

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	Chapter 11
	:	
PACIFIC DRILLING S.A., <i>et al.</i> , ¹	:	Case No. 17-13193 (MEW)
	:	
Debtors.	:	Jointly Administered

FIFTH INTERIM ORDER (A) AUTHORIZING THE CONTINUED USE OF THE DEBTORS' CASH MANAGEMENT SYSTEM, BANK ACCOUNTS AND BUSINESS FORMS, (B) AUTHORIZING THE DEBTORS TO MAKE INTERCOMPANY ADVANCES ON A SECURED BASIS UNDER SECTION 364(C) OF THE BANKRUPTCY CODE AND (C) GRANTING RELATED RELIEF

Upon the motion (the "Motion")² of Pacific Drilling S.A., on behalf of itself and certain of its affiliates as debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), for entry of interim and final orders (A) authorizing the Debtors to continue using their existing cash management system, bank accounts and business forms, (B) authorizing the Debtors to make intercompany advances on a senior secured, superpriority basis and (C) granting related relief as more fully set forth in the Motion; and this Court having entered the *Interim Order (A) Authorizing the Continued Use Of The Debtors' Cash Management System, Bank Accounts and Business Forms, (B) Authorizing the Debtors to Make Intercompany Advances on a Secured Basis Under Section 364(C) of the Bankruptcy Code and (C) Granting Related Relief* [Docket No. 44] (the "Interim Order"); the *Second Interim Order*

¹ The Debtors in these chapter 11 cases and, if applicable, the last four digits of their U.S. taxpayer identification numbers are: Pacific Drilling S.A., Pacific Drilling (Gibraltar) Limited, Pacific Drillship (Gibraltar) Limited, Pacific Drilling, Inc. (1524), Pacific Drilling Finance S.à r.l., Pacific Drillship SARL, Pacific Drilling Limited, Pacific Sharav S.à r.l. (2431), Pacific Drilling VII Limited, Pacific Drilling V Limited, Pacific Drilling VIII Limited, Pacific Scirocco Ltd. (0073), Pacific Bora Ltd. (9815), Pacific Mistral Ltd., Pacific Santa Ana (Gibraltar) Limited, Pacific Drilling Operations Limited (9103), Pacific Drilling Operations, Inc. (4446), Pacific Santa Ana S.à r.l. (6417), Pacific Drilling, LLC (7655), Pacific Drilling Services, Inc. (5302), Pacific Drillship Nigeria Limited (0281) and Pacific Sharav Korlátolt Felelősségű Társaság.

² All capitalized terms used and not defined herein shall have the meanings ascribed to them in the Motion.

(A) Authorizing the Continued Use Of The Debtors' Cash Management System, Bank Accounts and Business Forms, (B) Authorizing the Debtors to Make Intercompany Advances on a Secured Basis Under Section 364(C) of the Bankruptcy Code and (C) Granting Related Relief [Docket No. 85] (the "Second Interim Order"); the Third Interim Order (A) Authorizing the Continued Use Of The Debtors' Cash Management System, Bank Accounts and Business Forms, (B) Authorizing the Debtors to Make Intercompany Advances on a Secured Basis Under Section 364(C) of the Bankruptcy Code and (C) Granting Related Relief [Docket No. 153] (the "Third Interim Order"); and the Fourth Interim Order (A) Authorizing the Continued Use Of The Debtors' Cash Management System, Bank Accounts and Business Forms, (B) Authorizing the Debtors to Make Intercompany Advances on a Secured Basis Under Section 364(C) of the Bankruptcy Code and (C) Granting Related Relief [Docket No. 228] (the "Fourth Interim Order"); and this Court having found that it has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that proper and adequate notice of the Motion and the relief requested therein was provided in accordance with the Bankruptcy Rules and the Local Rules, and that no other or further notice is necessary; and any objections to the Motion having been resolved or overruled on terms that are reflected herein; and interim and final hearings having been held to consider the relief requested in the Motion and upon the record of the hearings, the Motion and all of the proceedings had before this Court; and this Court having found and determined that the relief set forth herein is in the best interests of the Debtors, their estates, their creditors and all other parties-in-interest; and that the legal and

factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND CONCLUDED THAT:

A. Good Cause. Good cause has been shown for (i) the entry of this Fifth interim order (this “Fifth Interim Order”) and (ii) a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h) to the extent it is applicable.

