Who We Are

WellSite Services is a safety driven, global provider of critical, proprietary, environmentally conscious solids control and waste management equipment, processes and services.

We’re a growing regional supplier of drilling fluids, power generation and water services.

Our mission is to deliver cost-efficient well site solutions in the increasingly regulated O&G industry.

Offerings
Solids Control Equipment Rentals and Services
Waste Management (Land/Offshore) Drilling and Completion Fluids
Managed Pressure Drilling Portable Power
Water Services
Building a Relationship

- Imperative for Operations to have up-front interaction with the credit management team to accurately assess credit needs
- Strive for full disclosure and accurate information from Operations regarding potential transactions
- Important to properly assess customers in advance rather than expend credit and collections efforts later.
- Maintain open communication and involvement with credit management
  - To identify slow paying accounts timely
  - To establish accountability
  - To ensure the correct personnel are involved from sales and operations
- Expectations of the credit management team by the business unit include
  - Providing a timely response
  - Providing pertinent advice
  - Mitigating risk to reduce losses
  - Bridging gap between a sale versus no sale by offering alternate credit opportunities such as standby letters of credit or cash up front
Success Story

Standardization of processes resulting in gained efficiencies and lower DSOs

• Implemented the centralization of electronic billing
• Received zero rejections of EDI invoices in July
• Implemented a standardized records retention policy
• Established the use of Onbase as a single repository for all back-up documentation
• Improved customer set up to ensure tax information is correct before invoicing to reduce short pay
• Improved overall accuracy of all invoicing documentation
• In the process of implementing MS Dynamics Field Service Management functionality to further improve operational and invoicing efficiency
Working Capital Improvement

- NOV has shifted focus toward working capital improvement
- Employees have accountability through specific penalty or financial incentive for working capital improvements
- Developing best practices to enhance credit policy and reduce accounts receivable
## Cost of Accounts Receivable & Bad Debt

<table>
<thead>
<tr>
<th></th>
<th>30d</th>
<th>60d</th>
<th>90d</th>
<th>120d</th>
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</thead>
<tbody>
<tr>
<td>Time</td>
<td>0.82</td>
<td>1.63</td>
<td>2.44</td>
<td>3.22</td>
</tr>
<tr>
<td>Opportunity</td>
<td>0.00</td>
<td>2.50</td>
<td>7.50</td>
<td>12.50</td>
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<tr>
<td>Administrative</td>
<td>0.00</td>
<td>0.50</td>
<td>1.50</td>
<td>2.00</td>
</tr>
<tr>
<td>Predictability</td>
<td>0.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Financing</td>
<td>1.00</td>
<td>4.00</td>
<td>6.00</td>
<td>10.00</td>
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<tr>
<td>Bad debt</td>
<td>1.82%</td>
<td>10.29%</td>
<td>19.74%</td>
<td>30.71%</td>
</tr>
</tbody>
</table>

Source: Harvard Business Review

Percent carrying cost to receivable dollar
WellSite Services