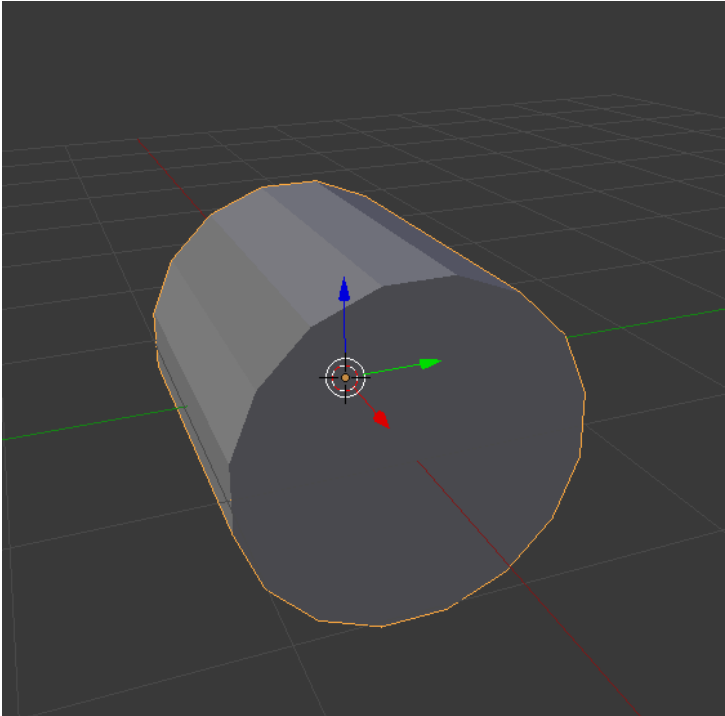
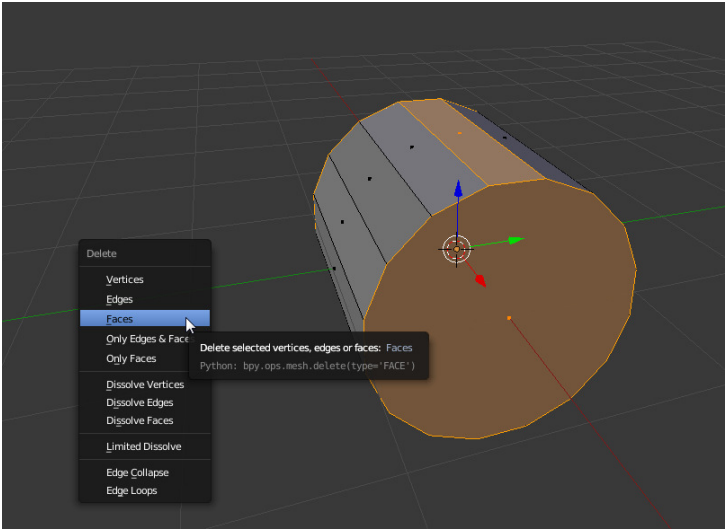
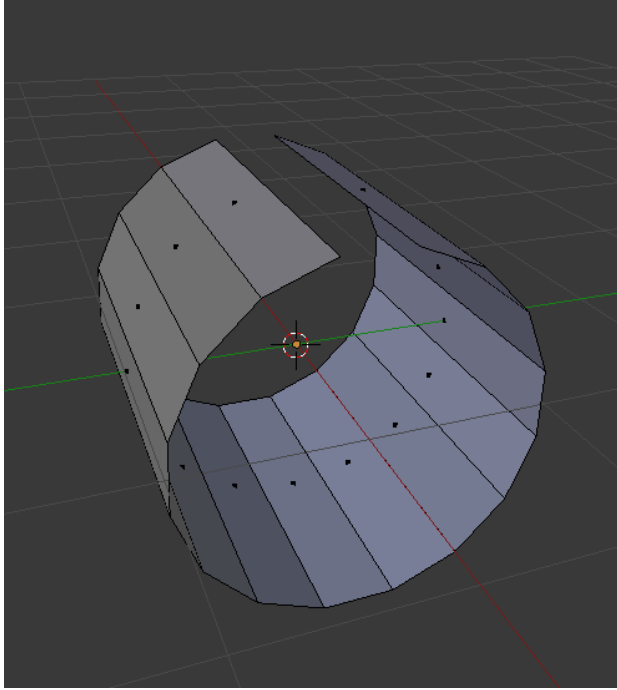


Step 1: make cylinder. I chose to make 1 with 16 sides and rotated it so one of the segments pointed straight up, making it easy to make the handles.

