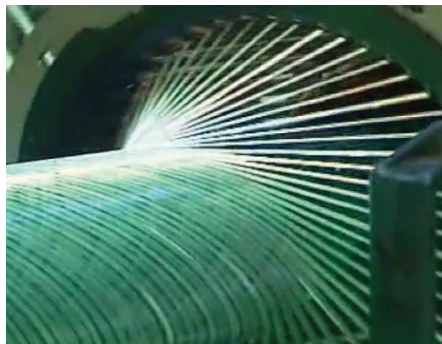


The

THREAT

Fiberspar Joins FGS Family of Products

President Hossein Arian announced the completion of the acquisition of Fiberspar by National Oilwell Varco on October 10, 2012. Fiberspar's fiber-reinforced pipe business was formed in 1997 to provide the oil and gas industry with a family of spoolable products to address the market requirements for a reliable, corrosion-resistant, cost-effective



solution for tubulars used during the production and transportation of oil and gas. Their manufacturing facilities are located in Houston, Texas and Johnstown, Colorado.

NOV Fiber Glass Systems' Fiberspar spoolable LinePipe™ is available in 2½" through 6½" nominal sizes, in pressure ratings of 750, 1,500 and 2,500 psi and is rated from -29°F (-34°C) to 140°F (60°C), or 180°F (82°C) continuous operation. The primary applications for the line pipe are flowline installation, especially in corrosive environments onshore. It is a very cost-effective way to permanently remediate existing flowlines and restore them to full strength and full flow.

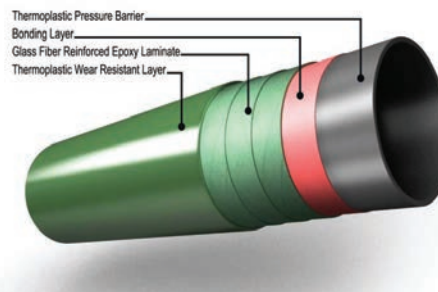
Fiberspar spoolable fiberglass pipe supplements the features and benefits of jointed fiberglass pipe with lower installation costs, fewer joints and less labor, in many instances. As with other fiberglass

products, the pipe never corrodes and the product is suitable for gas, oil, or multi-phase gathering applications and high-pressure water or CO₂ injection.

Fiberspar line pipe improves performance by meeting and, in many cases, exceeding the flow rates of conventional steel lines of comparable diameter. The smooth internal thermoplastic pressure barrier of the line pipe improves flow by reducing frictional losses. In higher



flow regimes, the LinePipe's smooth internal surface and the minimal use of connectors also reduces turbulence, and the smooth interior is wear resistant.



FGS Fiberspar has more than 50-million feet (15-million meters) in service

throughout North and South America, the Middle East and Australia. LinePipe is the industry's choice for reliable composite, spoolable pipe.



NOV Fiber Glass Systems' 2013 Trade Show Calendar

Event	Market	Date	Location
Marcellus Midstream	Oil and Gas	January 29 - 31	Pittsburgh, Pennsylvania
NSS - Houston	Oil and Gas	January 30 - 31	Houston, Texas
CalCUPA Conference	Fuel Handling	February 5 - 7	Garden Grove, California
WPMA	Fuel Handling	February 19 - 21	Las Vegas, Nevada
CIPPE	Oil and Gas/Fuel Handling	March 19 - 21	Beijing, China
DUG "The Original"	Oil and Gas	April 2 - 4	Ft. Worth, Texas
NSS - Calgary/Edmonton	Oil and Gas	April 22 - 26	Calgary/Edmonton, Alberta, Canada
Williston Basin Petroleum Conference	Oil and Gas	April 30 - May 2	Regina, Saskatchewan, Canada
Offshore Technology Conference	Oil and Gas/Marine and Offshore	May 6 - 9	Houston, Texas
NSS - Aberdeen	Oil and Gas	May 22 - 23	Aberdeen, Scotland
APPEA - Australia	Oil and Gas	May 26 - 29	Brisbane, Australia
DUG - Denver	Oil and Gas	May 29 - 31	Denver, Colorado
NOR - Shipping	Marine and Offshore	June 4 - 7	Oslo, Norway
NSS - Africa	Oil and Gas	June 5 - 6	Africa (Actual location to be determined)
Saskatchewan Oil & Gas	Oil and Gas	June 5 - 6	Weyburn, Saskatchewan, Canada
Brazil Offshore	Marine and Offshore	June 11 - 14	Macaé, Brazil
MIOGE	Oil and Gas	June 25 - 28	Moscow, Russia
Energy Epicenter	Oil and Gas	August 5 - 8	Denver, Colorado
Coal Gen	Chemical Industrial	August 14 - 16	Charlotte, North Carolina
Offshore Northern Sea	Marine and Offshore	August 26 - 28	Stavanger, Norway
NSS - Midland/Odessa	Oil and Gas	September 9 - 13	Midland/Odessa, Texas
DUG - Eagle Ford	Oil and Gas	September 16 - 19	San Antonio, Texas
National Tanks Conference	Fuel Handling	September 16 - 18	Denver, Colorado
KIOGE	Oil and Gas	October 1 - 3	Almaty, Kazakhstan
Argentina Oil & Gas	Oil and Gas	October 7 - 10	Buenos Aires, Argentina
APIA	Oil and Gas	October 12 - 15	Adelaide, Australia
NACS/PEI	Fuel Handling	October 12 - 15	Atlanta, Georgia
Kormarine	Marine and Offshore	October 22 - 25	Busan, Korea
LAGCOE	Oil and Gas	October 22 - 24	Lafayette, Louisiana
Europort	Marine and Offshore	November 5 - 8	Rotterdam, The Netherlands
ADIPEC	Oil and Gas	November 11 - 14	Abu Dhabi, UAE
DUG - East	Oil and Gas	November 13 - 15	Pittsburgh, Pennsylvania
NSS - Villahermosa	Oil and Gas	November 13 - 14	Villahermosa, Mexico
Marinetec	Marine and Offshore	December 3 - 6	Shanghai, China

