

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	Chapter 11
	§	
Seahawk Drilling, Inc.,	§	Case No.: 11-_____
	§	
Seahawk Mexico Holdings LLC,	§	Case No.: 11-_____
	§	
Seahawk Drilling Management LLC,	§	Case No.: 11-_____
	§	
Seahawk Offshore Management LLC,	§	Case No.: 11-_____
	§	
Energy Supply International LLC,	§	Case No.: 11-_____
	§	
Seahawk Drilling LLC,	§	Case No.: 11-_____
	§	
Seahawk Global Holdings LLC, and	§	Case No.: 11-_____
	§	
Seahawk Drilling USA LLC,	§	Case No.: 11-_____
	§	
Debtors.	§	Motion for Joint Administration Pending

**APPLICATION PURSUANT TO 28 U.S.C. § 156(C) AND RULE 2002(F) OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO
EMPLOY AND RETAIN KURTZMAN CARSON CONSULTANTS LLC AS THE
DEBTORS' CLAIMS, BALLOTING, AND NOTICING AGENT**

NOTICE UNDER BLR 9013(b) AND 9013(i)

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.



EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED; YOU SHOULD FILE AN IMMEDIATE RESPONSE.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Seahawk Drilling, Inc. ("**Seahawk**") and the above-captioned affiliated debtors (collectively, the "**Debtors**"), file this Application for Authorization to Employ and Retain Kurtzman Carson Consultants LLC ("**KCC**") as the Debtors' Claims, Balloting, and Noticing Agent (the "**Application**").¹ In support of this Application, the Debtors rely upon the Affidavit of Albert Kass (the "**Kass Affidavit**"), attached as **Exhibit A**, and respectfully state:

JURISDICTION AND PROCEDURAL STATUS

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue of the Debtors' chapter 11 cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. On the date hereof (the "**Petition Date**"), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). Contemporaneously herewith, the Debtors have sought joint administration of these chapter 11 cases.

3. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or creditors' committee has been appointed in these cases.

¹ All capitalized terms not defined herein shall have the meanings ascribed to them in the Declaration of Randall D. Stillely in Support of First Day Motions filed contemporaneously herewith.

FACTUAL BACKGROUND

4. Seahawk is a Delaware corporation formed in 2008 and headquartered in Houston, Texas, with operations throughout the U.S. Gulf of Mexico. Each of the other debtors is a direct or indirect subsidiary of Seahawk.² As of the Petition Date, Seahawk's stock is publicly traded on the NASDAQ Exchange under the ticker symbol, "HAWK."

5. Seahawk operates a jackup rig business that provides contract drilling services to the oil and natural gas exploration and production industry throughout the U.S. Gulf of Mexico.³ The Debtors contract with their customers on a dayrate basis to provide rigs and drilling crews. The Debtors' fleet of mobile offshore drilling rigs consists of twenty (20) shallow water jackup rigs. Three (3) of the Debtors' six (6) rigs in Texas are located at Matagorda Island 721 in Aransas County. Two rigs are located at Sabine Pass, Texas, and one rig is located at High Island 176 in Galveston County. The remainder of Seahawk's rigs are currently located in Louisiana.

6. Seahawk is a former subsidiary of Pride International, Inc. ("**Pride**"). On August 4, 2009, the Board of Directors of Pride approved a plan to separate Pride into two independent, publicly-traded companies (the "**Spin-Off**"). The separation occurred through the distribution to Pride stockholders of all of the shares of common stock of Seahawk that held, directly or indirectly, the assets and liabilities of Pride's jackup rig business.

7. On August 24, 2009 (the "**Spin-Off Date**"), each Pride stockholder received one-fifteenth (1/15) of a share of Seahawk's common stock for each share of Pride common stock

² The debtor-subidiaries of Seahawk are: Seahawk Drilling LLC, Energy Supply International LLC, Seahawk Global Holdings LLC, Seahawk Mexico Holdings LLC, Seahawk Drilling Management LLC, Seahawk Offshore Management LLC and Seahawk Drilling USA LLC. The subsidiaries of Seahawk that are incorporated in Mexico or have branches in Mexico are not a part of this chapter 11 proceeding.

³ Jackup rigs are mobile, self-elevating drilling platforms equipped with legs that can be lowered to the ocean floor until a foundation is established to support the drilling platform. The Debtors' rigs work in water depths up to 300 feet and can drill to a depth of 25,000 feet.

held at the close of business on August 14, 2009. After the Spin-Off, Seahawk became an independent public company. Pride no longer retains any ownership interest in Seahawk, although the two companies are parties to various agreements entered into in connection with the Spin-Off (collectively, the “**Pride Agreements**”).

8. Since mid-2008, the demand for drilling services has declined dramatically, principally as a result of the global financial crisis, declining prices of crude oil and natural gas and deteriorating worldwide economic conditions. The decline in the United States jackup rig market since 2009 has been one of the sharpest downturns for domestic jackup rig activity over the past thirty (30) years. In addition, the regulatory and financial uncertainties regarding a former customer, PEMEX, have had a significant effect on Seahawk’s business.⁴ Finally, from August 2009 to March 2010, the Debtors’ active rig count averaged five (5) to seven (7) working rigs at any given time.

9. On April 20, 2010, the demand for offshore drilling services in the Gulf of Mexico was further negatively impacted by the Macondo well blowout, prompting, among other things, the United States Government to issue a moratorium on all U.S. offshore drilling. On May 26, 2010, the moratorium on Gulf of Mexico drilling in waters less than 500 feet deep was lifted. Subsequently, in November 2010, the deep water moratorium was lifted. However, since the Macondo incident, notwithstanding the termination of the Government-imposed drilling prohibitions, very few new drilling permits have been issued. Further, in addition to the fact that the Debtors’ customers are experiencing significant delays in the issuance of drilling permits, they are likewise facing an increasingly uncertain regulatory and cost environment which continues to adversely affect the Debtors’ business.

⁴ Pemex Exploración y Producción (“**PEMEX**”) is the exploration and production subsidiary of the national oil company of Mexico.

10. As a result of all of these factors, Debtors' active rig count declined to three (3) working rigs during October 2010. While there has been some recent marginal improvement in market conditions (seven (7) rigs are currently working), the combined impact of all of these events, together with negative cash flows throughout 2009 and 2010, has severely stressed and exhausted the Debtors' liquidity and even the current operating level results continue to produce negative cash flows for the Debtors. Seahawk's Board of Directors (the "**Board**") and its management have closely monitored the impact of these conditions and evaluated potential alternatives to address and improve these circumstances with the assistance of various professionals and outside advisors, including Alvarez & Marsal North America, LLC ("**A&M**").