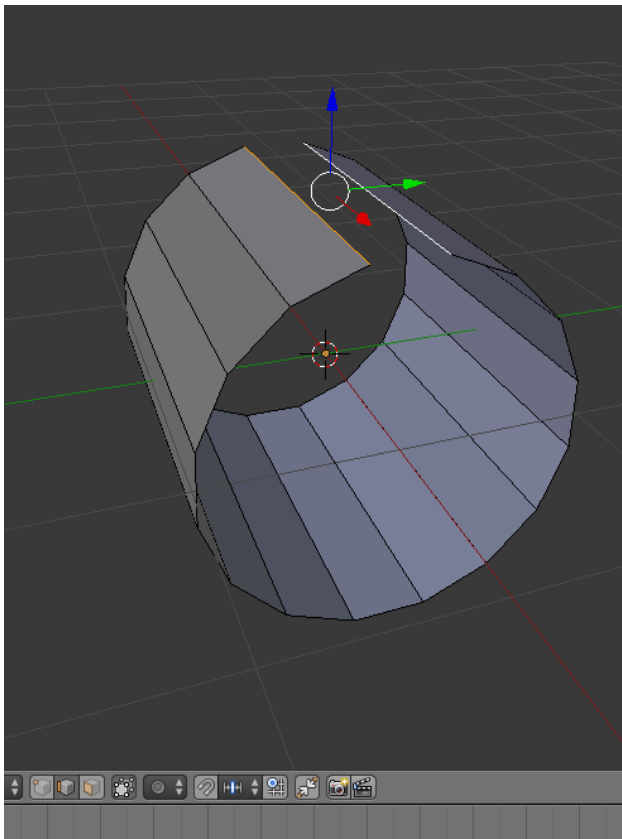


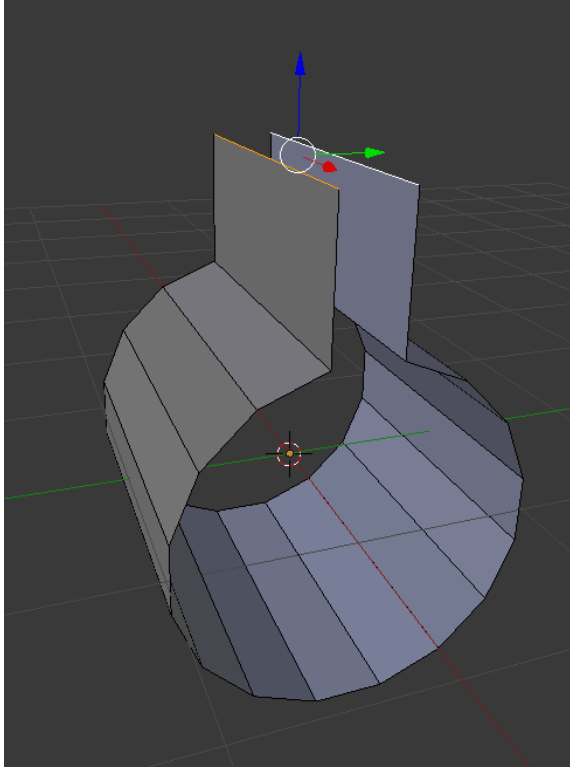
Step 2: enter edit mode (by pressing Tab) and delete end caps and the face on top (select faces, press Del, choose faces).



