

October 2012

Energy Perspectives

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Energy Market Outlook

In June 2012 major oilfield service and equipment providers Baker Hughes, Schlumberger, and Halliburton expressed negative sentiment regarding 2H 2012 outlook, mostly driven by weak North America operations. Third-quarter earnings have since been announced, with not so surprising results, as all three struggled during the quarter versus 3Q 2011, highlighting depressed natural gas prices, lower rig counts, and challenges in North America operations as major contributors. All have expressed the possibility of further weakness and margin contraction into Q4 for North America given existing trends with an expectation that the next few quarters could be erratic. Although North America has been identified as the weak spot for the companies, Schlumberger and Halliburton are more protected from swings in earnings due to their more diverse, internationally-based revenue mix. Notably, Schlumberger performed positively during Q3 in its international business, but declines in revenues and margins in North America largely offset the international gains. Schlumberger still outperformed its peers on a firm-wide basis, however.

North America (“NAM”) segment difficulties stem from depressed natural gas prices, a lower rig count, significant pricing pressures, and curtailed E&P spending. Although exploration and production companies (E&Ps) scrambled to transition gas rigs to liquids rigs, the net change in rigs was still negative in North America with land rig count down 4% year-over-year. Cost

inflation and pricing pressures in hydraulic fracturing further added to lower NAM margins given the influx (read: oversupply) of hydraulic horsepower across oil basins. Moreover, the volatile year in natural gas prices led more than a few independent E&Ps to burn through their spending budgets earlier in the year than expected. Although this occurrence is planned for, insiders indicate that 2012 has been worse than usual and that Q4 will be especially challenging. Changing industry fundamentals and further exposure to underserved international markets and offshore operations will be the major challenges and growth opportunities for the major oilfield service and equipment companies moving forward.

The PHLX Oil Service Index, a price-weighted index of 15 mid- to large-cap oilfield service and equipment companies, indicates current valuations of 7.1x EBITDA down from 8.6x only one year ago. Comparatively, Baker Hughes currently trades at 5.8x EBITDA and its stock price has dropped 20% over the last year; Halliburton trades at 5.7x EBITDA and its stock price has increased 2% since last year; and the leader Schlumberger trades at 9.4x EBITDA and its stock price has risen 7.5% from one year ago. Ultimately, it's clear that investors are paying up during tough economic times for companies that offer revenue resiliency and international diversity combined with solid fundamentals, focused product offerings, and well-elaborated strategic initiatives.

