

Oilfield Equipment & Service Markets

A 2024 Industry Outlook with Spears & Associates

Highlights for 2024

E&P discipline trumps oil price behavior

US Rig Count climbs 7% from today through Q4 2024

Oilfield “inflation” remains modest throughout the year

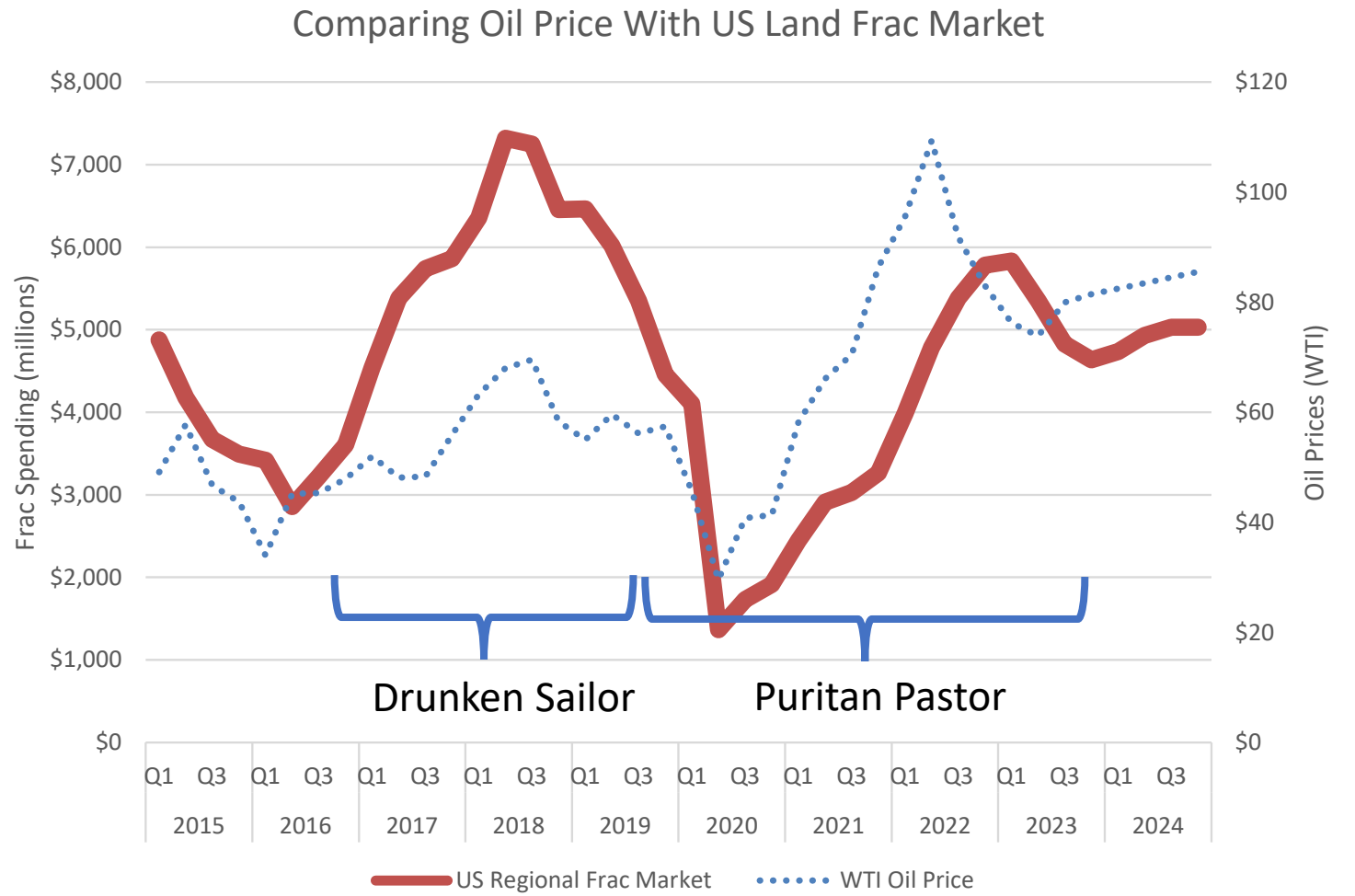
Investor capital returns to OFS...both equity and debt