11. In November 2010, Seahawk publicly announced that its Board had initiated a process to explore and consider possible strategic alternatives, including, but not limited to transactions involving additional funding, recapitalizations, sales of assets, or a sale or merger of Seahawk. Seahawk's Board, through its finance committee (the "**Finance Committee**"), with regular and substantial Board and independent directors' participation, supervised the process and were managed by Simmons & Company International ("**Simmons**") and other advisors.

12. In February 2011, after evaluating the indications of interest and potential offers received from a number of interested parties, the Board authorized the Debtors to enter into an Asset Purchase Agreement (the "**APA**") with Hercules Offshore, Inc. ("**Hercules**").⁵ The executed APA contemplates the acquisition by Hercules or one or more of its subsidiaries ("**Purchaser**") of substantially all of the assets and jackup rigs of the Debtors (the "**Purchased Assets**") through a sale pursuant to section 363 of the Bankruptcy Code (the "**Transaction**"). The aggregate consideration for the Purchased Assets (defined in the APA as the "**Base**

⁵ The summary description of the APA set forth herein is qualified in its entirety by reference to the terms of the APA itself.

Aggregate Consideration") is (a) 22,321,425 shares of Hercules Common Stock (the "**Hercules Shares**") plus (b) cash in an amount equal to \$25,000,012 (the "**Cash Payment**"), subject to certain adjustments. Using the closing stock price of Hercules' stock as of February 10, 2011, the Base Aggregate Consideration would be valued at approximately \$105 million before any adjustments. The Base Aggregate Consideration is to be payable at closing by Purchaser to Sellers.

13. The Debtors have sought chapter 11 protection in order to protect and preserve their going concern value and to facilitate a prompt sale of substantially all of their assets to Hercules for the benefit of all stakeholders. The Debtors have determined in the prudent exercise of their business judgment that the proposed course of action is the best alternative to ensure that the maximum value of Seahawk's assets will inure to the benefit of all of their creditors and interestholders.

14. Additional information regarding the Debtors' business, capital structure, and the circumstances and events leading to these chapter 11 cases is contained in the Declaration of Randall D. Stilley in Support of First Day Motions, filed contemporaneously herewith and incorporated herein by reference.

RELIEF REQUESTED

15. Pursuant to 18 U.S.C. § 156 (c) and Federal Rule of Bankruptcy Procedure 2002(f), the Debtors respectfully request that the Court enter an order: (i) authorizing the retention and employment of KCC as the Debtors' Claims, Balloting, and Noticing Agent (the "**Agent**") in connection with these chapter 11 cases pursuant to the terms and conditions of that certain agreement for services, dated as of December 15, 2010 by and between KCC and the Debtors (such agreement together with all amendments, modifications, renewals thereof and all documents ancillary thereto or otherwise entered into in connection therewith, are collectively

referred to herein as the “**Retention Agreement**”), a copy of which is attached as **Exhibit B** and incorporated by reference herein; (ii) approving the terms of the Retention Agreement; and (iii) granting other relief the Court deems appropriate.

BASIS FOR RELIEF

16. The Court has authority to approve KCC’s employment and retention under Rule 2002(f) of the Federal Rules of Bankruptcy Procedure and section 156(c) of title 28 of the United States Code.

17. Federal Rule of Bankruptcy Procedure 2002 regulates what notices must be provided to creditors and other parties-in-interest in bankruptcy cases. Under Rule 2002(f), the Court may direct that a person, other than the Clerk of the Court, give notice of the various matters described above. Moreover, section 156(c) of title 28 of the United States Code authorizes the Court to use outside agents and facilities for notice and claim purposes, if the Debtors’ estates pay the costs for such services. Section 156(c) provides:

Any court may utilize facilities or services, either on or off the court’s premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out of the assets of the estate and are not charged to the United States.

28 U.S.C. § 156(c).

18. Retention of KCC under Rule 2002(f) and section 156(c) is appropriate in this case. The Debtors estimate that they have approximately 4,000 parties-in-interest. Noticing, receiving, docketing and maintaining proofs of claim from such a large number of parties-in-interest may be unduly time consuming and burdensome for the Clerk of the Court. Furthermore, KCC’s retention will expedite service of notices, streamline the claims administration process, and allow the Debtors to focus on reorganization. Given the number of

parties-in-interest and the complexity of the Debtors' cases, the Debtors submit that KCC's retention is: (i) the most effective and efficient manner of noticing and providing solicitation services for the thousands of creditors and parties-in-interest in these cases; and (ii) necessary and in the best interests of the Debtors' estates and their creditors.

KCC'S QUALIFICATIONS

19. As described in the Kass Affidavit, the Debtors have thousands of potential creditors. In addition to these creditors, there are [thousands] of other parties-in-interest in the Debtors' chapter 11 cases. Although the office of the Clerk of the United States Bankruptcy Court for the Southern District of Texas (the "**Clerk's Office**") ordinarily would serve notices on the Debtors' creditors and other parties-in-interest and administer claims against the Debtors, the Clerk's Office may not have the resources to undertake such tasks, especially in light of the sheer magnitude of the Debtors' creditor body and the tight timelines that frequently arise in chapter 11 cases.

20. Accordingly, the Debtors propose to engage KCC to act as the Debtors' claims, balloting, and noticing agent. This retention is the most effective and efficient manner of noticing the thousands of creditors and parties-in-interest of the filing of the chapter 11 cases and other developments in the chapter 11 cases. In that capacity, KCC will transmit, receive, docket and maintain proofs of claim filed in connection with the chapter 11 cases.

21. KCC is well qualified to serve as the Debtors' claims, noticing, and balloting agent. As set forth more fully in the Kass Affidavit, KCC is a bankruptcy administrator that specializes in providing comprehensive chapter 11 administrative services including noticing, claims processing, balloting, and other related services critical to the effective administration of chapter 11 cases. KCC has developed efficient and cost-effective methods to handle the voluminous mailings associated with the noticing, claims processing, and balloting portions of

chapter 11 cases to ensure the orderly and fair treatment of creditors, equity security holders, and all parties-in-interest. Further, KCC will work with the Clerk's Office to ensure that such methodology conforms with all of the Court's procedures, the Local Rules and the provisions of any orders entered by this Court.

