

# Chris Hughes KLX Energy Services



## Looking ahead



 Protecting the reliability of the existing MWD fleet by investing in strong a R&M program. (customer retention)

 Resisting the temptation to cut cost through cannibalization of idle assets. (operational capacity)

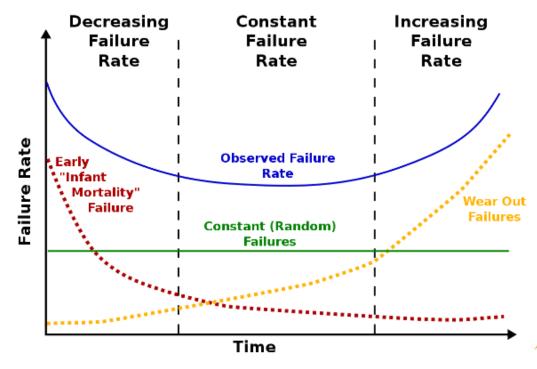
 Identifying strategic investments to maintain competitiveness to drive future growth. (customer acquisition)



## Knowing where to focus...



Data driven approach to optimize maintenance intervals with risk & time-based criteria.





## Testing procedures



## Repeatability, continuity & Arrhenius Behavior

- Reliability through reliable testing:
  - Robust, documented procedures provide repeatable tests rather than relying on tribal knowledge or "secret sauce".
  - KLX designed proprietary automated test fixtures, software and procedures for each major tool component.
  - Integrated system validation via the KLX Automated String Test
     Interface (K-ASTI) in addition to component testing.
  - >10 years of testing datasets stored in perpetuity allowing accurate reliability prediction.



### Strong partnerships

#### Dangers of over-insourcing



 Establishing personal and long-standing relationships with established industry leaders (like Kevin Diao and KeyDrill as well as many others) allow KLX to leverage the substantial technical ability of state-of-the-art OEMs.

 Fostering new relationships with other innovators to bring new technology to market Kratos, Hephae, among others



#### What's Next?

#### Market diversification



- Support New Technology Development
  - Using KLX's vast operational experience to identify emerging trends.

- Partnering with Kratos allows us to provide the best azimuthal gamma on the market.
- Partnering with Hephae to test and deploy what promises to be an MWD platform with the highest operational temperature rating.



## Summary



 Both maintaining today's reliability and investing in the future critically depend on systems interoperability and redundancy.

100% QC on all incoming.

This has been key to the success of KLX's MWD product line with an average success rate of 97.6% since 2020.







## Thank You