MPD advances globally faster than all other drilling technologies

15,000’ laterals will become the standard

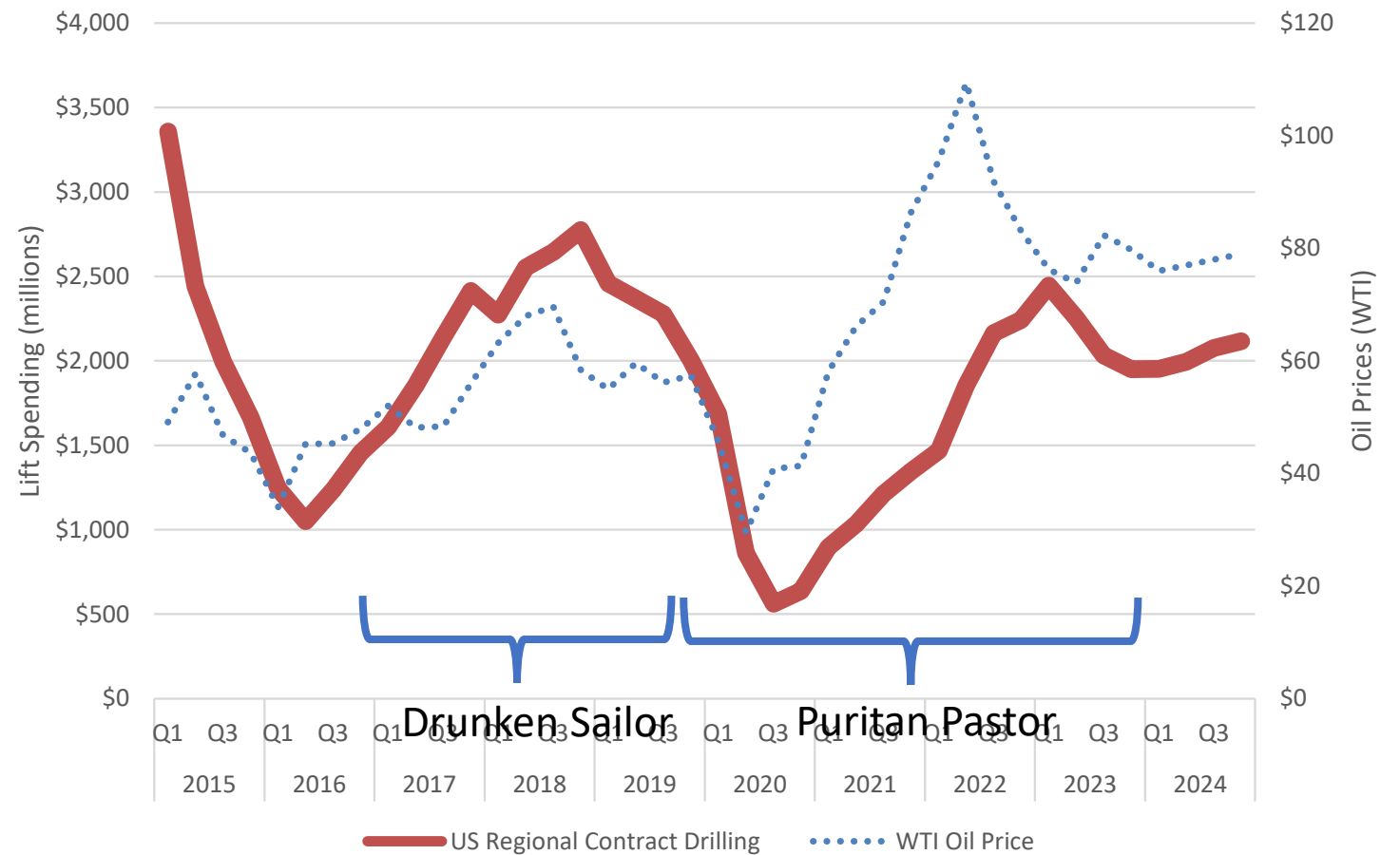
Strong drilling growth outside the US will starve capital inside the US