B. Necessity of Relief Requested. Entry of this Fifth Interim Order is necessary to prevent substantial harm to the Debtors’ estates that would otherwise result if the Debtors were unable to use cash as contemplated herein to preserve the Debtors’ assets and continue their operations. The access of the Debtors to sufficient working capital and liquidity through the use of the Cash Management System, the incurrence of superpriority and secured indebtedness in the form of intercompany advances and other financial accommodations is vital to a successful reorganization of the Debtors and the preservation and maintenance of their going concern value.

C. No Available Alternative. The Debtors are unable to obtain, in the ordinary course of business or otherwise, financing of the type contemplated herein on an unsecured, nonpriority basis. Given their current financial condition and capital structure, the Debtors are unable to obtain credit allowable under section 364(c) of the Bankruptcy Code on more favorable terms and conditions than those available through the use of the Cash Management System to make secured intercompany transfers to the Pool Leader, as described in the Motion.

D. Postpetition Intercompany Advances. The terms of the postpetition intercompany advances pursuant to the Cash Management System are fair and reasonable, reflect

the Debtors' exercise of prudent business judgment consistent with their fiduciary duties and constitute reasonably equivalent value and fair consideration.

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED on an interim basis, except with respect to paragraphs 2 – 4 and paragraph 22, which relief was granted on a final basis by the Second Interim Order. Any objections to the Motion that have not previously been resolved or withdrawn are hereby overruled in their entirety.

2. The Debtors are authorized to (a) continue using the Cash Management System as described in the Motion on and after the Petition Date to manage their cash, make disbursements and resolve and settle postpetition intercompany claims, and (b) honor postpetition intercompany obligations between and among the Debtors resulting from the operation of the Cash Management System after the Petition Date, in each case in the ordinary course of business and in a manner consistent with historical practices and the terms set forth herein. All claims on account of intercompany obligations shall be entitled to superpriority administrative expense status under section 503(b) and 507(b) of the Bankruptcy Code.

3. As security for the Secured Pool Advances, effective and perfected upon the date of entry of the Interim Order and without the necessity of the execution or recordation by any Debtor of mortgages, security agreements, control agreements, pledge agreements, financing statements or other similar documents, or the possession or control by any Debtor of, or over, any property of the Pool Leader, each Debtor (other than the Pool Leader) was granted by the Interim Order, pursuant to section 364(c) of the Bankruptcy Code, valid, binding, continuing, enforceable, fully-perfected non-voidable first priority senior security interests in and liens on (the "Cash Management System Liens") all pre- and post-petition property of the Pool Leader (including,

without limitation, cash collateral, inventory, accounts receivable, other rights to payment whether arising before or after the Petition Date, contracts, properties, equipment, general intangibles, documents, instruments, interests in leaseholds, real properties and the proceeds, product, offspring or profits of all the foregoing), whether now existing or hereafter acquired, other than the capital stock of the Ship Group B Drillship Subsidiaries. All Cash Management System Liens shall rank *pari passu* with each other and be senior to all other liens. For the avoidance of doubt, all Cash Management Liens and superpriority intercompany claims of a Ship Group against the Pool Leader shall not be made subject to, or *pari passu* with, any claim, lien or security interest granted against the Pool Leader (except that all Cash Management Liens and superpriority intercompany claims of the Ship Groups against the Pool Leader shall rank *pari passu* with each other) in the cases or any successor cases, upon the conversion of any of the cases to a case under chapter 7 of the Bankruptcy Code (or in any other successor case), and/or upon dismissal of any of the cases or successor cases, in each case, without Court approval after notice and a hearing.

