



FORM 11-K

WEATHERFORD INTERNATIONAL LTD - WFT

Filed: June 29, 2005 (period: December 31, 2004)

An annual report of employee stock purchase savings and similar plans

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

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FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK
REPURCHASE, SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

[X] ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2004

[] OR
TRANSITION REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER 1-31339

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

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Weatherford International Ltd.
515 Post Oak Boulevard
Suite 600
Houston, TX 77027

WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Administrative Committee of the
Weatherford International, Inc. 401(k) Savings Plan:

We have audited the accompanying statements of net assets available for benefits of Weatherford International, Inc. 401(k) Savings Plan as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but

not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2004 and 2003, and the changes in its net assets available for benefits for the year ended December 31, 2004, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2004, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Houston, Texas
June 27, 2005

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2004 AND 2003

	2004	2003
	-----	-----
ASSETS:		
Investments, at fair value	\$ 240,805,040	\$ 206,845,803
Receivables-		
Transfer from other plan	3,358,413	-
Participants' contributions	1,477,780	1,268,626
Company contributions	450,862	415,342
Loan repayment receivable	314,421	302,838
Pending settlement	21,327	3,714
Accrued income receivable	324	31,440
	-----	-----
Total receivables	5,623,127	2,021,960
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$ 246,428,167	\$ 208,867,763
	=====	=====

The accompanying notes are an integral part of these financial statements.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2004

ADDITIONS:

Net appreciation in fair value of collective trusts	\$ 1,940,163
Net appreciation in fair value of common stocks	10,170,877
Net appreciation in fair value of mutual funds	7,963,066
Interest income	562,018
Dividend income	6,286,724

	26,922,848
Contributions-	
Participants	20,359,392
Company	6,128,161

Rollovers	2,303,039

	28,790,592
Transfers from other plan	3,358,413

Total additions	\$ 59,071,853
DEDUCTIONS:	
Benefits paid to participants and beneficiaries	21,476,171
Administrative fees	35,278

Total deductions	21,511,449
NET INCREASE	37,560,404
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	208,867,763

NET ASSETS AVAILABLE FOR BENEFITS, end of year	\$ 246,428,167
	=====

The accompanying notes are an integral part of these financial statements.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

1. DESCRIPTION OF THE PLAN:

The following description of the Weatherford International, Inc. 401(k) Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan established by the board of directors (the Board of Directors) of Weatherford International, Inc.

The Board of Directors appointed a committee (the Administrative Committee) to administer the Plan. Merrill Lynch Trust Company (Merrill Lynch) serves as asset custodian and trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Effective June 26, 2002, Weatherford International Ltd. (the Company) became the parent holding company of Weatherford International, Inc. following a corporate reorganization. Weatherford International, Inc. continues to exist as an indirect, wholly owned subsidiary of the Company.

Eligibility

All employees, other than employees who are subject to collective bargaining agreements and have not bargained to participate, employees who are nonresident aliens and receive no U.S.-source income from the Company and employees who are members of other retirement plans sponsored by the Company or one of its subsidiaries outside the United States or employed by an affiliate company that has not adopted the Plan, are eligible to participate in the Plan on their dates of hire but are not eligible to participate for purposes of the Company's matching or discretionary contributions until the employee has completed one year of continuous service.

Contributions

An eligible employee may elect to contribute by payroll deductions to the Plan on a pre-tax basis subject to certain limitations, up to 50 percent of his or her considered compensation, as defined by the Plan and on an after tax basis, up to 16 percent of his or her considered compensation, as defined by the Plan. The combination of employee contributions cannot exceed 50 percent of considered compensation, as defined by the Plan. In addition, participants may contribute amounts representing rollovers from other qualified plans.

Employees who are eligible to make elective deferrals under the Plan and who have attained the age of 50 before the close of the Plan year are permitted to make catch-up contributions subject to certain limitations. No matching contributions shall be made with respect to the catch-up contributions.

The Company shall make matching contributions equal to 50 percent of the participant's pre-tax contributions up to 6 percent of considered compensation, as defined by the Plan. Considered compensation used to calculate the Company match includes overtime, bonuses and commissions but does not include relocation or severance pay. The Company, solely at the discretion of the Board of

Directors, may make additional discretionary contributions. There were no discretionary contributions made for the year ended December 31, 2004.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (Continued)

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's matching contributions, an allocation of the Company's discretionary contribution, if any, and Plan earnings or losses thereon. Earnings or losses are allocated by investment based on the ratio of the participant's account invested in a particular investment to all participants' accounts in that investment.

