portions thereof to be purchased as of the Fundamental Change Repurchase Date is deposited with the Paying Agent, prior to or on the Business Day following the Fundamental Change Repurchase Date, Interest shall cease to accrue on such Securities (or portions thereof) on and following such Fundamental Change Repurchase Date, and the Holder thereof shall have no other rights as such other than the right to receive the Fundamental Change Repurchase Price upon surrender of such Security.

5. **Specified Accounting Change.**

The Company may redeem the Securities in whole for cash from the date a Specified Accounting Change (as defined in the Indenture) has become effective until 90 days after the date such change became effective. The Company will give notice of redemption not less than 30 nor more than 60 days before the Redemption Date by mail to the Trustee and each Securityholder. For purposes of this paragraph, the effective date of the Specified Accounting Change shall mean the date the standards with respect to such Specified Accounting Change under generally accepted accounting principles have been issued. The redemption price for any such redemption will be equal to 102% of the principal amount of the Securities plus accrued and unpaid Interest to, but not including, the Redemption Date.

If a Holder chooses to convert pursuant to Section 3.01(d) of the Indenture, the Company will pay, to the extent described in the Indenture, a make whole premium in the form of an increase in Applicable Conversion Rate, if the Holder converts its Securities between the date the Company gives notice of the redemption and the day prior to the Redemption Date. Any make whole premium will have the effect of increasing the amount of cash or shares otherwise due to Holders of Securities upon conversion. The increase in the Applicable Conversion Rate will be as set forth in Section 3.01 of the Indenture.

6. **Conversion**.

Subject to the occurrence of certain events and in compliance with the provisions of the Indenture (including, without limitation, the conditions to conversion of this Security set forth in Section 10.01 thereof), a Holder is entitled, at such Holder’s option, to convert the Holder’s Security (or any portion of the principal amount thereof that is $1,000 or an integral multiple of $1,000) at the Applicable Conversion Rate in effect at the time of conversion.

The Company shall notify Holders of any event triggering the right to convert the Securities as specified in the Indenture.

A Security in respect of which a Holder has delivered a Fundamental Change Repurchase Notice exercising the option of such Holder to require the Company to purchase such Security, may be converted only if such Fundamental Change Repurchase Notice is withdrawn in accordance with the terms of the Indenture.

The initial Applicable Conversion Rate is [ ] shares of Common Stock per $1,000 principal amount, subject to adjustment in certain events described in the Indenture. The Applicable Conversion Rate shall not be adjusted for any accrued and unpaid Interest. Upon conversion, no payment shall be made by the Company with respect to accrued and unpaid

Interest. Instead, such amount shall be deemed paid by the cash and shares of Common Stock, if any, delivered upon conversion of any Security. In addition, no payment or adjustment shall be made in respect of dividends on the Common Stock, except as set forth in the Indenture.

In addition, following certain corporate transactions as set forth in Section 10.01(b) of the Indenture that constitute a Fundamental Change, a Holder who elects to convert its Securities in connection with such corporate transaction shall be entitled to receive Additional Shares of Common Stock upon conversion, subject to the terms and conditions set forth in Section 10.01(c) of the Indenture.

To surrender a Security for conversion, a Holder must (1) complete and manually sign the Conversion Notice attached hereto (or complete and manually sign a facsimile of such notice) and deliver such notice to the Conversion Agent, (2) surrender the Security to the Conversion Agent, (3) if required, furnish appropriate endorsements and transfer documents, (4) if required by Section 10.02(h)of the Indenture, pay Interest and (5) pay any transfer or similar tax, if required.

No fractional shares of Common Stock shall be issued upon conversion of any Security. Instead of any fractional share of Common Stock that would otherwise be issued upon conversion of such Security, the Company shall pay a cash adjustment as provided in the Indenture.

If the Company engages in any reclassification of the Common Stock (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value) or is party to a consolidation, merger, binding share exchange or transfer of all or substantially all of its assets, and as a result of any such event the Holders of Common Stock would be entitled to receive Exchange Property for their Common Stock, upon conversion of the Securities after the effective date of such event, the Conversion Obligation and the Settlement Amount shall be based on the Applicable Conversion Rate and the Exchange Property, in each case in accordance with the Indenture. If the transaction also constitutes a Fundamental Change that would lead to the issuance of Additional Shares as set forth in Section 10.01(c) of the Indenture, if a Holder elects to convert all or a portion of its Securities, such Holder shall receive Additional Shares upon conversion pursuant to Section 10.01(c) of the Indenture, subject to the terms and conditions set forth in such Section.

7. **Paying Agent, Conversion Agent, Bid Solicitation Agent and Registrar**.

Initially, the Trustee shall act as Paying Agent, Conversion Agent, Bid Solicitation Agent and Registrar. The Company may appoint and change any Paying Agent, Conversion Agent, Bid Solicitation Agent or Registrar without notice, other than notice to the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Bid Solicitation Agent or Registrar.

8. **Denominations; Transfer; Exchange**.

The Securities are in fully registered form, without coupons, in denominations of $1,000 of principal amount and integral multiples of $1,000. A Holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a Holder, among other

things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Securities in respect of which a Fundamental Change Repurchase Notice has been given and not withdrawn (except, in the case of a Security to be purchased in part, the portion of the Security not to be purchased).

9. **Persons Deemed Owners**.

Except as otherwise provided in the Indenture, the registered Holder of this Security will be treated as the owner of this Security for all purposes.

10. **Unclaimed Money or Securities**.

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Securities that remains unclaimed for one year, subject to applicable abandoned property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another Person.

11. **Amendment; Waiver**.

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Securities may be amended with the written consent of the Holders of at least a majority in aggregate principal amount of the outstanding Securities and (ii) certain Events of Defaults may be waived with the written consent of the Holders of a majority in aggregate principal amount of the outstanding Securities. Subject to certain exceptions set forth in the Indenture, without the consent of any Securityholder, the Company and the Trustee may amend the Indenture or the Securities (i) to add guarantees with respect to the Securities or secure the Securities, (ii) to conform as necessary, the Indenture and this Security to the "Description of Notes" as set forth in the Prospectus, (iii) to add to the covenants of the Company or Events of Default for the benefit of the Holders of Securities, (iv) to surrender any right or power conferred upon the Company in the Indenture, (v) to provide for the assumption by a successor company of the Company's obligations to the Holders of Securities in the case of a merger, consolidation, sale conveyance, transfer, sale or lease as provided under the Indenture, (vi) to comply with the requirements of the SEC in order to effect or maintain the qualification of the Indenture under the TIA, (vii) to cure any ambiguity or to correct or supplement any provision in the Indenture which may be inconsistent with any other provision in the Indenture, (viii) to make other changes to the Indenture or forms or terms of the Securities so long as no such change individually or in the aggregate with all other such changes has or will have a material adverse effect on the interests of the Holders of the Securities, (ix) to establish the form of Securities substantially in the form of Exhibit B to the Indenture, (x) to evidence and provide for the acceptance of the appointment under the Indenture of a successor Trustee in accordance with the terms of the Indenture and (xi) to provide for uncertificated Securities in addition to or in place of Certificated Securities; provided, however, that the uncertificated Securities are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Securities are described in Section 163(f)(2)(B) of the Code.

12. **Defaults and Remedies**.

As set forth in the Indenture, subject to certain exceptions, if any Event of Default with respect to Securities shall occur and be continuing, the principal amount of the Securities and any accrued and unpaid Interest on all the Securities may be declared due and payable in the manner and with the effect provided in the Indenture.

13. **Trustee Dealings with the Company**.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

14. **Calculations in Respect of Securities**.

Except as otherwise provided in the Indenture, the Company or its agents shall be responsible for making all calculations called for under the Securities including, but not limited to, determination of the market prices for the Securities and of the Common Stock accrued on the Securities. Any calculations made in good faith and without manifest error shall be final and binding on Holders of the Securities. The Company or its agents shall be required to deliver to the Trustee a schedule of its calculations and the Trustee shall be entitled to conclusively rely upon the accuracy of such calculations without independent verification.

15. **No Recourse Against Others**.

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

16. **Authentication**.

This Security shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Security.

17. **Abbreviations**.

Customary abbreviations may be used in the name of a Securityholder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

18. **Governing Law**.

THE LAWS OF THE STATE OF NEW YORK WILL GOVERN THE INDENTURE AND THIS SECURITY, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF.

19. **Copy of Indenture**.

The Company shall furnish to any Securityholder upon written request and without charge a copy of the Indenture which has in it the text of this Security in larger type. Requests may be made to:

Parker Drilling Company.
1401 Enclave Parkway, Suite 600
Houston, Texas 77077
Attention: General Counsel
Facsimile: (713) 406-2331

ASSIGNMENT FORM

To assign this Security, fill in the form below:

I or we assign and transfer this Security to

____
____

(Insert assignee's soc. sec. or tax ID no.)

____
____
____

(Print or type assignee's name, address and zip code)

and irrevocably appoint

__________ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: __________ Your Signature: ____________________

(Sign exactly as your name appears on the other side of this Security)

Signature Guaranteed

____

Participant in a Recognized Signature Guarantee Medallion Program

By: ______________________________________

Authorized Signatory

CONVERSION NOTICE

To convert this Security, check the box [ ]

To convert only part of this Security, state the principal amount to be converted (which must be $1,000 or an integral multiple of $1,000):

If you want the stock certificate made out in another Person's name fill in the form below:

____
____

(Insert the other Person's soc. sec. tax ID no.)

____
____
____
____

(Print or type other Person's name, address and zip code)

SCHEDULE OF INCREASES AND DECREASES
OF GLOBAL SECURITY

Initial Principal Amount of Global Security: __________($__________).

Date	Amount of Increase in Principal Amount of Global Security	Amount of Decrease in Principal Amount of Global Security	Principal Amount of Global Security After Increase or Decrease	Notation by Registrar or Security Custodian

EXHIBIT B

[FORM OF FACE OF CERTIFICATED SECURITY]

PARKER DRILLING COMPANY.

[ ]% Convertible Senior Notes Due 2012

CUSIP: 701081AR2 Principal Amount: $[115],000,000
ISSUE DATE: [ ], 2007
No.

PARKER DRILLING COMPANY., a Delaware corporation, promises to pay to__________ or registered assigns, the principal amount of __________, on July 15, 2012.

Interest Rate: [ ]% per year.

Interest Payment Dates: January 15 and July 15 of each year, commencing January 15, 2008.

Interest Record Date: January 1 and July 1 of each year.

Reference is hereby made to the further provisions of this Security set forth on the reverse side of this Security, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: __________

PARKER DRILLING COMPANY.

By: ______________________________

Title: ______________________________

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

____________________,

The Bank of New York, Trust Company, N.A. as Trustee, certifies that this is one of the Securities referred to in the within-mentioned Indenture.

By ____

Authorized Signatory

Dated: __________

[FORM OF REVERSE OF CERTIFICATED SECURITY IS IDENTICAL TO EXHIBIT A]

EXHIBIT D

PARKER DRILLING COMPANY.
NOTICE OF OCCURRENCE
OF FUNDAMENTAL CHANGE

[DATE]

To the Holders of the [ ]% Convertible Senior Notes Due 2012

(the "Securities") issued by Parker Drilling Company:

Parker Drilling Company (the "Company") by this written notice hereby notifies you, pursuant to Section 3.02 of that certain Indenture (the "Indenture"), dated as of ___, 2007, among the Company, the subsidiary guarantors from time to time parties thereto and The Bank of New York Trust Company, N.A., that a Fundamental Change (as such term and other capitalized terms used herein and not otherwise defined herein is defined in the Indenture) as described below has occurred. Included herewith is the form of Fundamental Change Repurchase Notice to be completed by you if you wish to have your Securities repurchased by the Company.

1. Fundamental Change: [Insert brief description of the Fundamental Change and the date of the occurrence thereof].

2. Date by which Fundamental Change Repurchase Notice must be delivered by you to Paying Agent in order to have your Securities repurchased:

3. Fundamental Change Repurchase Date:

4. Fundamental Change Repurchase Price:

5. Paying Agent and Conversion Agent: [NAME] [ADDRESS]

6. Applicable Conversion Rate: To the extent described in Item 7 below, each $1,000 principal amount of the Securities is convertible into [insert number of shares] shares of the Company's common stock, par value $0.16 2/3 per share (the "Common Stock"), subject to adjustment.

7. The Securities as to which you have delivered a Fundamental Change Repurchase Notice to the Paying Agent may be converted if they are otherwise convertible pursuant to Article 10 of the Indenture and the terms of the Securities only if you withdraw such Fundamental Change Repurchase Notice pursuant to the terms of the Indenture. Subject to Section 10.01 of the Indenture, you may be entitled to have your Securities converted into cash and shares of the Common Stock, if any:

(i) during any fiscal quarter of the Company commencing after [ ], 2007 (and only during such fiscal quarter), if the Closing Sale Price (as defined in the Indenture) of the Common Stock for at least 20 Trading Days during the period of 30 consecutive Trading Days ending on the last Trading Day (as defined in the

Indenture) of the immediately preceding fiscal quarter was more than 130% of the Applicable Conversion Price (as defined in the Indenture) on such last Trading Day;

(ii) during the five business days immediately following any five consecutive Trading-Day period in which the Trading Price (as defined in the Indenture) per $1,000 principal amount of the Securities for each day of that period was less than 98% of the product of the Closing Sale Price of the Common Stock and the Applicable Conversion Rate (as defined in the Indenture) of the Securities on each such day;

(iii) on or after [ ], 2012;

(iv) upon the occurrence of certain specified corporate transactions described in the Indenture; or

(v) upon a redemption in connection with a Specified Accounting Change (as defined in the Indenture), at any time beginning on the date of the notice of redemption until the Trading Day prior to the Redemption Date.

8. The Securities as to which you have delivered a Fundamental Change Repurchase Notice must be surrendered by you (by effecting book entry transfer of the Securities or delivering Certificated Securities, together with necessary endorsements, as the case may be) to [Name of Paying Agent] at [insert address] in order for you to collect the Fundamental Change Repurchase Price.

9. The Fundamental Change Repurchase Price for the Securities as to which you have delivered a Fundamental Change Repurchase Notice and not withdrawn such Notice shall be paid, subject to receipt of funds and/or securities by the Paying Agent, promptly following the later of the Business Day immediately following such Fundamental Change Repurchase Date and the date you deliver such Securities to [Name of Paying Agent].

10. In order to have the Company repurchase your Securities, you must deliver the Fundamental Change Repurchase Notice, duly completed by you with the information required by such Fundamental Change Repurchase Notice (as specified in Section 3.02 of the Indenture) and deliver such Fundamental Change Repurchase Notice to the Paying Agent at any time until 5:00 p.m. (New York City Time) on the Business Day immediately preceding the Fundamental Change Repurchase Date.