22. KCC has substantial experience in matters of this size and complexity and has acted as the official notice, claims, and solicitation agent in many large bankruptcy cases in this District and other districts nationwide. *See, e.g., In re Edge Petroleum Corp., et al.*, Case No. 09-20644 (Bankr. S.D. Tex. October 1, 2009); *In re Idearc Inc., et al.*, Case No. 09-31828 (Bankr. N.D. Tex. March 31, 2009); *In re Renaissance Hosp. Grand Prairie, Inc., et al.*, Case No. 08-43775 (Bankr. N.D. Tex. August 21, 2008); *In re Home Interiors & Gifts, Inc., et al.*, Case No. 08-31961 (Bankr. N.D. Tex. April 29, 2008); *In re Magic Brands, LLC, et al.*, Case No. 10-11310 (Bankr. D. Del. April 21, 2010); *In re Specialty Packaging Holdings, Inc.*, Case No. 10-10142 (Bankr. D. Del. January 21, 2010); *In re Int'l Aluminum Corp.*, Case No. 10-10003 (Bankr. D. Del. January 6, 2010); *In re Eddie Bauer Holdings Inc.*, Case No. 09-12099 (Bankr. D. Del. June 18, 2009); *In re Premier Int'l Holdings Inc.*, Case No. 09-12019 (Bankr. D. Del. June 15, 2009); *In re Claim Jumper Restaurants, LLC, et al.*, Case No. 10-12819 (Bankr. D. Del. September 10, 2010); *In re Vertis Holdings, Inc., et al.*, Case No. 10-16170 (Bankr. S.D.N.Y. November 17, 2010); *In re Loehmann's Holdings, Inc., et al.*, Case No. 10-16077 (Bankr. S.D.N.Y. November 15, 2010); *In re EnviroSolutions of N.Y., LLC, et al.*, Case No. 10-11236 (Bankr. S.D.N.Y. March 15, 2010); *In re Black Gaming, LLC*, Case No. 10-13301 (Bankr. D. Nev. March 5, 2010); *In re Penton Bus. Media Holdings, Inc.*, Case No. 10-10689 (Bankr. S.D.N.Y. February 11, 2010); *In re Uno Rest. Holdings Corp.*, Case No. 10-10209 (Bankr. S.D.N.Y. January 22, 2010); *In re Movie Gallery, Inc., et al.*, Case No. 10-30696 (Bankr. E.D.

Va. February 3, 2010); *In re Fleetwood Enters., Inc.*, Case No. 09-14254 (Bankr. C.D. Cal. March 20, 2009).

SCOPE OF SERVICES

23. Subject to the Court's approval, KCC has agreed to provide certain noticing, claims processing, and administration services including, without limitation:

- i. Preparing and serving required notices, including, without limitation notice of:
 - (a) the commencement of the chapter 11 cases and the initial meeting of creditors under Bankruptcy Code § 341(a);
 - (b) the claims bar date;
 - (c) transfers of claims;
 - (d) objections to claims and objections to transfers of claims;
 - (e) hearings on a disclosure statement and confirmation of a plan of reorganization; and
 - (f) such other miscellaneous notices as the Debtors or the Court may deem necessary or appropriate for the orderly administration of these cases;
- ii. Designing, maintaining, and operating, in conjunction with the Debtors, a website as a centralized location where the Debtors will provide information about the Debtors' cases, including, at the Debtors' discretion, certain orders, decisions, claims, or other documents filed in these chapter 11 cases;
- iii. Within seven days after the mailing of a particular notice, filing with the Court a copy of the notice served with a certificate of service attached indicating the name and complete address of each party served;
- iv. Receiving, examining, and maintaining copies of all proofs of claim and proofs of interest filed in the chapter 11 cases;
- v. Docketing all claims received, maintaining the Claims Register for the Debtors on behalf of the Clerk, and providing the Clerk with immediate web access to the Claims Register upon request;

- vi. Maintaining official claims registers in the chapter 11 cases by docketing all proofs of claim and proofs of interest in a claims database that includes the following information for each such claim or interest asserted:
 - (1) the claim number assigned to the proof of claim or proof of interest,
 - (2) the date the proof of claim or proof of interest was received by KCC and/or the Court,
 - (3) the name and address of the claimant or interest holder and any agent thereof, if the proof of claim or proof of interest was filed by an agent,
 - (4) the asserted amount and classification of the claim (e.g., secured, unsecured, priority, etc.), and
 - (5) the applicable Debtor against which the claim or interest is asserted;
- vii. Recording any order entered by the Court which may affect a claim by making a notation on the claims register;
- viii. Monitoring the Court's docket for any claims related pleading filed and making necessary notations on the claims register;
- ix. Maintaining a separate claims register for each debtor if the chapter 11 cases are jointly administered;
- x. Filing a quarterly updated claims register with the Court in alphabetical and numerical order. If there was no claims activity, a certification of no claim activity may be filed;
- xi. Relocating, by messenger, all of the actual proofs of claim filed with the Court, if necessary to KCC;
- xii. Providing access to the public for examination of claims and the claims register at no charge;
- xiii. Recording all transfers of claims and providing any notices of such transfers required by Bankruptcy Rule 3001;
- xiv. Revising the creditor matrix after the objection period expires;
- xv. Maintaining an up-to-date mailing list of all creditors and entities who have filed proofs of claim or proofs of interest and/or request for notices in the case and providing such list to the Court or any interested party upon request (within 48 hours);

- xvi. Forwarding all claims, an updated claims register and an updated mailing list to the Court within 10 days of entry of an order converting a case or within 30 days of entry of a final decree. The claims register and mailing list will be provided in both paper and on disc and in alphabetical and numerical order. The mailing list disc will be in .txt format;
- xvii. Complying with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders and other requirements;
- xviii. Promptly complying with such further conditions and requirements as the Clerk's Office or the Court may at any time prescribe;
- xix. Providing such other claims processing, noticing and administrative services as may be requested from time to time by the Debtors; and
- xx. At the conclusion of these chapter 11 cases, boxing and transporting all original documents in proper format, as specified by the Clerk's Office, to the Federal Records.

24. In addition to the foregoing, the Debtors request that KCC assist with, among other things: (a) maintaining and updating the master mailing lists of creditors; (b) to the extent necessary, gathering data in conjunction with the preparation of the Debtors' schedules of assets and liabilities and statements of financial affairs; (c) tracking and administration of claims; (d) preparing and mailing proofs of claim to the creditors listed on the Debtors' Schedules; (e) preparing, mailing, and tabulating ballots for the purpose of voting to accept or reject a plan of reorganization; and (c) performing other administrative tasks pertaining to the administration of the chapter 11 cases, as may be requested by the Debtors or the Clerk's Office.

25. Pursuant to 11 U.S.C. §105(a), KCC shall be deemed an agent of the Court for the limited purpose of receiving proofs of claim. Accordingly, proofs of claim filed with KCC shall be deemed filed with the Court for purposes of FED. R. BANKR. P. 5005(a)(2). However, the Clerk shall not be responsible for any proof of claim or interest filed with KCC. The Debtors shall hold the Clerk harmless for any loss resulting from any proof of claim or interest which is lost, stolen, destroyed, not processed, or mishandled by KCC.

26. The Debtors believe that the notice, claim, and balloting services to be provided by KCC will not duplicate the services that other retained professionals will render. KCC will perform unique functions and will use reasonable efforts to coordinate with the Debtors' other professionals to avoid duplicating services.