Public Markets Update as of October 22, 2012¹

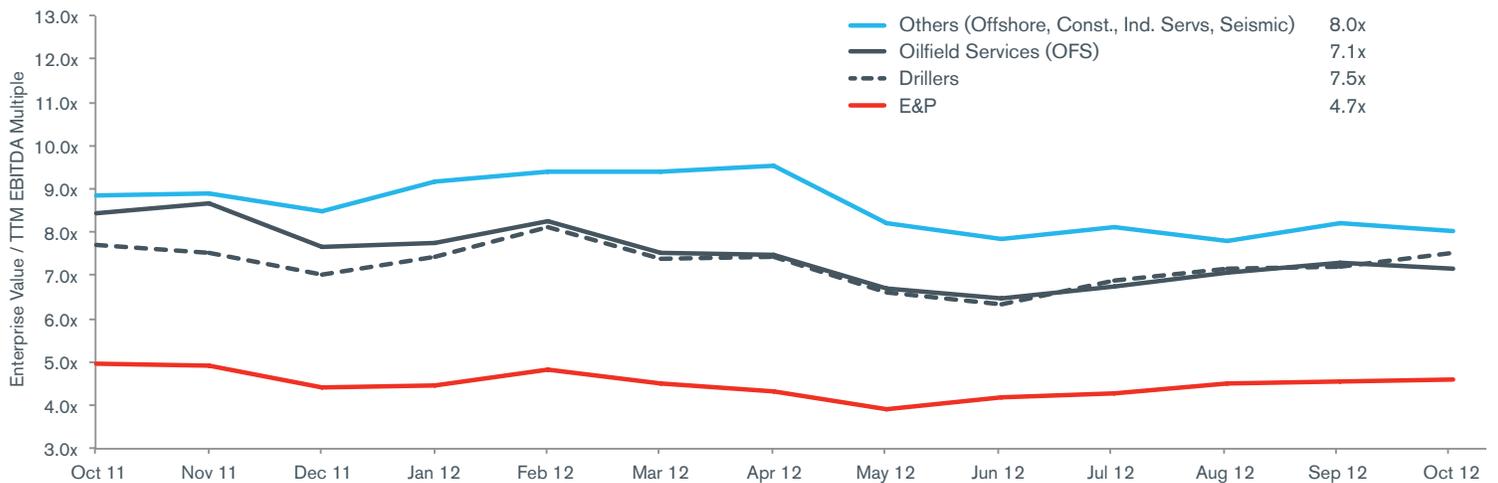
Energy Sub-Sector Summary²

	Average LTM EBITDA Margin	Average EV/EBITDA		Average % of 52-Week High
		LTM	2012E	
Oilfield Service (OFS)				
Diversified	20.6%	6.1x	6.0x	79.2%
Service Focused	25.4	5.4	5.0	67.1
Equipment Focused	22.3	9.9	8.7	79.0
E&P				
Integrated Majors	14.1%	4.2x	4.1x	86.4%
Large Independents	60.8	5.2	5.8	82.8
Drillers				
Land	33.0%	4.2x	4.0x	70.2%
Offshore	42.7	10.7	9.3	92.0
Others				
Offshore Transportation	24.0%	9.1x	8.4x	83.5%
Construction	8.2	7.9	6.5	77.3
Industrial Services	8.4	9.4	7.8	85.9
Seismic Related	26.6	5.6	4.5	74.1
Average³	24.1%	7.0x	6.3x	79.8%
Median	24.0%	6.1x	6.0x	79.2%

- (1) For definitions, refer to page 8.
- (2) For more data around the constituents of each sub-sector, refer to pages 5-10.
- (3) Excludes the highest and lowest values.

Source: Capital IQ

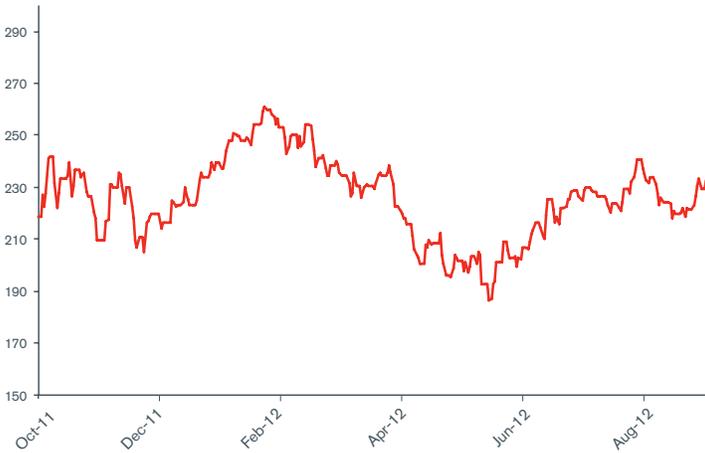
Average Major Energy Sectors' Trading Multiples for the Last 12 Months



Source: Capital IQ

Market Review

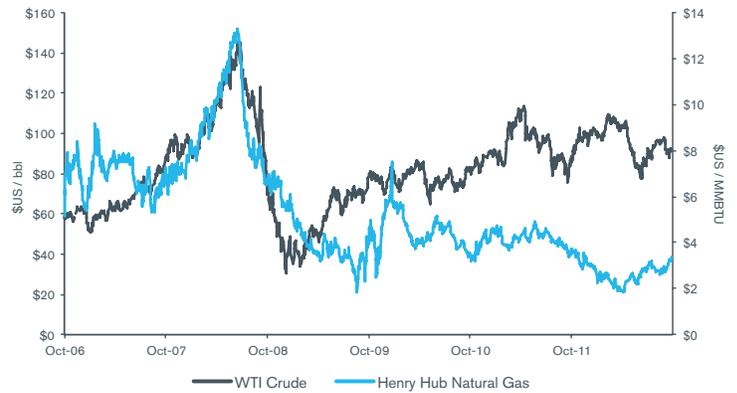
OSX Index — Last 12 Months through 10/22/2012



Year Over Year Change = 6.5%

Source: Capital IQ

Crude Oil & Natural Gas Spot Prices — 2006 to 10/22/2012



Current Oil & Gas Prices as of 10/22/2012

Oil	Gas	Oil 12 Mo Strip	Gas 12 Mo Strip
\$89.71	\$3.43	\$91.97	\$3.63

Sources: EIA, Bloomberg

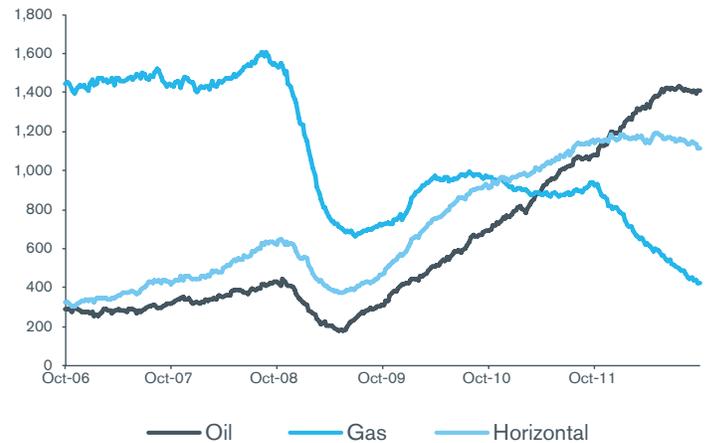
North American Rig Count as of 10/22/2012

