

Highly Rated Suppliers
in Shale-oriented
Applications

TOTAL SATISFACTION

	<u>Shale Rating</u>
Davis-Lynch	VERY HIGH
Derrick Equipment	VERY HIGH
Frank's	HIGH
Gardner Denver	HIGH
Halliburton	HIGH
Helmerich & Payne	VERY HIGH
Newpark Resources	HIGH
Pason Systems	VERY HIGH
Scientific Drilling	VERY HIGH

TECHNOLOGY & ENGINEERING

	<u>Shale Rating</u>
Cameron Int'l	HIGH
Caterpillar	HIGH
Davis-Lynch	VERY HIGH
Derrick Equipment	VERY HIGH
Halliburton	HIGH
Helmerich & Payne	HIGH
Newpark Resources	VERY HIGH
Pason Systems	VERY HIGH
Schlumberger	HIGH

* Ratings based on trailing 36-mo average.

Impossible to Ignore

Shale oil and gas production in the U.S. has been revered by some as the fuel, engine and vehicle driving the nation toward energy independence and fiscal solvency. Astronomical estimates of trillions of barrels of oil-equivalent reserves, millions of high-paying new jobs, enhanced competitiveness for American industry, windfall tax gains for state and federal governments, and new export revenues for producers justify the volume of discussion. Shale has at once been both disruptive and transformative. It's also here to stay. IEA estimates that the share of U.S. oil and gas production attributable to shale is projected to double by 2035. Meanwhile, the rest of the world trails in development of its own shales and other non-traditional carbon resources, including the use of such highly developed methods as hydraulic fracturing needed to effectively extract them. This is the case despite the fact that combined reserve estimates for shale are equally as cosmic, or even larger, throughout the world as they are for North America. Nonetheless, the scale of potential all but guarantees, at least eventually, high levels of shale development in other corners of the globe. E&P companies with experience in North American shale have begun planting proverbial stakes in fields across the globe. In particular, shale-related investment seems poised to materialize in China, India, and parts of Africa and Latin America. Of course, some regions may be extra guarded in adopting processes met with significant concerns, even opposition, over environmental issues. But in a time of pandemic recession and increasingly tenuous geopolitical proceedings, the promise and magnitude of the resource seems too great for all to ignore. As the Shale Revolution spreads, host countries' decisions on whether or not to utilize techniques such as hydraulic fracturing will be made with the pro-shale chorus singing a song of solvency, security and even sovereignty. Whatever the lyrics, the melody will be economic. It will also prove impossible to ignore.

Potential Bonanza for Suppliers

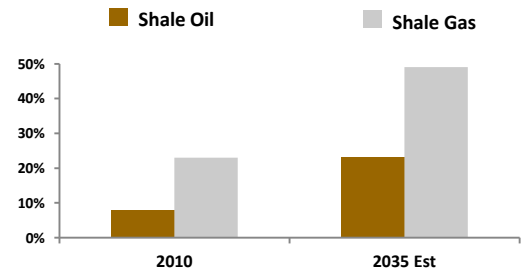
The abundance of potential shale plays around the globe makes it anyone's guess as to which regions will embrace shale most quickly and most determinedly. The more sure bet, EnergyPoint Research data suggest, is on the need for importation of the shale-oriented expertise possessed by North American oilfield suppliers. North American E&P companies and their supplier partners are the *de facto* world leaders in managing and developing these unconventional fields because of the continent's early identification and ready exploitation of its shale resources. Their advantage goes beyond a simple head start. Industry suppliers with proficiency in shale development rank among the highest in customer satisfaction of all the upstream supplier sectors EnergyPoint tracks in terms overall satisfaction, performance, reliability, technology and engineering. What's more, these performance advantages exist across contract drilling, oilfield services and equipment suppliers. To be sure, highly rated companies like Helmerich & Payne, Pason Systems, Derrick Equipment, Newpark Resources and others with *bone fide* North American shale know-how will be highly sought-after partners overseas.

