

Davey James M
Form 3
May 11, 2006

FORM 3

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

OMB APPROVAL

OMB
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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *			2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â Davey James M			(Month/Day/Year)	Allis Chalmers Energy Inc. [ALY]	
(Last)	(First)	(Middle)	02/03/2006	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
15602 OXENFORD				(Check all applicable)	
(Street)				____ Director	____ 10% Owner
				____ Officer	__X__ Other
TOMBALL,Â TXÂ 77377-8616				(give title below)	(specify below)
(City)	(State)	(Zip)		President (see remarks)	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	3,000	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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information contained in this form are not
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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		(I) (Instr. 5)	
Stock Options <u>(1)</u>	Â <u>(1)</u>	12/15/2013	Common Stock	20,000	\$ 2.75	D	Â
Stock Options <u>(2)</u>	Â <u>(2)</u>	02/01/2015	Common Stock	20,000	\$ 3.86	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Davey James M 15602 OXENFORD TOMBALL, TX 77377-8616	Â	Â	Â	President (see remarks)

Signatures

/s/ James M.
Davey

05/10/2006

 Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) One-third of these options became exercisable on each of December 16, 2003, 2004 and 2005.

(2) One-third of these options became exercisable on each of February 2, 2005 and 2006.

Â

Remarks:

President, Â Allis-Chalmers Â Rental Â Tools, Â Inc.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.