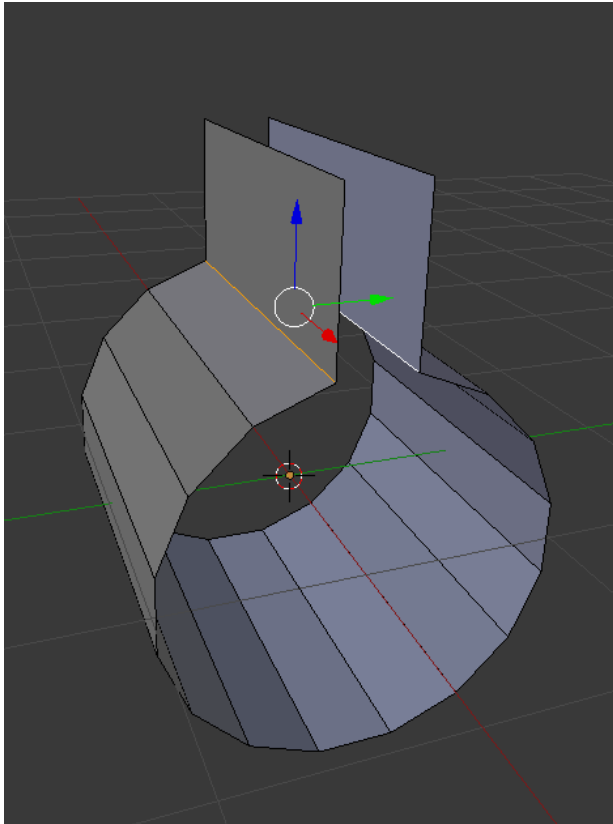


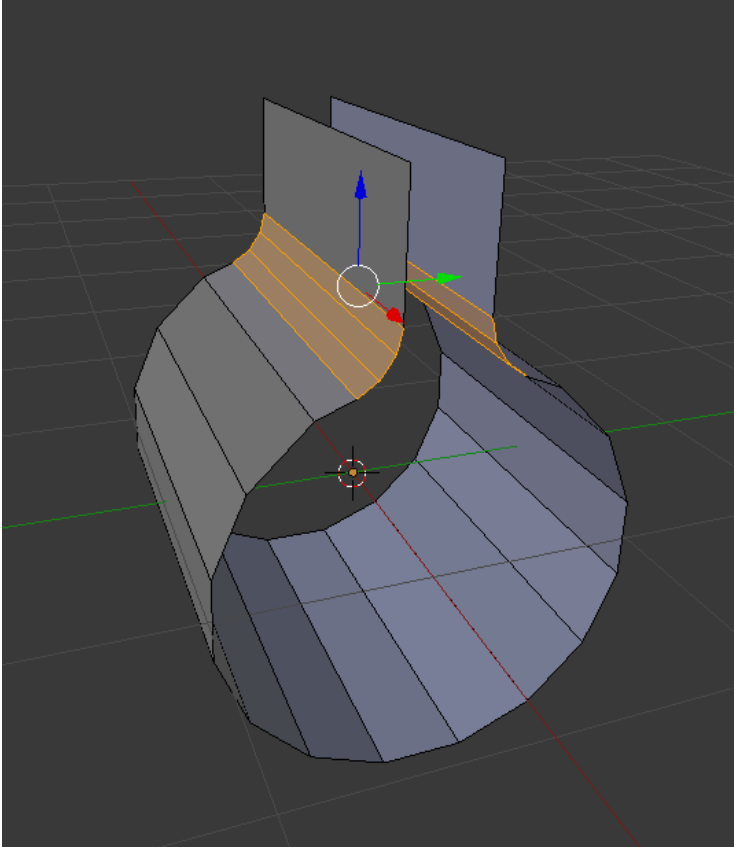
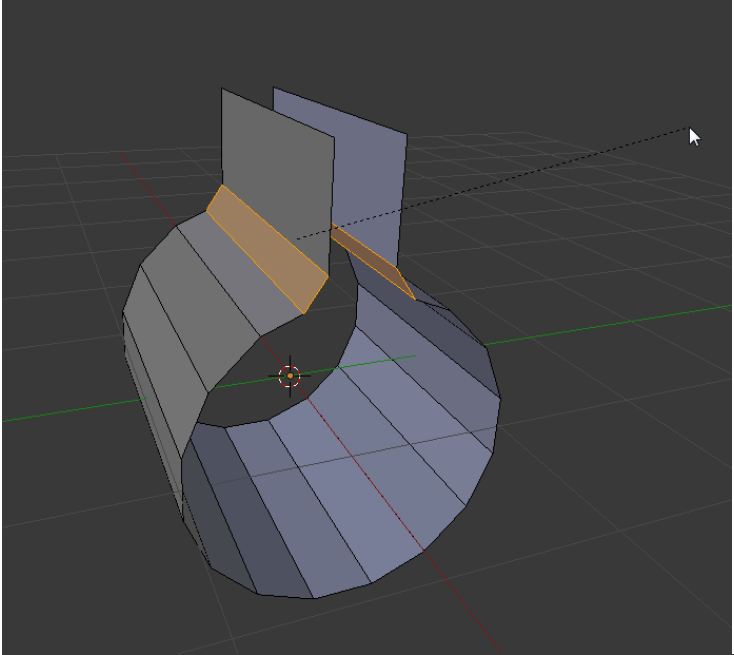
Step 3: select edges on top and extrude in Z-direction (press E for extrude, then Z for direction, drag up and click.)