11. In order to withdraw any Fundamental Change Repurchase Notice previously delivered by you to the Paying Agent, you must deliver to the Paying Agent, by 5:00 p.m. (New York City time) on the Business Day immediately preceding the Fundamental Change Repurchase Date, a written notice of withdrawal specifying (i) the certificate number, if any, of the Securities in respect of which such notice of withdrawal is being submitted, (ii) the principal amount of the Securities in respect of which such notice of withdrawal is being submitted, and (iii) if you are not withdrawing your Fundamental Change Repurchase Notice for all of your Securities, the principal amount of the Securities which still remain subject to the original Fundamental Change Repurchase Notice.

12. Unless the Company defaults in making the payment of the Fundamental Change Repurchase Price owed to you, Interest on your Securities as to which you have delivered a Fundamental Change Repurchase Notice shall cease to accrue on and after the Fundamental Change Repurchase Date.

13. CUSIP Number: 701081AR2

PARKER DRILLING COMPANY

Exhibit 4.1

SCHEDULE I

The following table sets forth the Stock Prices and the number of Additional Shares per $1,000 principal amount of Securities.

Effective Date	$	$	$	$	$	$	$	$	$	$	$	$
2007 ’												
2008 ’												
2009 ’												
2010 ’												
2011 ’												
2012 ’												

Exhibit 5.1

Bracewell & Giuliani LLP
711 Louisiana Street, Suite 2300
Houston, Texas 77002
(713) 223-2300

June 28, 2007

Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077

Ladies and Gentlemen:

We have acted as special counsel to Parker Drilling Company, a Delaware corporation (the "Company"), in connection with the Registration Statement on Form S-3 (the "Registration Statement") filed by the Company and the additional registrants named therein on the date hereof with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"), with respect to the registration of an aggregate principal amount of $125,000,000 of Convertible Senior Notes due 2012 (the "Notes") of the Company and the shares of common stock, par value $0.16 2/3 per share, of the Company (the "Common Stock") issuable on conversion of the Notes.

The Notes may be offered and sold by the Company from time to time as set forth in the prospectus that forms a part of the Registration Statement (the "Prospectus"). The Notes will be issued under an Indenture among the Company, the subsidiary guarantors named therein (the "Guarantors") and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), in the form filed as an exhibit to the Registration Statement, as amended or supplemented from time to time (the "Indenture"). The Notes will be unconditionally and irrevocably guaranteed (the "Guarantees") as to payment of principal, premium, if any, and interest by each of the Guarantors pursuant to the Indenture.

In connection with the opinion set forth below, we have examined originals or copies identified to our satisfaction of (a) the Registration Statement; (b) the Corrected Restated Certificate of Incorporation and By-Laws of the Company, each as amended to date; (c) certain resolutions adopted by the Board of Directors of the Company; (d) the charter, bylaws or other constitutive documents of each of the Guarantors; (e) the form of Indenture; (f) a specimen of the Notes; and (g) such other instruments, documents and records as we have deemed necessary, relevant or appropriate for the purposes hereof. We have relied on, and assumed the accuracy of, certificates of officers of the Company and of public officials and others as to certain matters of fact relating to this opinion and have made such investigations of law as we have deemed necessary and relevant as a basis hereof. In such examinations, we have assumed the genuineness of all signatures, the authenticity of all documents, certificates and records submitted to us as originals, the conformity to authentic original documents, certificates and records of all documents, certificates and records submitted to us as copies, and the truthfulness of all statements of fact contained therein.

In addition, we have assumed, with your approval, that (a) the Registration Statement, and any amendments thereto (including post-effective amendments), will have become effective under the Act; (b) a Prospectus will have been filed with the Commission describing the Notes offered thereby; (c) the Notes will be issued and sold in compliance with applicable federal and state securities laws and in the manner stated in the Registration Statement and the Prospectus; (d) a definitive purchase, underwriting or similar agreement with respect to any Securities offered will have been duly authorized and validly executed and delivered by the Company and the other parties thereto; (e) the Indenture will have been duly authorized, executed and delivered by the Trustee; (f) the Notes will conform to the specimen thereof examined by us; (g) the Trustee's certificates of authentication of the Notes will be manually signed by one of the Trustee's authorized officers; (h) the Indenture will have been duly qualified under the Trust Indenture Act of 1939, as amended; (i) the certificates for the shares of Common Stock issuable upon conversion of the Notes will conform to the specimen thereof examined by us and will be duly countersigned by a transfer agent and duly registered by a registrar of the Common Stock; (j) there will be a sufficient number of unissued Shares authorized under the Company's organizational documents and not otherwise reserved for issuance; and (k) all actions are taken by the Company so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company.

Based on the foregoing, subject to the limitations, assumptions and qualifications set forth herein, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. When the Notes have been duly executed, authenticated, issued and delivered in accordance with the Indenture, the Notes will constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms.

2. The shares of Common Stock initially issuable upon conversion of the Notes, when issued upon such conversion in accordance with the terms of the Indenture, will be validly issued, fully paid and non-assessable.

3. The Guarantees of the Guarantors to be issued under the Indenture will, when issued, constitute valid and binding obligations of the Guarantors enforceable against the Guarantors in accordance with their terms.