Western Flank Alliance Pipeline System

Pipeline construction began early in 2012 for Western Flank Alliance Pipeline system located in Central Australia. End users for this project are Beach Petroleum, Senex Energy, Drillsearch Energy. Our distributor, Adtech, has laid approximately 130,000 meters in trench so far with wet weather delays of approximating 10 weeks. The pipelines have also traversed the largest dune fields in the Cooper Basin. For example, 135 Dunes were encountered that needed large removal of sand and re-contour of the dunes to suit GRE pipe bend radius on the Moomba Lycium pipeline which slows installation lay rates. Crews worked a 3 on, 1 off roster; clients have been extremely pleased with construction rates.



Spinner and crew laying in the pipe

Three main pipelines are involved and one is replacing the Santos main trunk line to Moomba for all oil product west of Moomba. One is for Senex Energy linking their oil field 50km to the north of Lycium. Another is for Drillsearch Energy connecting their oil field 50km North West of Lycium.

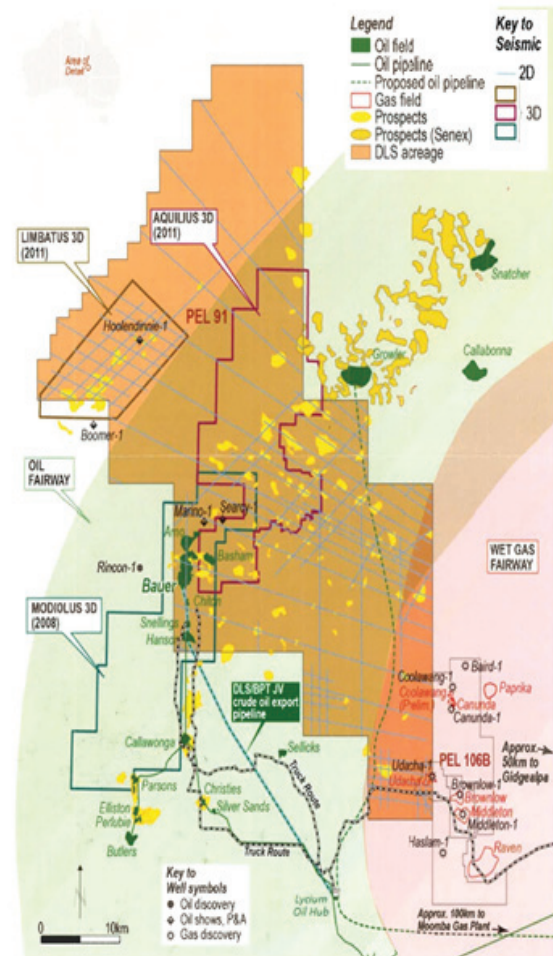
Lycium is the main Oil receivable hub west of Moomba. All of Beach Energy's oil production is directed through this facility where approximately 150 kms of 5" Centron pipe is installed. All crude production for the Western Flank Alliance is moved through Centron GRE piping.