4. The Debtors shall: (a) follow appropriate procedures to ensure that intercompany claims arising prior to the Petition Date are not netted or set off against intercompany claims arising after the Petition Date except as ordered by the Court or otherwise permitted by the Bankruptcy Code; (b) continue to maintain records with respect to transfers of cash so that the intercompany obligations can be ascertained, traced and recorded properly; and (c) allocate Support Service Fees and administrative costs (the "Administrative Costs") of these chapter 11 cases (including the Debtors' professionals' fees) among the Cash Pool Participants in accordance with their historical practices; provided, however, that nothing herein shall be deemed a finding regarding, or limit any party's rights to challenge at any time, the reasonableness of any Support Service or Administrative Costs, or the allocation thereof to any Debtor.

5. The Debtors are authorized to make payments to their Nigerian and Brazilian non-Debtor subsidiaries in their discretion where necessary to maintain their operations and keep prudent reserves, so long as the aggregate amount in such non-Debtor accounts does not exceed \$5 million in U.S. Dollar equivalent at the end of any banking day.

6. The Debtors are authorized, in the reasonable exercise of their business judgment, to: (a) designate, maintain and continue to use, with the same account numbers, all of their Bank Accounts in existence as of the Petition Date, including, without limitation, those Bank Accounts identified in Exhibit C of the Motion; (b) use, in their present form, all correspondence and business forms (including, but not limited to, letterhead, purchase orders, and invoices, whether preprinted or generated electronically), without reference to their status as debtors-in-possession, and other documents related to the Bank Accounts, provided that upon depletion of the Debtors' correspondence and business forms stock, the Debtors will obtain new business forms stock reflecting their status as debtors-in-possession; (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; (d) preserve the reporting and accounting mechanisms used by the Debtors in respect of the Bank Accounts; (e) perform their obligations under the documents and agreements governing the Bank Accounts and related cash management and treasury services, including, without limitation, any treasury services or cash management agreements, and balance hold or "peg" balance agreements (collectively, the "Bank Account Documentation"); and (f) pay any and all fees, costs, charges and expenses, whether incurred prepetition or postpetition, under or in connection with the Bank Account Documentation or otherwise related to the maintenance of the Cash Management System (collectively, the "Bank Fees"). Where correspondence, checks or business forms are in electronic form, the Debtors shall immediately include the Debtor-in-Possession designation.

7. Effective *nunc pro tunc* to the Petition Date, the Cash Management Banks shall be and hereby are authorized to maintain, continue, service and administer all Bank Accounts as accounts of the Debtors as debtors-in-possession without interruption and in the usual and ordinary course, and to receive, process, honor and pay any and all checks, wire transfers, drafts, credit card payments and expenses, ACH transfers, or other debits drawn on, or electronic transfer requests made on, any of the Bank Accounts (each, a “Bank Payment Request”) after the Petition Date by the holders or makers thereof, as the case may be; provided, however, that the Cash Management Banks shall be allowed to dishonor any wire or other transfer issued or dated prior to the Petition Date, except pursuant to a specific instruction from the Debtors.

8. The Cash Management Banks are authorized to charge and deduct from the appropriate Bank Accounts, and the Debtors are authorized and directed to pay, honor, or allow any (a) Bank Fees, (b) fees, expenses or amounts associated with, whether incurred prepetition or postpetition, the Credit Card Program, or (c) other charges associated with the Bank Accounts or accounts of the Debtors’ non-Debtor subsidiaries, including, without limitation, any amounts resulting from returned wires or other returned items, including, without limitation, returned items that result from automated clearing house transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

9. The Cash Management Banks are, without the need for further order of this Court: (a) authorized to accept and honor all representations from the Debtors as to which Bank Payment Requests should be honored or dishonored consistent with any order(s) of this Court, whether such Bank Payment Requests are dated prior to, on, or subsequent to the Petition

Date, and whether or not the Cash Management Bank believes the payment is or is not authorized by an order(s) of this Court; (b) have no duty to inquire as to whether such payments are authorized by any order(s) of this Court; and (c) have no liability to any party on account of following the Debtors' instructions in accordance with this Fifth Interim Order.