Investment Options

Participants may invest in any of ten mutual funds, two collective trusts, a money market account and Weatherford International Ltd. common shares (Common Shares). Each participant who has invested in Common Shares has the right to vote the shares in his or her account with respect to any matter that comes before the shareholders for a vote. Shares of Grant Prideco, Inc. common stock received as a result of a prior transaction may be sold and reinvested in other investment options, but no additional shares may be purchased.

Vesting

Participants are immediately vested in their elective deferral account, rollovers from other qualified plans, the participant's Company match and discretionary contribution accounts.

Expenses of the Plan

During 2004, administrative fees incurred by the Plan were paid by the Company, except for participant loan fees, which were paid from the account of the participant requesting the loan.

Participant Loans

Participants may borrow from their vested account balances a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding loan balance in the preceding one year period or one half of the fair market value of the participant's vested account balance. Loan maturity dates range from one year to five years except when the loan is used to purchase a participant's principal residence. In the case of home loans, all such loans are required to be repaid within ten years. The loans are fully secured by a pledge of the participant's vested account balance and bear interest at the prime rate as reported in The Wall Street Journal or at a rate determined by the Administrative Committee.

Withdrawals and Terminations

A participant may withdraw the value of his or her after-tax contributions or rollover contributions to the Plan at any time and for any reason during the year, with a minimum withdrawal of \$500. The participant's pre-tax contributions and Company contributions will be available to a participant who has attained age 59-1/2 or in the event of severe and immediate financial hardship. Withdrawals based on financial hardship result in a suspension of employee contributions for 6 months.

In the event of normal retirement, total and permanent disability or death while actively employed, the full value of the participant's account balance will be distributed to the participant or his or her beneficiary as a lump sum. Upon termination of employment, the participant's entire account balance will be available for withdrawal. If the participant's account balance is less than \$5,000, the participant is paid a lump-sum payment as soon as practicable after his or her termination date. Certain benefits related to other forms of payment are protected by the Plan.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (Continued)

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The accompanying financial statements are prepared and presented in accordance with the accrual method of accounting. Benefits are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the Administrative Committee to make estimates that affect the amounts reported in the financial statements and accompanying notes and schedule. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

The fair value of investments in collective trusts is based on the market value of their underlying assets as determined by the investment issuer. Investments in mutual funds and common stocks are reported at fair market value based on quoted market prices. Participant loans receivable are stated at cost, which approximates fair value.

Interest and dividend income is recorded when earned. Purchases and sales of securities are recorded on a trade-date basis. Realized gains (losses) on the sale of investments and unrealized appreciation (depreciation) in the fair value of investments are shown as net appreciation in fair value of collective trusts, common stocks and mutual funds on the statement of changes in net assets available for benefits. No dividends were paid on the Company's Common Shares during 2004.

3. INVESTMENTS:

Individual investments that represent 5 percent or more of the Plan's net assets available for benefits at December 31, 2004 or 2003 are as follows:

	2004	2003
	-----	-----
Merrill Lynch Retirement Preservation Trust	\$ 62,873,155	\$ 51,838,818
Davis New York Venture Fund, Inc.	29,604,541	25,472,992
Common Shares of Weatherford International Ltd.	22,414,155	24,075,196
Merrill Lynch Equity Index Trust	20,324,856	18,366,306
Merrill Lynch Balanced Capital Fund, Inc.	16,724,769	15,524,720
Merrill Lynch Corporate Bond Intermediate Term Portfolio	16,712,701	14,229,392
State Street Research Aurora Fund	16,203,972	11,721,971
Phoenix-Engemann Small and Mid Cap Growth Fund	13,080,946	11,608,839

4. ASSETS TRANSFERRED FROM OTHER PLAN:

Effective December 31, 2004, account balances of participants totaling \$3,358,413 were liquidated and transferred to the Plan from the eProduction Solutions, Inc. 401(k) Savings Plan (eProduction Plan). The net assets of the eProduction Plan were received by the Plan on January 3, 2005 and are therefore reflected as a receivable as of December 31, 2004 and are included in Transfers from Other Plan in the accompanying Statement of Changes in Net Assets Available for Benefits.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS - (Continued)

Effective January 1, 2005, eProduction Solutions, Inc. (eProduction) adopted the Plan and each employee of eProduction on December 31, 2004 who is eligible to participate in the eProduction Plan became eligible to participate in the Plan. Each employee of eProduction hired on or after January 1, 2005, is subject to the eligibility provisions of the Plan.

5. RISKS AND UNCERTAINTIES:

The Plan provides for various investments in collective trusts, mutual funds, a money market fund and common stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and participant account balances.

6. TAX STATUS:

The Plan obtained its latest determination letter on June 9, 2003, in which the Internal Revenue Service (IRS) stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code of

1986, as amended (the Code). The Plan has been amended since receiving the determination letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan sponsor has indicated that it will take the necessary steps, if any, to bring the Plan's operations into compliance with the Code.