- o Moomba to Lycium: Nominal 8" Centron 7 $\frac{3}{4}$ SPH, 800 NW, .262 Amine, API 15HR Design @ 70°C Paraffin Resistance, Approximately 80,000 metres. Asset owner is Beach Energy is completed

- o Lycium to Growler Oil Field: Centron 6" SPH, 650 NW, .176 Anhydride with Paraffin Resistance, API 15HR Design @ 149°F, approximately 60,000 metres Asset Owner Senex Energy/ Beach Energy JV – Under construction due to complete end June 2012

- o Lycium to Bauer Oil Field: Centron 6" SPH, 650 NW, .176 Anhydride with Paraffin Resistance, API 15HR Design @ 149°F approximately 50,000 metres Asset Owner Drillsearch Energy / Beach Energy JV – Commence construction July 2012

PEL 91 - Western Flank Oil Fairway



Drillsearch

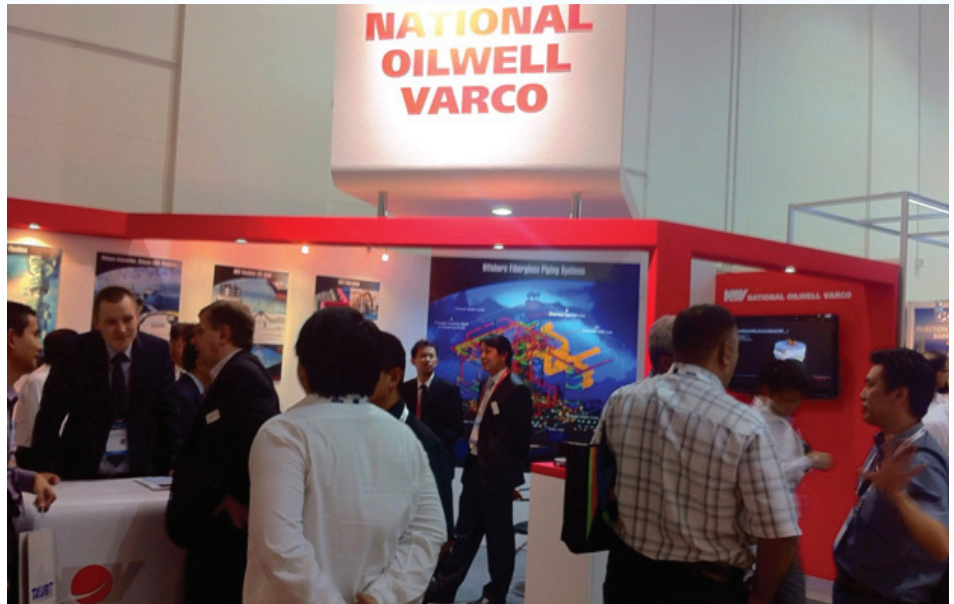


Making up the meters

NOV Spotlight

OSEA 2012 in Singapore

OSEA is the premier Asian Oil & Gas event where industry professionals gather once every two years. The 19th edition took place in Singapore at The Marina Bay Sands from 27 – 30 November 2012. NOV Fiber Glass Systems and NOV Flexibles participated in this major event. This year witnessed the biggest turnout ever, with more than 20,000 attendees from over 75 countries/regions. This event provided ample networking opportunities for our business.



Offshore Korea

NOV Fiber Glass Systems participated in the 1st Offshore Korea held in Busan, the major offshore and shipbuilding city in Korea, from 14 – 16 November 2012. This event was under special sponsorship by Hyundai, Samsung, Daewoo, and STX. The event attracted more than 20,000 attendees and 400 companies with exhibits from all over the world. Many contacts are established in this three-day event, opening doors for future opportunities for our business.



Bulkhead penetration and pipe fittings were shown in the NOV booth.

Red Leonard Joins Fuel Handling Team

Red Leonard Associates (RLA) will begin promoting NOV Fiber Glass Systems fuel handling products in February. This organization's history goes back to 1973 when Donald "Red" Leonard began this business in the basement of his home in Cincinnati, Ohio.

In 1980, Jayme Leonard joined his father in the business and after Red Leonard's untimely death in 1987, Jayme took over the helm and has grown the business to be one of the largest manufacturer's representative agencies in North America. Red Leonard will cover the Midwest and Northeastern sections for the FGS fuel handling products.

RLA has invested in graphics technology to provide customers with very detailed visualization of the projects they are building. While more dramatic when considering lighting and above ground portions of the site, details of the underground equipment (tanks, pumps, sumps and piping) are provided to give an estimate of the material quantities and costs associated with the handling of the fuel.