Location	This Week	+/-	Last Week	+/-	Year Ago
Land	1,774	1	1,773	(185)	1,959
Inland Waters	16	1	15	(2)	18
Offshore	49	2	47	13	36
United States Total	1,839	4	1,835	(174)	2,013
Gulf of Mexico	43	1	42	10	33
Canada	355	(6)	361	(142)	497
North America	2,194	(2)	2,196	(316)	2,510

U.S. Breakout	This Week	+/-	Last Week	+/-	Year Ago
Oil	1,410	(1)	1,411	331	1,079
Gas	427	5	422	(500)	927
Miscellaneous	2	0	2	(5)	7
Directional	200	6	194	(41)	241
Horizontal	1,114	2	1,112	(28)	1,142
Vertical	525	(4)	529	(105)	630

Source: Baker Hughes

U.S. Historical Rig Count — 2006 to 10/22/2012



Source: Baker Hughes

% of Total U.S. Rig Count

	Gas	Oil	Land	Horizontal
October 22, 2012	23.2%	76.8%	96.5%	60.6%
Year Ago	46.2%	53.8%	97.3%	56.9%

Source: Baker Hughes

Upcoming Events

DUG East Conference & Exhibition

November 13-15, 2012 | Pittsburgh, Pennsylvania

Oil and gas producers gather to discuss developing unconventional, emerging plays in the Utica and Marcellus formation.

Shale Gas Water Management: Cost Reduction Initiative 2012

November 29-30, 2012 | Dallas, Texas

Industry observers discuss methods to manage cost and optimize water management strategies to fit the regulatory confinements of Texas, Louisiana, Oklahoma, and Arkansas.

OTC's Arctic Technology Conference 2012

December 3-5, 2012 | Houston, Texas

Highly specialized technical programs, networking events, and exhibitions geared toward successful and safe arctic drilling.

Platts 11th Annual Gas Storage Outlook

January 15-16, 2013 | Houston, Texas

With changing natural gas supply and demand economics, industry stakeholders meet to review storage levels and their impact on prices and well models.

Featured Articles

Independent Explorers Set to Continue Leading Oil Frontier Charge

Wood Mackenzie analyst Simon Flowers discusses the changing landscape in the exploration and production market and its impact on future production and acquisition activity.

<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Oil/8783045>

Platts, October 3, 2012

Economist Puts Eagle Ford Lifespan at 16+ Years

Research economist provides analysis to support a 16-year productive lifespan for the Eagle Ford Shale and the impact of the formation on the local economy.

<http://www.mysanantonio.com/business/article/Economist-puts-Eagle-Ford-lifespan-at-16-years-3919231.php>

My San Antonio, October 4, 2012

Industry Remarks

“Independent oil and gas companies will lead the charge in exploring new frontier basins in the future, having already outpaced the majors over the past five years in terms of exploration success. Exploration success by small- and mid-cap companies has meant they have been able to replace their reserves far more effectively. By comparison, the majors have struggled to replace their reserves, with only Italy's Eni and Statoil achieving 100% reserve replacement rates through exploration. Others have replaced their reserves through acquisition.”

Simon Flowers,
Wood Mackenzie Head of Corporate Analysis

“One drilling rig running on diesel, for example, consumes about \$4,653 worth of fuel a day. But a drilling rig using gas processed directly from the well site would have a fuel bill of \$1,322 a day.”

