

June 2013

Energy Perspectives

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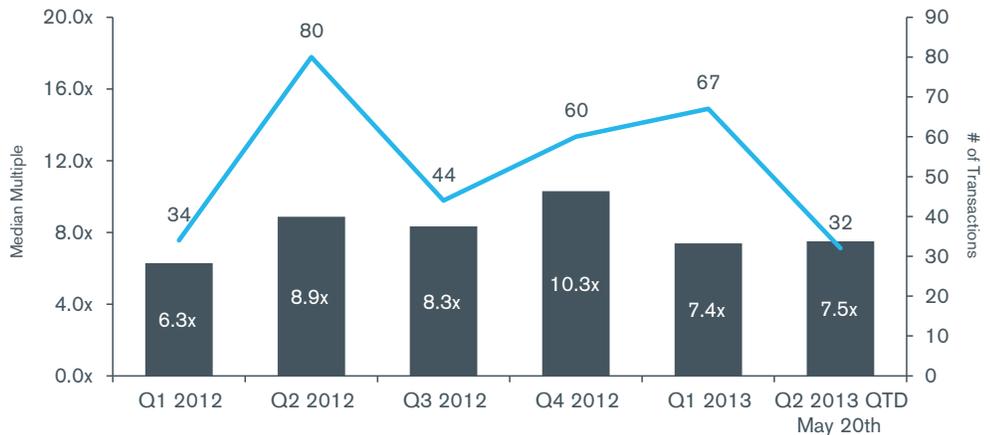
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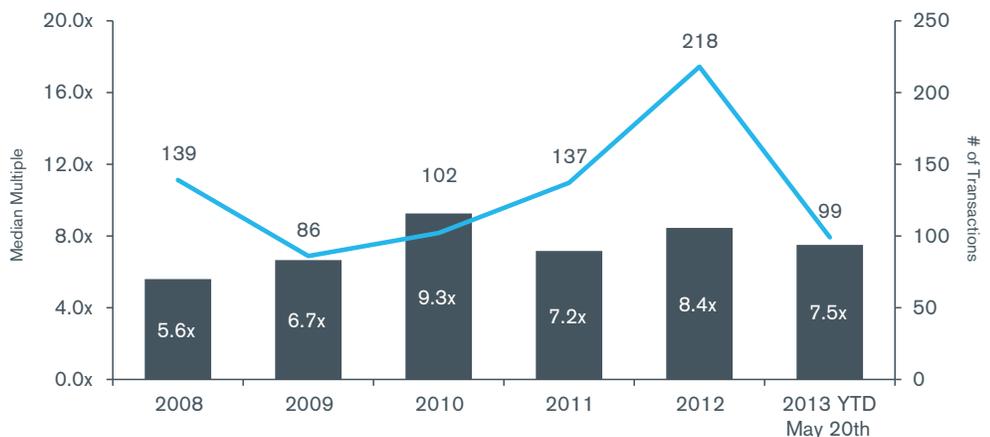
Oilfield Services M&A Transaction Review



2012 represented an excellent environment for OFS M&A with approximately 220 announced transactions. OFS M&A transaction multiples generally trended upwards through 2012 with a strong 4th quarter representing 60 transactions and a median enterprise value to EBITDA multiple of greater than 10.0x.

On a year over year basis, 2012 was a banner year in both number of transactions and enterprise value to EBITDA multiples. The heightened activity was driven partly by companies motivated by changes in tax laws and also private equity firms' decisions to turn over investment portfolios. Total transactions grew to 218 from 137 in 2011 and enterprise value to EBITDA multiples increased to 8.4x from 7.2x in 2011.

Duff & Phelps tracked 67 OFS transactions in Q1 2013 compared with 34 transactions in Q1 2012. OFS M&A activity continues to be robust due to favorable oil and gas fundamentals. Median multiples increased from 6.3x in Q1 2012 to 7.4x in Q1 2013, thus showing signs of 2013 getting off to a good start. The notable drop in multiple from Q4 2012 and Q1 2013 is more likely a timing issue driven by a slow start to E&P capital spending in Q1 2013. Halfway through Q2 2013, multiples and number of transactions are slightly lagging what they were for the same period last year. Nevertheless, the market environment remains strong, and it is expected that transaction volumes and multiples will continue near 2012 levels.



Source: Capital IQ

#1 Investment Bank for Number of
Global Bankruptcy Cases

#1 Global Fairness Opinion Provider

#3 U.S. Middle-Market M&A Advisor

Powering Sound Decisions for Companies, Boards and Investors Worldwide

A leading global financial advisory and investment banking firm, Duff & Phelps balances analytical skills, deep market insight and independence to help clients make sound decisions. The firm provides expertise in the areas of financial restructuring, valuation, M&A advisory, transaction opinions, alternative assets, disputes and taxation. Duff & Phelps serves clients from more than 30 offices throughout North America, Europe and Asia, leveraging both local expertise and global industry experience. Find out more at www.duffandphelps.com

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Source: Global bankruptcy case ranking provided by The Deal Q4 2012 league table.
Fairness opinion and M&A rankings calculated by number of deals from Thomson Financial Securities full year 2012 data.
Middle-market M&A deals < \$250 million.

Energy Market Outlook

Now that we are nearing the mid-year 2013, we thought it would be interesting to take a look back at the large financial institutions commodity pricing forecasts from our August 2012 issue of Energy Perspectives and compare the information to the updated forecasts for the year.

Comparing the previous 2012 mid-year estimates of average 2013 West Texas Intermediate price, most banks had forecasted \$90-\$95 oil and have since raised 2013 estimates to a median exceeding \$95/Bbl. Seemingly significant price reductions by Citibank and Deutsche Bank are driven by the exceedingly bullish nature of their initial 2013 forecasts. As we move closer to year-end 2013, institutions are able to view a clearer picture of global production and consumption resulting in tightening estimates within the \$90-to-\$98 range. The current 2013 oil price outlook for the group forecast a modest price improvement on average of \$0.20 to \$96.20, less than a 0.5% increase. Notably, Goldman Sachs and Morgan Stanley both have year-end estimates above \$100 per barrel representing significant price increases from their previous estimates of \$90 per barrel.

