

HEARNE GRAHAM
Form 5
February 13, 2007

FORM 5

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
HEARNE GRAHAM

(Last) (First) (Middle)

2. Issuer Name and Ticker or Trading Symbol
ROWAN COMPANIES INC [RDC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

2900 POST OAK BLVD, SUITE 5450

(Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
09/01/2005

Director 10% Owner
 Officer (give title below) Other (specify below)

HOUSTON, TX 77056

(City) (State) (Zip)

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

6. Individual or Joint/Group Reporting

(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) (A) or (D) Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
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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	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Underlying Securities (Instr. 3 and 4)
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Derivative Security	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Amount or Number of Shares
	(A)	(D)				
Restricted Stock Unit			09/01/2005 ⁽²⁾		Common Stock	4,700

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HEARNE GRAHAM 2900 POST OAK BLVD SUITE 5450 HOUSTON, TX 77056	X			

Signatures

/s/ Melanie M. Trent by power of attorney
Date: 02/13/2007

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) Each restricted stock unit (RSU) represents a contingent right to receive one share of the Issuer's common stock.
The grant reported represents RSUs accrued in connection with cash dividends declared by the Issuer on its common stock as a result of certain dividend equivalent rights associated with the reporting person's existing RSUs. Dividends were paid on the RSUs as follows:
 - (2) September 1, 2005 - 19 RSUs; February 24, 2006 - 17 RSUs; May 26, 2006 - 13 RSUs; August 18, 2006 - 16 RSUs; and November 29, 2006 - 15 RSUs.
 - (3) Vested shares are delivered to the reporting person after the final termination date of the reporting person's service as a director. At the election of the Compensation Committee, such payment may be made in cash or common stock of the Issuer.
- Note: File three copies of this Form, one of which must be manually signed. If space provided 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.