

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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: Chapter 11
In re :
: Case No. 16-10386 (CSS)
PARAGON OFFSHORE PLC, et al., :
: Jointly Administered
: Debtors.¹ :
: Re: Docket Nos. 16, 79, 140, 755, 964, 1167,
: 1287 & 1499
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**CERTIFICATE OF COUNSEL REGARDING FOURTH ORDER EXTENDING THE
TERMINATION DATE UNDER THE FINAL ORDER (I) AUTHORIZING THE
DEBTORS TO UTILIZE CASH COLLATERAL; AND (II) GRANTING JPMORGAN
CHASE BANK, N.A., AS ADMINISTRATIVE AGENT FOR
THE REVOLVER LENDERS AND COLLATERAL AGENT FOR THE REVOLVER
LENDERS AND TERM LOAN LENDERS, AND CORTLAND CAPITAL MARKET
SERVICES LLC, AS SUCCESSOR ADMINISTRATIVE AGENT FOR
THE TERM LOAN LENDERS, ADEQUATE PROTECTION PURSUANT
TO SECTIONS 105, 361, 362, 363 AND 507 OF THE BANKRUPTCY CODE**

The undersigned hereby certifies as follows:

1. On February 14, 2016, Paragon Offshore plc and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”) filed the *Motion of Debtors for Interim and Final Orders (I) Authorizing the Debtors to Utilize Cash Collateral; (II) Granting JPMorgan Chase Bank, N.A., as Administrative Agent for the Revolver Lenders and Collateral Agent for the*

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: Paragon Offshore plc (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). The Debtors’ mailing address is 3151 Briarpark Drive, Suite 700, Houston, Texas 77042.



Revolver Lenders and Term Loan Lenders, and Cortland Capital Market Services L.L.C. as Proposed Successor Administrative Agent for the Term Loan Lenders, Adequate Protection Pursuant to Sections 105, 361, 362, 363, and 507 of the Bankruptcy Code; and (III) Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001(b) (Docket No. 16) (the “**Cash Collateral Motion**”) with the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

The Cash Collateral Motion stated, among other things, that an orderly continuation of the Debtors’ operations and the preservation of their going concern value are largely dependent upon their ability to regularly convert prepetition collateral into cash collateral and use it to support the Debtors’ business operations.

2. On February 17, 2016, the Court entered an interim order approving the Cash Collateral Motion (Docket No. 79).

3. On March 9, 2016, the Court entered the Final Cash Collateral Order (Docket No. 140), which, among other things, (i) authorized the Debtors to utilize “Cash Collateral” and (ii) granted adequate protection to the “Prepetition Secured Parties” (as such terms are defined in the Final Cash Collateral Order). By its terms, the Final Cash Collateral Order terminated (the date of any such termination, the “**Termination Date**”) on the earlier to occur of (x) October 1, 2016 or (y) certain “Termination Events” described therein. *See* Final Cash Collateral Order, ¶11.

4. On September 26, 2016, this Court entered an order (Docket No. 755) (the “**First Extension Order**”) extending the “Termination Date” set forth in paragraph 11 of the Final Cash Collateral Order to the earlier of (i) December 30, 2016 and (ii) the occurrence of a Termination Event.

5. On December 20, 2016, this Court entered a second order (Docket No. 964) (the “**Second Extension Order**”) extending the Termination Date set forth in paragraph 11 of the

Final Cash Collateral Order to the earlier of (i) March 31, 2017 and (ii) the occurrence of a Termination Event.

6. On March 1, 2017, pursuant to an agreed order approved by the Court (Docket No. 1167), certain paragraphs of the Final Cash Collateral Order were modified, but the Termination Date set forth in the Second Extension Order remained the same.

7. On March 24, 2017, this Court entered a third order (Docket No. 1287) (the “**Third Extension Order**”) extending the Termination Date set forth in paragraph 11 of the Final Cash Collateral Order to the earlier of (i) June 5, 2017 and (ii) the occurrence of a Termination Event.

