

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
 In re : Chapter 11
 :
 PROSPECTOR OFFSHORE : Case No. 17-____ (____)
 DRILLING S.À R.L. :
 :
 Debtor. :
 :
 Tax I.D. No. 98-0694427 :
 -----X

In re : Chapter 11
 :
 PROSPECTOR RIG 1 : Case No. 17-____ (____)
 CONTRACTING COMPANY S.À R.L. :
 :
 Debtor. :
 :
 Tax I.D. No. 98-1117441 :
 -----X

In re : Chapter 11
 :
 PROSPECTOR RIG 5 : Case No. 17-____ (____)
 CONTRACTING COMPANY S.À R.L. :
 :
 Debtor. :
 :
 Tax I.D. No. 98-1250985 :
 -----X

In re : Chapter 11
 :
 PARAGON OFFSHORE PLC, : Case No. 17-____ (____)
 (IN ADMINISTRATION) :
 Debtor. :
 :
 Tax I.D. No. 98-1146017 :
 -----X



**MOTION OF NEW DEBTORS FOR ENTRY OF
ORDER DIRECTING JOINT ADMINISTRATION
OF CHAPTER 11 CASES PURSUANT TO BANKRUPTCY RULE 1015(b)**

Prospector Offshore Drilling S.à r.l. and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**New Debtors**”),¹ respectfully represent as follows in support of this motion (this “**Motion**”):

Relief Requested

1. Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1015–1 of the *Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware* (the “**Local Rules**”), the New Debtors request entry of an order directing the joint administration of their chapter 11 cases for procedural purposes only.

2. A proposed form of order granting the relief requested herein is annexed hereto as **Exhibit A** (the “**Proposed Order**”).

Jurisdiction

3. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and, pursuant to Local Rule 9013–1(f), the New Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later

¹ The New Debtors in these chapter 11 cases, along with the last four digits of each New Debtor’s federal tax identification number, as applicable, are: Prospector Offshore Drilling S.à r.l. (4427); Prospector Rig 1 Contracting Company S.à r.l. (7441); Prospector Rig 5 Contracting Company S.à r.l. (0985); and Paragon Offshore plc (in administration) (6017). The mailing address for Prospector Offshore Drilling S.à r.l., Prospector Rig 1 Contracting Company S.à r.l., and Prospector Rig 5 Contracting Company S.à r.l. is 3151 Briarpark Drive, Suite 700, Houston, Texas 77042. The mailing address for Paragon Offshore plc (in administration) is c/p Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ, United Kingdom. Neville Barry Kahn and David Philip Soden, each of Deloitte LLP, are the joint administrators of Paragon Offshore plc (in administration) (the “**Joint Administrators**”). The affairs, business and property of Paragon Offshore plc (in administration) are managed by the Joint Administrators.

determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

4. On February 14, 2016, Paragon Offshore plc (in administration) and certain of its affiliates (the “**First Filed Debtors**”)² each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). On June 7, 2017, this Court entered the *Findings of Fact, Conclusions of Law and Order Confirming the Fifth Joint Chapter 11 Plan of Paragon Offshore plc and Its Affiliated Debtors* (Docket No. 1614). On July 17, 2017, the Court entered the *Order (I) Authorizing Modification of the Debtors’ Fifth Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code Pursuant to Section 1127(b) of the Bankruptcy Code and (II) Determining that Further Disclosure and Resolicitation of Votes Are Not Required Pursuant to Section 1127(c) of the Bankruptcy Code* (Docket No. 1775). The First Filed Debtors’ chapter 11 plan became effective on July 18, 2017.

5. On the date hereof, each of the New Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. The New Debtors are affiliates of the First Filed Debtors.

² The First Filed Debtors, along with the last four digits of each First Filed Debtor’s federal tax identification number, as applicable, are: Paragon Offshore plc (in administration) (6017); Paragon Offshore Finance Company (6632); Paragon International Finance Company (8126); Paragon Offshore Holdings US Inc. (1960); Paragon Offshore Drilling LLC (4541); Paragon FDR Holdings Ltd. (4731); Paragon Duchess Ltd.; Paragon Offshore (Luxembourg) S.à r.l. (5897); PGN Offshore Drilling (Malaysia) Sdn. Bhd. (9238); Paragon Offshore (Labuan) Pte. Ltd. (3505); Paragon Holding SCS 2 Ltd. (4108); Paragon Asset Company Ltd. (2832); Paragon Holding SCS 1 Ltd. (4004); Paragon Offshore Leasing (Luxembourg)S.à r.l. (5936); Paragon Drilling Services 7 LLC (7882); Paragon Offshore Leasing (Switzerland) GmbH (0669); Paragon Offshore do Brasil Ltda.; Paragon Asset (ME) Ltd. (8362); Paragon Asset (UK) Ltd.; Paragon Offshore International Ltd. (6103); Paragon Offshore (North Sea) Ltd.; Paragon (Middle East) Limited (0667); Paragon Holding NCS 2 S.à r.l. (5447); Paragon Leonard Jones LLC (8826); Paragon Offshore (Nederland) B.V.; and Paragon Offshore Contracting GmbH (2832).