The foregoing opinions are based on and are limited to the laws of the State of Texas, the General Corporation Law of the State of Delaware, the relevant contract law of the State of New York and the relevant federal law of the United States of America. We express no opinion with respect to the state securities or blue sky laws of any jurisdiction or with respect to the law of any other jurisdiction. We are not admitted to the practice of law in the State of Delaware. We also express no opinion with respect to the anti-fraud provisions of the federal securities laws or with respect to federal or state laws relating to fraudulent transfers. With respect to all matters of

Louisiana law, we have, with your approval, relied upon the opinion, dated June 28, 2007, of Jones, Walker, Waechter, Poitevent, Carrere & Denegre, L.L.P., and our opinion is subject to the same assumptions, qualifications and limitations with respect to such matters as are contained in such opinion of Jones, Walker, Waechter, Poitevent, Carrere & Denegre, L.L.P. With respect to all matters of Nevada law, we have, with your approval, relied upon the opinion, dated June 28, 2007, of Kummer Kaempfer Bonner & Renshaw, and our opinion is subject to the same assumptions, qualifications and limitations with respect to such matters as are contained in such opinion of Kummer Kaempfer Bonner & Renshaw. With respect to all matters of Oklahoma law, we have, with your approval, relied upon the opinion, dated June 28, 2007, of Ronald C. Potter, Vice President, General Counsel and Corporate Secretary of the Company, and our opinion is subject to the same assumptions, qualifications and limitations with respect to such matters as are contained in such opinion of Ronald C. Potter.

The enforceability of the obligations of the Company under the Notes and the Indenture and of the Guarantors under the Guarantees and the Indenture are subject to the effect of any applicable bankruptcy (including, without limitation, fraudulent conveyance and preference), insolvency, reorganization, rehabilitation, moratorium or similar laws and decisions relating to or affecting the enforcement of creditors' rights generally, to a provision included in the Company's Certificate of Incorporation as contemplated by Section 102(b)(2) of the General Corporation Law of the State of Delaware, and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief. Such principles are of general application, and in applying such principles a court, among other things, might decline to order the Company and the Guarantors to perform covenants. We express no opinion as to the validity, binding effect or enforceability of any provisions of the Indenture, the Notes or the Guarantees that requires or relates to the payment of liquidated damages at a rate or in an amount that a court would determine in the circumstances under applicable law to be commercially unreasonable or a penalty or a forfeiture. Further, we express no opinion with respect to the enforceability of provisions in the Notes or the Indenture with respect to waiver, delay, extension or omission of notice of enforcement of rights or remedies or waivers of defenses or waivers of benefits of stay, extension, moratorium, redemption, statutes of limitations or other nonwaivable benefits provided by operation of law. In addition, the enforceability of any exculpation, indemnification or contribution provisions contained in the Indenture may be limited by applicable law or public policy.

In connection with the foregoing opinion, we have also assumed, with your approval, that at the time of the issuance and delivery of the Notes there will not have occurred any change in law affecting the validity, binding character or enforceability of the Notes or the Guarantees and that the issuance and delivery of the Notes and the Guarantees, all of the terms of the Notes and the Guarantees and the performance by the Company and the Guarantors of their respective obligations thereunder will comply with applicable law and with each requirement or restriction imposed by any court or governmental body having jurisdiction over the Company or any Guarantor and will not result in a default under or a breach of any agreement or instrument then binding upon the Company or any Guarantor.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to us under the heading "Validity of the Securities" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Bracewell & Giuliani LLP

Bracewell & Giuliani LLP

EXHIBIT 5.2

PARKER DRILLING COMPANY
1401 Enclave Parkway, Suite 600
Houston, Texas 77077

June 28, 2007

Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077

Ladies and Gentlemen:

I am the Vice President and General Counsel of Parker Drilling Company, a Delaware corporation (the "Company"), and in such capacity I have advised the Company in connection with the Registration Statement on Form S-3 (the "Registration Statement") filed by the Company and the additional registrants named therein on the date hereof with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), with respect to the registration of an aggregate principal amount of $125,000,000 of Convertible Senior Notes due 2012 of the Company (the "Notes") and the shares of common stock, par value $0.16 2/3 per share, of the Company (the "Common Stock") issuable on conversion of the Notes.

The Notes may be offered and sold by the Company from time to time as set forth in the prospectus that forms a part of the Registration Statement. The Notes will be issued under an Indenture among the Company, the subsidiary guarantors named therein (the "Guarantors") and the Bank of New York Trust Company, N.A., in the form filed as an exhibit to the Registration Statement, as amended or supplemented from time to time (the "Indenture"). The Notes will be unconditionally and irrevocably guaranteed (the "Guarantees") as to payment of principal, premium, if any, and interest by each of the Guarantors pursuant to the Indenture.

In connection with the opinion set forth below, I have examined (i) the Registration Statement; (ii) the Indenture; (iii) the charter, bylaws or other constitutive documents of each of the Guarantors listed on Schedule I hereto (the "Oklahoma Guarantors"), each as amended to the date hereof; and (vi) certain resolutions of the Board of Directors of the Oklahoma Guarantors. I also have made such investigations of law and examined originals or copies of such other documents and records as I have deemed necessary and relevant as a basis for the opinion hereinafter expressed. With your approval, I have relied as to certain matters on information obtained from public officials, officers of the Oklahoma Guarantors and other sources believed by me to be responsible. In the course of the foregoing investigations and examinations, I have assumed (i) the genuineness of all signatures on, and the authenticity of, all documents and records submitted to me as originals and the conformity to original documents and records of all documents and records submitted to me as copies; and (ii) the truthfulness of all statements of fact set forth in the documents and records examined by me.