COMPENSATION

27. The Debtors request authority to compensate and reimburse KCC in accordance with the payment terms set forth in the Retention Agreement for all services rendered and expenses incurred in connection with the Debtors' chapter 11 cases. The Retention Agreement also provides that the Debtors agreed to indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors, and agents, harmless for any losses, claims, expenses, and liabilities (including attorneys' fees and expenses) resulting, arising from, or related to KCC's performance under the Retention Agreement. The Debtors believe that such compensation rates and indemnification and liability provisions are fair and reasonable, appropriate for services of this nature, and comparable to those charged by providers of similar services.

28. Furthermore, the Debtors respectfully submit that the fees and expenses incurred by KCC are administrative in nature and, therefore, should not be subject to fee application procedures for professionals. Accordingly, the Debtors request authorization to compensate KCC on a monthly basis, in accordance with the Retention Agreement's terms and conditions, and upon KCC's submission to the Debtors of invoices summarizing in reasonable detail the services rendered and expenses incurred.

29. The Debtors request that KCC's fees and expenses be paid from the Debtors' estates as required by section 156(c) of title 28 of the United States Code. The Debtors also

submit that such fees and expenses should be treated as administrative expenses of the Debtors' estates under section 503(b)(1)(A) of the Bankruptcy Code.

30. If KCC's services are terminated, KCC shall perform its duties until there is a complete transition with the Clerk's Office or any successor claims/noticing agent.

KCC'S DISINTERESTEDNESS

31. Although the Debtors do not propose to retain KCC under section 327 of the Bankruptcy Code, the Debtors believe that KCC is a "disinterested person" as defined by sections 101(14) and 1107(b) of the Bankruptcy Code. The Debtors have been advised that, except as set forth more fully in the Kass Affidavit, and based on the results of the search performed to date, with respect to any matter for which KCC will be employed, KCC: (i) has no connection with the Debtors, their creditors, or other parties-in-interest; and (ii) does not hold or represent any interest materially adverse to the Debtors' estates. KCC may have relationships with certain of the Debtors' creditors as vendors or in connection with cases in which KCC serves or has served in a neutral capacity as claims, balloting, and noticing agent for another chapter 11 debtor.

32. Furthermore, KCC has represented to the Debtors that KCC will not represent any entities or individuals other than the Debtors in these chapter 11 cases in connection with any matters that would be materially adverse to the Debtors' interests. KCC has also advised the Debtors that KCC has agreed not to share with any person or firm, other than its own affiliates, partners, and employees, the compensation to be paid for services rendered in connection with this case except as required by the Court.

33. Prior to the Petition Date, the Debtors paid \$25,000.00 as a retainer for case administration services to be rendered by KCC. Fees and expenses KCC incurred from pre-

petition services have been or will be paid from the retainer. As set forth in the Kass Affidavit, the Debtors owe no amount to KCC for services provided prior to the Petition Date.

34. KCC has also represented, among other things, that:
- a. KCC will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as Agent;
 - b. by accepting employment in this bankruptcy case, KCC waives any right to receive compensation from the United States government;
 - c. in its capacity as Agent, KCC will not be an agent of the United States and will not act on behalf of the United States; and
 - d. KCC will not employ any past or present employees of the Debtors in connection with its work as Agent.

35. Should KCC discover any new relevant facts or relationships bearing on the matters described herein during the period of its retention, KCC will use reasonable efforts to file promptly a supplemental affidavit.

36. For the foregoing reasons, the Debtors believe that KCC's retention is in the best interests of the Debtors' estates and authorized by the Bankruptcy Code.

RULE 6003 AUTHORIZES IMMEDIATE FINAL APPROVAL OF THE APPLICATION

37. Rule 6003 of the Federal Rules of Bankruptcy Procedure authorizes the Court to issue an immediate and final order approving an employment application when necessary to avoid irreparable harm to the Debtors. Fed. R. Bankr. P. 6003; *In re First NLC Fin. Serv., LLC*, No. 08-10632, 2008 Bankr. LEXIS 14466 (S.D. Fla. Jan. 28, 2008) (finding that immediate relief on debtors' application to employ counsel was proper under Bankruptcy Rule 6003 to avoid irreparable harm). The Debtors respectfully request the Court to authorize immediate and final approval of KCC's employment and retention to avoid the irreparable harm that would result if the Debtors had to bear the significant administrative burden the Debtors' chapter 11 cases entail

without the assistance of a claims and noticing agent, particularly in light of the extremely compressed timeframe anticipated to occur in these cases.

NO PRIOR REQUEST

38. No previous application for the relief sought herein has been made in this or any other court.

NOTICE

39. Notice of this Motion has been provided by overnight delivery and e-mail or facsimile to: (a) Natixis, New York Branch, as Administrative Agent for the Lenders; (b) the 30 largest unsecured creditors of the Debtors on a consolidated basis; (c) Pride International, Inc.; (d) Hercules Offshore, Inc.; (e) D.E. Shaw Direct Capital Portfolios, L.L.C.; (f) the U.S. Trustee's Office; (g) the United States Attorney's Office; (h) the Securities and Exchange Commission; and (i) the Internal Revenue Service. The Debtors believe that the notice provided for herein is fair and adequate and no other or further notice is necessary.

PRAYER

WHEREFORE, PREMISES CONSIDERED, the Debtors respectfully request that the Court enter an order: (i) authorizing the retention of KCC as the Debtors' Claims, Balloting, and Noticing Agent in connection with these chapter 11 cases pursuant to the Retention Agreement; (ii) approving the terms of the Retention Agreement; and (iii) granting other relief the Court deems appropriate.

Dated: February 11, 2011.

Respectfully submitted,

FULBRIGHT & JAWORSKI L.L.P.

By: /s/ *Berry D. Spears*

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**PROPOSED ATTORNEYS FOR THE
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POSSESSION**

EXHIBIT A
The Kass Affidavit

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

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AFFIDAVIT OF ALBERT KASS IN SUPPORT OF APPLICATION PURSUANT TO 28 U.S.C. § 156(C) AND RULE 2002(F) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION TO EMPLOY AND RETAIN KURTZMAN CARSON CONSULTANTS LLC AS THE DEBTORS' CLAIMS, BALLOTING, AND NOTICING AGENT

STATE OF TEXAS	§
	§
COUNTY OF HARRIS	§

BEFORE ME, the undersigned authority, on this personally appeared Albert Kass, who, after being duly sworn upon his oath, deposed and stated as follows:

1. "My name is Albert Kass, I am more than twenty-one (21) years of age and am competent and authorized to make this affidavit. I have personal knowledge of the facts set forth herein. To the extent that any information disclosed here requires amendment or modification upon completion of further analysis or as additional information becomes available, a supplement affidavit will be submitted to the Court reflecting the same.

2. I am the Vice President of Corporate Restructuring Services of Kurtzman Carson Consultants, LLC ("**KCC**"), which specializes in providing, *inter alia*, Chapter 11 case administration and solicitation and balloting in connection with Chapter 11 plans.

3. This affidavit is submitted in connection with the Debtors' Application for Authorization to Employ and Retain Kurtzman Carson Consultants LLC as Claims, Balloting, and Noticing Agent (the "**Application**"), to appoint KCC as claims, balloting, and noticing agent in these Cases.

4. The services KCC proposes to render to the Clerk and the Debtors as claims, balloting, and noticing agent are set forth in the Agreement annexed as **Exhibit "B"** to the Application and which is incorporated herein by reference.

5. KCC specializes in providing comprehensive Chapter 11 administrative services to Chapter 11 debtors in order to streamline and manage the administrative burdens imposed upon debtors in Chapter 11 cases. Such services include, but are not limited to, acting as an agent for and custodian of records of the Clerk of the Court with respect to noticing and service of pleadings, preparing schedules of assets and liabilities and statements of financial affairs, as necessary, assisting with the administration of claims, and providing solicitation and balloting services in connection with Chapter 11 plans.

6. KCC has extensive experience providing identical or substantially similar services to other Chapter 11 debtors in this district and other districts nationwide. *See, e.g., In re Edge Petroleum Corp., et al.*, Case No. 09-20644 (Bankr. S.D. Tex. October 1, 2009); *In re Idearc Inc., et al.*, Case No. 09-31828 (Bankr. N.D. Tex. March 31, 2009); *In re Renaissance Hosp. Grand Prairie, Inc., et al.*, Case No. 08-43775 (Bankr. N.D. Tex. August 21, 2008); *In re Home Interiors & Gifts, Inc., et al.*, Case No. 08-31961 (Bankr. N.D. Tex. April 29, 2008); *In re Int'l Aluminum Corp.*, Case No. 10-10003 (Bankr. D. Del. January 6, 2010); *In re Specialty Packaging Holdings, Inc.*, Case No. 10-10142 (Bankr. D. Del. January 21, 2010); *In re Magic Brands, LLC, et al.*, Case No. 10-11310 (Bankr. D. Del. April 21, 2010); *In re Eddie Bauer Holdings Inc.*, Case No. 09-12099 (Bankr. D. Del. June 18, 2009); *In re Premier Int'l Holdings Inc.*, Case No. 09-12019 (Bankr. D. Del. June 15, 2009); *In re Claim Jumper Restaurants, LLC, et al.*, Case No. 10-12819 (Bankr. D. Del. September 10, 2010); *In re Penton Bus. Media Holdings, Inc.*, Case No. 10-10689 (Bankr. S.D.N.Y. February 11, 2010); *In re Uno Rest. Holdings Corp.*, Case No. 10-10209 (Bankr. S.D.N.Y. January 22, 2010); *In re EnviroSolutions of N.Y., LLC, et al.*, Case No. 10-11236 (Bankr. S.D.N.Y. March 15, 2010); *In re Loehmann's Holdings, Inc., et al.*, Case No. 10-16077 (Bankr. S.D.N.Y. November 15, 2010); *In re Vertis Holdings, Inc., et al.*, Case No. 10-16170 (Bankr. S.D.N.Y. November 17, 2010); *In re Black Gaming, LLC*, Case No. 10-13301 (Bankr. D. Nev. March 5, 2010); *In re Movie Gallery, Inc., et al.*, Case No. 10-30696 (Bankr. E.D. Va. February 3, 2010); *In re Fleetwood Enters., Inc.*, Case No. 09-14254 (Bankr. C.D. Cal. March 20, 2009). Accordingly, I believe that KCC is well qualified to provide the services set forth in the Agreement. The compensation arrangement provided in the Agreement is consistent with and typical of arrangements negotiated by KCC and other firms within its industry in this and other districts.

7. The Agreement sets forth the fees KCC charges for the services it will provide to the Debtors. The proposed compensation arrangement is consistent with, and typical of,

arrangements of KCC and its competitor firms to provide claims, balloting and noticing agent services in chapter 11 cases. KCC requests that the Debtors pay their fees and expenses in accordance with the terms of the Agreement. KCC will submit invoices summarizing, in reasonable detail, the services and expenses for which compensation is sought.

8. Although the Debtors do not propose to retain KCC under § 327 of the Bankruptcy Code, KCC has nonetheless conducted a conflicts analysis and, to the best of my knowledge, KCC neither holds nor represents an interest materially adverse to the Debtors' estates nor has a material connection to the Debtors, their creditors or their related parties with respect to any matter for which KCC will be employed.

9. To the best of my knowledge, neither KCC nor any employees of KCC has any material connection with the Debtors, its creditors, the United States Trustee or any of its employees, any other parties-in-interest herein or their respective attorneys or accountants.

10. To the best of my knowledge, KCC is not a creditor of the Debtors, nor does KCC hold or represent any interest materially adverse to the Debtors' or their estates, their creditors or equity security holders for the services for which KCC is to be employed, and thus, KCC is a "disinterested person" within the meaning of Bankruptcy Code section 101(14), as modified by Bankruptcy Code section 1107(b).

11. Upon information and belief, KCC represents, among other things, that:

- a. It is not and will not be employed by any federal or state agency (the "Government") and will not seek any compensation from the Government;
- b. By accepting employment in these Cases, it waives any right to receive compensation from the Government;
- c. It is not an agent of the United States and is not acting on behalf of the United States;
- d. It will not misrepresent any fact to the public; and
- e. It will not employ any past or present employees of the Debtors for work involving these Cases.

12. To the best of my knowledge, and except as described herein, neither KCC nor any officer or employee of KCC has any connection or relationship with the Debtors, their creditors, or any other parties-in-interest in these Cases (or their attorneys or accountants) that would conflict with the scope of KCC's retention or would create any interest materially adverse to the Debtors' bankruptcy estates, any statutory committee appointed in these Cases or any other party in interest. KCC may have relationships with certain of the Debtors' creditors as vendors or in connection with cases in which KCC serves or has served in a neutral capacity as claims and noticing agent for another Chapter 11 debtor. To the best of my knowledge, such relationships are materially unrelated to these Chapter 11 cases. In addition, KCC personnel may have relationships with some of the Debtors' creditors or other parties-in-interest. However, to

the best of my knowledge, such relationships, to the extent they exist, are of a personal financial nature and completely unrelated to these chapter 11 cases. KCC has and will continue to represent clients in matters materially unrelated to these chapter 11 cases. KCC has and will continue to represent clients in matters unrelated to these Cases and has had and will continue to have relationships in the ordinary course of business with certain professionals and vendors in connection with matters unrelated to these Cases.

13. Neither KCC nor I have agreed to share compensation received in these Cases with any other person or entity not an affiliate, vendor, or associate of KCC.

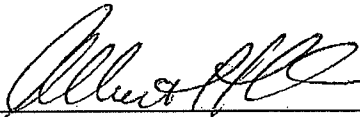
14. KCC is an indirect subsidiary of Computershare Limited. Computershare Limited is a financial services and technologies provider for the global securities industry. Within the Computershare corporate structure, KCC operates as a separate, segregated business unit. As such, any relationships that Computershare Limited and its affiliates maintain do not create an interest of KCC that would be materially adverse to the Debtors' estates or any class of creditors or equity security holders. Administar, a claims and noticing agent, is also an indirect subsidiary of Computershare Limited. On June 10, 2009, the marketing and operation of Administar's restructuring services were consolidated under KCC.

15. KCC will comply with all requests of the Clerk's Office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

16. If KCC discovers additional information that requires disclosure, KCC will file a supplemental disclosure with this Court.

FURTHER AFFIANT SAYETH NOT.

Dated: February 11, 2011.

By: 
Name: Albert Kass
Title: Vice President (Corporate Restructuring)

Sworn to before me this 11th day of February, 2011.

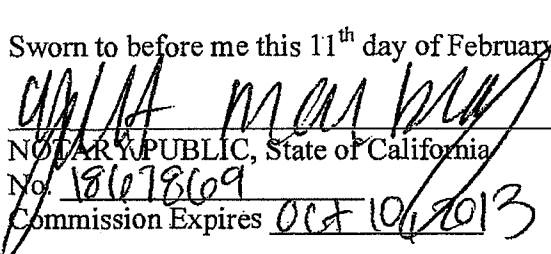

NOTARY PUBLIC, State of California
No. 1867869
Commission Expires Oct 10, 2013



EXHIBIT B
The Retention Agreement



KCC AGREEMENT FOR SERVICES

This Agreement is entered into as of the 15th day of December, 2010, between Seahawk Drilling, Inc. (together with its affiliates and subsidiaries, the "Company"),¹ and Kurtzman Carson Consultants LLC (together with its affiliates and subcontractors, "KCC").

In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Terms and Conditions

I. SERVICES

A. KCC agrees to provide the Company with consulting services regarding noticing, claims management and reconciliation, plan solicitation, balloting, disbursements and any other services agreed upon by the parties or otherwise required by applicable law, government regulations or court rules or orders.

B. KCC further agrees to provide (i) computer software support and training in the use of the support software, (ii) KCC's standard reports as well as consulting and programming support for the Company requested reports, (iii) program modifications, (iv) data base modifications, and/or (v) other features and services in accordance with the fees outlined in a pricing schedule provided to the Company (the "KCC Fee Structure").

C. Without limiting the generality of the foregoing, KCC may, upon request by the Company, (i) provide a communications plan including, but not limited to, preparation of communications materials, dissemination of information and a call center staffed by KCC and/or (ii) provide confidential on-line workspaces or virtual data rooms and publish documents to such workspaces or data rooms (which publication shall not be deemed to violate the confidentiality provisions of this Agreement).

D. The price listed for each service in the KCC Fee Structure represents a bona fide proposal for such services, which may be accepted in whole or in part. Services will be provided when requested by the Company or required by applicable law, government regulations or court rules or orders. Services are mutually exclusive and are deemed delivered and accepted by the Company when provided by KCC.

E. The Company acknowledges and agrees that KCC will often take direction from the Company's representatives, employees, agents and/or professionals (collectively, the "Company Parties") with respect to the services being provided under this Agreement. The parties agree that KCC may rely upon, and the Company agrees to be bound by, any requests, advice or information provided by the Company Parties to the same extent as if such requests, advice or information were provided by the Company. The Company agrees and understands that KCC shall not provide the Company or any other party with any legal advice.

¹ The term Company shall include, to the extent applicable, the Company, as debtor and debtor in possession in its chapter 11 case, together with any affiliated debtors and debtors in possession whose chapter 11 cases are jointly administered with the Company's chapter 11 case.



KCC AGREEMENT FOR SERVICES

II. PRICES, CHARGES AND PAYMENT

A. KCC agrees to charge and the Company agrees to pay KCC for its services, expenses and supplies at the rates or prices set by KCC and in effect as of the date of this Agreement in accordance with the KCC Fee Structure. KCC's prices are generally adjusted periodically to reflect changes in the business and economic environment. KCC reserves the right to reasonably increase its prices, charges and rates annually. If any price increases exceed 10%, KCC will give thirty (30) days written notice to the Company.

B. The Company agrees to pay the reasonable out of pocket expenses incurred by KCC in connection with services provided under this Agreement, including but not limited to, transportation, lodging, and meals.

C. In addition to all fees for services and expenses hereunder, the Company shall pay to KCC (i) any fees and expenses related to, arising out of, or as a result of any error or omission made by the Company or the Company Parties, as mutually determined by KCC and the Company, and (ii) all taxes that are applicable to this Agreement or that are measured by payments made under this Agreement and are required to be collected by KCC or paid by KCC to a taxing authority.

D. Where the Company requires services that are unusual or beyond the normal business practices of KCC, or are otherwise not provided for in the KCC Fee Structure, the cost of such services shall be charged to the Company at a competitive rate.

E. KCC agrees to submit its invoices to the Company monthly and the Company agrees that the amount invoiced is due and payable upon the Company's receipt of the invoice. However, where total fees and expenses are expected to exceed \$10,000 in any single month, KCC may require advance payment from the Company due and payable upon demand and prior to the performance of services hereunder. If any amount is unpaid as of thirty (30) days from the receipt of the invoice, the Company further agrees to pay a late charge, calculated as one and one-half percent (1-1/2%) of the total amount unpaid every thirty (30) days. In the case of a dispute in the invoice amount, the Company shall give written notice to KCC within ten (10) days of receipt of the invoice by the Company. The undisputed portion of the invoice will remain due and payable immediately upon receipt of the invoice. Late charges shall not accrue on any amounts in dispute. Unless otherwise agreed to in writing, the fees for print notice and media publication (including commissions) as well as certain expenses must be paid at least three (3) days in advance of those fees and expenses being incurred.

F. In the event that the Company files for protection pursuant to chapter 11 of the United States Bankruptcy Code (a "Chapter 11 Filing"), the parties intend that KCC shall be employed pursuant to 28 U.S.C. § 156(c) ("Section 156(c)") and that all fees and expenses due under this Agreement shall be paid as administrative expenses of the Company's chapter 11 estate. As soon as practicable following a Chapter 11 Filing (and otherwise in accordance with applicable law and rules and orders of the Bankruptcy Court), the Company shall cause a motion to be filed with the Bankruptcy Court seeking entry of an order pursuant to Section 156(c) approving this Agreement in its entirety (the "Section 156(c) Order"). The form and substance of the motion



KCC AGREEMENT FOR SERVICES

and the Section 156(c) Order shall be reasonably acceptable to KCC. If any Company chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, KCC will continue to be paid for its services in accordance with Section 156(c) and under the terms of this Agreement.

G. To the extent permitted by applicable law, KCC shall receive a retainer in the amount of \$25,000 (the "Retainer") that may be held by KCC as security for the Company's payment obligations under the Agreement. The Retainer is due upon execution of this Agreement. KCC shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, KCC shall return to the Company any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.

III. RIGHTS OF OWNERSHIP

A. The parties understand that the software programs and other materials furnished by KCC pursuant to this Agreement and/or developed during the course of this Agreement by KCC are the sole property of KCC. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. The Company agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished pursuant to this Agreement.

B. The Company further agrees that any ideas, concepts, know-how or techniques relating to data processing or KCC's performance of its services developed or utilized during the term of this Agreement by KCC shall be the exclusive property of KCC. Fees and expenses paid by the Company do not vest in the Company any rights in such property, it being understood that such property is only being made available for the Company's use during and in connection with the services provided by KCC under this Agreement.

IV. NON-SOLICITATION

The Company agrees that neither it nor its subsidiaries or other affiliated companies shall directly or indirectly solicit for employment, employ or otherwise retain employees of KCC during the term of this Agreement and for a period of twelve (12) months after termination of this Agreement unless KCC provides prior written consent to such solicitation or retention.

V. CONFIDENTIALITY

Each of KCC and the Company, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the services provided under this Agreement; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency or other regulatory body it may, upon not less than five (5) business days' written notice to the other party, release the required information.



KCC AGREEMENT FOR SERVICES

VI. SUSPENSION OF SERVICE AND TERMINATION

A. This Agreement shall remain in force until terminated or suspended by either party (i) upon thirty (30) days' written notice to the other party or (ii) immediately upon written notice for Cause (defined herein). As used herein, the term "Cause" means (i) gross negligence or willful misconduct of KCC that causes serious and material harm to the Company's reorganization under chapter 11 of the Bankruptcy Code, (ii) the failure of the Company to pay KCC invoices for more than sixty (60) days from the date of invoice, or (iii) the accrual of invoices or unpaid services in excess of the retainer held by KCC where KCC reasonably believes it will not be paid.

B. In the event that this contract is terminated, regardless of the reason for such termination, KCC shall coordinate with the Company and, to the extent applicable, the clerk of the Bankruptcy Court, to maintain an orderly transfer of record keeping functions and KCC shall provide all necessary staff, services and assistance required for an orderly transfer. The Company agrees to pay for such services in accordance with KCC's then existing prices for such services. If such termination occurs following entry of the Section 156(c) Order, the Company shall immediately seek entry of an order (in form and substance reasonably acceptable to KCC) that discharges KCC from service and responsibility under Section 156(c) and this Agreement.

C. Any data, programs, storage media or other materials furnished by the Company to KCC or received by KCC in connection with the services provided under the terms of this Agreement may be retained by KCC until the services provided are paid for, or until this Agreement is terminated with the services paid in full. The Company shall remain liable for all fees and expenses imposed under this Agreement as a result of data or physical media maintained or stored by KCC. KCC shall dispose of the data and media in the manner requested by the Company. The Company agrees to pay KCC for reasonable expenses incurred as a result of the disposition of data or media. If the Company has not utilized KCC's services under this Agreement for a period of at least ninety (90) days, KCC may dispose of the data or media, and be reimbursed by the Company for the expense of such disposition, after giving the Company thirty (30) days' notice. Notwithstanding any term herein to the contrary, following entry of the Section 156(c) Order, the disposition of any data or media by KCC shall be in accordance with any applicable instructions from the clerk of the Bankruptcy Court, local Bankruptcy Court rules and orders of the Bankruptcy Court.

VII. SYSTEM IMPROVEMENTS

KCC strives to provide continuous improvements in the quality of service to its clients. KCC, therefore, reserves the right to make changes in operating procedure, operating systems, programming languages, general purpose library programs, application programs, time period of accessibility, types of terminal and other equipment and the KCC data center serving the Company, so long as any such changes do not materially interfere with ongoing services provided to the Company in connection with the Company's chapter 11 case.



KCC AGREEMENT FOR SERVICES

VIII. BANK ACCOUNTS

At the Company's request, KCC shall be authorized to establish accounts with financial institutions in the name of and as agent for the Company. To the extent that certain financial products are provided to the Company pursuant to KCC's agreement with financial institutions, KCC may receive compensation from such financial institutions for the services KCC provides pursuant to such agreement.

IX. LIMITATIONS OF LIABILITY AND INDEMNIFICATION

A. The Company shall indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to KCC's performance under this Agreement. Such indemnification shall exclude Losses resulting from KCC's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against any Indemnified Party. The Company shall notify KCC in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that the Company becomes aware of with respect to the services provided by KCC under this Agreement. The Company's indemnification obligations hereunder shall survive the termination of this Agreement.

B. Except as provided herein, KCC's liability to the Company or any person making a claim through or under the Company for any Losses of any kind, even if KCC has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of KCC, shall be limited to the total amount billed or billable to the Company for the portion of the particular work which gave rise to the alleged Loss. In no event shall KCC's liability to the Company for any Losses, whether direct or indirect, arising out of this Agreement exceed the total amount billed to the Company and actually paid to KCC for the services contemplated under the Agreement. In no event shall KCC be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the services provided for in this Agreement.

C. The Company is responsible for the accuracy of the programs, data and information it or any Company Party submits for processing to KCC and for the output of such information. KCC does not verify information provided by the Company and, with respect to the preparation of schedules and statements, all decisions are at the sole discretion and direction of the Company. The Company reviews and approves all schedules and statements filed on behalf of, or by, the Company; KCC bears no responsibility for the accuracy or contents therein. The Company agrees to initiate and maintain backup files that would allow the Company to regenerate or duplicate all programs and data submitted by the Company to KCC.

D. The Company agrees that except as expressly set forth herein, KCC makes no representations or warranties, express or implied, including, but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.



KCC AGREEMENT FOR SERVICES

X. FORCE MAJEURE

Whenever performance by KCC of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, strike, lock-out or other industrial or transportation disturbance, fire, lack of materials, law, regulation or ordinance, war or war condition, or by reason of any other matter beyond KCC's reasonable control, then such performance shall be excused and this Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter.

XI. INDEPENDENT CONTRACTORS

The Company and KCC are and shall be independent contractors of each other and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of this Agreement.

XII. NOTICES

All notices and requests in connection with this Agreement shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or electronic mail or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth below:

Kurtzman Carson Consultants LLC
2335 Alaska Ave.
El Segundo, CA 90245
Attn: Drake D. Foster
Tel: (310) 823-9000
Fax: (310) 823-9133
E-Mail: dfoster@kcccllc.com

Seahawk Drilling, Inc.
5 Greenway Plaza, Suite 2700
Houston, TX 77046
Attn: Alejandro (Alex) Cestero
Tel: (713) 369-7340
Fax: (713) 369-2761
E-Mail: acestero@seahawkdrilling.com

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

XIII. APPLICABLE LAW

The validity, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of California.

XIV. ENTIRE AGREEMENT/ MODIFICATIONS

Each party acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, other agreements, and communications oral and written between the parties relating to the subject matter of this Agreement. The Company represents that it has the authority to enter into this



KCC AGREEMENT FOR SERVICES

Agreement, and the Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. This Agreement may be modified only by a written instrument duly executed by an authorized representative of the Company and an officer of KCC.

XV. COUNTERPARTS; EFFECTIVENESS

This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, which delivery may be made by exchange of copies of the signature page by facsimile or electronic mail.

XVI. ASSIGNMENT

This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other, with the exception that this Agreement can be assigned without written consent by KCC to a wholly-owned subsidiary or affiliate of KCC.

XVII. ARBITRATION

Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) shall be entered in any court having jurisdiction thereof. For that purpose, the parties hereto consent to the jurisdiction and venue of an appropriate court located in Los Angeles County, State of California.

XVIII. ATTORNEYS' FEES

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance or interpret the provisions of this Agreement, the parties agree to reimburse the prevailing party's reasonable attorneys' fees, court costs, and all other related expenses, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the prevailing party may be entitled.

[SIGNATURE PAGE FOLLOWS]




KCC AGREEMENT FOR SERVICES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the first date mentioned above.

Kurtzman Carson Consultants LLC

BY: DATE:
TITLE:

Seahawk Drilling, Inc.

 12-17-10

BY: Alejandro (Alex) Cestero DATE:
TITLE: Senior Vice President, General Counsel, Chief Compliance Officer and Secretary

EXHIBIT C
The Proposed Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	Chapter 11
	§	
Seahawk Drilling, Inc.,	§	Case No.: 11-_____
	§	
Seahawk Mexico Holdings LLC,	§	Case No.: 11-_____
	§	
Seahawk Drilling Management LLC,	§	Case No.: 11-_____
	§	
Seahawk Offshore Management LLC,	§	Case No.: 11-_____
	§	
Energy Supply International LLC,	§	Case No.: 11-_____
	§	
Seahawk Drilling LLC,	§	Case No.: 11-_____
	§	
Seahawk Global Holdings LLC, and	§	Case No.: 11-_____
	§	
Seahawk Drilling USA LLC,	§	Case No.: 11-_____
	§	
Debtors.	§	Motion for Joint Administration Pending

ORDER PURSUANT TO 28 U.S.C. § 156(C) AND RULE 2002(F) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AUTHORIZING THE DEBTORS TO EMPLOY AND RETAIN KURTZMAN CARSON CONSULTANTS LLC AS THE DEBTORS' CLAIMS, BALLOTING, AND NOTICING AGENT

Upon consideration of the Application of Seahawk Drilling, Inc. ("**Seahawk**") and its above-captioned affiliated debtors (collectively, the "**Debtors**") for authority to employ and retain Kurtzman Carson Consultants LLC ("**KCC**") as claims, balloting, and noticing agent (the "**Application**"), the Affidavit of Albert Kass (the "**Kass Affidavit**") in support of the Application, all exhibits and attachments to the Application and the Kass Affidavit, and all proceedings before the Court related to the Application; the Court finds that: (i) it has jurisdiction over the matters raised in the Application under 28 U.S.C. § 1334(b); (ii) this is a core proceeding under 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Application is in the

best interests of the Debtors and their respective estates, creditors, and equity security holders; (iv) good and sufficient notice of the Application has been given and no other notice is necessary; (v) KCC holds no interest adverse to the Debtors, their estates, or their creditors; (vi) immediate and final relief is necessary and appropriate under Rule 6003 of the Federal Rules of Bankruptcy Procedure; (vii) the Application and the Kass Affidavit are in full compliance with all applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules of the Southern District of Texas, and orders of this Court; and (viii) the terms of KCC's employment, including hourly rates and expense reimbursement policies, have been disclosed and are reasonable under the circumstances. Therefore, it is hereby

ORDERED that the Application is GRANTED; and it is further

ORDERED that all capitalized terms not defined herein shall have the meaning provided in the Application; and is further

ORDERED that this Order shall be immediately effective upon entry; and it is further

ORDERED that the Debtors are authorized to employ and retain KCC as Claims, Balloting, and Noticing Agent in these chapter 11 cases, on the terms and conditions set forth in the Retention Agreement; and it is further

ORDERED that KCC is appointed as agent for the Clerk, and as such, is designated as the authorized repository for all proofs of claim filed in these chapter 11 cases and is authorized and directed to maintain an official claims register for each of the Debtors and to provide the Clerk with a certified duplicate thereof as the Clerk may direct; and it is further

ORDERED that KCC is authorized to provide noticing, claims processing and balloting services as set forth in the Application and the Retention Agreement; and it is further

ORDERED that in addition to the services set forth in the Application and the Retention

Agreement, KCC is authorized to provide other noticing, claims processing, balloting and administrative services the Debtors may request from time to time.

ORDERED that KCC is authorized to take such other action to comply with all duties set forth in the Application and this Order; and it is further

ORDERED that the terms of the Retention Agreement are approved; and it is further

ORDERED that, without further order of the Court, KCC's fees and expenses incurred under the Retention Agreement shall be an administrative expense of the Debtors' estates pursuant to section 503(b)(1)(A) of the Bankruptcy Code; and it is further

ORDERED that KCC may hold its retainer under the Retention Agreement during the chapter 11 cases as security for the payment of fees and expenses only under the Retention Agreement; and it is further

ORDERED that without further order of the Court, the Debtors are authorized to compensate KCC on a monthly basis, in accordance with the Retention Agreement attached to the Application as **Exhibit B**, upon receipt of reasonably detailed invoices setting forth the services KCC provided in the prior month and the rates charged for each service, and to reimburse KCC for all reasonable and necessary expenses KCC may incur upon the presentation of appropriate documentation, and without the necessity for KCC to file an application for reimbursement with this Court; and it is further

ORDERED that in the event that KCC is unable to provide the services set out in this Order, KCC shall immediately notify the Clerk and the Debtors' attorneys and cause all original proofs of claim and computer information to be turned over to another claims agent with the advice and consent of the Clerk and the Debtors' attorneys; and it is further

ORDERED that the Debtors and KCC are authorized to take all actions necessary to

effectuate the relief granted pursuant to this Order in accordance with the Application; and it is further

ORDERED that the Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

SIGNED: _____

UNITED STATES BANKRUPTCY JUDGE