10. Notwithstanding any other provision in this Fifth Interim Order, no Cash Management Bank that honors a Bank Payment Request at the direction of the Debtors to honor such Bank Payment Request shall be, or be deemed, liable to the Debtors or their estates or otherwise in violation of this Fifth Interim Order.

11. Any payment that was authorized by the Debtors and paid from a Bank Account by a Cash Management Bank before the Petition Date (including any ACH Payment such Cash Management Bank is or becomes obligated to settle), any instruments issued by such Bank on behalf of any Debtor pursuant to a "midnight deadline" or otherwise shall be deemed to be paid prepetition, whether or not actually debited from the Bank Account prepetition.

12. The Bank Account Documentation shall continue to govern the postpetition cash management and treasury relationship between the Debtors and the Cash Management Banks, and all of the provisions of such agreements, including, without limitation, the termination, fee provisions, rights, benefits, offset rights and remedies afforded under such agreements shall remain in full force and effect and any other legal rights and remedies afforded to the Cash Management Banks under applicable law shall be preserved; provided that the Cash Management Banks are not authorized by this paragraph 12 to offset debts arising before the Petition Date against debts arising after the Petition Date.

13. Notwithstanding any contrary provision of this Fifth Interim Order, the Debtors are not granted authority hereunder to use, access, grant liens on or control any funds that

secure any letter of credit obligations of the Debtors or that are required to be held as a “pegged” balance pursuant to the Bank Account Documentation.

14. Nothing in this Fifth Interim Order shall be deemed to affect any party’s otherwise valid setoff or netting rights under applicable law or valid right under applicable law to impose an administrative freeze on any Bank Account and, to the extent, if any, that, as of the Petition Date, any prepetition claim of any party is secured by a valid right of setoff against funds in any Bank Account pursuant to section 506(a) of the Bankruptcy Code, such claim shall be deemed to be secured in such amounts regardless of whether the applicable Cash Management Bank determines not to impose an administrative freeze on such Bank Account in furtherance of the continued operation of the Cash Management System. Notwithstanding the foregoing, the rights of any Bank to seek to assert a setoff right (if any) with respect to any prepetition claim (other than in connection with the Bank Fees) or impose an administrative freeze on any Bank Account are reserved, subject to the automatic stay pursuant to section 362(d) of the Bankruptcy Code to the extent applicable.

15. The Debtors may close any bank accounts as they may deem necessary and appropriate and may open any new bank accounts as they may deem necessary and appropriate so long as any new account is with a bank that is (a) insured with the Federal Deposit Insurance Corporation and the amount on deposit in such account does not exceed \$250,000 or (b) designated as an authorized depository on the U.S. Trustee’s Authorized Depository List for the Southern District of New York; provided that the Debtors shall provide notice of the opening or closing of any bank account to the U.S. Trustee, Citibank and any official committee appointed in these chapter 11 cases. Any new account opened after the Petition Date shall, for purposes of

this Fifth Interim Order, be deemed a Bank Account as if included initially in Exhibit C of the Motion.

16. The Debtors are authorized, on an interim basis, to deposit funds in accordance with their established deposit practices in effect as of the commencement of these chapter 11 cases and, to the extent such deposit practices are not consistent with the requirements of section 345(b) of the Bankruptcy Code or of the U.S. Trustee Operating Guidelines for Chapter 11 Cases, the Debtors shall have 45 days from the date of this Fifth Interim Order to come into compliance with section 345(b) of the Bankruptcy Code or to obtain an order providing that the requirements of section 345(b) are waived, without prejudice to the Debtors' seeking a further extension of the deadline.

17. Notwithstanding any other order of this Court, none of the Cash Management Banks will be required to file any proofs of claim in any of these chapter 11 cases or successor cases, whether such claim arose prepetition or postpetition or pursuant to this Fifth Interim Order, pertaining to the Cash Management System, the Bank Account Documentation, any Bank Fees or the Credit Card Program in order to preserve such claims.

18. The requirements set forth in Local Rule 9013-1(b) are satisfied.

19. This Fifth Interim Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

20. This Court retains jurisdiction with respect to all matters arising from or related to the enforcement of this Fifth Interim Order.

21. Any objections to the relief granted on an interim basis in this Fifth Interim Order must be filed no later than **April 17, 2018 at 4:00 p.m. (EST)**. A final hearing with

respect to the interim relief granted in this Fifth Interim Order will be held on **April 24, 2018 at 2:00 p.m. (EST)**.

22. Limited Use of Cash Collateral and Adequate Protection.³

a. For the purposes of this Fifth Interim Order, "Ship Group B Stipulated Cash Collateral" shall mean (a) the \$50 million balance in the SSCF Minimum Liquidity Account as of the Petition Date, and (b) cash receipts under the Offshore Drilling Contract, by and between Chevron U.S.A. Inc., through its division, Chevron North America Exploration and Production Company, and Pacific Drilling Operations, Inc., dated June 15, 2012, earned by the Debtors prior to the Petition Date (whether or not invoiced prior to the Petition Date). The Debtors stipulate and agree that the Ship Group B Prepetition Agent has a valid, perfected, first-priority security interest in the Ship Group B Stipulated Cash Collateral and the Debtors waive the "equities of the case" exception under section 552 of the Bankruptcy Code solely with respect to the Ship Group B Stipulated Cash Collateral. The Court makes no finding that any other property of the Debtors constitutes cash collateral, and the rights of all parties under section 552 of the Bankruptcy Code are preserved. For the avoidance of doubt, the Debtors' operation of the Cash Management System is without prejudice to the rights of all parties under section 552 of the Bankruptcy Code, including the rights of the Senior Secured Credit Facility Secured Parties to assert that any funds that are transferred from Pacific Drilling Operations, Inc. to the Pool Leader constitute proceeds of the SSCF Prepetition

³ Capitalized terms used in this paragraph 22 and not defined in this Fourth Interim Order or the Motion shall have the meanings ascribed to such terms in the *Debtors' Motion for Interim and Final Orders (A) Authorizing the Use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying the Automatic Stay and (D) Scheduling a Final Hearing and (E) Granting Related Relief* [Docket No. 15].

Collateral. The Debtors' stipulations and agreements in this paragraph 22.a shall be binding upon the Debtors, their affiliates, any of their respective successors and all other parties in interest to the same extent and on the same conditions as set forth in paragraph 6 of the *Order (A) Granting Adequate Protection, (B) Modifying the Automatic Stay and (C) Granting Related Relief* [Docket No. 83] (the "Adequate Protection Order") with respect to the Debtors' stipulations and admissions contained therein.

b. The Debtors are authorized to use Cash Collateral of a Ship Group, solely pursuant to the Cash Management System, (a) to pay, or reimburse the Pool Leader for payment of, postpetition operating disbursements, adequate protection payments, agent and creditor professional fees and expenses, capital expenditures and taxes of such Ship Group allocated on a basis consistent with the applicable 13-Week Projection (defined below) (the "Authorized Expenditures"), or (b) pending payment of such Authorized Expenditures, to retain Cash Collateral (i) at the Pool Leader subject to the Cash Management System Liens or (ii) in one or more Bank Accounts authorized by the U.S. Trustee in the name of one or more Debtors in such Ship Group subject to valid, perfected, first-priority security interests and liens in favor of the applicable Prepetition Secured Parties. Notwithstanding the foregoing, with respect to the \$50 million balance in the SSCF Minimum Liquidity Account as of the Petition Date, the Debtors shall not use such funds for payment of any Authorized Expenditures or retain such funds at the Pool Leader, in each case, without the consent of the SSCF Agent or Court approval after notice and a hearing. The Court makes no finding that any property of the Debtors constitutes cash collateral, and the rights of all parties under section 552 of the Bankruptcy Code are preserved.