This sample of banks has raised 2013 natural gas price forecasts by 5.7% on average to \$3.79 per MMBtu. Natural gas prices have risen more than 50% since 2012, increasing from ~\$2.50 to ~\$4.00. Most institutions had built significant price increases into their 2013 forecasts, yet gas has continued even higher. Revised 2013 estimates are now in a much tighter band from \$3.70 to \$4.00, indicating that current spot prices may likely be less sustainable.

Thoughts on Crude Oil

While oil prices have increased approximately 5% since the end of 2012 to \$96.00 per barrel, the overall supply and demand figures continue to show general weakness. Global demand has been growing, albeit slowly, led by East and South Asian economies with signs of growth in North America and Europe. Pre-empting the growth in demand,

Bank/Firm	WTI Crude Oil (\$/bbl)			Henry Hub Natural Gas (\$/MMBtu)		
	Previous 2013 Est. ⁽¹⁾	Current 2013 Est. ⁽²⁾	% Change	Previous 2013 Est. ⁽¹⁾	Current 2013 Est. ⁽²⁾	% Change
Bank of America / Merrill Lynch	100.0	90.0	(10.0%)	3.50	3.75	7.1%
Bank of Montreal	90.0	98.0	8.9%	3.25	3.69	13.5%
Barclays	96.4	95.0	(1.5%)	4.00	3.90	(2.5%)
BBVA Compass	85.0	95.9	12.8%	3.60	4.00	11.1%
Citigroup	110.0	90.0	(18.2%)	3.80	4.30	13.2%
Deutsche Bank	112.0	96.3	(14.1%)	4.00	3.75	(6.3%)
Goldman Sachs	90.0	102.5	13.9%	3.00	3.69	23.0%
J.P. Morgan	105.0	98.0	(6.7%)	3.70	3.70	0.0%
Morgan Stanley	90.0	110.0	22.2%	3.70	3.80	2.7%
Scotiabank	86.0	97.0	12.8%	3.60	3.81	5.8%
UBS	91.3	91.4	0.1%	3.30	3.70	12.1%
Wells Fargo	96.0	89.9	(6.4%)	3.59	3.40	(5.3%)
Average	96.0	96.2	0.2%	3.59	3.79	5.7%

Source: Bloomberg, ThomsonOne

(1) Recorded as of June 2012

(2) Recorded as of May 2013

producers from Canada and the United States continue to provide substantial supplies while other nations undertake new exploration and production techniques. Important geopolitical factors impacting oil prices are the threat of destabilization in the Middle East: civil war in Syria, social unrest in North Africa, and national elections in Iran. It may take an outlier event such as political unrest or large-scale regulatory changes to push WTI prices above \$100 per barrel. Many industry analysts feel comfortable forecasting oil between \$85 and \$95 for the balance of the year.

Thoughts on Natural Gas

Spot natural gas trades above \$4.00, though industry veterans are less confident these prices are sustainable. As prices hovered below \$3.00 for a large part of 2012, many domestic operators began to shut-in produc-

tion. However, prices began increasing as more LNG plants and terminals were built and came online and as power plants switched to gas-fired generation. Consequently, recent higher prices have prompted a reversal by some power plants back to cheaper coal-fired generation. Ultimately, there is a structural shift to natural gas-fired power generation that bodes well for prices long-term. While natural gas consumption continues to rise globally, abundant shut-in supply leaves little room for a significant price increase above \$4.00. Sustained prices above \$3.70 do not provide much support for new natural gas well drilling. However, they may lead to more oilfield activity as operators can begin to produce natural gas and natural gas liquids at economically viable levels.

Public Markets Update as of May 17, 2013¹

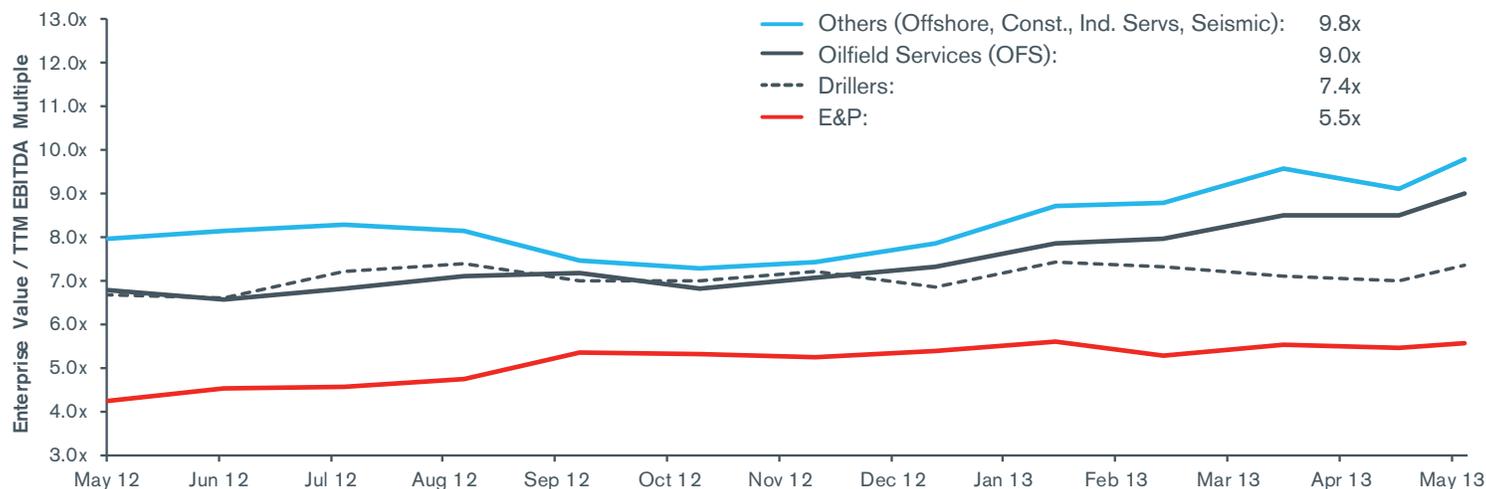
Energy Sub-Sector Summary²

	Average LTM EBITDA Margin	Average EV/EBITDA		Average % of 52-Week High
		LTM	2013E	
Oilfield Service (OFS)				
Diversified	18.7%	7.8x	6.7x	95.1%
Service Focused	20.6	7.6	6.6	87.3
Equipment Focused	21.7	11.2	9.4	90.4
E&P				
Integrated Majors	16.7%	4.9x	4.0x	96.3%
Large Independents	49.7	6.1	5.9	89.4
Drillers				
Land	32.4%	4.6x	4.5x	88.9%
Offshore	40.5	9.9	10.5	91.9
Others				
Offshore Transportation	23.5%	10.3x	12.4x	98.2%
Construction	7.9	11.7	8.8	81.4
Industrial Services	8.7	10.2	10.2	96.3
Seismic Related	23.6	6.4	5.0	84.4
Average ³	22.9%	8.3x	7.4x	90.5%
Median	21.7%	8.3x	6.6x	89.9%

- (1) For definitions, refer to page 12.
 (2) For more data around the constituents of each sub-sector, refer to pages 7-12.
 (3) Excludes the highest and lowest values.

Source: Capital IQ

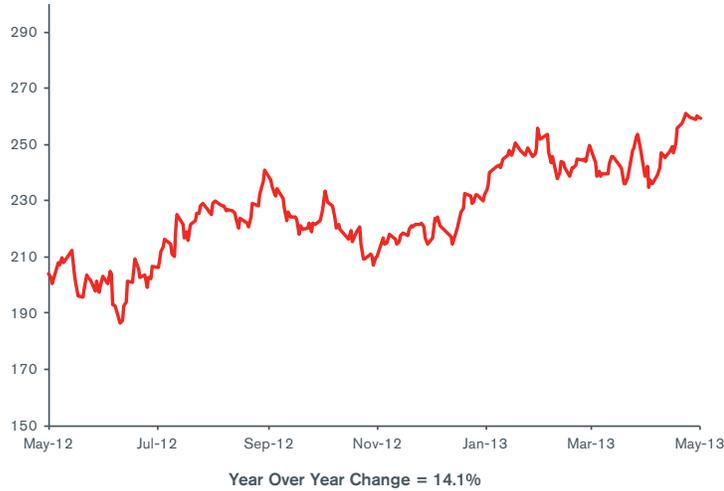
Average Major Energy Sectors' Trading Multiples for the Last 12 Months



Source: Capital IQ

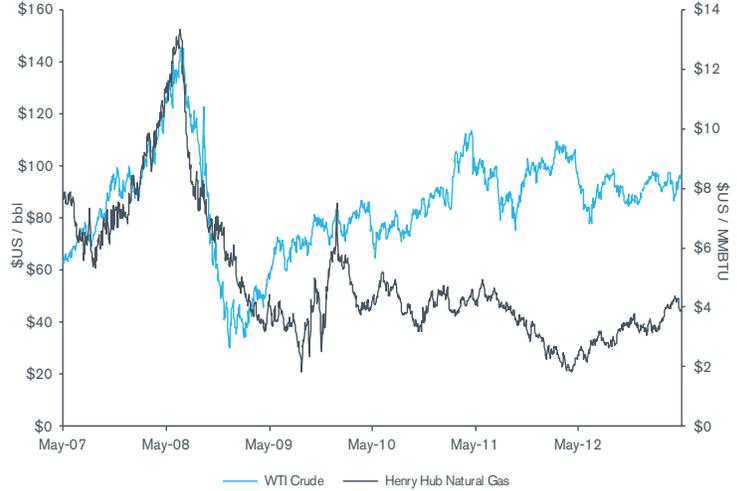
Market Review

OSX Index — Last 12 Months through 5/17/2013



Source: Capital IQ

Crude Oil & Natural Gas Spot Prices — 2007 to 5/17/2013



Current Oil & Gas Prices as of 5/17/2013

Oil	Gas	Oil 12 Mo Strip	Gas 12 Mo Strip
\$96.02	\$4.06	\$92.32	\$4.20

Sources: EIA, Bloomberg

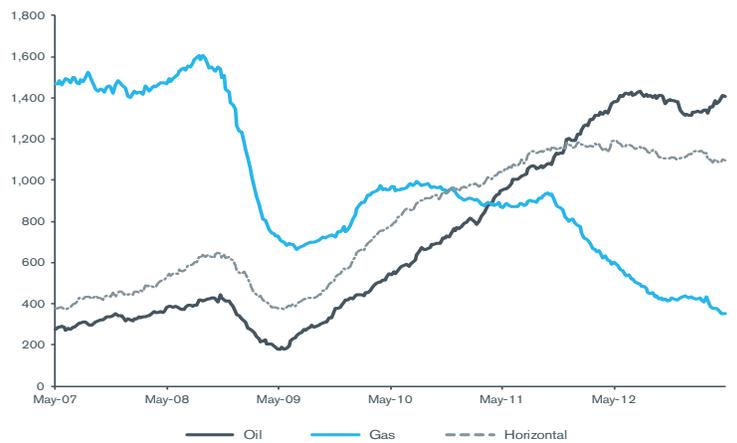
North American Rig Count as of 5/17/2013

Location	This Week	+/-	Last Week	+/-	Year Ago
Land	1,693	(3)	1,696	(224)	1,917
Inland Waters	24	1	23	2	22
Offshore	52	2	50	5	47
United States Total	1,769	0	1,769	(217)	1,986
Gulf of Mexico	49	2	47	3	46
Canada	123	5	118	0	123
North America	1,892	5	1,887	(217)	2,109