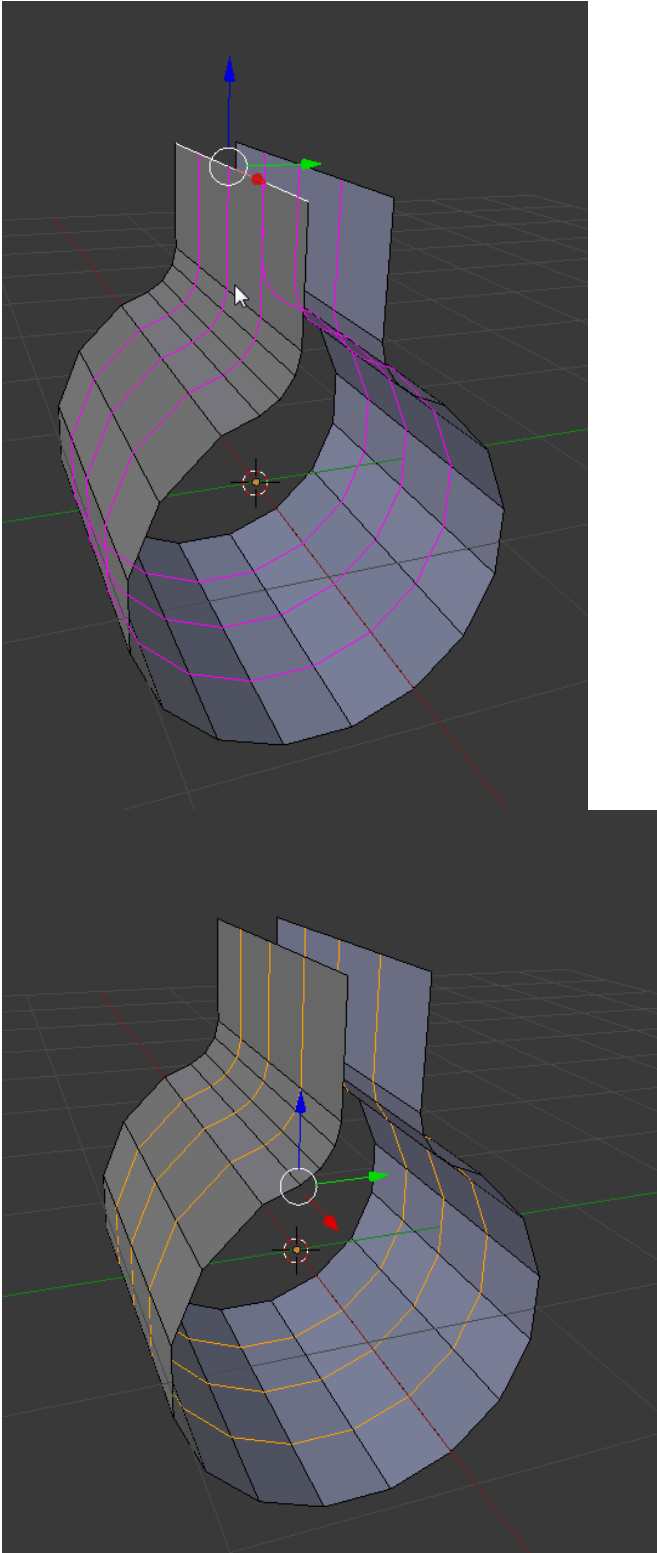


Step 4: select edges between cylinder and extruded area. Then bevel (Ctrl+B), use scroll wheel to make more segments, click.

