



25 February 2011

The Company and Union met the last two days to discuss IFR Cadre manning, cost cutting measures, and the financial status of North America Business Unit. After in depth discussions of the current economic conditions affecting the Gulf of Mexico, we have collectively decided to implement various cost saving measures across the gulf. We are hopeful that by everyone applying these measures, reductions in the IFR Cadre will not be necessary.

Both sides have agreed to meet in ninety (90) days to review the economic impact of the cost saving measures and decide if a reduction in the IFR Cadre would be necessary. It's incumbent on all employees to try and control costs where possible while we wait for the return of drilling in the GOM.

A blue ink signature of Robert Phillips, consisting of a large, stylized 'R' followed by a horizontal line.

Robert Phillips  
Director of Flight Operations

A blue ink signature of Kenneth Bruner, written in a cursive style.

Kenneth Bruner  
President, OPEIU Local 107