U.S. Breakout	This Week	+/-	Last Week	+/-	Year Ago
Oil	1,408	(4)	1,412	26	1,382
Gas	354	4	350	(246)	600
Miscellaneous	7	0	7	3	4
Directional	211	13	198	(16)	227
Horizontal	1,096	(3)	1,099	(97)	1,193
Vertical	462	(10)	472	(104)	566

Source: Baker Hughes

U.S. Historical Rig Count — 2007 to 5/17/2013



Source: Baker Hughes

% of Total U.S. Rig Count

	Gas	Oil	Land	Horizontal
May 17, 2013	20.1%	79.9%	95.7%	62.2%
Year Ago	32.1%	67.9%	96.5%	58.8%

Source: Baker Hughes

Upcoming Events

SPE Heavy Oil & Gas Expo and Conference

June 11-13, 2013 | Calgary, Alberta, Canada

As global producers shift to more unconventional resources, heavy oil and gas basins will continue to see significant development and technological innovations changing the work of petroleum professionals exploring these resources.

6th Annual Energy Capital Conference

June 17-18, 2013 | Houston, TX

The Energy Capital Conference seeks to address and discuss the need for assets, intellectual capabilities, and financial capital for entrepreneurial success in the energy industry.

IPAA Midyear Conference & Meeting

June 23-25, 2013 | Laguna Niguel, CA

Members of the Independent Petroleum Association of America gather to discuss solutions to the new challenges facing independent operators in a globally competitive marketplace.

SPE Unconventional Resources Technology Conference

August 12-14, 2013 | Denver, CO

The Society of Petroleum Engineers presents an opportunity for petroleum professionals to review the changing dynamics of unconventional resources and the new technology necessary to continue exploring these basins.

Featured Articles

New Technologies Make Fracking More Efficient

A discussion and look at some of the new technologies currently being utilized in the oilfield to save time and money while ensuring added safety and environmental conservation.

<http://www.wellservicingmagazine.com/featured-articles/2013/04/new-technologies-make-fracking-more-efficient/>

Well Servicing Magazine, April 2013 Edition

Schramm Unveils New 'Walking, Talking' Telemast Rig

An introduction to the newest drilling rig technology available, Schramm's Telemast Rig has the ability to walk and fully rotate as well as provide state-of-the-art analytic tools to revolutionize well drilling.

http://www.rigzone.com/news/article.asp?a_id=126052

Rigzone, April 26, 2013

Industry Remarks

Well completion — essentially deploying production tubing and down-hole tools to transition a well from drilling to production — has not changed significantly in decades. Superior Energy Services' new Complete Automated Technology System rig takes the place of a conventional workover rig, conducting well completion with automated machinery controlled by cutting-edge software, improving efficiency and — by removing crew members from the rig floor during a high-risk operation — safety. "Once a well is drilled, there's things that have to be done inside that wellbore that used to require a coil tubing rig or a conventional workover rig. We looked at a process and a function that hadn't changed since the 1950s, and we're trying to change the face of that and bring it to an automated function where people are out of harm's way."

Tim Bridges,
Texas division Vice President of Sales,
Superior Energy Services

"During the first quarter of the year, we measured a sharp drop in drilling efficiencies across the U.S. rig fleet, which is fairly common during the winter months when rig movements can be delayed by weather. And this year, the Mid-Continent and Rockies were hit particularly hard. This also explains why our U.S. onshore activity was down for most of our product lines compared to the fourth quarter. But we expect the trend in improving drilling efficiencies to resume and forecast another 5% improvement for 2013. This means that even though the average U.S. rig count is projected to be down 6% year-on-year, the total well count will essentially be flat, with roughly 35,000 wells drilled in the United States in both years."

Martin S. Craighead,
CEO and President of Baker Hughes Inc.

Appendix

Selected Public Company Trading Statistics

OILFIELD SERVICE (OFS)^{1,3}

	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2013E		LTM	2013E	
Diversified													
Baker Hughes Incorporated	BHI	\$46.25	\$37.08	\$50.97	\$20,434.5	\$24,619.5	\$21,236.0	\$3,703.0	\$3,876.0	17.4%	6.6x	6.4x	90.7%
Halliburton Company	HAL	43.85	26.28	44.57	40,869.9	43,393.9	28,609.0	5,729.0	6,312.2	20.0	7.6	6.9	98.4
Schlumberger Limited	SLB	75.27	59.12	82.00	100,067.7	105,727.7	42,899.0	11,166.0	12,201.0	26.0	9.5	8.7	91.8
Weatherford International Ltd.	WFT	13.94	8.84	14.18	10,674.8	19,351.8	15,461.0	2,395.0	2,973.0	15.5	8.1	6.5	98.3
				Average²	\$30,652.2	\$34,006.70	\$24,922.5	\$4,716.0	\$5,094.1	18.7%	7.8x	6.7x	95.1%
				Median	\$30,652.2	\$34,006.7	\$24,922.5	\$4,716.0	\$5,094.1	18.7%	7.8x	6.7x	95.1%
Service Focused													
Archer Limited	ARCHER	\$0.68	\$0.61	\$2.28	\$393.3	\$1,554.4	\$2,069.8	\$216.7	\$228.8	10.5%	7.2x	6.8x	29.8%
Basic Energy Services, Inc.	BAS	14.23	8.52	16.60	568.7	1,373.3	1,308.3	258.1	258.5	19.7	5.3	5.3	85.7
Calfrac Well Services Ltd.	CFW	27.41	19.68	27.81	1,251.7	1,656.9	1,518.4	202.8	207.8	13.4	8.2	8.0	98.6
C&J Energy Services, Inc.	CJES	18.88	16.48	25.35	1,021.7	1,152.8	1,148.5	308.8	218.2	26.9	3.7	5.3	74.5
Core Laboratories NV	CLB	144.61	94.72	147.16	6,639.0	6,863.0	1,007.8	326.4	357.6	32.4	21.0	19.2	98.3
Key Energy Services Inc.	KEG	6.02	5.61	10.80	916.9	1,788.0	1,901.8	375.0	328.8	19.7	4.8	5.4	55.7
Natural Gas Services Group Inc.	NGS	23.08	13.02	23.53	285.4	255.0	91.3	36.9	40.0	40.4	6.9	6.4	98.1
Newpark Resources Inc.	NR	11.29	5.19	11.66	972.7	1,182.8	1,058.2	143.9	171.0	13.6	8.2	6.9	96.8
Oil States International Inc.	OIS	100.86	60.03	101.96	5,543.6	6,490.8	4,383.5	883.6	877.0	20.2	7.3	7.4	98.9
RPC Inc.	RES	13.11	9.92	17.40	2,891.5	2,968.8	1,868.3	592.2	498.4	31.7	5.0	6.0	75.3
Superior Energy Services, Inc.	SPN	28.05	17.54	28.84	4,476.3	6,284.8	4,736.7	1,249.7	1,274.0	26.4	5.0	4.9	97.3
TETRA Technologies, Inc.	TTI	9.50	5.35	10.74	743.6	1,089.4	908.6	113.3	196.1	12.5	9.6	5.6	88.5
Trican Well Service Ltd.	TCW	13.78	10.03	15.01	2,051.1	2,715.7	2,079.7	164.1	291.9	7.9	16.5	9.3	91.8
				Average²	\$1,893.7	\$2,568.9	\$1,750.3	\$325.9	\$330.4	20.6%	7.6x	6.6x	87.3%
				Median	\$1,021.7	\$1,656.9	\$1,518.4	\$258.1	\$258.5	19.7%	7.2x	6.4x	91.8%

(1) \$ Millions, except for per share data

(2) Excludes the highest and lowest values.

(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Selected Public Company Trading Statistics

OILFIELD SERVICE (OFS)^{1,3}

	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High	
			Low	High				LTM	2013E		LTM	2013E		
Equipment Focused														
Cameron International Corporation	CAM	\$63.23	\$38.38	\$67.42	\$15,683.9	\$16,187.7	\$8,815.5	\$1,373.6	\$1,612.7	15.6%	11.8x	10.0x	93.8%	
CARBO Ceramics Inc.	CRR	69.03	60.33	97.86	1,597.2	1,513.4	630.0	184.2	161.0	29.2	8.2	9.4	70.5	
Compressco Partners, L.P.	GSJK	19.89	11.25	25.72	308.1	308.6	116.8	36.3	42.0	31.1	8.5	7.3	77.3	
Dover Corporation	DOV	75.77	50.27	76.21	12,964.5	15,285.2	8,189.3	1,668.2	1,749.0	20.4	9.2	8.7	99.4	
Dresser-Rand Group Inc.	DRC	63.05	41.01	63.53	4,802.3	5,797.6	2,841.0	443.9	540.2	15.6	13.1	10.7	99.2	
Dril-Quip, Inc.	DRQ	91.38	57.27	92.53	3,709.0	3,390.0	749.1	201.0	238.0	26.8	16.9	14.2	98.8	
Exterran Holdings, Inc.	EXH	29.13	10.58	29.34	1,856.3	3,630.2	2,999.7	503.2	567.7	16.8	7.2	6.4	99.3	
Exterran Partners, L.P.	EXLP	28.82	18.30	31.44	1,424.0	2,181.9	404.9	168.5	228.2	41.6	12.9	9.6	91.7	
Flotek Industries Inc.	FTK	17.52	8.46	17.70	893.6	920.5	311.9	66.3	69.0	21.3	13.9	13.3	99.0	
FMC Technologies, Inc.	FTI	56.18	36.89	56.88	13,325.3	14,787.0	6,400.8	822.7	948.1	12.9	18.0	15.6	98.8	
Forbes Energy Services Ltd.	FES	3.57	1.66	5.30	76.3	379.5	442.8	74.0	78.4	16.7	5.1	4.8	67.4	
Forum Energy Technologies, Inc.	FET	29.05	18.60	29.41	2,674.3	3,037.0	1,424.4	269.5	313.2	18.9	11.3	9.7	98.8	
General Electric Company	GE	23.27	18.02	23.90	240,614.6	553,581.6	145,619.0	28,142.0	30,655.2	19.3	19.7	18.1	97.4	
Global Geophysical Services, Inc.	GGG	4.15	1.86	7.89	157.5	462.5	326.3	165.6	165.4	50.8	2.8	2.8	52.6	
Nuverra Environmental Solutions, Inc.	HEK	3.70	2.60	5.14	933.1	1,481.9	456.5	68.2	203.9	14.9	21.7	7.3	72.0	
Lufkin Industries Inc.	LUFK	88.30	45.11	88.65	2,990.5	3,247.5	1,319.6	195.3	243.6	14.8	16.6	13.3	99.6	
National Oilwell Varco, Inc.	NOV	66.70	59.07	89.95	28,499.6	30,537.6	21,045.0	4,085.0	4,286.3	19.4	7.5	7.1	74.2	
RigNet, Inc.	RNET	24.88	14.91	25.94	396.0	400.2	183.3	44.0	53.8	24.0	9.1	7.4	95.9	
Tenaris SA	TEN	21.66	14.80	21.90	25,568.1	25,603.8	10,895.0	2,868.9	2,903.0	26.3	8.9	8.8	98.9	
Tesco Corporation	TESO	12.47	8.70	14.00	485.7	455.7	527.8	99.4	94.9	18.8	4.6	4.8	89.1	
The Weir Group PLC	WEIR	36.41	20.52	37.79	7,748.2	8,866.2	4,100.3	835.2	839.1	20.4	10.6	10.6	96.3	
					Average²	\$6,632.5	\$7,271.9	\$3,792.8	\$744.0	\$805.0	21.7%	11.2x	9.4x	90.4%
					Median	\$2,674.3	\$3,247.5	\$1,319.6	\$201.0	\$243.6	19.4%	10.6x	9.4x	96.3%

(1) \$ Millions, except for per share data

(2) Excludes the highest and lowest values.

(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Selected Public Company Trading Statistics

Exploration & Production^{1,3}

	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High	
			Low	High				LTM	2013E		LTM	2013E		
Integrated Majors														
BP plc	BP.	\$7.13	\$5.46	\$7.32	\$135,507.4	\$154,891.4	\$374,809.0	\$28,683.0	\$39,917.0	7.7%	5.4x	3.9x	97.4%	
Chevron Corporation	CVX	122.76	95.73	125.00	237,970.8	234,417.8	217,734.0	46,203.0	55,213.5	21.2	5.1	4.2	98.2	
ConocoPhillips	COP	62.43	50.62	63.14	76,330.7	96,384.7	59,797.0	21,662.0	22,124.7	36.2	4.4	4.4	98.9	
Exxon Mobil Corporation	XOM	90.70	77.13	93.67	403,286.3	416,560.3	413,856.0	71,864.0	83,076.2	17.4	5.8	5.0	96.8	
Royal Dutch Shell plc	RDSA	33.84	29.69	42.70	213,530.3	233,139.3	460,043.0	51,836.0	65,093.1	11.3	4.5	3.6	79.2	
Total SA	FP	50.01	42.85	53.85	113,439.0	140,807.9	229,941.7	39,355.5	42,083.6	17.1	3.6	3.3	92.9	
					Average²	\$175,111.9	\$190,814.1	\$309,085.2	\$41,519.4	\$50,576.8	16.7%	4.9x	4.0x	96.3%
					Median	\$174,518.9	\$194,015.4	\$302,375.4	\$42,779.3	\$48,648.6	17.2%	4.8x	4.1x	97.1%
Large Independents														
Anadarko Petroleum Corporation	APC	\$87.81	\$56.42	\$89.72	\$44,034.4	\$56,303.4	\$13,613.0	\$7,585.0	\$9,946.2	55.7%	7.4x	5.7x	97.9%	
Apache Corporation	APA	80.89	67.91	94.87	31,697.2	45,155.2	16,377.0	11,862.0	12,251.1	72.4	3.8	3.7	85.3	
Chesapeake Energy Corporation	CHK	19.89	13.69	22.97	13,267.2	32,241.2	13,321.0	4,806.0	5,071.0	36.1	6.7	6.4	86.6	
Devon Energy Corporation	DVN	58.23	50.81	63.95	23,639.7	29,276.7	8,749.0	4,521.0	5,551.0	51.7	6.5	5.3	91.1	
Encana Corporation	ECA	18.49	17.17	23.22	13,600.7	18,454.7	4,420.0	1,503.0	2,580.0	34.0	12.3	7.2	79.6	
EOG Resources, Inc.	EOG	133.22	82.48	139.00	36,246.5	41,454.0	11,788.5	4,664.0	7,310.7	39.6	8.9	5.7	95.8	
Marathon Oil Corporation	MRO	35.15	23.17	35.86	24,914.9	30,690.9	15,807.0	9,311.0	10,166.0	58.9	3.3	3.0	98.0	
SandRidge Energy, Inc.	SD	5.18	4.52	7.80	2,460.7	5,736.9	2,861.0	1,611.5	966.0	56.3	3.6	5.9	66.4	
					Average²	\$23,894.4	\$32,878.8	\$11,283.1	\$5,416.4	\$6,770.8	49.7%	6.1x	5.4x	89.4%
					Median	\$24,277.3	\$31,466.0	\$12,554.7	\$4,735.0	\$6,430.9	53.7%	6.6x	5.7x	88.8%

(1) \$ Millions, except for per share data

(2) Excludes the highest and lowest values.

(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Selected Public Company Trading Statistics

DRILLERS^{1,3}

	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2013E		LTM	2013E	
Land													
Helmerich & Payne, Inc.	HP	\$62.97	\$38.71	\$69.38	\$6,700.9	\$6,762.9	\$3,332.1	\$1,357.6	\$1,372.8	40.7%	5.0x	4.9x	90.8%
Nabors Industries Ltd.	NBR	16.08	12.40	18.24	4,737.5	8,507.2	6,677.8	1,827.3	1,702.5	27.4	4.7	5.0	88.2
Patterson-UTI Energy Inc.	PTEN	22.19	12.81	25.48	3,222.1	3,775.5	2,644.5	943.4	896.5	35.7	4.0	4.2	87.1
Pioneer Energy Services Corporation	PES	7.51	5.91	9.91	464.8	1,013.5	917.1	235.2	231.3	25.6	4.3	4.4	75.8
Precision Drilling Corporation	PD	8.27	5.81	9.24	2,286.7	3,413.7	1,962.7	438.7	649.8	22.4	7.8	5.3	89.5
Unit Corporation	UNT	45.28	32.08	49.68	2,222.5	2,936.7	1,299.7	640.9	651.7	49.3	4.6	4.5	91.2
				Average²	\$3,117.2	\$4,222.22	\$2,309.8	\$845.2	\$892.7	32.4%	4.6x	4.7x	88.9%
				Median	\$2,754.4	\$3,594.6	\$2,303.6	\$792.2	\$774.1	31.5%	4.6x	4.7x	88.8%
Offshore													
Atwood Oceanics, Inc.	ATW	\$52.65	\$34.93	\$55.49	\$3,464.7	\$4,389.3	\$929.4	\$466.3	\$532.3	50.2%	9.4x	8.2x	94.9%
Diamond Offshore Drilling, Inc.	DO	70.40	55.83	76.85	9,788.1	9,825.9	2,880.9	1,304.0	1,274.1	45.3	7.5	7.7	91.6
EnSCO plc	ESV	61.76	41.63	65.82	14,388.1	18,613.6	4,430.0	2,171.6	2,527.9	49.0	8.6	7.4	93.8
Hercules Offshore, Inc.	HERO	7.05	2.91	7.77	1,124.3	1,821.0	771.8	214.7	335.8	27.8	8.5	5.4	90.7
Noble Corporation	NE	39.90	28.73	41.49	10,105.6	15,518.1	3,618.8	1,649.0	1,964.4	45.6	9.4	7.9	96.2
Ocean Rig UDW Inc.	ORIG	16.90	12.14	18.43	2,226.2	4,839.8	941.9	294.1	446.1	31.2	16.5	10.8	91.7
Parker Drilling Co.	PKD	4.40	3.61	6.18	524.1	916.2	668.6	182.0	231.9	27.2	5.0	4.0	71.2
Rowan Companies plc	RDC	34.83	28.62	39.40	4,325.9	5,316.3	1,453.4	551.1	635.9	37.9	9.6	8.4	88.4
SeaDrill Limited	SDRL	39.90	31.37	41.95	18,723.1	30,808.1	4,310.0	2,430.0	2,681.9	56.4	12.7	11.5	95.1
Transocean Ltd.	RIG	54.73	39.32	59.50	19,721.7	27,252.7	9,283.0	2,724.0	3,668.0	29.3	10.0	7.4	92.0
Vantage Drilling Company	VTG	1.73	1.32	1.95	522.6	2,902.9	460.6	222.4	350.9	48.3	13.1	8.3	88.7
				Average²	\$7,185.6	\$10,053.3	\$2,222.7	\$1,033.7	\$1,194.4	40.5%	9.9x	8.0x	91.9%
				Median	\$4,325.9	\$5,316.3	\$1,453.4	\$551.1	\$635.9	45.3%	9.4x	7.9x	91.7%

