

To the Bondholders in:

ISIN: No. 0010700982 – 7.50% Oro Negro Drilling Pte. Ltd. Senior Secured Bond Issue 2014/2019

Oslo, 3 April 2019

An ad hoc group of Bondholders (the “**Ad Hoc Group**”), representing more than 50% of the aggregate principal amount of the above-mentioned bond issue (the “**Bonds**”), entered into mediation (the “**Mediation**”) with, among others, Perforadora Oro Negro S. de R.L. and Integradora de Servicios Petroleros Oro Negro, S.A.P.I. de C.V. (together, the “**Company**”) pursuant to that certain *Stipulation and Order Pursuant to Local Bankruptcy Rule 9019-1 and General Order M-452 §§ 1.1 and 1.3 Appointing a Mediator and Ordering the Parties to Mediation*, Case No. 18-11094 (Bankr. S.D.N.Y. Jan. 15, 2019) [ECF No. 170] (the “**Mediation Order**”). The Mediation concluded unsuccessfully on March 26, 2019.

Pursuant to Mediation Order, the Ad Hoc Group is hereby publicly disclosing the Company’s final Settlement Proposal (as defined in the Mediation Order), which took the form of the term sheet, attached hereto as Exhibit A, as amended by the email (the “**Amending Email**”), attached hereto as Exhibit B.¹

¹ To avoid disclosure of the participants’ contact information, Exhibit B includes only the body of the Amending Email (without headers and signature block).

EXHIBIT A

ORO NEGRO – PRELIMINARY RESTRUCTURING PROPOSAL TERM SHEET

THIS NON-BINDING TERM SHEET IS PROTECTED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE STATUTES OR DOCTRINES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS.

THIS TERM SHEET IS NOT (AND SHALL NOT BE CONSTRUED AS) AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY POTENTIAL TRANSACTION OR RESTRUCTURING. NOTHING CONTAINED IN THIS NON-BINDING TERM SHEET SHALL BE AN ADMISSION OF FACT OR LIABILITY OR BE DEEMED BINDING ON ANY PARTY. THE TRANSACTIONS DESCRIBED HEREIN SHALL BE SUBJECT TO APPROVAL BY THE APPLICABLE PARTIES, THE NEGOTIATION AND COMPLETION OF DEFINITIVE DOCUMENTS, AND THE CLOSING OF ANY TRANSACTIONS SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH AGREED DEFINITIVE DOCUMENTS AND/OR ANY APPLICABLE COURT ORDER.

SETTLEMENT COUNTERPROPOSAL

- Rigs** Nordic Trustee, the Bondholders and their respective affiliates, subsidiaries, officers, directors, shareholders, representatives and professionals (collectively, the “**Bondholders**”) shall receive ownership and control of the *Impetus*, *Laurus*, *Fortius* and *Primus* free and clear of any and all claims and interests of Integradora and Perforadora and their respective affiliates, subsidiaries, officers, directors, shareholders, representatives and professionals (collectively, “**Oro Negro**”).
- Oro Negro shall receive ownership and control of the *Decus* free and clear of any and all claims and interests of the Bondholders.
- Distributed Cash** The Bondholders shall keep 100% of: (i) all the existing cash in the Restricted Bank Accounts; and (ii) all the cash disbursed from the Mexican Trust to Nordic Trustee in December 2017 (“**Distributed Cash**”).
- Outstanding Pemex Receivables and Interests** The Bondholders shall receive: (i) 100% of any outstanding receivables under the five Pemex Drilling Contracts that were earned but unpaid as of the date of Pemex’s purported termination of each of the Pemex Drilling Contracts; and (ii) 100% of any and all interests accrued -and to be accrued- under the Pemex Drilling Contracts (collectively, the “**Outstanding Payment Receivables and Interests**”).
- Mexican Trust Assets** Oro Negro shall receive all cash currently in the Mexican Trust (collectively, the “**Mexican Trust Assets**”), less USD 10 million, which the Bondholders will receive.
- Impetus Litigation Claims** The Bondholders shall control the pursuit and ultimate disposition of any and all claims against Pemex or its affiliates arising from or in connection with the Pemex Drilling Contract related to the *Impetus* (the “**Impetus Litigation Claims**”). The Bondholders shall be the sole beneficiary of any and all amounts recovered on account of such claims.
- Pemex Litigation Claims** Oro Negro shall control the pursuit and ultimate disposition of any and all claims against Pemex or its affiliates arising