Brian Murphy,
Ensign Energy Services

Appendix

Selected Public Company Trading Statistics

OILFIELD SERVICE (OFS)^{1,3}

	Ticker	Price as of 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
Diversified													
Baker Hughes Incorporated	BHI	\$44.75	\$37.08	\$61.90	\$19,670.2	\$23,808.2	\$21,403.0	\$4,071.0	\$3,920.0	19.0%	5.8x	6.1x	72.3%
Halliburton Company	HAL	34.98	26.28	40.60	32,452.7	35,263.7	28,277.0	6,162.0	6,047.0	21.8	5.7	5.8	86.2
Schlumberger Limited	SLB	74.00	59.12	80.78	98,200.1	104,629.1	43,856.0	11,078.0	11,249.0	25.3	9.4	9.3	91.6
Weatherford International Ltd.	WFT	12.20	11.14	18.33	9,266.7	16,839.7	13,733.0	2,662.0	3,040.1	19.4	6.3	5.5	66.6
				Average²	\$26,061.5	\$29,536.0	\$24,840.0	\$5,116.5	\$4,983.5	20.6%	6.1x	6.0x	79.2%
				Median	\$26,061.5	\$29,536.0	\$24,840.0	\$5,116.5	\$4,983.5	20.6%	6.1x	6.0x	79.2%
Service Focused													
Archer Limited	ARCHER	\$1.38	\$1.36	\$4.50	\$506.5	\$1,594.3	\$2,076.1	\$311.4	\$297.0	15.0%	5.1x	5.4x	30.7%
Basic Energy Services, Inc.	BAS	12.04	8.52	23.41	490.4	1,176.6	1,432.8	375.1	324.0	26.2	3.1	3.6	51.4
Calfrac Well Services Ltd.	CFW	25.35	20.38	35.59	1,134.0	1,419.3	1,706.3	411.8	292.5	24.1	3.4	4.9	71.2
C&J Energy Services, Inc.	CJES	19.71	15.61	23.32	1,039.8	1,258.3	966.5	344.1	351.2	35.6	3.7	3.6	84.5
Core Laboratories NV	CLB	105.35	98.09	143.21	4,983.8	5,176.1	970.4	313.7	317.5	32.3	16.5	16.3	73.6
Key Energy Services Inc.	KEG	7.23	6.52	18.18	1,092.1	1,967.0	2,070.7	470.3	423.0	22.7	4.2	4.7	39.8
Natural Gas Services Group Inc.	NGS	15.24	11.37	15.68	187.7	158.2	87.2	33.6	35.0	38.5	4.7	4.5	97.2
Newpark Resources Inc.	NR	6.72	5.19	10.62	592.3	803.1	1,032.8	156.3	144.5	15.1	5.1	5.6	63.3
Oil States International Inc.	OIS	75.17	60.03	87.65	4,114.9	5,164.6	4,088.5	875.5	920.8	21.4	5.9	5.6	85.8
RPC Inc.	RES	12.16	8.75	14.89	2,670.4	2,823.1	1,987.7	716.8	658.4	36.1	3.9	4.3	81.7
Superior Energy Services, Inc.	SPN	20.84	17.54	31.88	3,274.9	5,153.1	3,415.4	996.3	1,255.5	29.2	5.2	4.1	65.4
TETRA Technologies, Inc.	TTI	5.98	5.85	10.66	466.6	763.8	803.3	56.3	159.6	7.0	13.6	4.8	56.1
Trican Well Service Ltd.	TCW	13.25	10.38	20.33	1,940.7	2,354.8	2,438.8	515.1	323.5	21.1	4.6	7.3	65.2
				Average²	\$1,574.8	\$2,225.3	\$1,718.3	\$413.3	\$382.9	25.4%	5.4x	5.0x	67.1%
				Median	\$1,092.1	\$1,594.3	\$1,706.3	\$375.1	\$323.5	24.1%	4.7x	4.8x	65.4%

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

Selected Public Company Trading Statistics

OILFIELD SERVICE (OFS)^{1,3}

Company	Ticker	Price as of 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
Equipment Focused													
Cameron International Corporation	CAM	\$55.21	\$38.38	\$60.00	\$13,597.0	\$14,386.1	\$7,574.7	\$1,199.4	\$1,362.0	15.8%	12.0x	10.6x	92.0%
CARBO Ceramics Inc.	CRR	63.03	61.34	162.36	1,455.0	1,420.1	666.0	240.4	198.3	36.1	5.9	7.2	38.8
Compressco Partners, L.P.	GSJK	17.57	11.25	20.16	273.0	269.1	98.4	29.2	30.2	29.6	9.2	8.9	87.2
Dover Corporation	DOV	58.08	50.14	67.20	10,397.0	11,798.2	8,433.1	1,653.9	1,665.0	19.6	7.1	7.1	86.4
Dresser-Rand Group Inc.	DRC	55.48	41.01	56.00	4,197.9	5,171.9	2,666.1	425.1	464.0	15.9	12.2	11.1	99.1
Dril-Quip, Inc.	DRQ	69.08	57.27	77.12	2,792.4	2,544.2	680.4	179.6	190.6	26.4	14.2	13.3	89.6
Exterran Holdings, Inc.	EXH	20.67	8.33	21.15	1,295.8	3,328.7	2,678.5	396.6	438.3	14.8	8.4	7.6	97.7
Exterran Partners, L.P.	EXLP	22.84	18.30	25.00	965.3	1,632.5	353.6	133.1	175.9	37.6	12.3	9.3	91.4
Flotek Industries Inc.	FTK	11.36	5.80	14.73	582.4	626.9	307.5	74.7	70.5	24.3	8.4	8.9	77.1
FMC Technologies, Inc.	FTI	44.37	36.89	55.19	10,577.1	11,532.5	5,679.2	716.8	837.3	12.6	16.1	13.8	80.4
Forbes Energy Services Ltd.	FES	3.12	2.92	7.17	66.0	368.0	491.6	102.5	95.9	20.8	3.6	3.8	43.5
Forum Energy Technologies, Inc.	FET	22.52	18.60	25.78	1,930.9	2,284.6	1,404.6	306.3	316.8	21.8	7.5	7.2	87.4
General Electric Company	GE	22.03	14.68	23.18	232,611.3	535,411.3	142,311.0	24,269.0	28,738.6	17.1	22.1	18.6	95.0
Global Geophysical Services, Inc.	GGSS	4.99	4.21	11.76	186.3	481.1	416.7	197.5	245.2	47.4	2.4	2.0	42.4
Heckmann Corporation	HEK	4.21	2.60	7.05	638.7	903.8	245.2	35.4	76.0	14.4	25.5	11.9	59.7
Lufkin Industries Inc.	LUFK	56.60	45.11	85.68	1,902.6	2,183.7	1,096.2	168.3	210.0	15.4	13.0	10.4	66.1
National Oilwell Varco, Inc.	NOV	80.70	59.07	89.95	34,412.3	34,054.3	17,036.0	3,963.0	4,404.7	23.3	8.6	7.7	89.7
RigNet, Inc.	RNET	17.66	14.40	19.49	276.3	243.6	123.1	34.9	40.9	28.4	7.0	6.0	90.6
Tenaris SA	TEN	19.70	13.80	22.24	23,258.7	23,977.6	10,664.2	2,743.7	2,997.0	25.7	8.7	8.0	88.6
Tesco Corporation	TESO	9.86	9.72	17.54	381.3	341.3	579.2	98.3	108.5	17.0	3.5	3.1	56.2
The Weir Group PLC	WEIR	28.77	21.64	35.91	6,108.9	7,433.6	4,056.3	793.5	861.8	19.6	9.4	8.6	80.1
				Average²	\$6,064.7	\$6,565.2	\$3,429.1	\$708.6	\$776.8	22.3%	9.9x	8.7x	79.0%
				Median	\$1,902.6	\$2,284.6	\$1,096.2	\$240.4	\$245.2	20.8%	8.7x	8.6x	87.2%

- (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 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High	
			Low	High				LTM	2012E		LTM	2012E		
Integrated Majors														
BP plc	BP	\$7.21	\$5.76	\$8.87	\$137,193.9	\$170,761.9	\$376,605.0	\$36,130.0	\$39,417.5	9.6%	4.7x	4.3x	81.3%	
Chevron Corporation	CVX	113.38	92.29	118.53	222,467.4	212,527.4	230,561.0	50,980.0	58,942.0	22.1	4.2	3.6	95.7	
ConocoPhillips	COP	57.45	50.62	78.29	69,775.9	96,164.9	231,555.0	29,933.0	22,530.9	12.9	3.2	4.3	73.4	
Exxon Mobil Corporation	XOM	92.15	73.90	93.67	425,358.8	428,311.8	434,824.0	65,402.0	86,784.1	15.0	6.5	4.9	98.4	
Royal Dutch Shell plc	RDSA	34.51	31.32	45.05	219,770.7	236,907.7	475,975.0	52,403.0	62,234.6	11.0	4.5	3.8	76.6	
Total SA	FP	51.57	43.52	55.95	116,259.0	139,631.0	222,899.2	39,121.5	43,476.2	17.6	3.6	3.2	92.2	
					Average²	\$173,922.7	\$189,957.0	\$318,386.3	\$44,658.6	\$51,017.6	14.1%	4.2x	4.0x	86.4%
					Median	\$178,482.3	\$191,644.6	\$304,080.0	\$45,050.8	\$51,209.1	14.0%	4.3x	4.0x	86.7%
Large Independents														
Anadarko Petroleum Corporation	APC	\$70.34	\$56.42	\$88.70	\$35,147.4	\$48,227.4	\$13,536.0	\$7,950.0	\$8,797.5	58.7%	6.1x	5.5x	79.3%	
Apache Corporation	APA	86.87	77.93	112.09	33,984.8	45,088.8	16,915.0	12,711.0	12,240.5	75.1	3.5	3.7	77.5	
Chesapeake Energy Corporation	CHK	20.81	13.32	29.87	13,364.7	32,332.7	12,512.0	5,138.0	3,439.0	41.1	6.3	9.4	69.7	
Devon Energy Corporation	DVN	62.00	54.01	76.34	25,079.0	28,609.0	9,700.0	6,628.0	5,390.0	68.3	4.3	5.3	81.2	
Encana Corporation	ECA	23.96	17.38	24.04	17,624.2	23,407.2	7,344.0	4,238.0	3,812.2	57.7	5.5	6.1	99.7	
EOG Resources, Inc.	EOG	113.07	82.48	119.97	30,531.6	35,267.1	10,110.7	5,558.3	5,689.2	55.0	6.3	6.2	94.2	
Marathon Oil Corporation	MRO	30.59	23.17	35.49	21,566.0	26,233.0	14,878.0	7,423.0	8,577.5	49.9	3.5	3.1	86.2	
SandRidge Energy, Inc.	SD	7.06	5.55	9.04	2,813.9	7,528.8	1,597.7	1,456.4	1,099.0	91.2	5.2	6.9	78.1	
					Average²	\$23,691.7	\$31,823.0	\$11,346.8	\$6,155.9	\$5,950.9	60.8%	5.2x	5.6x	82.8%
					Median	\$23,322.5	\$30,470.9	\$11,311.4	\$6,093.1	\$5,539.6	58.2%	5.3x	5.8x	80.3%