(1) \$ Millions, except for per share data

(2) Excludes the highest and lowest values.

(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Selected Public Company Trading Statistics

OTHERS^{1,3}

Company	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2013E		LTM	2013E	
Offshore Transportation													
Bristow Group, Inc.	BRS	\$66.64	\$37.92	\$67.13	\$2,409.1	\$3,087.8	\$1,312.0	\$294.4	\$314.0	22.4%	10.5x	9.8x	99.3%
Gulfmark Offshore, Inc.	GLF	46.45	27.17	46.53	1,240.2	1,622.0	398.7	107.1	151.1	26.9	15.2	10.7	99.8
Hornbeck Offshore Services, Inc.	HOS	52.97	31.68	53.07	1,895.8	2,496.2	540.3	229.5	289.1	42.5	10.9	8.6	99.8
PHI Inc.	PHI	34.43	22.43	34.50	532.8	862.3	687.6	119.3	-	17.3	7.2	NA	99.8
Seacor Holdings Inc.	CKH	77.98	67.76	93.50	1,568.2	1,930.8	1,550.4	211.1	210.9	13.6	9.1	9.2	83.4
Tidewater Inc.	TDW	57.68	42.33	59.25	2,849.3	3,725.1	1,205.2	331.9	338.3	27.5	11.2	11.0	97.4
				Average²	\$1,778.3	\$2,284.2	\$936.3	\$213.6	\$241.3	23.5%	10.4x	9.9x	99.1%
				Median	\$1,732.0	\$2,213.5	\$946.4	\$220.3	\$250.0	24.6%	10.7x	9.8x	99.5%
Construction													
Cal Dive International, Inc.	DVR	\$2.10	\$1.00	\$3.08	\$205.6	\$328.8	\$485.7	\$6.2	\$49.0	1.3%	53.4x	6.7x	68.3%
Chicago Bridge & Iron Company N.V.	CBI	61.76	32.48	62.73	6,610.8	8,189.7	6,535.4	588.2	890.0	9.0	13.9	9.2	98.5
Fluor Corporation	FLR	64.57	44.99	66.83	10,516.7	8,976.2	28,472.7	1,020.4	1,354.3	3.6	8.8	6.6	96.6
Foster Wheeler AG	FWLT	21.60	15.26	27.13	2,163.1	1,867.5	3,277.8	265.8	253.6	8.1	7.0	7.4	79.6
Gulf Island Fabrication Inc.	GIFI	20.33	18.76	31.69	293.9	291.7	558.7	12.2	44.1	2.2	23.9	6.6	64.2
Helix Energy Solutions Group, Inc.	HLX	25.50	14.90	25.60	2,701.4	2,799.2	813.7	178.1	282.0	21.9	15.7	9.9	99.6
Jacobs Engineering Group Inc.	JEC	54.09	33.61	56.53	7,074.9	6,401.9	11,153.9	751.6	781.8	6.7	8.5	8.2	95.7
KBR, Inc.	KBR	33.82	22.09	33.95	4,998.9	4,149.9	7,635.0	393.0	681.6	5.1	10.6	6.1	99.6
McDermott International Inc.	MDR	8.86	8.48	13.56	2,095.0	1,797.0	3,721.4	377.8	277.9	10.2	4.8	6.5	65.3
Oceaneering International, Inc.	OII	75.74	43.22	76.59	8,194.8	8,156.9	2,906.3	646.6	725.0	22.3	12.6	11.3	98.9
Willbros Group Inc.	WG	6.99	4.07	10.45	346.9	588.7	2,117.9	83.6	89.8	3.9	7.0	6.6	66.9
				Average²	\$3,831.1	\$3,808.8	\$4,302.2	\$366.3	\$447.9	7.9%	12.0x	7.5x	85.5%
				Median	\$2,701.4	\$2,799.2	\$3,277.8	\$377.8	\$282.0	6.7%	10.6x	6.7x	95.7%

(1) \$ Millions, except for per share data

(2) Excludes the highest and lowest values.