Drunken Sailor vs Puritan Pastor

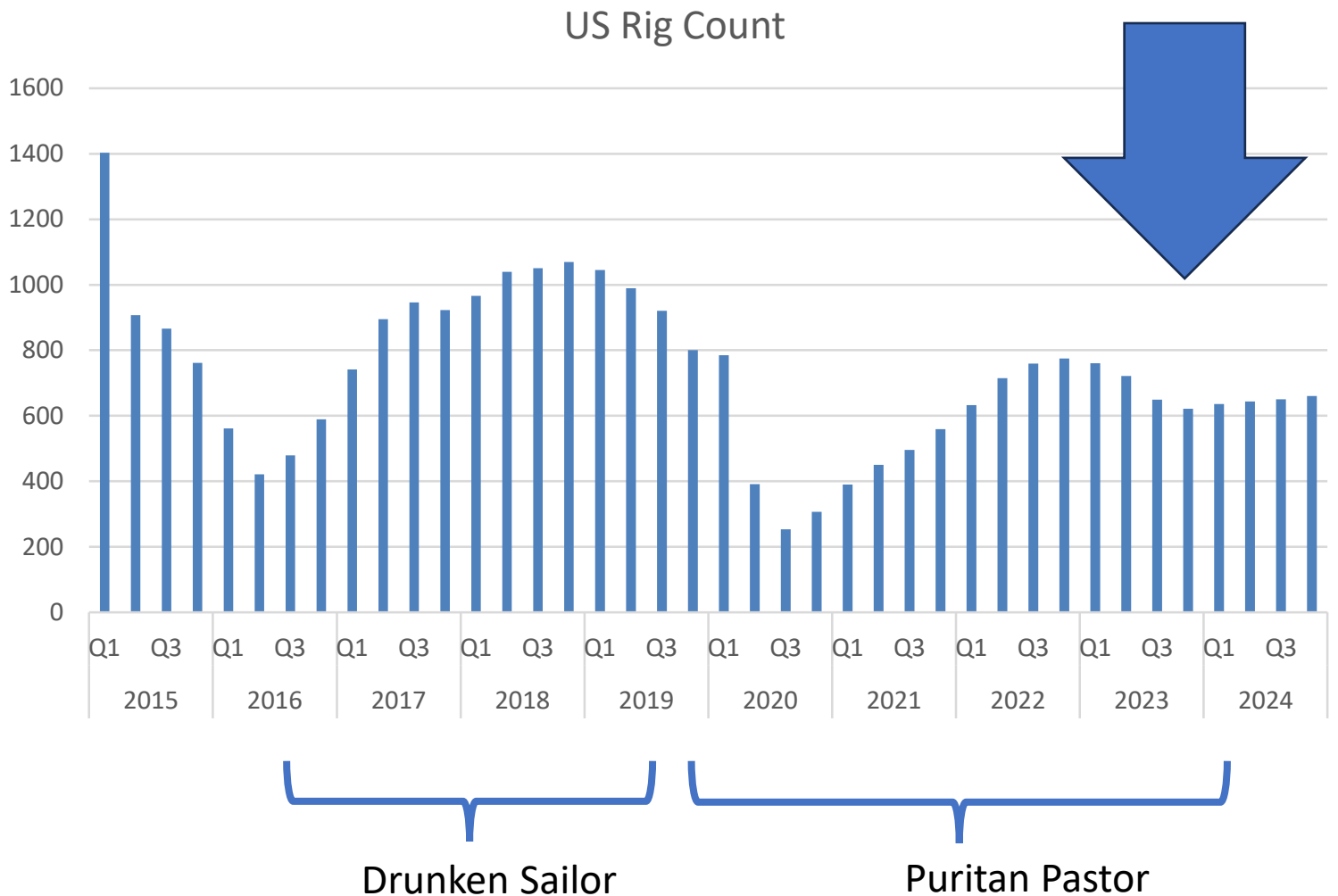


Drunken Sailor vs Puritan Pastor

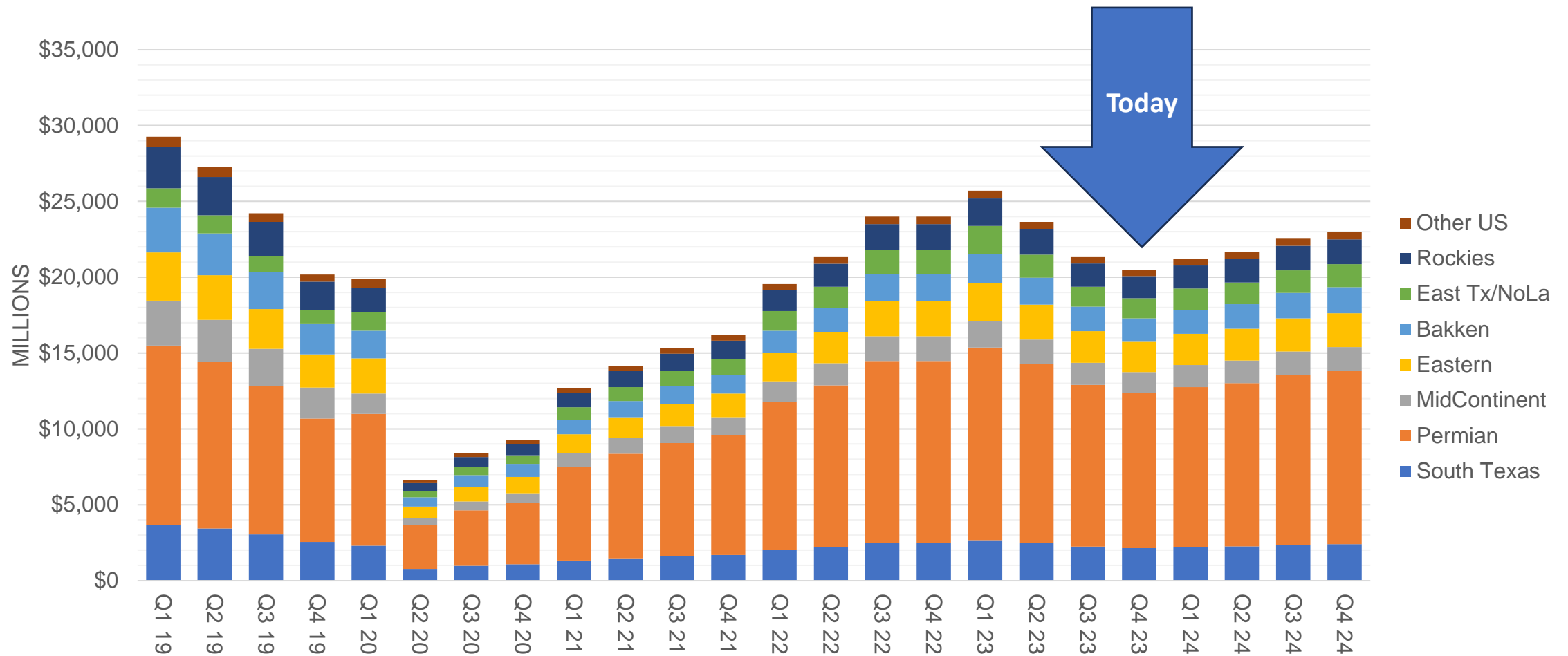
