

Teekay Offshore Partners L.P.

Form 6-K

December 20, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 6-K**

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Date of report: December 19, 2006
Commission file number 001-33198

TEEKAY OFFSHORE PARTNERS L.P.

(Exact name of Registrant as specified in its charter)

Bayside House
Bayside Executive Park
West Bay Street & Blake Road
P.O. Box AP-59212, Nassau, Bahamas
(Address of principal executive office)

[Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.]

Form 20-F

Form 40-F

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):]

Yes

No

[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):]

Yes

No

[Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.]

Yes

No

[If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82-_____]

Item 1 Information Contained in this Form 6-K Report

Attached as Exhibit I is a copy of an announcement of Teekay Offshore Partners L.P. (the Partnership), dated December 19, 2006.

THIS REPORT ON FORM 6-K IS HEREBY INCORPORATED BY REFERENCE INTO THE FOLLOWING REGISTRATION STATEMENT OF THE PARTNERSHIP.

REGISTRATION STATEMENT ON FORM F-1 (NO. 333-139116) FILED WITH THE SEC ON DECEMBER 4, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 19, 2006

TEEKAY OFFSHORE PARTNERS L.P.

By: Teekay Offshore GP L.L.C.

By: /s/ Peter Evensen

Name: Peter Evensen

Title: Chief Executive Officer

TEEKAY OFFSHORE PARTNERS L.P.
Bayside House, Bayside Executive Park, West Bay Street & Blake Road
P.O. Box AP-59212, Nassau, Bahamas
NEWS RELEASE

**TEEKAY OFFSHORE PARTNERS ANNOUNCES
COMPLETION OF ITS INITIAL PUBLIC OFFERING**

Nassau, The Bahamas December 19, 2006 Teekay Offshore Partners L.P. (*the Partnership*) (NYSE: TOO) today completed its initial public offering of 8,050,000 of its common units at a price of \$21.00 per unit, including 1,050,000 units subject to the over-allotment option, which the underwriters exercised in full. Gross proceeds of the offering were \$169,050,000. The Partnership used the net proceeds of the offering to repay indebtedness and to redeem 1,050,000 common units from Teekay Shipping Corporation (NYSE: TK). The 8,050,000 common units issued in the offering represent a 40.3% limited partner interest in the Partnership and Teekay Shipping Corporation owns the remaining partnership interests, including common units, subordinated units, incentive distribution rights and its 2% general partner interest. The common units trade on the New York Stock Exchange under the symbol TOO .

Citigroup Corporate and Investment Banking and Merrill Lynch & Co. acted as joint book-running managers and representatives of the underwriters, which included Morgan Stanley, A.G. Edwards, Deutsche Bank Securities, Raymond James, Simmons & Company International, DnB NOR Markets and Fortis Securities.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities issuable pursuant to the registration statement, nor will there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Any offer will be made only by means of a written prospectus meeting the requirements of Section 10 of the Securities Act of 1933. A copy of the final prospectus may be obtained from Citigroup Corporate and Investment Banking, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, New York 11220, Attention: Prospectus Department; fax: 718-765-6734; phone: 718-765-6732; or Merrill Lynch & Co., 4 World Financial Center, Attention: Prospectus Department, New York, New York 10080; phone: 212-449-1000.

About Teekay Offshore Partners L.P.

Teekay Offshore Partners L.P. (NYSE: TOO), a Marshall Islands partnership recently formed by Teekay Shipping Corporation (NYSE: TK), is an international provider of marine transportation and storage services to the offshore oil industry. Teekay Offshore Partners owns a 26.0% interest in and controls Teekay Offshore Operating L.P., a Marshall Islands limited partnership with a fleet of 36 shuttle tankers (including 12 chartered-in vessels), four floating storage and offtake units and nine conventional crude oil Aframax tankers. Teekay Offshore Partners L.P. also has rights to participate in certain floating production, storage and offloading (FPSO) opportunities involving Teekay Petrojarl ASA.

For Investor Relations enquiries contact:

Scott Gayton

Tel: + 1 (604) 609-6442

For Media enquiries contact:

Kim Barbero

Tel: + 1 (604) 609-4703

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