A World of Opportunity

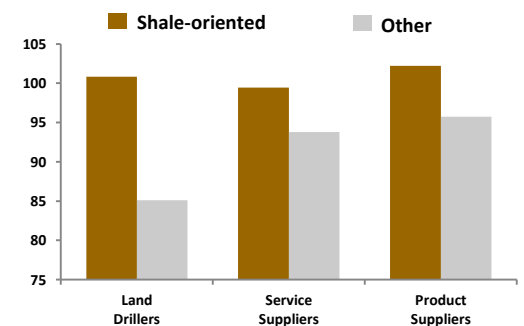
It's difficult to deny the potential world of opportunity global shale represents for the industry. Clearly, enthusiasm for the practiced North American perspective is pervasive. As ExxonMobil CEO Rex Tillerson told Fortune Magazine recently regarding international shale, "[Foreign governments and NOCs] admire our industry because of what we can do. They are almost in awe of what we are able to do." Suppliers deserve much of the credit. And it's our belief they, and their stakeholders, will benefit enormously as the global shale story unfurls.

Shale's Shares of U.S. Oil & Gas Production To More Than Double by 2035

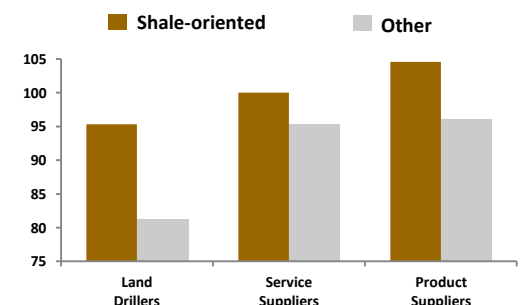
% of Annual U.S. Production as Estimated by IEA

**Overall Customer Satisfaction**

Trailing 3-yr Ratings as % of Industry-wide Average by Well Type

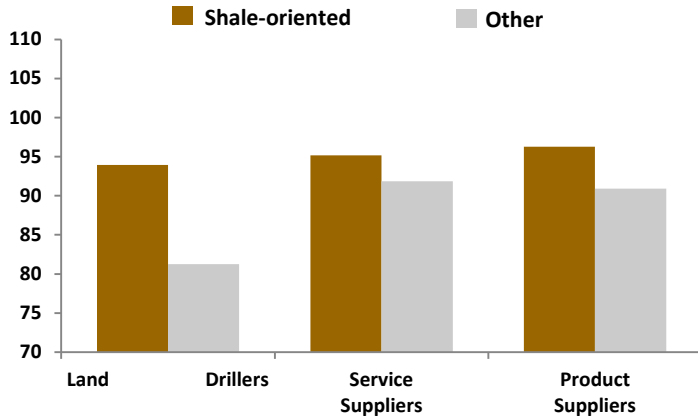
**Satisfaction with Technology & Engineering**

