SURFACE LOGGING

PRODUCT LINE REPORT

Kimberlite, LLC
5 Grogans Park Dr, Suite 210
The Woodlands, TX 77380

SURFACE LOGGING SUPPLIER PERFORMANCE REPORT

Overview

The 2017 Surface Logging Supplier Performance Report presents the results of in-depth, personal interviews with decision makers with oil & gas operators worldwide who purchase and use surface logging services. The report assesses market share, supplier performance, supplier competitive positioning and buying preferences among the oil & gas operators worldwide.

The report is based on person-to-person phone interviews with 218 respondents worldwide conducted from December, 2016 to February, 2017.

Each respondent interviewed was pre-qualified for the product category evaluated and the interviews lasted approximately 30 to 45 minutes on average. Completion, production and drilling managers and engineers and other subject matter experts were interviewed for their respective area of responsibility.
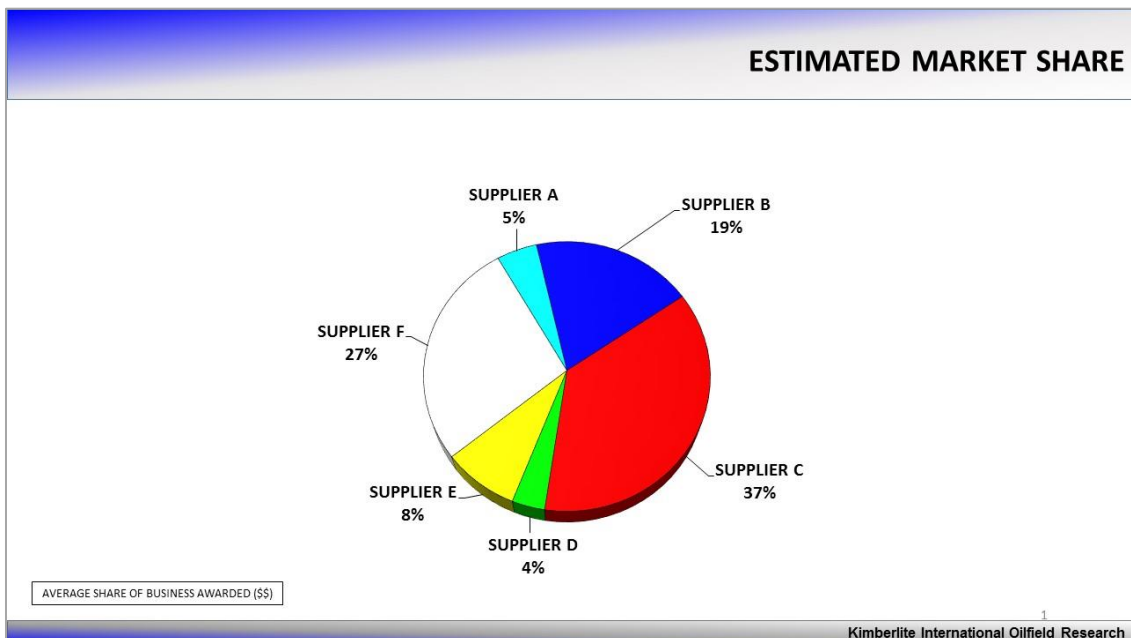
Performance ratings for over 71 oilfield service companies were evaluated in the report including both the major suppliers (Schlumberger, Halliburton and Baker Hughes) and smaller, independent and regionally based suppliers.

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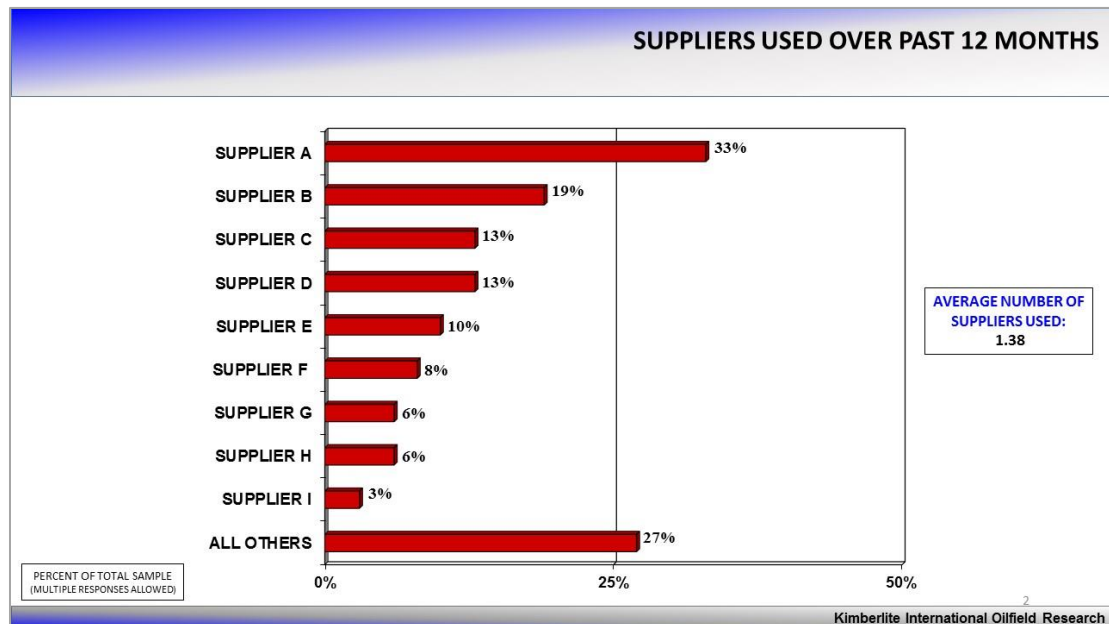
Example Exhibits

A. Supplier Market Share Data – Estimated share of business awarded

ESTIMATED MARKET SHARE

SUPPLIER A 5%
SUPPLIER B 19%
SUPPLIER F 27%
SUPPLIER C 37%
SUPPLIER E 8%
SUPPLIER D 4%

AVERAGE SHARE OF BUSINESS AWARDED ($$)

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ESTIMATED MARKET SHARES BY SELECTED REGIONS								
Suppliers	Worldwide		NAM Land		International Land		Total Offshore	
	% Using	Est Market %	% Using	Est Market %	% Using	Est Market %	% Using	Est Market %
Supplier A	57.70%	42.48%	37.00%	17.47%	62.50%	49.87%	65.40%	43.56%
Supplier B	33.30%	25.43%	29.60%	20.97%	28.10%	17.52%	38.50%	27.11%
Supplier C	38.70%	24.92%	33.30%	12.74%	37.50%	18.37%	42.30%	27.08%
Supplier D	11.70%	3.71%	29.60%	20.97%	9.40%	9.39%	3.80%	1.23%
Supplier E	4.50%	1.30%	14.80%	6.61%	-	-	1.90%	1.02%
Supplier F	0.90%	0.16%	3.70%	5.38%	-	-	-	-
Supplier G	0.90%	0.39%	3.70%	5.38%	-	-	-	-
Supplier H	0.90%	0.16%	3.70%	2.15%	-	-	-	-
Supplier I	0.90%	0.16%	3.70%	2.15%	-	-	-	-
Supplier J	0.90%	0.16%	3.70%	2.15%	-	-	-	-
Supplier K	0.90%	0.12%	3.70%	1.61%	-	-	-	-

B. Supplier Market Penetration – Suppliers used over past year worldwide and by selected regions

SUPPLIERS USED OVER PAST 12 MONTHS

SUPPLIER A	33%
SUPPLIER B	19%
SUPPLIER C	13%
SUPPLIER D	13%
SUPPLIER E	10%
SUPPLIER F	8%
SUPPLIER G	6%
SUPPLIER H	6%
SUPPLIER I	3%
ALL OTHERS	27%

AVERAGE NUMBER OF SUPPLIERS USED: 1.38

PERCENT OF TOTAL SAMPLE (MULTIPLE RESPONSES ALLOWED)

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C. Supplier Net Promoter Scores
The Net Promoter Score (NPS) is a widely used industry benchmark and is based on the question "How likely would you be to recommend this company (or product) to a friend or colleague" using a scale of 0 to 10 with 10 being highly likely. NPS is a good benchmark to track and monitor customer loyalty.

