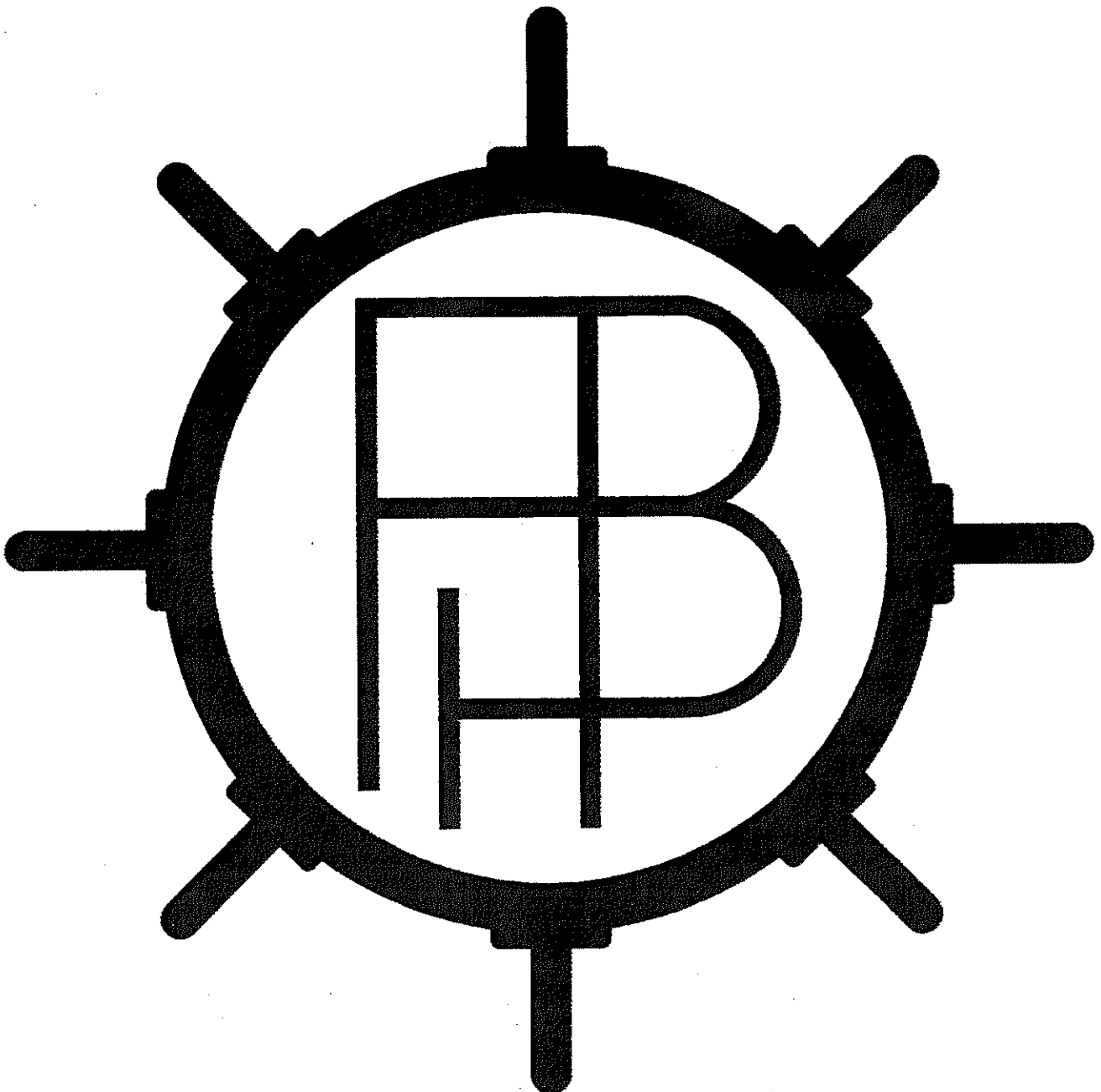


PERRY H. BEEBE & ASSOC.

Marine Surveyors & Consultants

Office (504) 348-1488, Home (985) 845-1488

Damage Surveys, On/Off Charter, General Condition & Valuations, Machinery,
Appraisals, Ultrasonic Testing, Loss Prevention, Cargo, Marine Engineering



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SURVEY REPORT

SUBJECT: Condition and Valuation
DATE OF SURVEY: 19 May 2014
VESSEL: M & M 108"
SURVEY REPORT NUMBER: 1418-519
AUTHORIZED BY: M. Paul Broussard (on behalf of Mississippi River Bank)
FOR THE ACCOUNT OF: Mississippi River Bank
LOCATION OF VESSEL: Tom's Welding Lafitte, LA
STATUS OF VESSEL: Afloat
OWNER OF VESSEL: M & M Wireline & Offshore Services LLC
ATTENDING SURVEY: Perry H. Beebe
Perry H. Beebe & Associates, LLC

DESCRIPTION

TYPE OF VESSEL: Elevator Boat
OFFICAL NUMBER 641744
GROSS TONS: 50
NET TONS: 45
BUILT: 1981 Caernarvon, LA
DIMENSIONS: 46' x 18.1 x 4.6
MARKET VALUE: **\$200,000.00**
REPLACEMENT: **\$975,000.00**

On 15 May 2014 the undersign was requested by Mr. Paul Brossard on behalf of Mississippi River Bank to attend subject vessel, for the purpose of determining the general condition and principal characteristics and against these to then enter an opinion as to vessel's suitability and value, for consideration by Owners and for/or account of whom it may concern.

THIS IS TO CERTIFY that on 19 May 2014 the undersigned marine surveyor did attend subject vessel where it lay afloat , at Tom's Welding Lafitte, Louisiana.

This report is issued subject to the condition that is understood and agreed that neither this office nor any surveyor nor any employee is, under any circumstance, to be held responsible in any way for any error in judgment, default or negligence nor for any inaccuracy, omission, misrepresentation or misstatement in this report, and that the use of this report shall be construed to be an acceptance of the foregoing conditions.

All sizes, measurements, capacities, distances, et cetera, mentioned herein are approximate, unless other specified. Portions of the information contained herein were derived from U.S. Coast Guard records and or in-house literature which are believed to be correct but not guaranteed. No determination of structural integrity or inherent stability has been made and no opinion is expressed in that regard. The undersigned attests that every reasonable effort has been

expended to examine the present condition of subject vessel and her outfit however, owners should be aware deficiencies may exist in addition to those items detailed in the report.

GENERAL

It should be noted subject vessel at time of this survey is being completed rebuilt, including (but not limited to), superstructure, deck plate and bulkheads were necessary, electrical, hydraulics, etc.

For the purpose of record, it will be understood that subject vessel was sighted whilst laying afloat up and therefore without testing or trying any machinery, condition sea trials or opening up any of those places ordinarily concealed.

Vessel built by E.B.I. and appears in accordance with E.B.I.'s plan, arrangement and scantlings. Overall dimension, approximate length 56'5 beam 35'2, depth 4'. Vessel's speed underway approx. 6 knots.

Certification:

Vessel not inspected by any classification society at this time.

USCG Certificate of Documentation, not on board.

VHF marine radio license found current and on board.

Company rules, procedures, safety requirements, reporting procedures, discharging rules, etc. found on board.

General Arrangement:

Vessel's hull profile presents a rake bow, square stern with full-bodied single chine midship section and cutaway stern.

Vessel is single screw and fitted with three (3) 58' to 65' jacking legs, each operated by three (3) planetary hydraulic units. Units are powered off port and starboard main engines. Legs are

constructed with pipe fitted with rack and pinion type drives. Pads size, approximately. 17' x 8' x 1.5' deep.

Vessel's hull superstructure is all welded steel construction.

Vessel's main deck perimeter protected by two tier pipe safety rail 39" high at bow and corners.

Reckoning from forward vessel hull is not divided by watertight bulkheads. Vessel's below main deck compartmentation is as follows:

- bow head log
- Forward void compartment
Port/starboard fuel and water tank.
- engine room
- stern void area
- transom

Tankage:

| | |
|-------|--------------|
| Water | 9.6 Barrel's |
| Fuel | 42 Barrel's |
| Oil | .9 Barrel's |

Deck Fittings:

Two (2) fabricated 5" pipe single bitts with 1 ½" cross at bow and stern corners.

One (1) approximately 100 pound Danforth anchor with anchor slide and approx, 100' of 1" rode.

One (1) raised two-dog hatch way of Engine Room.

Two (2) engine room vents

One (1) engine room emergency escape hatch

Deck fitted with usual manholes, fuel, water and void fill and vent lines.

Port/starboard fuel tanks, way of deck not serviced by fuel fill containment boxes.

HULL CONSTRUCTION:

Hull is generally constructed with the following reported:

- Deck plate 3/16" & 1/8"
- Side plate 3/16"
- Bottom plate 3/16"

NOTE: Vessel is framed transversely with longitudinal hull channel corrugations.

- Deck frames 1 1/2" x 2 1/2" x 3/16" flanged on 13" centers
- Truss 8" x 1 1/2" flange channel top chord.
 2 1/2" x 2 1/2" flange channel square tubing (diagonal)
 2 1/2" x 2 1/2" flange channel square tubing (vertical)

Pilothouse:

Reckoning from forward extending aft, from top of pilothouse extending down to main deck.

Vessel's superstructure is arranged as follows:

Superstructure profile presents a typical two level house with pilothouse forward.

Access to pilothouse via port single-dog weather tight doors.

Pilothouse fitted with steering and control console at forward, stairway to below deck house.

Continuing aft finds (1) double bunk. Pilothouse windows are typical rubber sealed with safety glass way of port/starboard, forward and end.

Note: Pilothouse at furnished with FRP overhead, walls and vinyl floor

Deckhouse:

Deckhouse consists of galley with crew's area, stairway to above pilothouse and aft end crew's enclosed head.

Whenever possible, description of each item of machinery of equipment will include a general condition symbol based on the following definitions:

| | | |
|----|-------------|---|
| N | (new) | Item in new condition |
| E | (excellent) | some use, but almost new |
| VG | (very good) | in above average condition low hours or recently overhauled or refurbished. |
| G | (good) | Average condition, standard use and condition |
| F | (fair) | in below average condition has been used considerable or is older item. |
| P | (poor) | Needs major repairs. |
| S | (scrap) | Scrap value only the appraiser should adjust the value for the cost of removal. |
| U | | Unknown |

PILOTHOUSE EQUIPMENT AND ELECTRONICS

Pilothouse fitted with the following: (in storage)

- One (1) dual lever engine controls. U
- One (1) Aubhtrawl hydraulic steering system, driven off main engine. U
- One (1) VHF marine radio, with remote speakers, Uniden, model Solara U
- One (1) 4" Saturn compass U
- Three (3) hydraulic pressure gauges U
- One (1) sets of GM main engine gauges U
- One (1) radar scanner U
- One (1) Kodon radar model MD-3030 U
- One (1) Ship's bell U
- - One (1) VHF antenna U
- One (1) set of levers for leg controls U
- One (1) Captain's chair U
- One (1) general alarm U
- One (1) A/C panel U
- One (1) search light 6" U
- One (1) Navi-aid electrical panel (DC) U

Galley Equipment:

Galley furnished with the following: (in storage)

One (1) Frigidaire refrigerator/freezer approximately 12 cubic foot with freezer U

One (1) Frigidaire approximately 18 cubic foot refrigerator / freezer U

One (1) Holiday 4 burner electric range with below oven U

Galley serviced by the usual counter top with hot and cold water tap, above and below cabinetry,
and table and stool/chairs. U

MACHINERY

Main Engine:

One (1) General Motors Diesel engines, model V6-92, 2 cycle rated 200 HP at 1,800 RPM.
Engine is 12V DC start, cooled via enclosed cooler system and fitted with day tanks. Engine
fitted with Racor filter. (s/n 62*19234) G

Gears:

One (1) Twin Disc, model MG 509A reverse reduction gears, 2.5:1 reported G

Generator:

One (1) M & L 16 KW at 1,200 RPM, four cycle generator driven by Isuzu diesel, 12V/DC
battery start. G

Three (3) round pipe legs 16" in diameter with approximately .500 wall thickness fitted with
steel machine gears, E.B.I. flame cut racks. G

Two (2) Commercial Shearing type motors and Char-Lynn type pumps, E.B.I. Planetary gears on
each leg. G

Crane:

One (1) E.B.I. model C20A-40 hydraulic crane, pedestal mounted way of starboard bow end of
main deck area. Crane boom 40' long, maximum load 10 tons approximately G

ELECTRICAL

All electrical wiring accessible for inspection noted to be of good marine standards condition at
time of inspection. Vessel is fitted with main control panel, breaker panels, motor starters,
control switches and interior lighting and deck lighting.

All running/towing lights, typical for type of service, U.S.C.G. approved.

- Two (2) Window A/C units U
- Two (2) 12V heavy duty batteries U
- One (1) Rudd Hot water heater U

SAFETY EQUIPMENT

Furnished with the following: (in storage)

- Fire Extinguishers: AII, BIV, BI, BV, CI, (4) BII, BIII and CII U
- One (1) 30" ring buoys with line and lights as required U
 - One (1) Co2 fire extinguisher U
 - One (1) 5# dry chemical fire extinguisher U
 - Two (2) Fire hose stations and pump. U
 - One (1) main deck fire station U
 - Six (6) Type I work vests. U
 - Six (6) adult type I PFD's U
 - One (1) main engine remote shut down device. U
 - One (1) lift raft float U
 - Two (2) 13# dry chemical fire extinguishers U
 - One (1) 16' rescue boat by E.B.I. aluminum U
 - One (1) Epirb U
 - One (1) First aid kit U
 - One (1) Distress signal kit with flares U

MISCELLANEOUS

- One (1) M.S.D. Humphries Type Marine sewerage treatment unit

Vessel furnished with the usual hand tools, fuel, water, oil, filters, spare parts, galley utensils, bed linen, etc.

RECOMMENDATIONS AND DISCREPANCIES

Note: Compliance with items marked by an asterisk (*) considered compulsory for insurance underwriting purposes.

- Store personal flotation devices in overhead storage, provide a suitable size PFD for every crew member or passenger on board *
- Install smoke alarms in crew's quarters. *
- Install high water bilge alarm. *
- Furnish and install U.S.C.G. pollution signs
- Prior to departing vessel should obtain a weather forecast from reliable sources for the time of transverseing open water. All reasonable action should be taken to avoid tropical weather systems *
- All heavy traffic deck areas to be coated or protected with a non-skid surface
- Renew all expired distress flares *
- Before placing vessel in service perform necessary dock and sea trials and prove same operational.
- All paint and combustibles to be stowed in outside well ventilated locker.

Operational Suggestions:

- (A) All personnel should be made aware of location of fire extinguishers and life saving equipment and its proper usage.
- (B) All doors and hatches not in use should be kept secure while at sea.
- (C) All fire extinguishers to be periodically checked, weighed, tagged on an annual basis by qualified service person and stowed in conspicuous places.
- (D) All bilges to be kept as near dry as possible, clean and free of oil.

(E) Engine room should be checked by competent crew member every hour while operating at sea.

(F) Disconnect master switch on electric circuitry excluding properly fused bilge pumps while vessel is unattended.

(G) Steering gear, winches, blocks, tackle and other exposed equipment to be regularly lubricated.

(H) At next dry docking consideration should be given to conduction an ultra sonic thickness survey of vessel's underwater hull plating.

VALUATION

It should be noted in this survey, values were obtained from (1) or a combination but not limited to the following sources.