c. For the avoidance of doubt, Cash Collateral of a Ship Group that is transferred to the Pool Leader for the purpose of paying or reimbursing the Pool Leader for payment of Authorized Expenditures of that Ship Group and that is actually used for such purpose shall not constitute "Secured Pool Advances." In addition, any payment by the Pool Leader of Authorized Expenditures of a Ship Group that is not funded by a transfer of the kind mentioned in the preceding sentence shall first be paid out of prior "Secured Pool Advances" by that Ship Group and shall constitute a reduction of such prior Secured Pool Advances.

d. As adequate protection for the Debtors' use of Cash Collateral, each of the Prepetition Shared Collateral Agent, the SSCF Agent and the 2017 Collateral Agent (each, a "Collateral Agent"), to extent such Collateral Agent has an interest in the Cash Collateral of a Ship Group, received, pursuant to the Second Interim Order, (a) an allowed superpriority administrative expense claim (an "Adequate Protection Claim") against such Ship Group, jointly and severally, in an amount equal, at any time, to the sum of (i) the total diminution after the Petition Date in the amount of Cash Collateral of such Ship Group (including (A) with respect to Ship Group B, the Ship Group B Stipulated Cash Collateral and (B) the total amount of Cash Collateral of such Ship Group received after the Petition Date to which a valid, perfected, first-priority security interest of such Prepetition Agent extends under section 552 of the Bankruptcy Code) *minus* (ii) the total Authorized Expenditures of such Ship Group after the Petition Date, and (b) to secure such Adequate Protection Claim, a superpriority administrative lien (an "Adequate Protection Lien") in all property, whether now owned or hereafter acquired or existing and wherever located, of such Ship Group, including all Bank Accounts of such

Ship Group and all claims and liens (including applicable Cash Management System Liens) that such Ship Group possesses against the Pool Leader; provided that the Second Interim Order granted no liens, claims, or other rights with respect to any property to the extent the grant, attachment or perfection of such liens, claims, or other rights would constitute a breach under applicable law of any executory contract of any Debtor with a third party customer, supplier or vendor. The Pool Leader acknowledges that, to the extent of any applicable Adequate Protection Claim, (i) each Ship Group has pledged its aggregate net postpetition positive position against the Pool Leader under the Cash Management System, if any, from time to time (the "Net Positive Position"), its superpriority intercompany claims, and the related Cash Management System Liens to the applicable Collateral Agent, which Collateral Agent has an interest in and is a vested beneficiary of the Net Positive Position, the superpriority intercompany claims, and the Cash Management Liens, (ii) the Net Positive Position, the superpriority intercompany claims, and the Cash Management Liens in favor of a Ship Group may not be modified, impaired, compromised or settled in a manner adverse to such Ship Group or the applicable Collateral Agent without the consent of such Collateral Agent, and (iii) upon a conversion or dismissal of any Debtor's chapter 11 case, the applicable Collateral Agent shall have the direct right to enforce the Net Positive Position, superpriority intercompany claims, and Cash Management Liens of such Debtor against the Pool Leader to the same extent as if such Collateral Agent held such Net Positive Position, superpriority intercompany claims, and Cash Management Liens directly. All Adequate Protection Claims and Adequate Protection Liens provided to the Prepetition Shared Collateral Secured Parties and the proceeds thereof shall be governed by, and subject to,

the turnover and payment provisions of the Prepetition Shared Collateral Intercreditor Agreement and the Second Interim Order granted no liens, claims, or other rights to the 2020 Notes Secured Parties or the Term Loan Secured Parties with respect to any *Pari Passu Excluded Collateral* (as defined in the Prepetition Shared Collateral Intercreditor Agreement).