Based on the foregoing and subject to the qualifications, limitations and assumptions set forth herein, and having due regard for such legal considerations as I deem relevant, I am of the opinion that:

1. Each of the Oklahoma Guarantors has been duly incorporated, formed or organized, as the case may be, and is an existing corporation, limited liability company or limited partnership, as the case may be, in good standing under the laws of Oklahoma.

2. The Indenture has been duly authorized by each of the Oklahoma Guarantors.

3. The Guarantees have been duly authorized by each of the Oklahoma Guarantors.

The foregoing opinion is based on and is limited to the General Corporation Act of the State of Oklahoma and the relevant federal law of the United States of America. I express no opinion with respect to the law of any other jurisdiction.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to any reference to me under the heading "Validity of the Securities" in the prospectus forming a part of the Registration Statement. In giving such consent, I do not hereby admit that I am in the category of persons whose consent is required under Section 7 of the Securities Act. Bracewell & Giuliani LLP may rely upon this opinion as though this opinion were addressed to them.

Very truly yours,

/s/ Ronald C. Potter

Ronald C. Potter

<u>Schedule I</u>

<u>Oklahoma Guarantors</u>

Canadian Rig Leasing, Inc.
Indocorp of Oklahoma, Inc.
Pardril, Inc.
Parker Aviation, Inc.
Parker Drilling Company Eastern Hemisphere, Ltd.
Parker Drilling Company of Bolivia, Inc.
Parker Drilling Company of Niger
Parker Drilling Company of Oklahoma, Incorporated
Parker Drilling Company of South America, Inc.
Parker Drilling Offshore USA, LLC
Parker Offshore Resources, L.P.
Parker Technology, Inc.
Parker Tools, LLC
Parker USA Resources, LLC
PD Management Resources, L.P.
Quail Tools, L.P.
Quail USA, LLC
Selective Drilling Corporation

Exhibit 5.3

Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
201 St. Charles Ave., 51st Floor
New Orleans, LA 70170

June 28, 2007

Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077

Ladies and Gentlemen:

We have acted as special Louisiana counsel to Parker Drilling Company, a Delaware corporation (the “Company”), in connection with the Registration Statement on Form S-3 filed on the date hereof (the “Registration Statement”) by the Company and the additional registrants named therein with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the “Securities Act”), relating to the proposed issuance of up to $125,000,000 aggregate principal amount of the Company’s Convertible Senior Notes due 2012 (the “Notes”), the shares of common stock, par value $0.16 2/3 per share, issuable upon conversion of the Notes, and guarantees evidencing the joint and several guarantees of certain subsidiaries of the Company of up to $125,000,000 aggregate principal amount of the Notes.

The Notes will be issued under an Indenture (the “Indenture”) between the Company, the subsidiary guarantors named therein (the “Guarantor”) and The Bank of New York Trust Company, N.A., as Trustee. The Notes will be unconditionally and irrevocably guaranteed (the “Guarantee”) as to payment of principal, premium, if any, and interest by the Guarantors pursuant to the Indenture.

In connection with the opinion set forth below, we have examined (i) the Registration Statement; (ii) the Indenture; (iii) the articles of organization and operating agreement of Parker Technology, L.L.C., a Louisiana limited liability company (the “Louisiana Guarantor”), each as amended to the date hereof; and (vi) certain resolutions of the members of the Louisiana Guarantor. We also have made such investigations of law and examined originals or copies of such other documents and records as we have deemed necessary and relevant as a basis for the opinion hereinafter expressed. With your approval, we have relied as to certain matters on information obtained from public officials, officers of the Louisiana Guarantor and other sources believed by us to be responsible. In the course of the foregoing investigations and examinations, we have assumed (i) the genuineness of all signatures on, and the authenticity of, all documents and records submitted to me as originals and the conformity to original documents and records of all documents and records submitted to us as copies; and (ii) the truthfulness of all statements of fact set forth in the documents and records examined by us.

Based on the foregoing and subject to the qualifications, limitations and assumptions set forth herein, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. The Louisiana Guarantor has been duly organized and is an existing limited liability company in good standing under the laws of Louisiana.
2. The Indenture has been duly authorized by the Louisiana Guarantor.
3. The Guarantee has been duly authorized by the Louisiana Guarantor.

The foregoing opinion is based on and is limited to the laws of the State of Louisiana and the relevant federal law of the United States of America. We express no opinion with respect to the law of any other jurisdiction.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to any reference to us under the heading "Validity of the Securities" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act. Bracewell & Giuliani LLP may rely upon this opinion as though this opinion were addressed to them.

Very truly yours,

/s/ Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.

Exhibit 5.4

LAS VEGAS OFFICE
3800 Howard Hughes Parkway
Seventh Floor
Las Vegas, NV 89169
Tel: 702.792.7000
Fax: 702.796.7181

SUMMERLIN OFFICE
3425 Cliff Shadows Parkway
Suite 150
Las Vegas, NV 89129
Tel: 702.693.4260
Fax: 702.939.8457

RENO OFFICE
5585 Kietzke Lane
Reno, NV 89511
Tel: 775.852.3900
Fax: 775.852.3982

CARSON CITY OFFICE
510 W. Fourth Street
Carson City, NV 89703
Tel: 775.882.1311
Fax: 775.882.0257

las vegas office
info@kkbrf.com

June 28, 2007

Parker Drilling Company
1401 Enclave Parkway, Suite 600
Houston, Texas 77077

Re: ***Anachoreta, Inc.***
Choctaw International Rig Corp.
Creek International Rig Corp.
Parker USA Drilling Company
Parker Drilling Company of Argentina, Inc.
Parker Drilling Company of Mexico, LLC
Parker Drilling Company International, Limited
Parker Drilling Company North America, Inc.
Parker Drilling Management Services, Inc.
Parker Drilling Offshore Corporation
Parker North America Operations, Inc.
Parker-VSE, Inc.
Registration Statement on Form S-3
Convertible Senior Notes due 2012

Ladies and Gentlemen:

We have acted as special Nevada counsel to certain Nevada subsidiaries of Parker Drilling Company, a Delaware corporation (the “Parent”), each of whom are listed above (collectively, the “Nevada Guarantors”). The Nevada Guarantors plan to issue Guarantees in connection with the issuance by Parent of the Parent’s Convertible Senior Notes due 2012 (the “Notes”) all as described in the Registration Statement on Form S-3 filed on the date hereof (the “Registration Statement”) by the Company and the additional registrants named therein with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Act”). The Registration Statement registers under the Act the proposed issuance of up to $125,000,000 aggregate principal amount of the Notes, the shares of common stock, par value $0.16 2/3 per share, and guarantees evidencing the Nevada Guarantors’ joint and several guarantees of up to $125,000,000 aggregate principal amount of the Notes (collectively, the “Guarantees”). The Notes and related Guarantees will be issuable under an Indenture (the “Indenture”) among the Parent, each of the Guarantors and The Bank of New York Trust Company, N.A., as trustee (the “Trustee”).

In rendering the opinions set forth below, we have reviewed (a) the Registration Statement, (b) the form of Indenture, (c) the respective constituent documents of the Nevada Guarantors as amended to date, (d) certain records of the corporate proceedings of the Nevada Guarantors, (e) certificates of public officials, and (f) such records, documents, statutes and decisions as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth. In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the

conformity with the original of all documents submitted to us as copies thereof and the truthfulness of all statements of fact set forth in the documents and records examined by us.

We have assumed for purposes of this opinion that the Indenture was duly authorized, executed and delivered by the Trustee and that the Trustee has the requisite organizational and legal power and authority to perform its obligations under the Indenture.

Based on the foregoing and subject to the qualifications, limitations and assumptions set forth herein, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

1. Each of the Nevada Guarantors has been duly incorporated, formed or organized, as the case may be, and is an existing corporation, limited liability company or limited partnership, as the case may be, in good standing under the laws of Nevada.

2. The Indenture has been duly authorized by each of the Nevada Guarantors.

3. The Guarantees have been duly authorized by each of the Nevada Guarantors.

We express no opinion herein as to the effect or applicability of the laws of any jurisdiction other than the federal laws of the United States of America and laws of the State of Nevada.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to any reference to us under the heading "Validity of the Securities" in the prospectus forming a part of the Registration Statement. In giving such consent, we do not hereby admit that we are acting within the category of persons whose consent is required under Section 7 of the Act or the rules or regulations of the Securities and Exchange Commission thereunder. Bracewell & Giuliani LLP may rely upon this opinion as though this opinion were addressed to them.

Sincerely,

/s/ KUMMER KAEMPFER BONNER RENSHAW & FERRARIO

KUMMER KAEMPFER BONNER RENSHAW & FERRARIO

EXHIBIT 12.1

PARKER DRILLING COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollar amounts in thousands)

	For the 3 Mo. Ended March 31,		Year Ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
Income (loss) from continuing operations before income taxes, minority interest and income (loss) from equity investees	$55,103	$26,918	$117,664	$ 68,323	$(34,973)	$(36,379)	$(19,551)
Plus fixed charges:							
Interest expense on indebtedness	5,890	8,784	29,686	40,674	46,545	51,502	50,384
Capitalized interest	1,539	341	3,658				
Amortization of borrowing expenses	440	317	1,912	1,439	3,823	2,288	2,025
Amortization of capitalized interest	128	118	471	481	507	530	528
Rental expense under operating leases deemed to be representative of the interest factor	426	426	1,705	1,636	1,376	1,105	1,046
Adjusted income (loss) from continuing operations	$63,526	$36,904	$155,096	$112,553	$ 17,278	$ 19,046	$ 34,432
Fixed charges	8,295	9,527	36,961	43,749	51,744	54,895	53,572
Surplus (deficiency) of earnings to cover fixed charges	$55,231	$27,377	$121,904	$ 68,804	$(34,466)	$(35,849)	$(19,140)
Ratio of earnings to fixed charges	7.7x	3.9x	4.2x	2.6x	0.3x	0.3x	0.6x
	7.65	3.87	4.19	2.56	0.33	0.35	0.64