from or in connection with the Pemex Drilling Contracts related to the *Decus*, *Laurus*, *Fortius* and *Primus* (the “**Pemex Litigation Claims**” and jointly with the Impetus Litigation Claims, the “**Pemex Claims**”). The Bondholders and Oro Negro shall receive in equal parts of any and all amounts recovered on account of the Pemex Litigation Claims. The Bondholders and Oro Negro will share in equal parts all costs associated with the Pemex Litigation Claims.

Pemex Claims

Parties will structure documentation reflecting ownership free and clear that preserves claims against Pemex, including, but not limited, to recognize the bareboat charters continue to be in full force and effect, with language that allow the Rigs to operate with third parties while the Pemex Claims are adjudicated or settled.

Parties will cooperate with each other in the pursuit of the Pemex Claims, in the understanding that the Party requesting cooperation will be liable for all reasonable and documented fees and expenses incurred by the Party providing cooperation.

Global Release

Global release of all claims, causes of action, and other legal entitlements, other than those expressly contemplated in this term sheet, and cessation and withdrawal of all ongoing litigation among the Bondholders, on the one hand, and Oro Negro (including employees, agents and lawyers) on the other hand, including any applicable criminal proceedings.

Reinstatement of the Contracts

To the extent any Pemex Drilling Contracts related to the *Impetus*, *Fortius*, *Laurus* and *Primus* is reinstated on or before six-months elapse after the Effective Date, Oro Negro and the Bondholders shall share in equal parts in the costs and revenues arising from those contracts.

NAFTA Claims

This settlement will not have any impact of any kind on any party to pursue their NAFTA claims.

Restructuring Plan

The Bondholders agree to support the Restructuring Plan to be proposed by Oro Negro in the Concurso Mercantil.

Court Approvals

The Restructuring Plan to be executed by the Bondholders, Oro Negro and the Conciliator shall be approved by final order of both the Concurso Court and the Chapter 15 Court,

in the understanding that nothing in the Restructuring Plan is intended to impair, alter, waive, or release any claims or rights against Pemex.

Upon entry of orders approving the Restructuring Plan (the “**Effective Date**”), all parties shall dismiss any and all actions against one another in Mexico, United States, Singapore, Norway and any other jurisdiction.

Media/PR Strategy

The Bondholders and Oro Negro shall agree of upon a mutually acceptable media and public relations strategy following the effective date of any global settlement among the parties.

EXHIBIT B

Subject: Re: Proposal

Dear Andy and Alex,

After speaking with Fernando yesterday and understanding your clients desire, we have prepared an amendment to our Term Sheet circulated on Thursday, as follows:

1. **Outstanding Pemex Receivables and Interests.** The Bondholders shall receive: (i) 100% of any outstanding receivables under the five Pemex Drilling Contracts that were earned but unpaid as of the date of Pemex's purported termination of each of the Pemex Drilling Contracts; and (ii) 100% of any and all interests accrued -and to be accrued- under the Pemex Drilling Contracts (collectively, the "**Outstanding Payment Receivables and Interests**"), less USD \$10 million, which Oro Negro will receive.
2. **Mexican Trust Assets.** Oro Negro shall receive all cash currently in the Mexican Trust (collectively, the "**Mexican Trust Assets**"), less USD \$20 million, which the Bondholders will receive.

In addition of the above, with the intention to keep the operation of the Company as normal as possible and to avoid the deterioration of its assets, under the SFA, we require an additional disbursement of USD \$1 million, which Oro Negro should freely use solely to pay operation, maintenance, tax and labor obligations, in the understanding that Oro Negro continue to commit that those amounts will not be used to pay legal fees and advisors. All payments made with that money will be supervised by the Conciliador and duly evidenced to the Bondholders.

We will be glad to meet in New York on Thursday.

Best regards,

Jesús