6. Additional information regarding the New Debtors' business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Lee M. Ahlstrom in Support of the New Debtors' Chapter 11 Petitions and First Day Relief* (the "**Ahlstrom Declaration**"), which has been filed with the Court contemporaneously herewith and is incorporated herein by reference.

Basis for Relief Requested

7. Bankruptcy Rule 1015(b) provides, in relevant part, that "[i]f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). The New Debtors are "affiliates" as such term is defined in section 101(2) of the Bankruptcy Code. Accordingly, the Court is authorized to grant the relief requested.

8. In addition, Local Rule 1015-1 provides, in relevant part, as follows:

An order of joint administration may be entered, without notice and an opportunity for hearing, upon the filing of a motion for joint administration . . . supported by an affidavit, declaration or verification, which establishes that the joint administration of two or more cases pending in this Court under title 11 is warranted and will ease the administrative burden for the Court and the parties.

9. Joint administration of the New Debtors' cases will save their estates substantial time and expense because it will remove the need to prepare, replicate, file, and serve duplicative notices, applications, and orders. Further, joint administration will relieve the Court of entering duplicative orders and maintaining duplicative files and dockets. The United States Trustee for the District of Delaware (the "**U.S. Trustee**") and other parties in interest will similarly benefit from joint administration of these chapter 11 cases, sparing them the time and effort of reviewing duplicative dockets, pleadings, and papers.

10. Joint administration will not adversely affect creditors’ rights because this Motion requests only the administrative consolidation of the estates, and does not seek substantive consolidation. As such, each creditor will continue to hold its claim against a particular New Debtor’s estate after this Motion is approved.

11. The New Debtors respectfully request that each of their chapter 11 cases be administered under a consolidated caption, in the following form:

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X	:	
In re	:	Chapter 11
	:	
PROSPECTOR OFFSHORE	:	Case No. 17-_____ (_____)
DRILLING S.à r.l., et al.,	:	
	:	Jointly Administered
Debtors.¹	:	
-----X		

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Prospector Offshore Drilling S.à r.l. (4427); Prospector Rig 1 Contracting Company S.à r.l. (7441); Prospector Rig 5 Contracting Company S.à r.l. (0985); and Paragon Offshore plc (in administration) (6017). The mailing address for Prospector Offshore Drilling S.à r.l., Prospector Rig 1 Contracting Company S.à r.l., and Prospector Rig 5 Contracting Company S.à r.l. is 3151 Briarpark Drive, Suite 700, Houston, Texas 77042. The mailing address for Paragon Offshore plc (in administration) is c/p Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ, United Kingdom. Neville Barry Kahn and David Philip Soden, each of Deloitte LLP, are the joint administrators of Paragon Offshore plc (in administration) (the “**Joint Administrators**”). The affairs, business and property of Paragon Offshore plc (in administration) are managed by the Joint Administrators.

12. The New Debtors also seek the Court’s direction that a notation substantially similar to the following notation be entered on the docket in each New Debtor’s chapter 11 case to reflect the joint administration of these cases:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Prospector Offshore Drilling S.à r.l.; Prospector Rig 1 Contracting Company S.à r.l.; and Prospector Rig 5 Contracting Company S.à r.l.; and Paragon Offshore plc (in administration). The docket in Case No. 17-_____ (_____)

13. Based on the foregoing, the New Debtors submit that the relief requested is necessary and appropriate, is in the best interests of their estates and creditors, and should be granted in all respects.

Notice

14. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this Motion has been provided to (i) the U.S. Trustee; (ii) the New Debtors' twenty (20) largest unsecured creditors on a consolidated basis; (iii) Clifford Chance LLP (Attn: Gervais Green, Esq. (gervais.green@cliffordchance.com), Chong Yi Ang, Esq. (chongyi.ang@cliffordchance.com), and Jennifer C. DeMarco, Esq. (jennifer.demarco@cliffordchance.com)), counsel to SinoEnergy Capital Management, Ltd., ICBC, and the Sale-Leaseback Lessors; (iv) the Internal Revenue Service; (v) the United States Attorney's Office for the District of Delaware; and (vi) any other party entitled to notice pursuant to Local Rule 9013-1(m) (collectively, the "**Notice Parties**").

15. The New Debtors respectfully submit that no further notice is required. No previous request for the relief sought herein has been made by the New Debtors to this or any other court.

WHEREFORE the New Debtors respectfully request entry of the Proposed Order, substantially in the form annexed hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: July 20, 2017
Wilmington, Delaware

/s/ Mark D. Collins
RICHARDS, LAYTON & FINGER, P.A.
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-and-

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Facsimile: (212) 310-8007

Proposed Attorneys for the Debtors
and Debtors in Possession

Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
:
In re : **Chapter 11**
:
PROSPECTOR OFFSHORE : **Case No. 17-_____ (___)**
DRILLING S.À R.L. :
:
Debtor. :
:
Tax I.D. No. 98-0694427 :
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:
In re : **Chapter 11**
:
PROSPECTOR RIG 1 : **Case No. 17-_____ (___)**
CONTRACTING COMPANY S.À R.L. :
:
Debtor. :
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Tax I.D. No. 98-1117441 :
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In re : **Chapter 11**
:
PROSPECTOR RIG 5 : **Case No. 17-_____ (___)**
CONTRACTING COMPANY S.À R.L. :
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Debtor. :
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Tax I.D. No. 98-1250985 :
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In re : **Chapter 11**
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PARAGON OFFSHORE PLC : **Case No. 17-_____ (___)**
(IN ADMINISTRATION) :
:
Debtor. :
:
Tax I.D. No. 98-1146017 :
-----X

**ORDER DIRECTING JOINT ADMINISTRATION OF THE NEW DEBTORS'
CHAPTER 11 CASES PURSUANT TO BANKRUPTCY RULE 1015(b)**

Upon the motion, dated July 20, 2017 (the “**Motion**”),¹ of Prospector Offshore Drilling S.à r.l. and its affiliated debtors, as debtors and debtors in possession (collectively, the “**New Debtors**”),² for an order directing joint administration of the New Debtors’ cases pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015–1, as more fully set forth in the Motion; and upon consideration of the Ahlstrom Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the New Debtors and their respective estates and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

¹ All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

² The New Debtors in these chapter 11 cases, along with the last four digits of each New Debtor’s federal tax identification number, as applicable, are: Prospector Offshore Drilling S.à r.l. (4427); Prospector Rig 1 Contracting Company S.à r.l. (7441); Prospector Rig 5 Contracting Company S.à r.l. (0985); and Paragon Offshore plc (in administration) (6017). The mailing address for Prospector Offshore Drilling S.à r.l., Prospector Rig 1 Contracting Company S.à r.l., and Prospector Rig 5 Contracting Company S.à r.l. is 3151 Briarpark Drive, Suite 700, Houston, Texas 77042. The mailing address for Paragon Offshore plc (in administration) is c/p Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ, United Kingdom. Neville Barry Kahn and David Philip Soden, each of Deloitte LLP, are the joint administrators of Paragon Offshore plc (in administration) (the “**Joint Administrators**”). The affairs, business and property of Paragon Offshore plc (in administration) are managed by the Joint Administrators.

IT IS HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.
2. The above-captioned chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by the Court under Case No. 17-____ (____).
3. Nothing contained in this Order shall be deemed or construed as directing or otherwise affecting the substantive consolidation of any of the above-captioned cases.
4. The caption of the jointly administered cases should read as follows:

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

-----X		
In re	:	Chapter 11
	:	
PROSPECTOR OFFSHORE	:	Case No. 17-____ (____)
DRILLING S.à r.l., et al.,	:	
	:	Jointly Administered
Debtors.¹	:	
-----X		

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Prospector Offshore Drilling S.à r.l. (4427); Prospector Rig 1 Contracting Company S.à r.l. (7441); Prospector Rig 5 Contracting Company S.à r.l. (0985); and Paragon Offshore plc (in administration) (6017). The mailing address for Prospector Offshore Drilling S.à r.l., Prospector Rig 1 Contracting Company S.à r.l., and Prospector Rig 5 Contracting Company S.à r.l. is 3151 Briarpark Drive, Suite 700, Houston, Texas 77042. The mailing address for Paragon Offshore plc (in administration) is c/p Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ, United Kingdom. Neville Barry Kahn and David Philip Soden, each of Deloitte LLP, are the joint administrators of Paragon Offshore plc (in administration) (the “**Joint Administrators**”). The affairs, business and property of Paragon Offshore plc (in administration) are managed by the Joint Administrators.

5. A docket entry shall be made in each of the above-captioned cases (except the chapter 11 case of Prospector Offshore Drilling S.à r.l. (in administration) substantially as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the chapter 11 cases of Prospector Rig 1 Contracting Company S.à r.l.; Prospector Rig 5 Contracting Company S.à r.l.; and Paragon Offshore plc (in administration) (6017). The docket in Case No. 17- ____ (____) should be consulted for all matters affecting this case.

6. The New Debtors are authorized to take all steps necessary or appropriate to carry out this Order.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2017
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE