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Keppel FELS delivers jackup rig early to new Mexican customer

Keppel FELS has delivered Primus, a KFELS B Class jackup rig, to offshore Mexican oil field services company, Integradora de Servicios Petroleros Oro Negro (Oro Negro), seven days early and with a perfect safety record.

Named earlier today at Keppel FELS, Primus was officially delivered on 16 November 2012. It is the first of two rigs by Keppel FELS for Oro Negro after the Mexican company purchased them from Jasper Investments.

Primus is Oro Negro's first jackup rig and is suited for deployment in various parts of the world including the Gulf of Mexico.

Mr Wong Kok Seng, Managing Director (Offshore) of Keppel Offshore & Marine and Managing Director of Keppel FELS, said, "We are pleased to be able to deliver this rig ahead of time, safely and within budget to our new customer, Oro Negro. With 30 rigs on order in our yard, it is a testament of Keppel's commitment to go beyond our customer's expectations and provide value-added services. Oro Negro has further shown their confidence in us with the acquisition of the second KFELS B Class jackup rig we are building for Jasper Investments.

"Besides these two rigs for Oro Negro, there are another two jackup rigs that Keppel AmFELS, our yard in Brownsville, Texas, is currently building for another Mexican Customer, Perforadora Central. We are glad to be able to support the Mexican offshore industry and aim to boost our track record and establish ourselves as the foremost provider of drilling solutions for that region."

Developed by Keppel's technology arm, Offshore Technology Development (OTD), the KFELS B Class jackup design is able to operate in water depths of up to 400 feet and drill to depths of 30,000 feet. The robust rig incorporates Keppel's advanced and fully-automated high capacity rack and pinion jacking system, and Self-Positioning Fixation System. An environmentally-friendly rig, it provides maximum uptime with reduced emissions and discharges.

Mr. Gonzalo Gil-White, Co-CEO of Oro Negro, said, "We are delighted to be able to receive this rig early and kick-start our programme to provide high quality rigs for offshore exploration in areas such as the Gulf of Mexico. Primus is one of the first jackup rigs to be delivered from the new orders that started in late 2010 and is primed to meet the shortage of high specification rigs for shallow water fields.

"With the purchase of two KFELS B Class jackup rigs, we are positioning ourselves to grow our presence and provide premium oil field services for the offshore sector. By partnering with Keppel FELS, we have been assured of receiving this premium rig without incident and ahead of time. This is a value-added service which our customers appreciate as well."

There are currently two KFELS B Class jackup rigs in operation in Mexican waters - the Tonalá rig operated by Peforadora Central and the Ocean Scepter rig operated by Diamond Offshore.

Keppel AmFELS is also undertaking the construction of two rigs for Mexico. The Papaloapan jackup, which was ordered by Perforadora Central in March 2011, is under construction and on track for delivery in 1Q 2013 while the Coatzacoalcos jackup rig is slated for delivery in 1Q 2014.

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About Oro Negro

Integradora de Servicios Petroleros Oro Negro, S.A.P.I. de C.V. ("Oro Negro") is a Mexican limited liability company created with the purpose of integrating diversified oil & gas services companies and assets. Oro Negro acquires controlling interests in operating companies, strategic standalone assets and assignable contracts in the Oil & Gas services sector, by way of merger, stock exchange, asset acquisition, stock purchase, reorganization or other similar transaction, to form a diversified and integrated oilfield services company. Oro Negro benefits from the proprietary deal flow that emanates from the specialized energy-sector financing business of its affiliate companies, Axis, Navitas and Navix; from the industry knowledge of its top management; its strong shareholder base; the transactional experience of its founders and the strategic partnerships it has with world class operators in the oil field services space.

About Keppel FELS

Keppel FELS is a subsidiary of Keppel Offshore & Marine Ltd (Keppel O&M), a wholly-owned company of Keppel Corporation Limited. Keppel FELS is a leading designer, builder and repairer of high-performance mobile offshore rigs. Its portfolio of proprietary designs and floating production solutions meets a broad spectrum of operating requirements, including deep waters and harsh environments.

As a group, Keppel O&M is also a leader in ship repair and conversion, and specialised shipbuilding. Its near market, near customer strategy is bolstered by a global network of 20 yards and offices in the Asia Pacific, Gulf of Mexico, Brazil, the Caspian Sea, Middle East

and the North Sea regions. Integrating the experience and expertise of its yards worldwide, the group aims to be the provider of choice and partner for solutions for the offshore and marine industry. For more information on Keppel FELS, visit www.keppelfels.com

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