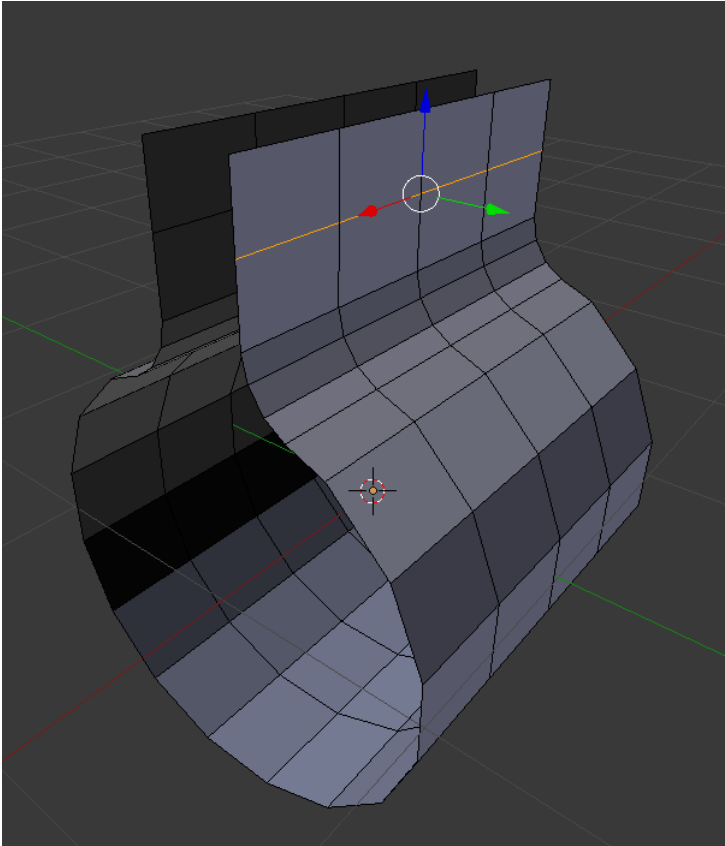




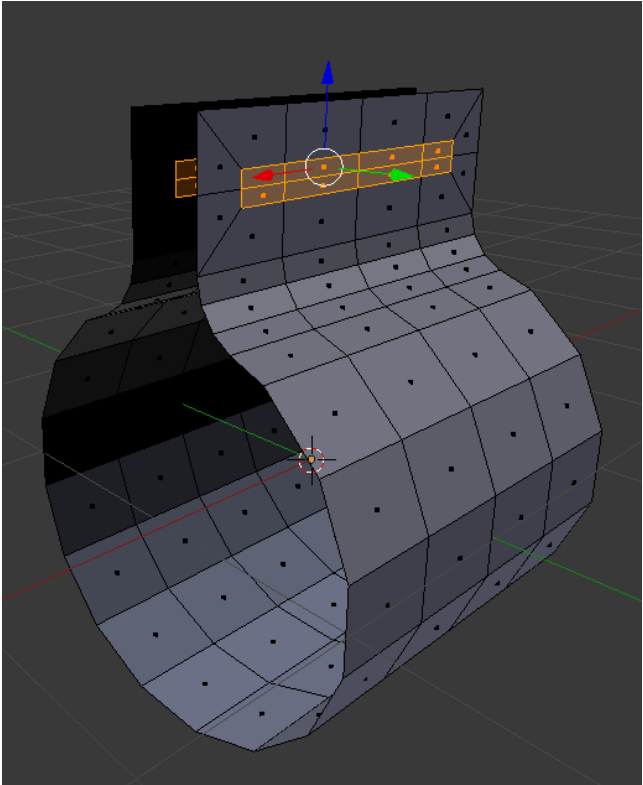
Step 5: Press Ctrl+R to make some more edges in vertical direction, use scroll wheel to control number of extra edges.



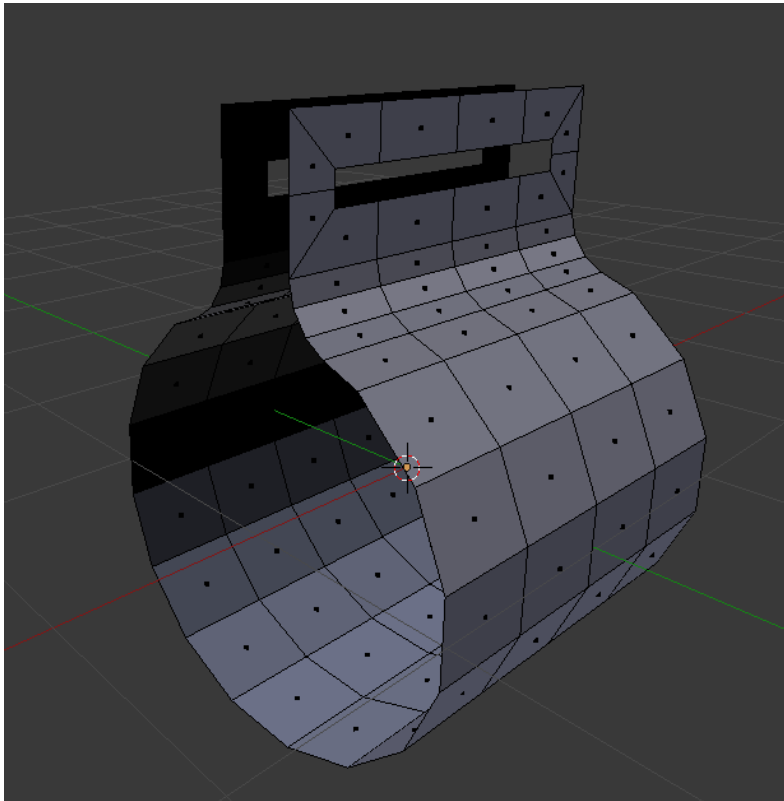
Step 6: Do the same but horizontally on the top 2 areas



Step 7: select top areas and use inset faces



Step 8: delete these new faces



Step 9: enter object mode (press Tab) and add a Subsurf modifier. Set smooth shading.