Comparing Oil Price With US Drilling Rig Spending



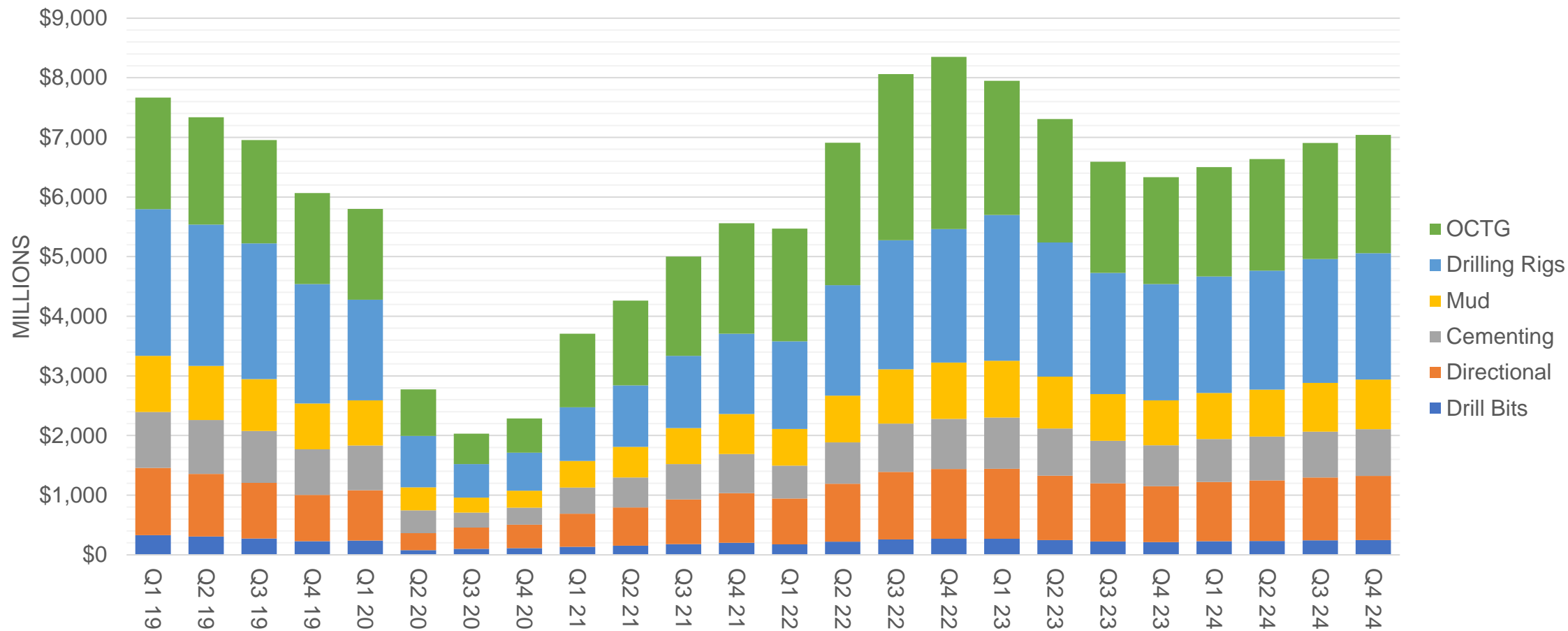
Are we
already at
the bottom
of the cycle?