PARKER DRILLING COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollar amounts in thousands)

	Pro Forma	
	For the 3 Mo. Ended March 31, 2007	Year Ended December 31, 2006
Income (loss) from continuing operations before income taxes, minority interest and income (loss) from equity investees	$ 56,061	$ 121,433
Plus fixed charges:		
Interest expense on indebtedness	4,265	23,410
Capitalized interest	1,539	3,658
Amortization of borrowing expenses	542	1,689
Amortization of capitalized interest	230	471
Rental expense under operating leases deemed to be representative of the interest factor	426	1,705
Adjusted income (loss) from continuing operations	$ 63,064	$ 152,366
Fixed charges	6,773	30,462
Surplus (deficiency) of earnings to cover fixed charges	$ 56,291	$ 121,904
Ratio of earnings to fixed charges	9.3x	5.0x

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 28, 2007 relating to the financial statements, financial statement schedule, management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting, which appears in Parker Drilling Company's Annual Report on Form 10-K for the year ended December 31, 2006. We also consent to the references to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Houston, Texas
June 27, 2007

EXHIBIT 25.1

FORM T-1
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) ☐**

THE BANK OF NEW YORK TRUST COMPANY, N.A.

(Exact name of trustee as specified in its charter)

(State of incorporation if not a U.S. national bank)	**95-3571558** (I.R.S. employer identification no.)
700 South Flower Street **Suite 500** **Los Angeles, California** (Address of principal executive offices)	**90017** (Zip code)

PARKER DRILLING COMPANY

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**73-0618660** (I.R.S. employer identification no.)
1401 Enclave parkway, Suite 600 **Houston, Texas** **281-406-2000** (Address of principal executive offices)	**77077** (Zip Code)

1. **General information. Furnish the following information as to the trustee:**

(a) **Name and address of each examining or supervising authority to which it is subject.**

Name	Address
Comptroller of the Currency United States Department of the Treasury	Washington, D.C. 20219
Federal Reserve Bank	San Francisco, California 94105
Federal Deposit Insurance Corporation	Washington, D.C. 20429

(b) **Whether it is authorized to exercise corporate trust powers.**

Yes.

2. **Affiliations with Obligor.**

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

3-15. **Not applicable.**

16. **List of Exhibits.**

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the articles of association of The Bank of New York Trust Company, N.A. (Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121948).

2. A copy of certificate of authority of the trustee to commence business. (Exhibit 2 to Form T-1 filed with Registration Statement No. 333-121948).

3. A copy of the authorization of the trustee to exercise corporate trust powers. (Exhibit 3 to Form T-1 filed with Registration Statement No. 333-121948).4. A copy of the existing by-laws of the trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121948).

6. The consent of the trustee required by Section 321(b) of the Act.

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the trustee, The Bank of New York Trust Company, N.A., a banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Houston, and State of Texas, on the 27th day of June, 2007.

THE BANK OF NEW YORK TRUST COMPANY, N.A.

By: /s/ Mauri J. Cowen
Name: Mauri J. Cowen
Title: Vice President

Exhibit 25.1

REPORT OF CONDITION

Consolidating domestic subsidiaries of

THE BANK OF NEW YORK TRUST COMPANY, NA
In the state of CA at close of business on March 31, 2007

published in response to call made by (Enter additional information below).

Statement of Resources and Liabilities

		Dollar Amounts in Thousands
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		2,391
Interest-bearing balances		0
Securities:		
Held-to-maturity securities		40
Available-far-sale securities		65,083
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		48,400
Securities purchased under agreements to resell		54,885
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	0	
LESS: Allowance for loan and lease losses	0	
Loans and leases, net of unearned income and allowance		0
Trading Assets		0
Premises and fixed assets (including capitalized leases)		8,755
Other real estate owned		0
Investments in unconsolidated subsidiaries and associated companies		0
Intangible assets:		
Goodwill		924,236
Other intangible assets		270,030
Other assets		143,616
Total assets		1,517,436

REPORT OF CONDITION (Continued)

LIABILITIES

		Dollar Amounts in Thousands
Deposits:		
In domestic offices		1,691
Noninterest-bearing	1,691	
Interest-bearing	0	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		118,691
Subordinated notes and debentures		0
Other liabilities		126,416
Total liabilities		246,798
Minority interest in consolidated subsidiaries		0

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,000
Surplus (exclude all surplus related to preferred stock)	1,121,520
Retained earnings	148,100
Accumulated other comprehensive income	18
Other equity capital components	0
Total equity capital	1,270,638
Total liabilities, minority interest, and equity capital	1,517,436

/s/ I, Karen Bayz, Vice President
(Name, Title)
of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Director #1	Michael K. Klugman, President	/s/ Michael K. Klugman
Director #2	Frank Sulzberger, MD	/s/ Frank Sulzberger
Director #3	Michael McFadden, MD	/s/ Michael McFadden