Trailing 3-yr Ratings as % of Industry-wide Average by Well Type



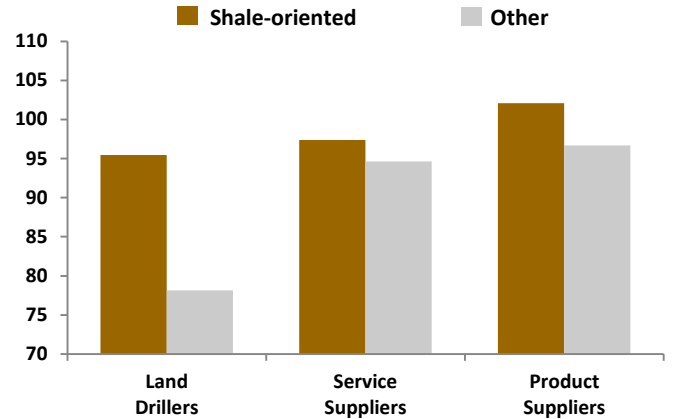
Pricing & Contract Terms

Trailing 3-yr Ratings as % of Industry-wide Average
by Applications Type



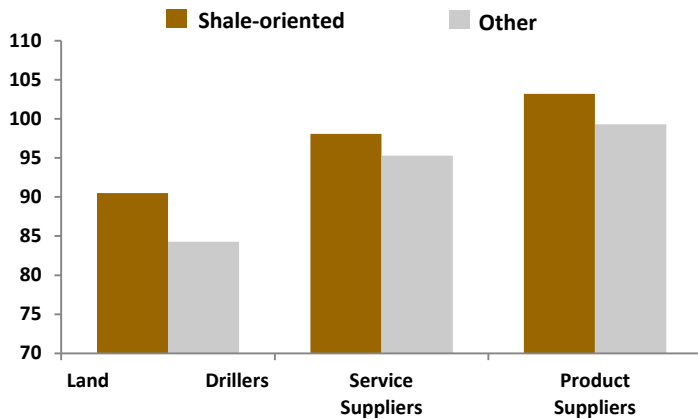
Quality of Personnel

Trailing 3-yr Ratings as % of Industry-wide Average
by Application Type



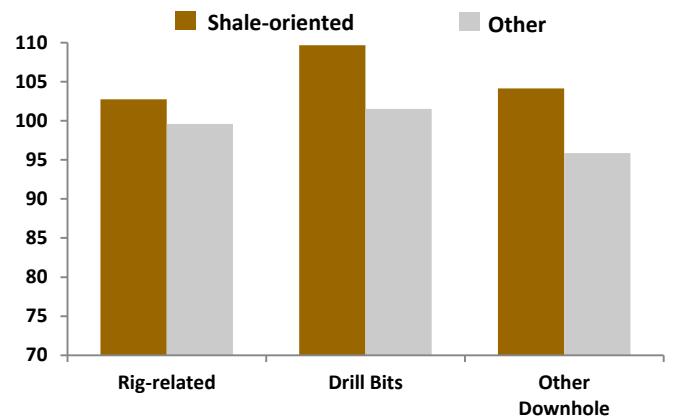
Performance & Reliability

Trailing 3-yr Ratings as % of Industry-wide Average
by Application Type



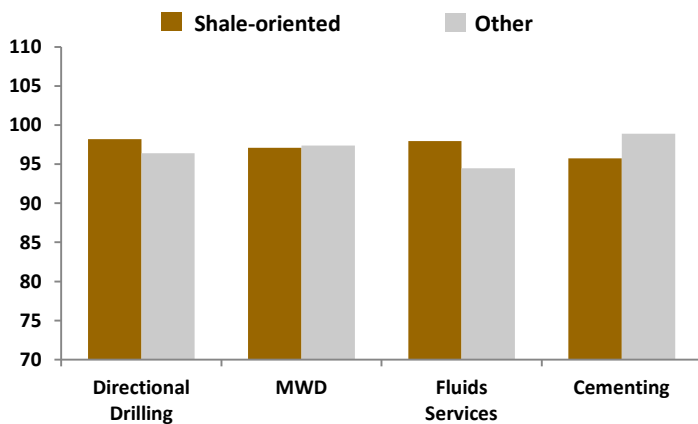
Drilling Equipment & Tools

Trailing 3-yr Ratings as % of Industry-wide Average
by Application Type



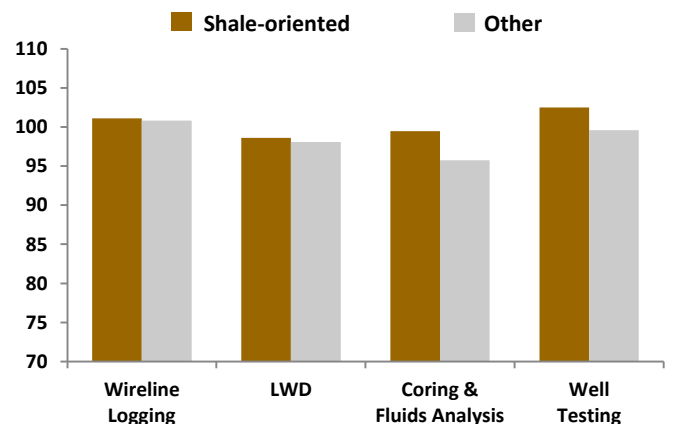
Drilling-related Services

Trailing 3-yr Ratings as % of Industry-wide Average
by Application Type



Completion-related Services

Trailing 3-yr Ratings as % of Industry-wide Average
by Application Type



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