- (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

DRILLERS^{1,3}

Ticker	Price as of 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High	
		Low	High				LTM	2012E		LTM	2012E		
Land													
Helmerich & Payne Inc.	HP	\$50.17	\$38.71	\$68.60	\$5,302.6	\$5,503.8	\$3,023.1	\$1,204.7	\$1,251.0	39.9%	4.6x	4.4x	73.1%
Nabors Industries Ltd.	NBR	14.89	12.40	22.73	4,323.8	8,622.5	6,970.7	2,061.6	2,016.2	29.6	4.2	4.3	65.5
Patterson-UTI Energy Inc.	PTEN	17.31	12.81	23.90	2,602.5	3,127.2	2,825.5	1,041.4	980.0	36.9	3.0	3.2	72.4
Pioneer Energy Services Corporation	PES	7.00	6.46	12.17	430.5	864.3	853.1	240.7	252.7	28.2	3.6	3.4	57.5
Precision Drilling Corporation	PD	8.12	6.02	12.93	2,244.4	3,072.4	2,061.1	629.7	681.9	30.6	4.9	4.5	62.8
Union Drilling, Inc.	UDRL	6.49	3.39	8.42	138.9	243.4	267.7	49.4	46.0	18.5	4.9	5.3	77.1
Unit Corporation	UNT	43.06	32.08	53.35	2,092.2	2,424.1	1,331.8	667.4	666.4	50.1	3.6	3.6	80.7
				Average²	\$2,338.7	\$2,998.3	\$2,018.9	\$756.8	\$766.4	33.0%	4.2x	4.0x	70.2%
				Median	\$2,244.4	\$3,072.4	\$2,061.1	\$667.4	\$681.9	30.6%	4.2x	4.3x	72.4%
Offshore													
Atwood Oceanics, Inc.	ATW	\$49.58	\$34.93	\$49.77	\$3,240.7	\$3,819.5	\$712.5	\$357.1	\$373.9	50.1%	10.7x	10.2x	99.6%
Diamond Offshore Drilling, Inc.	DO	70.52	52.98	73.50	9,804.4	9,808.2	2,929.7	1,299.5	1,311.4	44.4	7.5	7.5	95.9
Ensco plc	ESV	59.02	41.63	61.48	13,695.0	18,382.7	4,015.4	1,806.7	2,052.3	45.0	10.2	9.0	96.0
Hercules Offshore, Inc.	HERO	5.03	2.91	5.57	797.6	1,479.5	648.0	119.6	163.8	18.4	12.4	9.0	90.3
Noble Corporation	NE	39.81	28.73	41.71	10,056.2	15,235.4	3,222.3	1,323.7	1,597.0	41.1	11.5	9.5	95.4
Ocean Rig UDW Inc.	ORIG	16.35	11.70	18.43	2,153.2	4,689.4	890.2	427.2	400.8	48.0	11.0	11.7	88.7
Parker Drilling Co.	PKD	4.42	4.00	7.62	521.8	924.8	713.1	278.1	263.9	39.0	3.3	3.5	58.0
Rowan Companies plc	RDC	34.28	28.62	39.40	4,257.4	5,083.6	1,194.3	431.3	555.4	36.1	11.8	9.2	87.0
SeaDrill Limited	SDRL	41.43	31.02	42.34	19,400.1	30,401.1	4,158.0	2,411.0	2,540.2	58.0	12.6	12.0	97.9
Transocean Ltd.	RIG	48.52	38.21	60.09	17,437.6	26,302.6	9,576.0	3,126.0	3,470.2	32.6	8.4	7.6	80.7
Vantage Drilling Company	VTG	1.88	1.01	1.95	549.6	2,508.6	396.5	191.6	241.3	48.3	13.1	10.4	96.4
				Average²	\$6,888.0	\$9,701.0	\$2,053.7	\$947.4	\$1,037.3	42.7%	10.7x	9.3x	92.0%
				Median	\$4,257.4	\$5,083.6	\$1,194.3	\$431.3	\$555.4	44.4%	11.0x	9.2x	95.4%

- (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 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
Offshore Transportation													
Bristow Group, Inc.	BRS	\$50.27	\$37.92	\$52.54	\$1,797.2	\$2,315.1	\$1,233.1	\$248.1	\$265.1	20.1%	9.3x	8.7x	95.7%
Gulfmark Offshore, Inc.	GLF	31.74	30.03	56.41	845.9	1,048.0	396.0	140.1	135.8	35.4	7.5	7.7	56.3
Hornbeck Offshore Services, Inc.	HOS	34.79	28.88	43.83	1,231.0	1,691.8	480.2	196.1	221.8	40.8	8.6	7.6	79.4
PHI Inc.	PHI	31.29	18.96	33.14	479.1	728.9	582.6	85.9	NA	14.7	8.5	NA	94.4
Seacor Holdings Inc.	CKH	85.16	79.19	100.00	1,784.7	2,452.0	2,187.0	250.3	282.1	11.4	9.8	8.7	85.2
Tidewater Inc.	TDW	47.39	43.14	63.27	2,361.0	3,070.4	1,106.8	286.1	266.5	25.9	10.7	11.5	74.9
				Average²	\$1,414.7	\$1,876.7	\$850.7	\$208.7	\$222.3	24.0%	9.1x	8.4x	83.5%
				Median	\$1,507.9	\$2,003.5	\$844.7	\$222.1	\$243.5	23.0%	9.0x	8.7x	82.3%
Construction													
Cal Dive International, Inc.	DVR	\$1.49	\$1.26	\$4.00	\$143.2	\$289.6	\$440.7	\$8.8	\$18.0	2.0%	32.9x	16.1x	37.3%
Chicago Bridge & Iron Company N.V.	CBI	38.29	32.48	47.74	3,703.5	3,208.4	5,011.4	452.5	503.1	9.0	7.1	6.4	80.2
ENGlobal Corporation	ENG	0.38	0.32	2.99	10.3	40.1	322.9	(1.5)	NA	NM	NM	NA	12.7
Fluor Corporation	FLR	57.16	44.99	64.67	9,543.9	7,930.1	25,708.1	1,204.8	1,279.7	4.7	6.6	6.2	88.4
Foster Wheeler AG	FWLT	22.97	15.26	26.08	2,477.7	1,902.6	4,136.7	247.8	293.8	6.0	7.7	6.5	88.1
Gulf Island Fabrication Inc.	GIFI	25.75	23.97	35.48	371.0	340.4	424.5	48.4	71.0	11.4	7.0	4.8	72.6
Helix Energy Solutions Group, Inc.	HLX	18.95	14.61	21.09	1,994.1	2,556.6	1,524.0	719.2	648.3	47.2	3.6	3.9	89.9
Jacobs Engineering Group Inc.	JEC	39.62	33.61	48.17	5,140.3	4,796.4	10,830.8	693.0	692.4	6.4	6.9	6.9	82.3
KBR, Inc.	KBR	30.78	22.09	38.00	4,534.6	3,759.6	8,403.0	438.0	611.9	5.2	8.6	6.1	81.0
McDermott International Inc.	MDR	10.98	9.04	15.35	2,589.2	2,068.3	3,313.0	324.3	426.1	9.8	6.4	4.9	71.5
Oceaneering International, Inc.	OII	52.75	40.12	58.53	5,691.9	5,731.3	2,443.8	538.4	592.8	22.0	10.6	9.7	90.1
Shaw Group Inc.	SHAW	43.69	20.24	44.41	2,904.1	2,257.9	6,008.4	249.5	283.4	4.2	9.0	8.0	98.4
Willbros Group Inc.	WG	5.07	3.13	7.36	248.8	441.2	1,766.9	51.0	80.4	2.9	8.7	5.5	68.9
				Average²	\$2,709.0	\$2,486.6	\$4,027.6	\$342.8	\$383.7	8.2%	7.9x	6.5x	77.3%
				Median	\$2,589.2	\$2,257.9	\$3,313.0	\$324.3	\$426.1	6.2%	7.4x	6.3x	81.0%

