

2019 ANNUAL MEETING



DEFINING

THE NEW NORMAL



Leslie Beyer

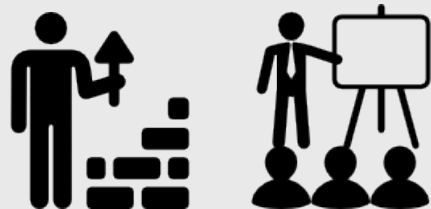
President, PESA

OUR MISSION

Strengthening Member Companies

TRAIN

Workforce
Development
Best Practices



ELEVATE

Public Policy
Energy Education



NETWORK

Business Intelligence
Sector Leadership



STATE OF MEMBERSHIP



Executive Leadership Training

250+ graduates in 4 years

100+ executive mentors

- ✓ Advanced Business Development
- ✓ Engaging Leadership Houston/Permian
- ✓ Executive Presence

International Trade Compliance

Submitted Product Exclusions on behalf of Member Companies

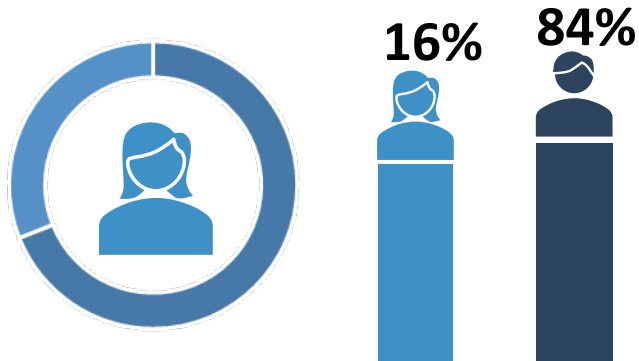


Safety Benchmarking Platform

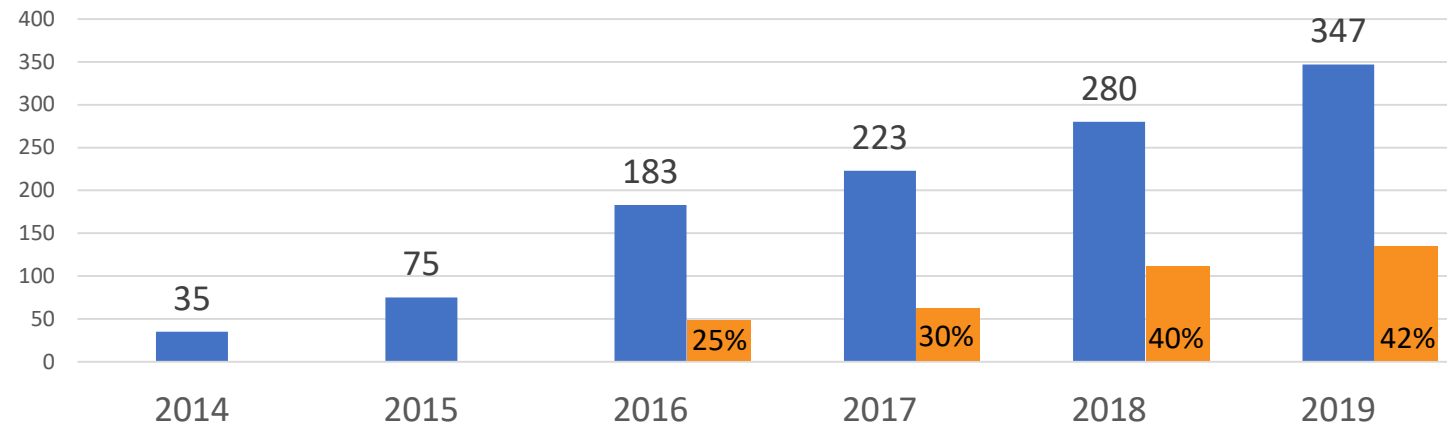
Proprietary Safety Statistics Database and Unique Reports



Gender Diversity Study Leadership Toolkit



LEADERSHIP AND COMMITTEE GROWTH / DIVERSITY



COMMITTEE ORGANIZATION



EMERGING EXECUTIVES COMMITTEE



CHAIR: Jigna Bhakta, Chief Evangelist, GE

VICE CHAIR: Andrew Little, Vice President, Business Development, Premium Oilfield Technologies

BOARD LIAISON: Dave Warren, President & CEO, Energy Alloys

ONGOING PROGRAMS

Identified Top Performers (3 year term)

Executive Leadership Program

- Graduated **250+** in four years
 - **Advanced Business Development, Engaging Leadership, Executive Presence**
 - Expanded in-person program offering in **Permian Basin**
- Board and Advisory Board provided executive mentoring for **100+** emerging leaders

Leadership Forums With Board/Advisory Board

- Leveraging Your Personal Brand
- Successful M&As
- Proactively Defining Company Culture

Oil & Gas 101

- Added second yearly offering
- 2018-2019 graduates: **250+** since 2018 Annual Meeting

Committee

- Accenture Innovation Hub
- Quarterly networking/Facility tours

2019-2020 GOALS

World Petroleum Congress

- Committee Board seat on U.S. Young Professional Committee

Executive Leadership Program

- Implement post-grad progression tracking

PARTICIPATING COMPANIES



ENERGY EDUCATORS & EXPLORERS OF HOUSTON COMMITTEES



ENERGY EDUCATORS CHAIR: PESA Board Member Galen Cobb, Vice President, Industry Relations, Halliburton

EXPLORERS OF HOUSTON CHAIR: PESA Board Member Chuck Chauviere, President - Drilling Systems, Baker Hughes, a GE company

ONGOING PROGRAMS

STEM Education

- Contributed to educational programs that reached **150,000+** students in 2018-19
- Middle School STEM Career Exploration Initiative
 - Launched in the Permian Basin
- Petroleum Academies
- NSBE: National Society of Black Engineers SEEK Program
- PESA/Rice Fellowship Program
 - Supporting Companies: DistributionNOW, Gardner Denver, Hoover Ferguson, National Oilwell Varco, Oceaneering, Schlumberger, Weir Oil & Gas

Fundraisers to Support PESA Education Contributions

- **Explorers of Houston** Golf Tournament
- **Shoot for the Stars Marksmanship Competition:** Supporting STEM Energy Education Programs
- **Explorers of Houston Reception:** Honoring STEM Supporter
 - 2018: Marathon Oil Corporation

PARTICIPATING COMPANIES



HEALTH & SAFETY COMMITTEE



CHAIR: Loren Boisvert, VP Operations, Stream-Flo

ADVISORY BOARD LIAISON: Kyle Chapman, President – Production Segment, Weatherford

2018-2019 ACCOMPLISHMENTS

Launched H&S Statistical Benchmarking Platform

- **20** Member Company Users
 - Uses anonymized company data to identify baseline performance standards, illuminating strengths and weaknesses against industry peers.
 - Access to oilfield and equipment services-specific reports

Best Practice Sharing

- Joint HR/Health & Safety Roundtable
 - **Managing Through Natural Disasters**
- Roundtable
 - **Influencing Safe Driving Behaviors**
 - **Hand & Finger Safety**

2019-2020 GOALS

Best Practice Sharing

- Joint HR/Health & Safety Roundtable
 - **Onboarding New Employees Into a Safety Culture:**
May 2019

Quarterly Roundtables

- **Dropped Objects:** August 2019
- **HSE Data Analytics: Identifying Leading Indicators:**
November 2019

Health & Safety Trainings

- Mid-Continent
- Permian

PARTICIPATING COMPANIES



SUPPLY CHAIN COMMITTEE



CHAIR: Hope Anderson, Vice President, Supply Chain, NOV

VICE CHAIR: Cris Baker, President, Sigma Fasteners

2018-2019 ACCOMPLISHMENTS

Leverage Operator/Customer Relationships

- 2018 Conference: **Leveraging Supply Chain Efficiencies Across the Oil & Gas Market**
 - **BP, Transocean, Wells Fargo, WPX Energy**

Best Practice Sharing

- Joint Supply Chain/International Trade Policy Roundtable
 - **Trade Regulations, Tariffs & the Potential Effects on Supply Chain**
- Joint Supply Chain/CID Roundtable
 - **E-Commerce**
- Roundtable
 - **Lean Culture Driving Lead Time Reduction**

2019-2020 GOALS

Leverage Operator/Customer Relationships

- 2019 Conference: **Strategic Importance of Supply Chain**
 - **Apache, ConocoPhillips, Marathon Oil, NOV, Simmons Energy**

Best Practice Sharing

- Joint Supply Chain/International Trade Policy Roundtable
 - **2019 Tariffs & Trade Update:** May 2019
- Roundtable
 - **AI/Blockchain & Digital Transformation:** August 2019
- Joint Supply Chain/ESG Roundtable
 - **How to Combat Human Trafficking:** November 2019

PARTICIPATING COMPANIES



HUMAN RESOURCES COMMITTEE



CHAIR: Dave Warnick, Division Vice President, Human Resources, Weir Oil & Gas

VICE CHAIR: Bonnie Houston, Chief Administrative Officer, NOV

ONGOING PROGRAMS

Best Practice Sharing

- Talent management, benefits, shared services, global mobility
- Roundtable
 - **Talent Acquisition**
- Joint HR/Health & Safety Roundtable
 - **Managing Through Natural Disasters**
- Joint HR/Engagement Roundtable
 - **Diversity and Inclusion**
- Joint HR/Engagement/Emerging Executives Roundtable
 - **Developing Culture**
- Joint HR/West Texas Steering Committee Roundtable
 - **Attracting Talent to the Permian**

- Joint HR/Health & Safety Roundtable
 - **Onboarding New Employees Into a Safety Culture:** May 2019
- Joint HR/ Emerging Executives Roundtable
 - **Speed Mentoring**
- Joint HR/Engagement Workshop
 - **Gender Diversity Study Toolkit Integration**

Promote Gender Diversity Study Roll-Out

Support West Texas & Middle East Steering Committees

PARTICIPATING COMPANIES



CREDIT INTERCHANGE DIVISION



CHAIR: Randy Friedsam, Director - Credit & Collections, Select Energy Services
BOARD LIAISON: Burk Ellison, President, Supply Chain Services, DistributionNOW

2018-2019 ACCOMPLISHMENTS

Credit Interchange System

- Real-time, industry-specific, and accurate credit information
- Network of knowledgeable and experienced credit professionals
- Ability to personally contact credit managers to provide additional information to help make credit decisions

Best Practice Sharing

- Joint CID/Supply Chain CID Seminar: **E-Commerce**
- Annual Seminar: **Preference Claims & Bankruptcy Outlook**

CID Operating Committee

- Increased company engagement

2019-2020 GOALS

Membership Growth

- Grow 2019 membership by **20%** contributing to data quality

Program Value

- Multiple webinars
- Increase reports
- Real-time feedback/surveys

Best Practice Sharing

- Annual Credit Seminar
 - **Credit KPIs & Metrics:** October 2019

PARTICIPATING COMPANIES



ENGAGEMENT COMMITTEE



CHAIR: Angela Knight, Global Diversity Leader, Baker Hughes, a GE company

VICE CHAIR: Amy Thompson, Senior Vice President & Chief Human Resources Officer, Apergy

2018-2019 ACCOMPLISHMENTS

Promoted Diversity Metrics

- Completed first-ever Gender/Ethnicity Diversity Study
- Benchmarking diversity within PESA
 - Increased diversity in PESA Committees and Leadership
 - **2016: 25%**
 - **2017: 30%**
 - **2018: 40%**
 - **2019: 42%**

Best Practice Sharing

- Joint HR/Engagement Roundtable: **Diversity and Inclusion**
- **Developing Culture Roundtable**
- **WGLC** Keynote; **Pink Petro** HERWorld Energy Forum Panelist; **Hart Energy** 25 Most Influential Women in Energy; Member Company Conferences: Caterpillar Oil & Gas, DistributionNOW, Wells Fargo

2019-2020 GOALS

Gender Diversity Study Leadership Toolkit

- Created package explaining study and findings
- Maturity Index
- Actionable items

Best Practice Sharing

- Joint HR/Engagement Workshop: **Gender Diversity Study Toolkit Integration**

PARTICIPATING COMPANIES



GOVERNMENT AFFAIRS SUBCOMMITTEE



CHAIR: Kevin Crowley, President & CEO, Forged Products
VICE CHAIR: Tom Moyers, VP Industry Affairs, Schlumberger

2018-2019 ACCOMPLISHMENTS

Federal

- **2019 Washington, D.C. Fly-In**
 - Advocated on OFS sector policy positions
- Congressional tours of Member facilities
 - Rep. Sylvia Garcia (D-TX-29), Baker Hughes, a GE company
 - Rep. Michael McCaul (R-TX-10), BJ Services
 - Rep. Brian Babin (R-TX-36), DistributionNOW
- Member Data Project
 - Location/employment data is vital for federal advocacy

State

- Colorado Task Force
- Oklahoma Road Safety Coalition
- Texas Energy Day: Austin

Strengthened Relationships With Partner Associations

- API, COGA, IADC, IPAA, LOGA, NAM, NMOGA, NOIA, OKOGA, TXOGA

2019-2020 GOALS

Federal

- **2020 Washington, D.C. Fly-In**
- **PESA Congressional Training Forum Series:** Summer 2019
- Congressional tours of Member facilities
 - Rep. Kendra Horn (D-OK-5), Kimray: May 2019
 - Rep. Tom Cole (R-OK-4), Kerr Pumps: Aug 2019

State

- Expand relationships with state level trade organizations and government officials

Advocacy

- Well Control Rule
- **OFS Policy Forum:** Fall 2019
- 232 and 301 trade enforcement

Finalize OFS Sector Jobs and Economic Impact Report and complete PESA Member Data Project

PARTICIPATING COMPANIES



ENVIRONMENTAL POLICY COMMITTEE



CHAIR: John Candler, Director, Occupational Health & Environment, Schlumberger (M-I SWACO)

2018-2019 ACCOMPLISHMENTS

Advanced Regulatory Positions

- EPA **Aquatic Toxicity Joint Industry Project** study with Offshore Operators Committee
- **OSHA Crystalline Silica Rule**
 - Hosted two educational webinars:
 1. April 2018: Pre rule-implementation
 2. January 2019: Update on enforcement
- **Ohio Department of Natural Resources**
 - Provided comments regarding proposed changes to waste facility management guidelines.

International Benchmarking

- Hosted Nigerian regulators for **Offshore Regulatory Seminar**, including quality laboratory testing processes: September 2018

2019-2020 GOALS

Continue Collaboration With API Regarding BSEE Well Control Rule

Rule Compliance Webinar Series

- Continue updating and sharing best practices for compliance and implementation of Federal and State rules

Apex Synthetic-Based Mud Cataloguing Software

- Form task force to find and identify all bugs and problems within Apex system
 - Task force will act as a liaison and share EPC concerns with the developer
 - Task force will maintain open communication with developer throughout process
- Obtain ownership of software license and create a financially self-sustaining program

PARTICIPATING COMPANIES



INT'L TRADE POLICY SUBCOMMITTEE

CHAIR: Doug Polk, VP Industry Affairs, Vallourec USA

2018-2019 ACCOMPLISHMENTS

USTR Testimony

- Testified against tariffs at U.S. Trade Representative 301 Committee hearing: August 2018

Collaboration w/Trade Associations Regarding Tariffs

- Cohosted event with API and Americans for Free Trade to highlight tariffs' negative impact on OFS sector

Best Practice Sharing

- Joint Supply Chain/International Trade Policy Roundtable
 - **Trade Regulations, Tariffs & the Potential Effects on Supply Chain**

Organized and Submitted 15 Applications for Exclusion From Sect. 301 Tariffs on Behalf of Members

Advocated in Congress Against 232 and 301 Tariffs

2019-2020 GOALS

Continue Advocacy in Washington and Maintain Dialogue with Federal Decision Makers

- Use Congressional tours of PESA Member facilities as vehicle for trade discussion

Raise Awareness Through Outreach and Events

Best Practice Sharing

- Joint Supply Chain/International Trade Policy Roundtable
 - **2019 Tariffs & Trade Update:** May 2019

PARTICIPATING COMPANIES



ESG COMMITTEE



CHAIR: Jock Pool, Director of Compliance, Oceaneering

VICE CHAIR: Valerie Banner, Vice President, General Counsel & Corporate Secretary, Exterran

2018-2019 ACCOMPLISHMENTS

Environmental, Social and Governance

- Best practice sharing on Environmental, Social and Governance among PESA Member Companies
- Host expert speakers and panelists
- Oversee industry training program for CDP and other ratings agencies

2019-2020 GOALS

Industry Training Program

- CDP, Disclosure Insight Action
 - Provide industry training to investment houses scoring environmental risk for individual companies

Best Practice Sharing

- “What is ESG?” member education session: June 2019
- Joint Supply Chain/ESG Roundtable
 - **How to Combat Human Trafficking:** November 2019

PARTICIPATING COMPANIES



REGIONAL DISTRICTS



WEST TEXAS REGIONAL DISTRICT CHAIR: Wayne Richards, President & Chief Executive Officer, GR Energy Services

GULF COAST REGIONAL DISTRICT CHAIR: Donald Young, Chairman & CEO, Hoover Ferguson

2018-2019 ACCOMPLISHMENTS

WEST TEXAS CHAPTER

- **Midland/Odessa Events**
 - Paul Morris, Founder & CEO, **Elk River Resources**
 - Dave Stover, Chairman, President & CEO, **Noble Energy**
 - Joey Hall, EVP, Permian Operations, **Pioneer Natural Resources**
 - Chad McAllaster, Vice President, Delaware Basin, **Anadarko**
 - Market Outlook Event with Simmons Energy

- **Executive Leadership Program:** First course in the Permian Basin

- **Middle School STEM Program**

MID-CONTINENT CHAPTER

- **Oklahoma City/Tulsa**
 - Rick Muncrief, Chairman, CEO and President, **WPX Energy**
 - Market Outlook Event with Simmons Energy

- **Denver**
 - Market Outlook Event with Simmons Energy
 - Colorado Task Force

2019-2020 GOALS

WEST TEXAS CHAPTER

- **Midland/Odessa Events**
 - Denzil West, CEO, **Admiral Permian Resources:** May 2019
 - Steve Hassmann, Drilling and Completions General Manager, **Chevron:** July 2019

- **Executive Leadership Program**

MID CONTINENT CHAPTER

- **Oklahoma City/Tulsa**
 - Quarterly operator luncheons in Tulsa and Oklahoma City
 - Congressional site visits

- **Denver**
 - Operator events

GULF COAST CHAPTER

- **Lafayette**
 - LAGCOE, Market Outlook

PARTICIPATING COMPANIES



INTERNATIONAL OUTPOSTS COMMITTEE



CHAIR: Scott Livingston, President, Intervention & Stimulation Equipment, NOV Completion & Production Solutions

MIDDLE EAST CHAPTER CHAIR: Dennis Jol, Vice President - International, DistributionNOW

ARGENTINA CHAPTER CHAIR: Federico Medrano, Vice President Latin America & Country Manager, Exterran