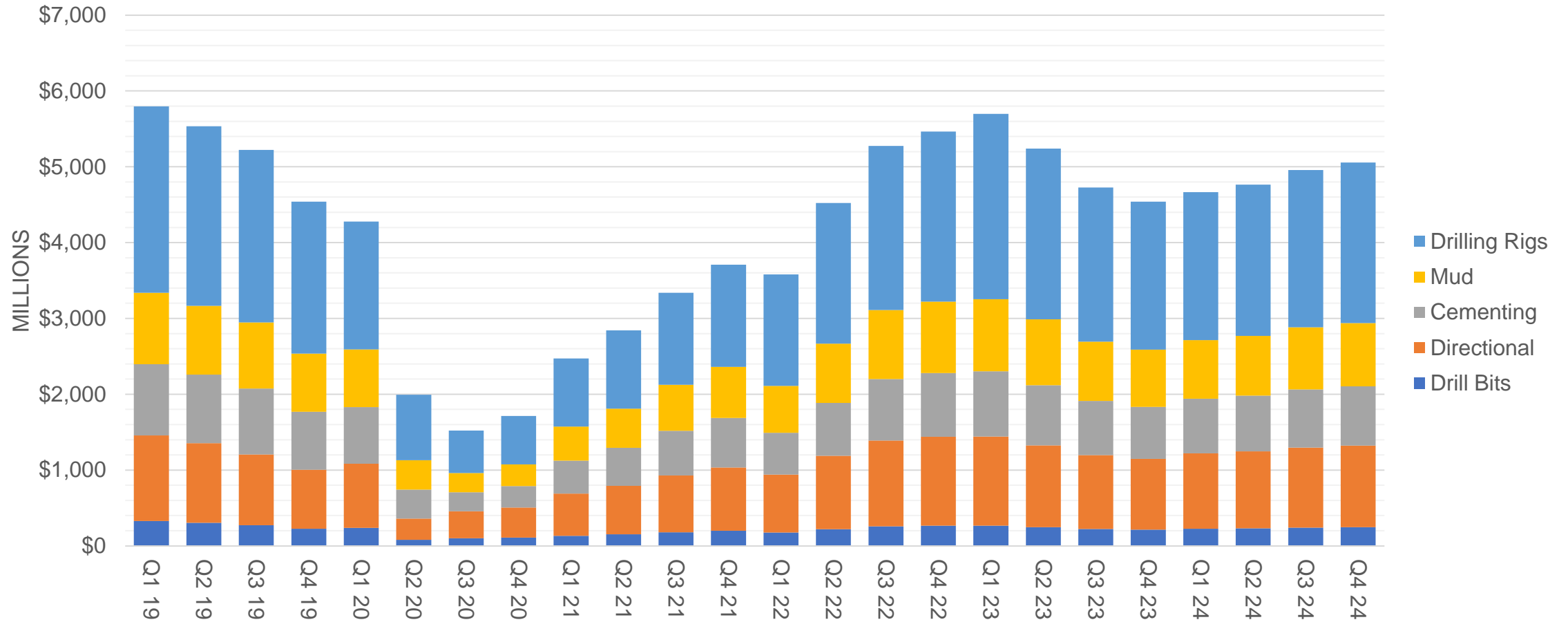
Total OFS Spending US Market by Quarter



A Look At US Land Drilling-Related Product/Service Spending

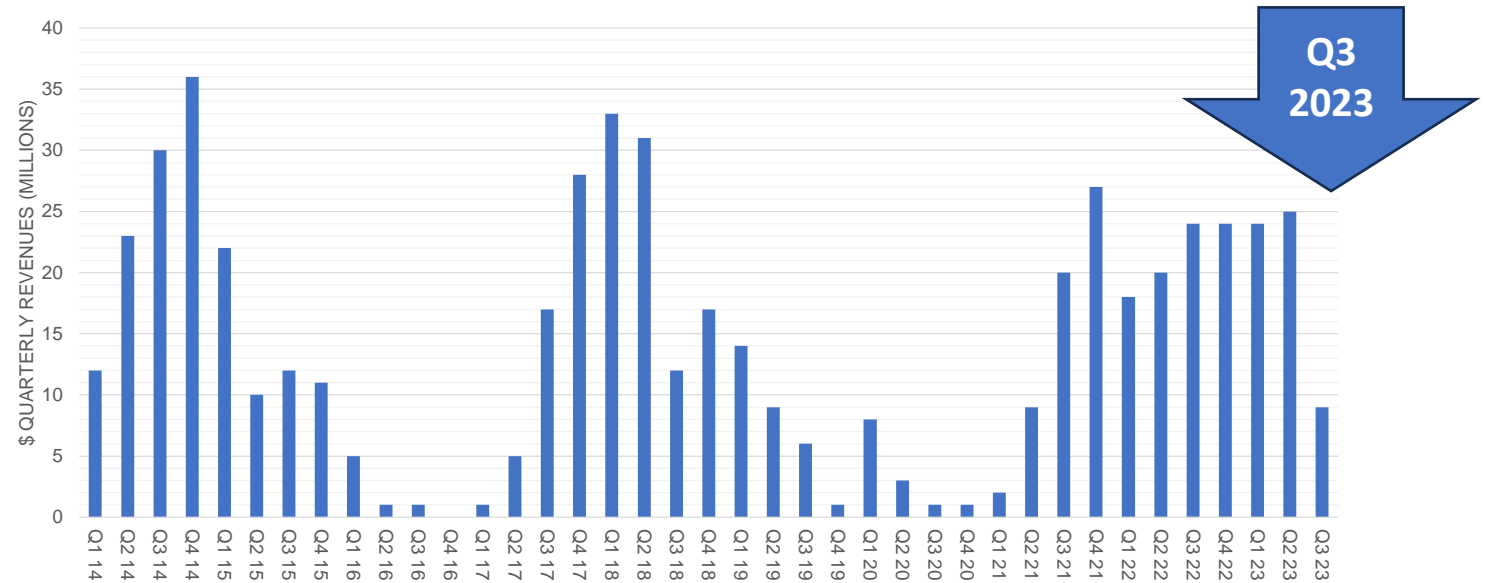


US Land Drilling-Related Product/Service Spending – no OCTG



Even frac companies are behaving like Puritan Pastors

Equipment Allison NoAm Off-Highway Sales





Consolidation Impact on FRAC services

<u>PTEN Frac</u>	<u>LBRT Frac</u>	<u>ProFrac</u>	<u>ProPetro</u>	<u>Halliburton</u>
PTEN	LBRT	ProFrac		
NexTier	SLB	FTSI		
Alamo	WFT	USWS		
Keene		ProdSvs		
C&J		REV		
Rockpile				
Trican US				
19%	19%	10%	5%	23%

10

Consolidation Impact on DRILLING services

DRILLERS

DIRECTIONAL

BITS

MUD

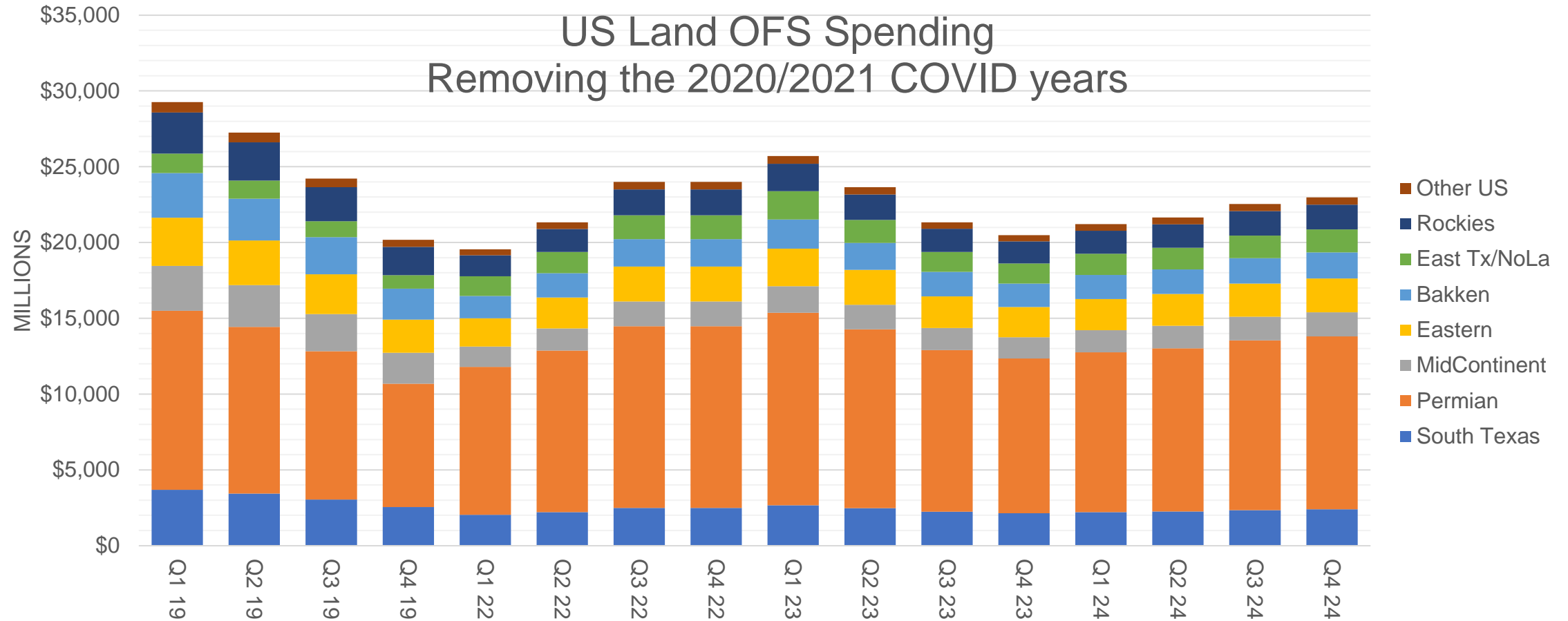
CEMENTING

Cathedral

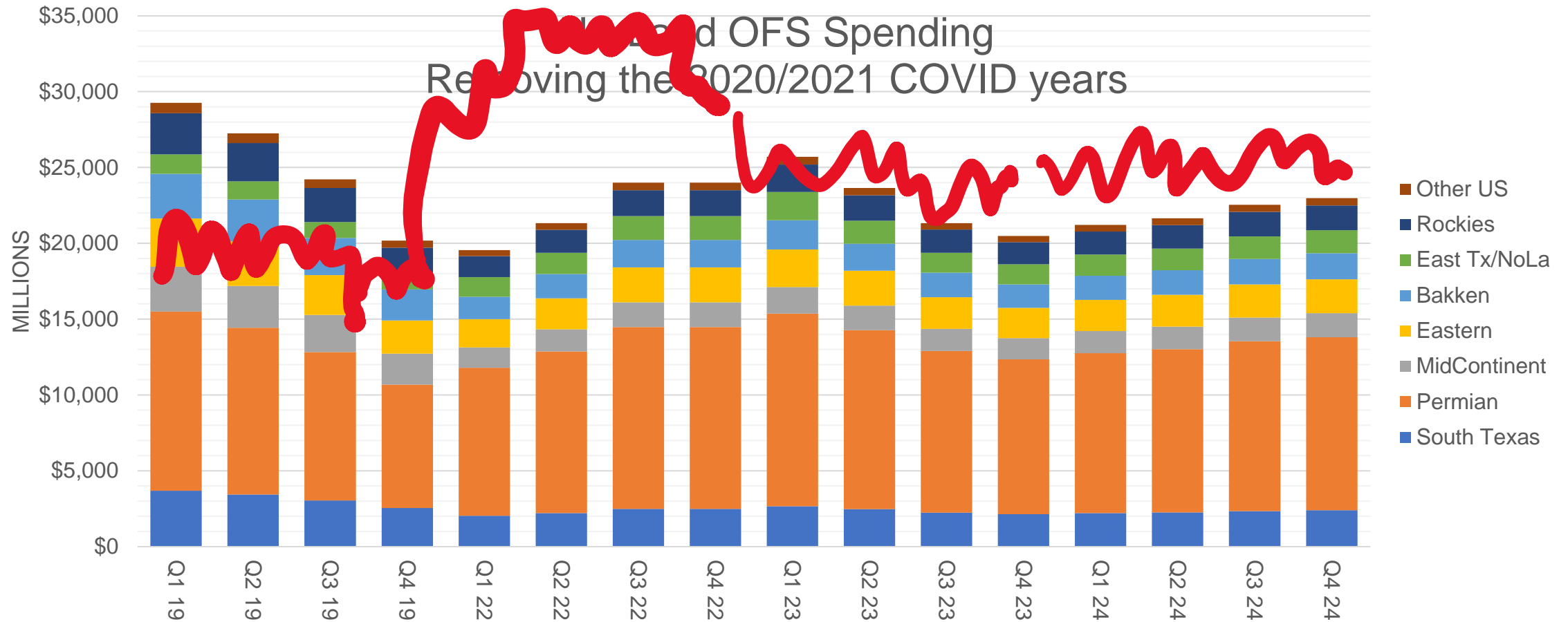
Bentonite Mine

Cudd + Spinnaker
ProPetro + Par Five

