

Whistleblower Protection Policy

Scientific Drilling International, Inc. and Applied Technologies Associates, Inc. and their subsidiaries and affiliates (collectively, "SDI") require their directors, officers, and employees (collectively, "Employees") to maintain the highest level of integrity and ethics, complying with the letter and the spirit of all applicable laws and regulations.

This policy creates an ethical and open work environment, ensures that SDI has a governance and accountability structure that supports its mission, and encourages and enables Employees to raise legitimate concerns about potential illegal or unethical acts within SDI. <u>This policy does not create an employment contract and does not modify the employment relationship between SDI and any Employee, nor does it change the at-will employment status you enjoy with SDI.</u>

Reporting Responsibility: All Employees have a responsibility to report any action or suspected action that is illegal, unethical, or violates any SDI policy ("**Violations**").

Anyone reporting a Violation must act in good faith, without any malice, and have reasonable grounds for believing the information reported indicates a Violation has occurred. <u>An Employee who makes a report does not have to prove that a Violation occurred.</u> However, if an Employee makes a report for malicious reasons or has good reason to believe a report is false, the Employee will be subject to disciplinary action, which may include termination for cause.

No Retaliation: <u>No Employee will suffer retaliation or other adverse employment consequence for good faith reporting or cooperation in the investigation of a Violation.</u> Applicable law prohibits retaliation or other adverse employment consequence for good faith reporting or cooperation in the investigation of a Violation. Any Employee who retaliates against another Employee for reporting a Violation or cooperating in the investigation of a Violation is subject to disciplinary action, which may include termination for cause.

If you believe that an Employee who reported or cooperated in the investigation of a Violation is suffering retaliation or other adverse employment consequences, contact the General Counsel.

Reporting Process: All Employees should address matters regarding a Violation to any person within SDI who can properly address it. Generally, your immediate supervisor is the person best suited to address a concern. However, if you are uncomfortable discussing it with your supervisor, or you do not believe your supervisor has dealt with it properly, you should raise the matter with the General Counsel or anyone in senior management you feel comfortable approaching. *All inquiries will be handled on a confidential, "need-to-know" basis.*

If you choose to communicate in writing, send your letter to Scientific Drilling International, Attention: General Counsel, 16701 Greenspoint Park Drive, Suite 200, Houston, Texas 77060 with "Submitted Pursuant to SDI's Whistleblower Protection" on the back of the envelope. If you prefer to remain anonymous, you may call 281-214-7540 and leave a message for the General Counsel. The General Counsel may also be contacted via email at compliance@scientificdrilling.com.

General Counsel: The General Counsel should be immediately notified of a Violation. He is responsible for promptly investigating all reported Violations and causing appropriate corrective action to be taken, if any.

The General Counsel shall report regularly to the CEO regarding any compliance activity.