8. On May 15, 2017, pursuant to an agreed order approved by the Court (Docket No. 1499), certain paragraphs of the Final Cash Collateral Order were modified, but the Termination Date as set forth in the Third Extension Order remained the same.

9. The Debtors have prepared an order (the “**Fourth Extension Order**”) extending the Termination Date set forth in Paragraph 11 of the Final Cash Collateral Order to the earlier of (i) July 14, 2017 and (ii) the occurrence of a Termination Event. A copy of the Revised Fourth Extension Order is attached hereto as Exhibit A. The Fourth Extension Order has been circulated to, and is acceptable to, counsel to the Revolver Agent, the Term Loan Agent, the Official Committee of Unsecured Creditors and the Office of the United States Trustee for the District of Delaware.

WHEREFORE, the Debtors respectfully request that the Fourth Extension Order, substantially in the form attached hereto as Exhibit A, be entered at the earliest convenience of the Court.

Dated: May 31, 2017
Wilmington, Delaware

/s/ Joseph C. Barsalona II
RICHARDS, LAYTON & FINGER, P.A.
Mark D. Collins (No. 2981)
Paul N. Heath (No. 3704)
Amanda R. Steele (No. 5530)
Joseph C. Barsalona II (No. 6102)
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

WEIL, GOTSHAL & MANGES LLP
Gary T. Holtzer (admitted *pro hac vice*)
Stephen A. Youngman (admitted *pro hac vice*)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for the Debtors
and Debtors in Possession

EXHIBIT A

Fourth Extension Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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In re : **Chapter 11**

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PARAGON OFFSHORE PLC, et al., : **Case No. 16-10386 (CSS)**

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: **Jointly Administered**

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Debtors.¹ : **Re: Docket No. 140 & ____**

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FOURTH ORDER EXTENDING THE TERMINATION DATE UNDER THE FINAL ORDER (I) AUTHORIZING THE DEBTORS TO UTILIZE CASH COLLATERAL; AND (II) GRANTING JPMORGAN CHASE BANK, N.A., AS ADMINISTRATIVE AGENT FOR THE REVOLVER LENDERS AND COLLATERAL AGENT FOR THE REVOLVER LENDERS AND TERM LOAN LENDERS, AND CORTLAND CAPITAL MARKET SERVICES LLC, AS SUCCESSOR ADMINISTRATIVE AGENT FOR THE TERM LOAN LENDERS, ADEQUATE PROTECTION PURSUANT TO SECTIONS 105, 361, 362, 363 AND 507 OF THE BANKRUPTCY CODE

Upon consideration of the Certification of Counsel (the “**Certification**”) dated May 26, 2017 for a further order extending the “Termination Date”² under paragraph 11 of the *Final Order (I) Authorizing the Debtors to Utilize Cash Collateral; and (II) Granting JPMorgan Chase Bank, N.A., as Administrative Agent for the Revolver Lenders and Collateral Agent for the Revolver Lenders and Term Loan Lenders, and Cortland Capital Market Services LLC, as*

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² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Final Cash Collateral Order.

Successor Administrative Agent for the Term Loan Lenders, Adequate Protection Pursuant to Sections 105, 361, 362, 363 and 507 of the Bankruptcy Code (Docket No. 140) (as modified by Court orders at Docket Nos. 755, 964, 1167, 1287, and 1499, the “**Final Cash Collateral Order**”); and the Court having reviewed the Certification and determined that just cause exists for the relief granted herein; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor:

IT IS HEREBY ORDERED THAT:

1. The Termination Date set forth in paragraph 11 of the Final Cash Collateral Order is hereby extended to the earliest of (i) July 14, 2017, (ii) the occurrence of the Effective Date under (and as defined in) the Fifth Joint Chapter 11 Plan of Paragon Offshore plc and Its Affiliated Debtors, dated May 2, 2017 [Docket No. 1459], as modified from time to time, and (iii) the occurrence of a Termination Event.

2. Except as expressly set forth herein, all of the terms, conditions, and provisions of the Final Cash Collateral Order remain in full force and effect.

3. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Dated: _____, 2017
Wilmington, Delaware

THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE