Private Equity Investment Outside the U.S.

J McLane
Managing Director
Lime Rock Manages Seven Funds with $3.8 Billion in Total Capital Commitments

- $3.0 billion under management in its core Lime Rock Partners funds
  - 5 funds dating from 1998
  - 62 portfolio company investment to date (33 active)
  - Another ~$800 million under management in Lime Rock Resources funds

- Lime Rock Partners global network through four locations: Westport, Connecticut; Aberdeen, Scotland; Houston, Texas; and Dubai
Lime Rock Partners Has a Broad Strategy in the Small- and Mid-Cap Upstream Energy Sector

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Lime Rock Partners Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sectors</td>
<td>Principally upstream: exploration and production, energy service, and oil service technology; selected midstream and other sectors</td>
</tr>
<tr>
<td>Regions</td>
<td>Globally, with a historical concentration in the United States, Canada, and Northwest Europe with more recent expansion to Eastern Europe and MENA</td>
</tr>
<tr>
<td>Size</td>
<td>$25 million to $150 million investments in companies with enterprise values up to $500 million</td>
</tr>
<tr>
<td>Stage</td>
<td>Principally growth-stage but opportunistically invest in late venture-stage oil service technology companies and buyouts / recaps of distressed assets</td>
</tr>
<tr>
<td>Value Creation Strategies</td>
<td>Diverse, proven strategies for value creation: buy-and-build, high-impact technologies, organic asset growth, strategic joint ventures, discounted asset purchases</td>
</tr>
<tr>
<td>Control</td>
<td>Strong preference for lead investor role with majority ownership but will opportunistically pursue minority or co-investment positions</td>
</tr>
</tbody>
</table>
### LIME ROCK PARTNERS INVESTMENTS BY REGION

(percentage of total investments as of May 31, 2009)

<table>
<thead>
<tr>
<th>Region</th>
<th>ALL FUNDS</th>
<th>FUND I</th>
<th>FUND II</th>
<th>FUND III</th>
<th>FUND IV</th>
<th>FUND V</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>42%</td>
<td>43%</td>
<td>34%</td>
<td>44%</td>
<td>37%</td>
<td>65%</td>
</tr>
<tr>
<td>U.S.</td>
<td>43%</td>
<td>18%</td>
<td>52%</td>
<td>45%</td>
<td>49%</td>
<td>21%</td>
</tr>
<tr>
<td>CANADA</td>
<td>13%</td>
<td>40%</td>
<td>14%</td>
<td>12%</td>
<td>7%</td>
<td>14%</td>
</tr>
<tr>
<td>REST OF WORLD</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>7%</td>
<td>0%</td>
</tr>
</tbody>
</table>

### LIME ROCK PARTNERS INVESTMENTS BY SECTOR

(percentage of total investments as of May 31, 2009)

<table>
<thead>
<tr>
<th>Sector</th>
<th>ALL FUNDS</th>
<th>FUND I</th>
<th>FUND II</th>
<th>FUND III</th>
<th>FUND IV</th>
<th>FUND V</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENERGY SERVICE</td>
<td>49%</td>
<td>43%</td>
<td>54%</td>
<td>31%</td>
<td>54%</td>
<td>75%</td>
</tr>
<tr>
<td>E&amp;P</td>
<td>44%</td>
<td>31%</td>
<td>35%</td>
<td>64%</td>
<td>41%</td>
<td>25%</td>
</tr>
<tr>
<td>OIL SERVICE TECH.</td>
<td>6%</td>
<td>26%</td>
<td>11%</td>
<td>5%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>OTHER</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Global Footprint of Lime Rock Portfolio Companies

Lime Rock portfolio companies have a physical presence in 33 countries around the world.
Private Equity Investment Outside the U.S.

Where is the Puck Going to Be?
Significant Shift in the Center of Gravity in Energy

2009 marks the first time in history that international drilling and completion spending will be greater than North American spending.

ANNUAL DRILLING AND COMPLETION SPENDING, NORTH AMERICAN AND INTERNATIONAL, 2005-2011E
(billions of U.S. dollars)

Source: Spears & Associates
Opportunities and Challenges in International Energy Investing

Opportunities
- Go where the resource is
- ...and the Demand
- Scale of opportunities
- Less competition / Valuation
- Marginal fields / Low hanging fruit
- Local content mandates

Challenges
- Access to assets
- Early stage
- Services Access / Infrastructure
- Fiscal terms often reflect the opportunity
- Exits
- FCPA / OFAC
- Creeping Nationalization
- Bureaucracy
- Experienced management teams
- Corporate governance and management controls
- Language / Cultural / Geography barriers
Case Studies on Four Current Investments

LARICINA ENERGY
- Leader in Steam Assisted Gravity Drainage in Canadian oil sands
- 250,000+ B/D ultimate production potential

EXPERT PETROLEUM
- Leader in understanding rehabilitation of mature and shut-in fields in Romania
- Eight concessions with drilling from Lime Rock Partners capital
- Ex-Schlumberger management team

STORM VENTURES INTERNATIONAL
- Two onshore projects (Remada Sud, Jenein)
- Two offshore projects (Cosmos, Hammnet0

Tiway Oil
- Emerging independent focused on FSU opportunities
- Recent acquisition of Turkish assets in distressed sale
Laricina: Proven Management Team Developing New Solutions in the Canadian Oil Sands

Laricina Energy is a startup oil and gas producing company focused on the development of steam-assisted gravity drainage (SAGD) projects in the Athabasca oil sands in Northwestern Canada.

Investment Data

- Headquarters: Calgary, Alberta
- Initial Investment Date: December 2005
- Investment to Date: C$111 mm

**Investment Thesis**

- Seven years of experience with management
- Canadian oil sands necessary and growing source of global oil supply
- World-class asset, stable political regime, close to end market
- Attractive exit to strategic multi-national buyer

**Post-Investment Developments**

- C$460 mm of development capital raised to date
- Company now controls ~4 billion barrels of recoverable oil resource in four project areas
- Development plans for 250,000 bopd of production
- Leader in extracting bitumen from carbonates in Athabasca
- Leader in solvent-assisted extraction methods

Expert Petroleum is a startup company focused on oil redevelopment projects in Romania.

Investment Data
- Headquarters: Targu Mures, Romania
- Initial Investment Date: Nov 2009
- Committed Capital: $50 mm

Investment Thesis
- Founders are well known former colleagues from Schlumberger field services group
- Producing fields shut-in during 1999 oil downturn
- No post-Soviet technology applied
- Meaningful scale at 20-25 MMBBOE recoverable
- $1.50 / BOE capture cost
- JV with MOL should lead to other opportunities

Post-Investment Developments
- New field study recently completed
- Plans for first side-track underway
Storm Ventures: Diversified International E&P Strategy
International with Proven Management Team

SVI is a private international oil and gas producing company with initial operations focused on the U.K. North Sea and Tunisia.

Investment Data
Headquarters Calgary, AL
Initial Investment Date October 2005
Investment to Date $80 mm

Investment Thesis
- Invest with highly successful management team with aggressive small company approach borne out of entrepreneurial Canadian market
- Develop North Sea projects deemed non-core to the Majors
- Risk-managed exposure to a potentially high-impact international opportunity
- Greater exposure to Silverstone

Post-Investment Developments
- Acquired four development opportunities in the North Sea from BP / Conoco – one now producing and another under development
- Acquired solid base of Canadian production at attractive pricing
- Pursuing development plans following Tunisian exploration success
Tiway Oil: Growth Capital for Startup E&P Company Focused on the Norwegian Continental Shelf

Investment Thesis

- Acquire and exploit assets under-developed during era of FSU control
- Back experienced team with significant FSU business development experience
- Low-risk Ukrainian development in region desperate for Russian diversification

Post-Investment Developments

- Acquisition of Turkey assets in distressed sale offered considerable value with significant exploration upside
- Ukrainian development on track
- Company well positioned for ME IPO

Tiway Oil is an oil and gas company focused on development of projects in Eastern Europe and Central Asia.

Investment Data

Headquarters: Dubai, UAE

Initial Investment Date: October 2008

Investment to Date: $40 mm
Contact the Lime Rock Partners Team

**HOUSTON**
Heritage Plaza, Suite 4600
1111 Bagby Street
Houston, TX  77002

T 713.292.9500
F 713.292.9510

Townes Pressler  tp@lrpartners.com
Will Franklin  wf@lrpartners.com
J McLane  jm@lrpartners.com
Rajat Barua  rbarua@lrpartners.com
Barrett Schick  bs@lrpartners.com
James Wallis  jwallis@lrpartners.com

**WESTPORT**
518 Riverside Avenue
Westport, CT 06880

T 203.293.2750
F 203.293.2760

Jonathan Farber
John Reynolds
Mark McCall
Jeffrey Scofield
Greg Highberger
James Stewart

**ABERDEEN**
Lime Rock Management LLP
38 Carden Place
Aberdeen AB10 1UP

T 44.1224.26.7010
F 44.1224.26.7011

Lawrence Ross
Simon Munro
Rob Willings
Jason Smith
Stuart Ross

For more information, please visit