The report presents supplier Net Promoter Scores versus Industry Average by:
- Region and Company Type

NET PROMOTER SCORES - SURFACE LOGGING					
	Category Average	Supplier A	Supplier B	Supplier C	Supplier D
Worldwide	17.8%				
US Land	14.9%				
International Land	20.1%				
Worldwide Offshore	28.5%				
BY COMPANY TYPE					
Majors	20.3%				
Large Independents	12.1%				
Med/ Small Independents	22.7%				
National Oil Companies	22.1%				

| ABOVE INDUSTRY AVERAGE PERFORMANCE	INDUSTRY AVERAGE PERFORMANCE	BELOW INDUSTRY AVERAGE PERFORMANCE

D. Supplier Value Map – Competitive Positioning of Major Suppliers
Evaluating each supplier's overall performance relative to the respective cost for the supplier services is important to track and measure. This analysis is reflected in the Value Map which is a visual picture of the relative competitive positioning of each supplier. Supplier performance is plotted on the X-axis and supplier pricing is plotted on the Y-axis. The "fair value line" is shown diagonally across the Value Map and its slope reflects the relative weights customers place on costs and benefits.

Supplier Value Map – Individual Suppliers Competitive Positioning by:

- Worldwide – Region – Company Type
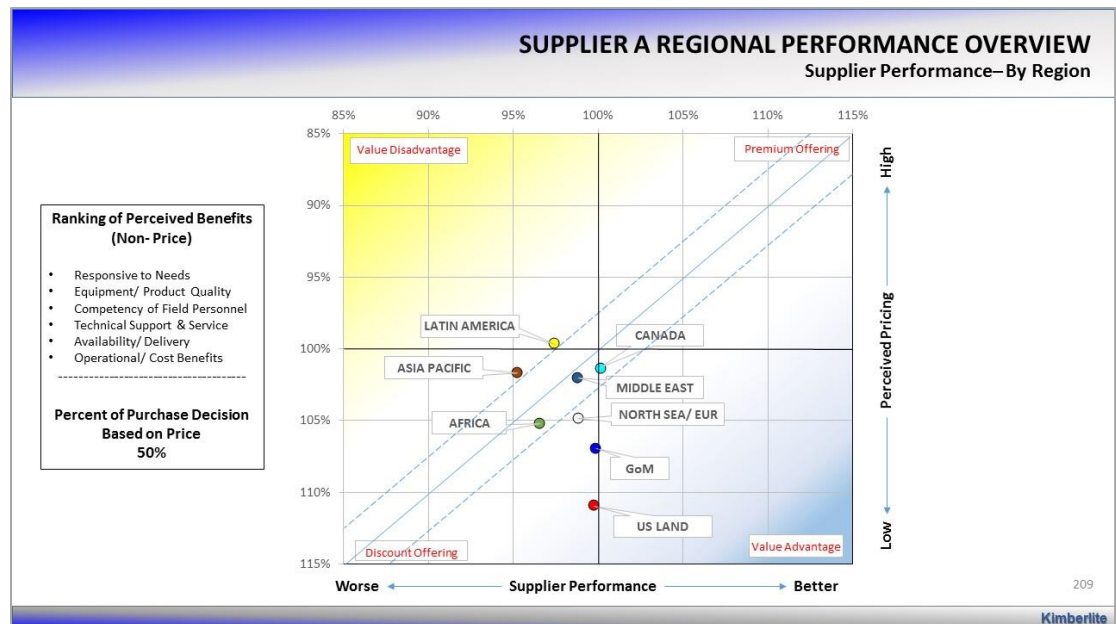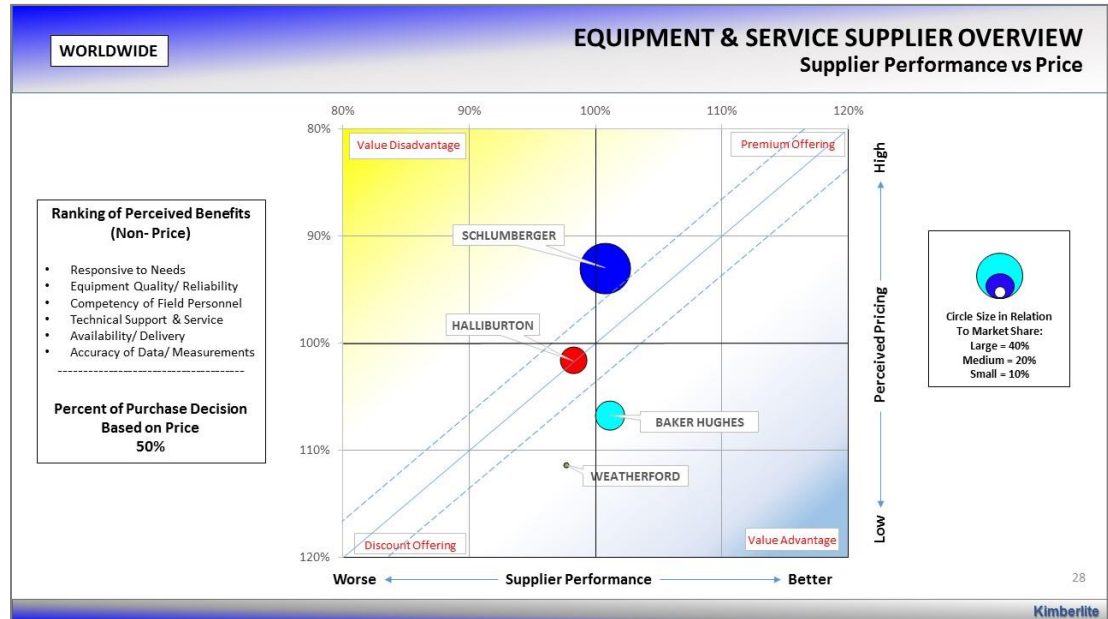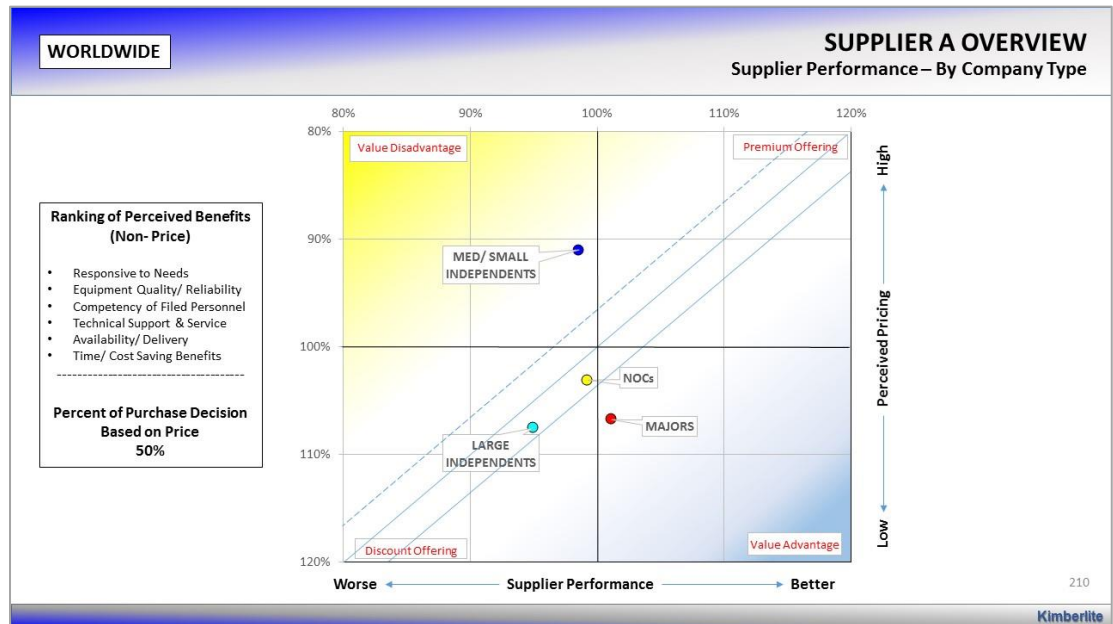
E. Supplier Head-to-Head Analysis – Strengths & Weaknesses on Key Performance Criteria