

Pound Ted
Form 4
February 25, 2011

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN 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 *
Pound Ted

(Last) (First) (Middle)
C/O ALLIS-CHALMERS, 5075
WESTHEIMER, #890

(Street)

HOUSTON, TX 77056

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Allis Chalmers Energy Inc. [ALY]

3. Date of Earliest Transaction
(Month/Day/Year)
02/23/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
General Counsel & Secretary

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/23/2011		F	5,080	D <u>(1)</u> 140,970	D	
Common Stock	02/23/2011		D	<u>140,970</u> (2)	D <u>(2)</u> 0	D	

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 4.85	02/23/2011		D	40,000	<u>(3)</u> 11/14/2014	Common Stock 40,000
Employee Stock Option (right to buy)	\$ 10.85	02/23/2011		D	50,000	<u>(4)</u> 12/16/2015	Common Stock 50,000
Employee Stock Option (right to buy)	\$ 1.23	02/23/2011		D	30,000	<u>(5)</u> 03/05/2019	Common Stock 30,000
Employee Stock Option (right to buy)	\$ 3.77	02/23/2011		D	66,667	<u>(6)</u> 03/03/2020	Common Stock 66,667

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Pound Ted C/O ALLIS-CHALMERS 5075 WESTHEIMER, #890 HOUSTON, TX 77056			General Counsel & Secretary	

Signatures

Theodore F.
Pound III 02/25/2011

__Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(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) These shares were withheld to satisfy tax obligations in connection with the vesting of 18,000 shares of restricted stock.
These shares were disposed of pursuant to an Agreement and Plan of Merger among the Issuer, Seawell Limited and Wellco Sub
- (2) Company, a wholly-owned subsidiary of Seawell Limited, dated August 12, 2010, as amended. The Reporting Person received 1.15 shares of Seawell Limited common stock for each share of Allis-Chalmers common stock owned.
- (3) These options vested in three equal installments beginning November 14, 2005 and were assumed by Seawell Limited in the merger and replaced with an option to purchase 46,000 shares of Seawell Limited common shares at \$4.22 per share.
- (4) These options vested in three equal installments beginning December 16, 2006 and were assumed by Seawell Limited in the merger and replaced with an option to purchase 57,500 shares of Seawell Limited common shares at \$9.43 per share.
This option, which provided for the vesting of 20% on March 5, 2010, 20% on March 5, 2011, and 60% on March 5, 2012 was assumed
- (5) by Seawell Limited in the merger and replaced with an option to purchase 34,500 shares of Seawell Limited common shares at \$1.07 per share.
- (6) This option, which provided for vesting in five equal installments beginning March 3, 2011 was assumed by Seawell Limited in the merger and replaced with an option to purchase 76,667 shares of Seawell Limited common shares at \$3.28 per share.

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.