(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Selected Public Company Trading Statistics

OTHERS^{1,3}

	Ticker	Price as of 05/17/2013	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2013E		LTM	2013E	
Industrial Services													
Chart Industries Inc.	GTLS	\$92.21	\$55.89	\$93.10	\$2,795.7	\$2,947.8	\$1,071.7	\$162.6	\$193.5	15.2%	18.1x	15.2x	99.0%
CIRCOR International, Inc.	CIR	50.26	27.85	51.14	882.6	891.4	836.7	82.2	92.7	9.8	10.8	9.6	98.3
Edgen Group Inc.	EDG	6.41	5.67	8.99	271.7	779.7	1,171.8	74.6	116.2	6.4	10.5	6.7	71.3
Matrix Service Co.	MTRX	17.32	9.62	17.33	451.5	400.9	841.9	43.6	50.2	5.2	9.2	8.0	99.9
MRC Global Inc.	MRC	33.31	19.04	33.56	3,387.2	4,432.9	5,493.3	472.9	491.1	8.6	9.4	9.0	99.3
Team, Inc.	TISI	42.25	24.95	46.66	869.8	927.8	701.0	79.4	83.0	11.3	11.7	11.2	90.5
				Average²	\$1,249.9	\$1,386.7	\$980.5	\$99.7	\$121.3	9.0%	10.6x	9.5x	96.8%
				Median	\$876.2	\$909.6	\$956.8	\$80.8	\$104.4	9.2%	10.7x	9.3x	98.7%
Seismic Related													
Bolt Technology Corporation	BOLT	\$16.29	\$12.00	\$17.60	\$138.9	\$118.1	\$55.4	\$12.0	—	21.6%	9.9x	NA	92.6%
Dawson Geophysical Co.	DWSN	38.18	20.20	38.52	299.6	287.1	301.3	55.1	68.0	18.3	5.2	4.2	99.1
ION Geophysical Corporation	IO	6.28	5.52	7.87	985.0	1,052.6	544.3	173.1	225.6	31.8	6.1	4.7	79.8
Mitcham Industries Inc.	MIND	15.69	11.51	19.83	201.4	190.7	104.7	15.2	52.6	14.6	12.5	3.6	79.1
Petroleum Geo Services ASA	PGS	15.18	10.97	17.83	3,265.2	3,804.1	1,548.1	833.6	974.7	53.8	4.6	3.9	85.2
TGC Industries Inc.	TGE	9.04	5.01	10.05	187.7	203.4	192.5	43.7	52.9	22.7	4.7	3.8	90.0
				Average²	\$418.4	\$433.4	\$285.7	\$71.8	\$99.8	23.6%	6.5x	4.0x	86.9%
				Median	\$250.5	\$245.3	\$246.9	\$49.4	\$60.5	22.1%	5.6x	3.9x	87.6%

Enterprise Value

Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short Term Investments

EBITDA

Earnings Before Interest, Taxes, Depreciation, and Amortization

LTM

Last Twelve Months

- (1) \$ Millions, except for per share data
(2) Excludes the highest and lowest values.
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

Appendix

Relevant M&A Transactions

Date	Target	Description	Seller	Buyer	Transaction Value (\$ in millions)
5/14/13	D&I LLC	D&I LLC specializes in rail-based and bulk materials handling through its origin and destination rail-based terminals for energy, industrial minerals, and industrial commodity industries.	NA	Hi-Crush Partners LP	\$124.4
5/14/13	Troms Offshore Supply AS	Troms Offshore Supply AS, a shipping company, owns and operates offshore service vessels and other special vessels related to research and subsea activities worldwide.	HitecVision AS	Tidewater Inc.	\$395.0
5/13/13	Standard Machine Ltd.	Standard Machine Ltd. manufactures and repairs mill pinions, gear drives, open gearing products, couplings, guards, lubrication systems, and engineered products.	NA	Timken Co.	NA
5/13/13	Wenzel Downhole Tools Ltd.	Wenzel Downhole Tools Ltd. engages in the design, manufacture, rental, and servicing of downhole drilling tools for oil and gas drilling, utility trenchless underground construction, and environmental industries.	NA	Basin Tools, LP	\$68.7
5/8/13	Chesapeake Energy, Certain Assets in the Anadarko Basin	The assets consist of a cryogenic plant with 22 miles of gathering pipeline in Hemphill County, Texas and an amine facility with 5 miles of pipeline in Washita County, Oklahoma.	Chesapeake Energy Corporation	MarkWest Energy Partners, L.P.	\$245.0
5/8/13	Engineered Fastener Company	Engineered Fastener Company distributes specialty engineered component parts and fasteners to original equipment manufacturers.	NA	Quad-C Management, Inc.	NA
5/7/13	Mansfield Gas Equipment Systems Corporation	Mansfield Gas Equipment Systems Corporation engages in the design and maintenance of CNG fueling stations for customers in the United States.	Mansfield Energy Corporation	Clean Energy Fuels Corporation	\$20.5
5/6/13	The Flexitallic Group	The Flexitallic Group manufactures industrial static sealing products and thermoset plastic products for the oilfield and industrial markets.	Eurazeo PME	Bridgepoint Advisers Limited	\$450.0
5/3/13	Gulfex, LP	Gulfex, LP, a custom-metal fabricator, provides engineering, design, and related metal fabrication services for pressure vessels and skid-mounted process systems.	NA	Woodlawn Partners	NA
5/2/13	Salof Refrigeration Co., Inc.	Salof Refrigeration Co., Inc. represents the combined assets of Kryopak Inc., River City Industrial Refrigeration, Inc., Salof Refrigeration Co., Inc. and Acid Recovery Systems Inc.	NA	General Electric Company	NA
5/1/13	Mid-America Midstream Gas Services, L.L.C.	Mid-America Midstream Gas Services, L.L.C. owns two natural gas processing plants in the Rose Valley area and 200 miles of gathering pipeline.	Chesapeake Midstream Development, L.P.	SemGas, L.P.	\$300.0
5/1/13	Energy Manufacturing Company, Inc.	Energy Manufacturing Company, Inc. engages in the design and manufacture of hydraulic cylinders and fluid power components, and systems.	PNC Erieview Capital	Ligon Industries, LLC	NA

Dates in red are publicly announced transactions that have not closed.

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