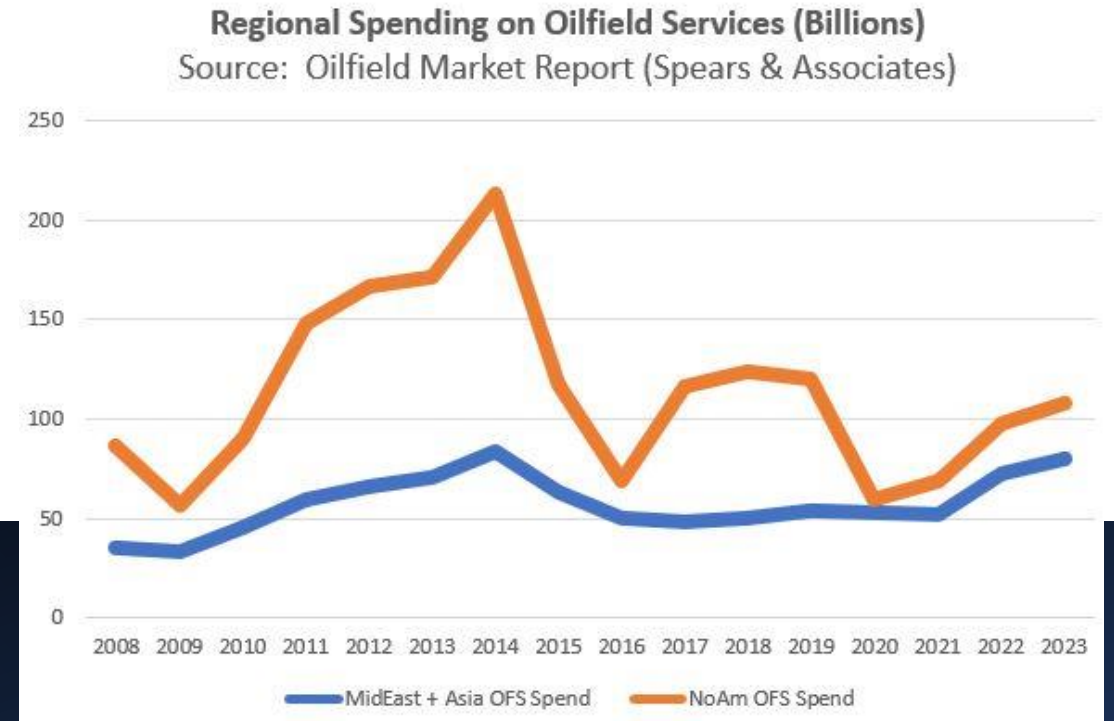
What if COVID never happened?



What if COVID never happened?



Does the Middle East
distract HAL, SLB, &
BKR?



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Oil & Gas:
The transition
fuel for
everyone