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500:

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2004 and 2003 to Form 5500:

	2004	2003
	-----	-----
Net assets available for benefits per the financial statements	\$ 246,428,167	\$ 208,867,763
Amounts allocated to withdrawing participants	(69,343)	(69,658)
	-----	-----
Net assets available for benefits per the Form 5500	\$ 246,358,824	\$ 208,798,105
	=====	=====

The following is a reconciliation of benefits paid to participants and beneficiaries per the financial statements for the year ended December 31, 2004, to Form 5500:

Benefits paid to participants and beneficiaries per the financial statements	\$ 21,476,171
Add: Amounts allocated to withdrawing participants at December 31, 2004	69,343
Less: Amounts allocated to withdrawing participants at December 31, 2003	(69,658)

Benefits paid to participants and beneficiaries per Form 5500	\$ 21,475,856
	=====

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, 2004 and 2003, but not yet paid as of that date.

8. SUBSEQUENT EVENTS:

Effective March 28, 2005, if a participant has not elected otherwise, all mandatory distributions in excess of \$1,000 are automatically rolled-over into individual retirement accounts selected by the Administrative Committee.

Effective April 1, 2005, the Company shall make matching contributions equal to 100 percent of the participant's pre-tax contributions up to 4 percent of considered compensation, as defined by the Plan.

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WEATHERFORD INTERNATIONAL, INC. 401(k) SAVINGS PLAN

SCHEDULE H, LINE 4(i), SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 04-2515019 PN: 002

DECEMBER 31, 2004

Identity of Issue	Description of Investment	Principal Number of Units/ Shares	Current Value
-----	-----	-----	-----
COLLECTIVE TRUSTS:			
*Merrill Lynch Trust Company	Merrill Lynch Equity Index Trust	228,626	\$ 20,324,856
*Merrill Lynch Trust Company	Merrill Lynch Retirement Preservation Trust	62,873,155	62,873,155
	Total collective trusts		83,198,011

MUTUAL FUNDS:			
AIM Funds	AIM Balanced Fund	65,976	1,669,193
Davis Venture Group	Davis New York Venture Fund, Inc.	964,632	29,604,541
ING International	ING International Small Cap Growth Fund	110,190	3,637,366
Massachusetts Investors	Massachusetts Investors Growth Stock Fund	203,044	2,509,620
*Merrill Lynch Trust Company	Merrill Lynch International Value Fund	368,819	9,843,783
*Merrill Lynch Trust Company	Merrill Lynch Balanced Capital Fund, Inc.	626,161	16,724,769
*Merrill Lynch Trust Company	Merrill Lynch Corporate Bond Intermediate Term Portfolio	1,416,331	16,712,701
*Merrill Lynch Trust Company	Merrill Lynch Global Allocation Fund, Inc.	572,475	9,451,566
Phoenix Investment Partners	Phoenix-Engemann Small and Mid Cap Growth Fund	441,179	13,080,946
State Street Research	State Street Research Aurora Fund	400,296	16,203,972
	Total mutual funds		119,438,457

COMMON STOCKS:			
*Weatherford International Ltd.	Common Shares of Weatherford International Ltd.	436,923	22,414,155
Grant Prideco, Inc.	Common stock of Grant Prideco, Inc.	186,778	3,744,889

	Total common stocks		26,159,044

MONEY MARKET ACCOUNT:			
*Merrill Lynch Trust Company	Merrill Lynch U.S.A. Government Reserve Fund	1,858,157	1,858,157

	Total money market account		1,858,157

OTHER:			
*Merrill Lynch Trust Company	Cash, interest-bearing		69,403
*Participant loans	Interest rates ranging from 5% to 10.55% with varying maturity dates		10,081,968

	Total assets		\$ 240,805,040
			=====

*Party in interest.

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SIGNATURES

THE PLAN. Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee, which administers the Plan, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

WEATHERFORD INTERNATIONAL, INC.
401(k) SAVINGS PLAN

Date: June 29, 2005

/s/ Jon R. Nicholson

Jon R. Nicholson
Senior Vice President, Human Resources
For Weatherford International, Inc. and
Weatherford International Ltd., and
Administrative Committee Member

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INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
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23.1	Consent of Independent Registered Public Accounting Firm

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 333-112378, 333-53633-99 and 333-36598-99) pertaining to the Weatherford International, Inc. 401(k) Savings Plan of our report dated June 27, 2005, with respect to the financial statements and schedule of the Weatherford International, Inc. 401(k) Savings Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2004.

/s/ Ernst & Young LLP

Houston, Texas
June 28, 2005

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