MARKET VALUE:

A sum of money that a vessel should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of sale whereby title is passed from seller to buyer under conditions whereby,

- Buyer and seller are typically motivated.
- Both parties are well informed and acting in what they consider their own best interest and...
- A reasonable time is allowed for exposure in the open market and arrangements similar thereto and...

- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements similar. It should be noted in this survey, values were obtained from one (1) or a combination but not limited to and...
- The price represents the normal consideration for the property sold unaffected by
- special or creative financing or sales concessions granted by anyone associated with
- the sale.

MARKET:

In the opinion of this undersigned, subject vessel has a fair current MARKET VALUE, Gulf Coast Area, of approximately, \$200,000.00

REPLACEMENT:

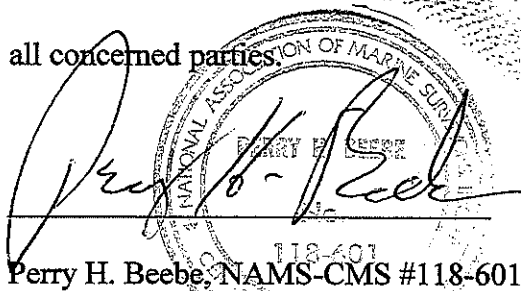
In the opinion of the undersigned, subject vessel has a REPLACEMENT VALUE, Gulf Coast Area, of approximately, \$975,000.00

CONCLUSION

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct. The reported analyses and opinions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses and opinion. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result of the occurrence of a subsequent event. My analysis and opinions were developed, and this report has

been prepared, in conformity with the **UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE**. I have made a personal inspection of the property that is subject of this report. No one provided significant professional assistance to the person signing this report. In accepting this report, it is understood that this survey was performed for general condition purposes only and that no warrant as to the condition, seaworthiness or marketability of subject vessel is expressed or implied.

All of the above findings are actual and the survey was made without prejudice to the rights of all concerned parties.



Perry H. Beebe, NAMS-CMS #118-601

Perry H. Beebe & Associates, LLC

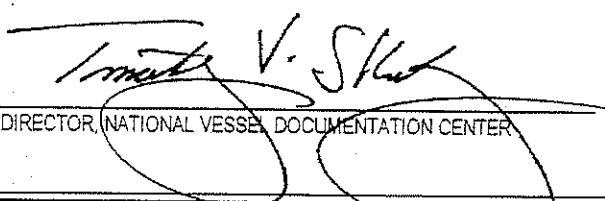



UNITED STATES OF AMERICA

DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD

NATIONAL VESSEL DOCUMENTATION CENTER

CERTIFICATE OF DOCUMENTATION

| | | | | | |
|---|-----------------------|--|--|------------------------------|--|
| VESSEL NAME M & M 108 | | OFFICIAL NUMBER 641744 | IMO OR OTHER NUMBER 129 | YEAR COMPLETED 1981 | |
| HAILING PORT NEW ORLEANS, LA | | HULL MATERIAL STEEL | | MECHANICAL PROPULSION YES | |
| GROSS TONNAGE 50 GRT | NET TONNAGE 45 NRT | LENGTH 46.0 | BREADTH 18.1 | DEPTH 4.6 | |
| PLACE BUILT CAERNARVON, LA | | | | | |
| OWNERS M & M WIRELINE & OFFSHORE SERVICES LLC COMPRISED OF ONE MEMBER | | | OPERATIONAL ENDORSEMENTS COASTWISE <i>393 8107</i> | | |
| MANAGING OWNER M & M WIRELINE & OFFSHORE SERVICES LLC 9218 HWY 23 PO BOX 592 BELLE CHASSE, LA 70037 | | | | | |
| RESTRICTIONS NONE | | | | | |
| ENTITLEMENTS NONE | | | | | |
| REMARKS NONE | | | | | |
| ISSUE DATE APRIL 19, 2011 | |  DIRECTOR, NATIONAL VESSEL DOCUMENTATION CENTER | | | |
| THIS CERTIFICATE EXPIRES MAY 31, 2012 | | | | | |
| VDS 13451414 | |  | | | |



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