2018-2019 ACCOMPLISHMENTS

Middle East Chapter

- November 2018: **60+** Companies Participated
 - **ADNOC, Dept. of Commerce, Risk Advisory Group**
- Development of Middle East Steering Committee/Chapter
 - **25 Member Companies represented**

Middle East Subcommittees: Quarterly Meetings

- Health & Safety, Supply Chain, Local Content, Local Employment

Argentina Chapter

- Hosted Argentine Energy Minister
- Met with Ambassador in DC; opened dialogue with consulate
- Co-hosted company matchmaking conference with consulate

2019-2020 GOALS

Best Practice Sharing Through Biannual Subcommittee Meetings

- January 2019: Dubai
- September 2019: Dubai

Biannual Chapter Meetings

- IADC Drilling Golf Tournament: March 2019: Dubai
- ADIPEC: November 2019: Abu Dhabi
 - Members and non-members invited
 - E&P speakers to address current issues

Argentina Chapter

- Develop Steering Committee in 2019
- Chapter Meeting in conjunction with Argentina Oil & Gas Show: September 2019
- Department of Energy Trade Mission
- OTC: Collaborate with the Argentina-Texas Chamber of Commerce

PARTICIPATING COMPANIES



MEXICO TASK FORCE



CHAIR: Hugo Espinosa, OFS Sales Director, Latin America, Baker Hughes, a GE company

ADVISORY BOARD LIAISON: Jorge Goudet, President, AUGÉ Industrial Fasteners

2018-2019 ACCOMPLISHMENTS

Offshore Technical Conference

- Hosted breakfast forum with GHP regarding growth of Mexico's oil and gas industry and potential opportunities
- Keynote by Pemex CEO Carlos Alberto Trevino Medina
- Salvador Escobedo, President and CEO, PPI

Critical Issues Latin America Conference & Exhibition

- Sponsored event with IADC in Mexico City that focused on the market, technological and commercial factors impacting Mexico's oil and gas industry

NAFTA Renegotiation Efforts

- Submitted public comments on NAFTA modernization to USTR
- Stressed importance of renegotiation to Congress

2019-2020 GOALS

Regional Member Support

- Form partnerships with local organizations, businesses and government
- Help members gain access to market through matchmaking and by providing resources

Form and Maintain Open Dialogues With Mexican Policymakers and Stakeholders

Advocate Mutually Beneficial Trade

Roundtable Series

- Host subject-matter expert to discuss political climate in Mexico and its affect on the sector and member operations
 - George Baker of Energia

PARTICIPATING COMPANIES



INTERNATIONAL PROGRAMS COMMITTEE



CHAIR: Lindsay Sallee, Director, Business Development, Aftermarket, NOV

BOARD LIAISON: Chris Cragg, Executive Vice President-Operations, Oil States International, Inc.

2018-2019 ACCOMPLISHMENTS

FSO Industry Training

- More than **750 FSOs** trained as of August 2018
- 25th Anniversary Celebration
 - Clay Neff, **Chevron**
 - Secretary of State Mike Pompeo
 - Assistant Secretary, Francis Fannon
 - Richard Haass, President, Council on Foreign Relations
 - Houston Consular Corps

International Business Development

- Hosted Delegations: Algeria, Argentina, India, Iraq, Libya

2019-2020 GOALS

FSO Training Program

- May 2019 and August 2019

Develop Additional Federal Government Training

- **Africa America Institute/PESA Oil & Gas Training:** October 2019

International Business Development

- OTC delegation tours
- Leadership dialogues

23rd World Petroleum Congress

- December 2020: Houston
- Theme: Innovative Energy Solutions
- PESA Sponsor

PARTICIPATING COMPANIES





Strategy & Programs

Molly Determan

Government Affairs

Tim Tarpley

Kristin Hincke

Committees

Peggy Helfert

Beth Bradford

Events

Amy Street

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THE NEW NORMAL