e. As additional adequate protection for the Debtors' use of Cash Collateral: (a) without further order of this Court after notice and a hearing, no Ship Group shall be permitted to hold a Net Positive Position against the Pool Leader at any time in excess of \$25 million; (b) without further order of this Court after notice and a hearing, no Ship Group shall be permitted to hold a Net Positive Position against the Pool Leader at any time if the sum of the aggregate Net Positive Position of all Ship Groups against the Pool Leader (plus any liabilities of the Pool Leader that rank senior to or *pari passu* with the Net Positive Position) would exceed the aggregate funds in the Pool Leader Accounts at such time; (c) the Pool Leader shall not make any payment or incur any liability that would cause a Ship Group to fail to be in compliance with either clause (a) or (b) above; (d) the Debtors shall maintain the drillships in a prudent and safe manner in accordance with reasonable industry practice (including satisfying post-petition maritime-related claims that could result in the imposition of maritime liens against the drillships); (e) the Debtors shall permit the Ad Hoc Group Advisors and representatives, agents and employees of the Prepetition Agents to examine the Debtors' books and records, and in addition upon reasonable notice, at reasonable times during normal business hours, the Debtors shall permit representatives, agents, and employees of the Prepetition Agents and the Ad Hoc Group Advisors to have access to drillships in the

applicable Ship Group for the purposes of inspection; and (f) the Debtors shall provide the Prepetition Agents (and on request, their counsel) and Ad Hoc Group Advisors (i) on a weekly basis a report of (A) weekly and cumulative variances between actual and projected expenditures and (B) the cash balance at the Pool Leader at the time of such report and (ii) no later than the first Friday of each calendar month, an updated 13-week cash flow projection, which shall include the projected cash balance at the Pool Leader at the end of the applicable 13-week period (a "13-Week Projection"). The Debtors shall make themselves reasonably available to the Prepetition Agents and Ad Hoc Group Advisors to answer questions with respect to such weekly reports and the 13-Week Projections.

f. Notwithstanding anything contained herein, unless otherwise agreed by the Debtors and the Collateral Agent of a Ship Group, the authority for use of Cash Collateral of a Ship Group under the Second Interim Order and this Fifth Interim Order shall terminate upon the earlier to occur of: (i) the date this Fifth Interim Order ceases to be in full force and effect for any reason; (ii) the date this Court enters an order dismissing any of these chapter 11 cases; (iii) the date this Court enters an order converting any of these chapter 11 cases to a case under chapter 7 of the Bankruptcy Code; (iv) the date this Court enters an order reversing, amending, supplementing, vacating, or otherwise modifying this Fifth Interim Order without the consent of each of the Prepetition Agents of such Ship Group; (v) the date any Debtor files a motion seeking, or seven (7) days after this Court enters, an order appointing a chapter 11 trustee, responsible officer, or any examiner with enlarged powers relating to the operation of the businesses in these chapter 11 cases; and (vi) the date this Court enters an order granting

relief from the automatic stay to the holder or holders of any security interest to permit foreclosure (or the granting of a deed in lieu of foreclosure or the like) on any drillship in such Ship Group.

g. The Prepetition Secured Parties' rights to contest the reasonableness of any Authorized Expenditures, or the allocation of any Authorized Expenditures among the Ship Groups, are fully reserved. In the event any portion of the adequate protection granted to the Prepetition Secured Parties pursuant to Adequate Protection Order is terminated or modified in a way that is adverse to any Prepetition Secured Party without the consent of such Prepetition Secured Party, such Prepetition Secured Party's right to object to the continued operation of the Cash Management System is fully reserved.

23. The Debtors' and the Prepetition Secured Parties' rights to seek modification of the grant of adequate protection provided under the Second Interim Order and this Fifth Interim Order so as to provide different or additional adequate protection are fully reserved.

Dated: March 22, 2018
New York, New York

s/Michael E. Wiles
THE HONORABLE MICHAEL E. WILES
UNITED STATES BANKRUPTCY JUDGE

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