

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Tesco Corporation</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>76-0419312</b>	
<b>3</b> Name of contact for additional information  <b>Dennis A. Smith</b>	<b>4</b> Telephone No. of contact  <b>281-775-8038</b>	<b>5</b> Email address of contact	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>515 West Greens Road, Suite 1200</b>		<b>7</b> City, town, or post office, state, and ZIP code of contact  <b>Houston, Texas 77067</b>	
<b>8</b> Date of action  <b>December 15, 2017</b>		<b>9</b> Classification and description  <b>Common stock</b>	
<b>10</b> CUSIP number  <b>88157K101</b>	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  <b>TESO</b>	<b>13</b> Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **Effective December 15, 2017, a second tier subsidiary of Nabors Industries Ltd. ("NBR") acquired all of the stock of Tesco Corporation ("TESO") in exchange for shares of NBR in a taxable stock purchase under Sections 1001 and 1012 (the "Transaction"). The parties intend to file a Section 338(g) election with respect to such purchase but such election will not change the treatment of the Transaction as a sale of stock by the shareholders of TESO.**

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **It is expected that all of the historic TESO shareholders will have an adjusted tax basis in the NBR stock equal to fair market value on the effective date of the Transaction. As of the effective date of the Transaction, NBR stock was valued at \$5.58 per share; therefore, such value serves as the adjusted tax basis for each share of NBR received by the TESO shareholders in the Transaction.**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **As stated above, the Transaction is a stock acquisition treated as a fully taxable asset sale. Therefore, the historic TESO shareholders' adjusted tax basis in the NBR stock is expected to be stepped up to the fair market value of the NBR stock received. As of the effective date of the Transaction, NBR stock was valued at \$5.58 per share; therefore, such value serves as the adjusted tax basis for each share of NBR received by the TESO shareholders in the Transaction.**