- (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 10/22/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
Industrial Services													
Chart Industries Inc.	GTLS	\$70.86	\$50.67	\$79.29	\$2,119.3	\$2,125.2	\$887.0	\$145.4	\$166.0	16.4%	14.6x	12.8x	89.4%
CIRCOR International, Inc.	CIR	36.05	27.42	42.79	627.5	681.8	861.2	82.4	83.4	9.6	8.3	8.2	84.2
Edgen Group Inc.	EDG	7.79	7.10	10.44	330.2	919.6	1,171.8	74.6	148.6	6.4	12.3	6.2	74.6
Matrix Service Co.	MTRX	10.44	8.06	15.06	269.7	230.0	739.0	43.1	45.3	5.8	5.3	5.1	69.3
MRC Global Inc.	MRC	24.59	19.04	25.82	2,495.7	3,810.9	5,485.6	364.8	472.1	6.6	10.4	8.1	95.2
Team, Inc.	TISI	32.40	23.96	34.00	648.7	718.3	644.1	75.2	73.4	11.7	9.6	9.8	95.3
				Average²	\$931.4	\$1,111.2	\$914.8	\$94.4	\$117.9	8.6%	10.2x	8.1x	85.9%
				Median	\$638.1	\$819.0	\$874.1	\$78.8	\$116.0	8.1%	10.0x	8.1x	86.8%
Seismic Related													
Bolt Technology Corporation	BOLT	\$14.07	\$9.68	\$16.09	\$119.2	\$94.5	\$52.6	\$10.9	NA	20.7%	8.7x	NA	87.4%
Compagnie Générale de Géophysique-Veritas	GA	32.68	18.37	34.84	4,940.0	6,630.5	3,013.0	854.7	1,192.3	28.4	7.8	5.6	93.8
Dawson Geophysical Co.	DWSN	25.87	20.20	40.76	202.6	164.0	330.5	55.3	51.7	16.7	3.0	3.2	63.5
Geokinetics Inc.	GOK	0.29	0.13	3.78	5.5	469.1	728.8	97.2	77.4	13.3	4.8	6.1	7.7
ION Geophysical Corporation	IO	7.00	5.21	8.79	1,091.0	1,142.3	492.5	172.2	211.6	35.0	6.6	5.4	79.6
Mitcham Industries Inc.	MIND	14.93	11.87	26.76	191.7	182.9	122.8	37.1	59.6	30.2	4.9	3.1	55.8
Petroleum Geo Services ASA	PGS	17.36	9.34	17.77	3,758.9	4,312.8	1,454.4	693.8	815.9	47.7	6.2	5.3	97.7
TGC Industries Inc.	TGE	7.66	4.73	11.85	156.6	160.8	168.0	48.4	51.3	28.8	3.3	3.1	64.6
				Average²	\$920.0	\$1,072.0	\$549.5	\$184.0	\$211.2	26.6%	5.6x	4.5x	74.1%
				Median	\$197.1	\$326.0	\$411.5	\$76.3	\$68.5	28.6%	5.6x	5.3x	72.1%

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Source: Capital IQ

Appendix

Relevant M&A Transactions

Date	Target	Description	Seller	Buyer	Transaction Value (\$ in millions)
10/19/12	Keen Energy Services, LLC	Keen Energy Services, LLC engages in the contract drilling of onshore oil and natural gas wells for exploration and production companies in Oklahoma, Texas, Arkansas, and Louisiana.	Leucadia National Corporation (NYSE: LUK)	Latshaw Drilling Co.	\$ 140.0
10/19/12	Integrated Drilling Equipment Company	Integrated Drilling Equipment Company manufactures oil rigs and drilling equipment.	NA	Empeiria Acquisition Corporation (OTCPK:EPAQ)	\$ 150.4
10/12/12	Champion Technologies Inc.	Champion Technologies, Inc. engages in the manufacture of specialty chemicals for oil and gas production applications and gear cleaning worldwide.	NA	Ecolab Inc.	\$ 2,200.0
10/11/12	OMNI Energy Services Corporation	OMNI Energy Services Corporation provides integrated drilling and environmental service solutions to the oil and gas industry including equipment rental, workover, well servicing, etc.	Wellspring Capital Management LLC	Gibson Energy Inc.	\$ 445.0
10/5/12	Hyduke Energy Services Inc.	Hyduke Energy Services Inc. operates as an integrated oilfield services company in Canada and internationally.	NA	Do All Industries Ltd.	\$ 30.9
10/2/12	Acteon Group Ltd.	Acteon Group Ltd. provides subsea products and services to the offshore oil and gas industry in the United Kingdom and internationally.	First Reserve Corporation	Kohlberg Kravis Roberts & Co.; White Deer Energy	Est. \$ 1,350
10/1/12	Thomas Russell, L.L.C.	Thomas Russell, L.L.C. provides gas processing plant construction as well as shale gas play solutions.	NA	UOP, LLC	\$ 530.0
9/25/12	NewTech Drilling Products, LLC	NewTech Drilling Products, LLC designs and manufactures drill bits and other drilling products for a wide variety of drilling applications.	NA	Atlas Copco AB (OM:ATCO A)	NA
9/25/12	Union Drilling, Inc. (NasdaqGS:UDRL)	Union Drilling, Inc. provides contract land drilling services and equipment primarily to independent oil and natural gas producers in the United States.	NA	Sidewinder Drilling, Inc.	\$ 268.5
9/24/12	Fugro NV, Geoscience Division	Fugro NV, Geoscience Division provides seismic services and geological services and data management services.	Fugro NV	CGG-Veritas SA (ENXTPA:GA)	\$ 1,560.0
9/21/12	Mitchell's Oil Field Service, Inc.	Mitchell's Oil Field Services, Inc. is a provider of maintenance, installation and fabrication services in the oil-rich Bakken shale region.	Stone Arch Capital, LLC; The Goldman Sachs Group, Inc.	John Wood Group plc (LSE: WG) Production Services Network	\$ 182.5
9/21/12	Piceance Fishing & Rental Inc.	Piceance Fishing & Rental Inc. provides oilfield tools and services for drilling, completion, and well control applications in western Colorado.	NA	Vision Oil Tools LLC	NA

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

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