Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SCANDRILL, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2001

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

SCANDRILL, INC.

11777 KATY FWY
STE 470
HOUSTON, TX 77079

11777 KATY FWY
STE 470
HOUSTON, TX 77079

2b Employer Identification Number (EIN)
74-1914865

2c Sponsor's telephone number
281-496-5571

2d Business code (see instructions)
211110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	08/29/2013	PAUL MOSVOLD
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/29/2013	PAUL MOSVOLD
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

SCANDRILL, INC.

11777 KATY FWY
STE 470
HOUSTON, TX 77079

3b Administrator's EIN
74-1914865

3c Administrator's telephone number
281-496-5571

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	444
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	351
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	112
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	463
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f	Total. Add lines **6d** and **6e**	**6f**	465
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	451
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	95
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☐	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒	**H** (Financial Information)
(2)	☐	**I** (Financial Information – Small Plan)
(3)	☐	**A** (Insurance Information)
(4)	☒	**C** (Service Provider Information)
(5)	☐	**D** (DFE/Participating Plan Information)
(6)	☐	**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
SCANDRILL, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SCANDRILL, INC.

D Employer Identification Number (EIN)
74-1914865

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FID.INV.INST.OPS.CO.

04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MORGAN STANLEY

26-4310632

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16	CONSULTANT	23172	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	16924	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BLKRK EQUITY DIV I - BNY MELLON INV 52-2269240	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
COL SM CAP IDX Z - COLUMBIA MGT INV P.O. BOX 8081 BOSTON, MA 02266-8081	0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DLWR SM CAP VAL INST - DELAWARE SER 35-1140070	0.25%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
INVS HIGH YLD R5 - INVESCO CANADA L P.O. BOX 4739 HOUSTON, TX 77210	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MAINSTAY LG CAP GR I - NYLIM SERVIC 52-2206685	0.15%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MSIF MID CAP GRTH I - MORGAN STANLE 13-3799749	0.15%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OAKMARK EQ & INC I - BOSTON FINANCI	P.O. BOX 8480 BOSTON, MA 02266	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OPPENHEIMER GLOBAL Y - OFI GLOBAL A	TWO WORLD FINANCIAL CENTER 225 LIBERTY STREET, 14TH FLOOR NEW YORK, NY 10281	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation		**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
RDGWTH MID CAP VAL I - BOSTON FINAN	P.O. BOX 8480 BOSTON, MA 02266	0.40%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
TCW SM CAP GRTH I - U.S. BANCORP FU P.O. BOX 701 MILWAUKEE, WI 53201	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
THORNBURG INT VAL R5 - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266	0.25%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
SCANDRILL, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SCANDRILL, INC.

D Employer Identification Number (EIN)
74-1914865

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1297857	1411706
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	610851	760667
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	6820628	8827290
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	8729336	10999663
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	8729336	10999663

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1086287	
(B) Participants	2a(1)(B)	1450235	
(C) Others (including rollovers)	2a(1)(C)	6502	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2543024
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	9256	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	36140	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		45396
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	230723	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		230723
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		795322
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		3614465
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1272003	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		1272003
f Corrective distributions (see instructions)	2f		29933
g Certain deemed distributions of participant loans (see instructions)	2g		2106
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	40096	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		40096
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1344138
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		2270327
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MARY ELLEN LEONARD **(2)** EIN: 46-1052777

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
SCANDRILL, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SCANDRILL, INC.

D Employer Identification Number (EIN)
74-1914865

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

SCANDRILL, INC. 401(k) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
AS OF DECEMBER 31, 2012 and 2011

SCANDRILL, INC. 401(K) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

December 31, 2012 and 2011

TABLE OF CONTENTS

Independent Auditor's Report 2

Statements of Net Assets Available for Benefits..... 4

Statements of Changes in Net Assets Available for Benefits 5

Notes to the Financial Statements 6

Supplemental Schedule:

Schedule of Assets Held for Investment Purposes at End of Year 16

Other schedules required by Section 2520.103.10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA) are not applicable and have been omitted.

MARY ELLEN LEONARD, CPA

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of the
Scandrill, Inc. 401(k) Plan
Houston, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Scandrill, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note C, which was certified by Fidelity Management Trust Company , the trustee of the Plan, and State Street Bank the former trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental

101 LAKE POINT COURT • LEAGUE CITY, TEXAS • 77573
PHONE: 832-692-8190 FAX: 281-538-8707 • E-MAIL: MELCPA86@AOL.COM
WEBSITE: WWW.MEL-CPA.COM

schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions.

The plan administrator has obtained a certification from the trustee and former trustee as of and for the years ended December 31, 2012 and 2011, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matters

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules identified in the table of contents, which are the responsibility of plan management, are presented for the purpose of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mary Ellen Leonard, CPA

Houston, Texas
August 6, 2013

101 LAKE POINT COURT • LEAGUE CITY, TEXAS • 77573
PHONE: 832-692-8190 FAX: 281-538-8707 • E-MAIL: MELCPA86@AOL.COM
WEBSITE: WWW.MEL-CPA.COM

SCANDRILL, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

As of December 31, 2012 and 2011

ASSETS	**2012**	**2011**
Investment in cash and cash equivalents (Notes B & C)	$1,411,706	$1,297,857
Investment in registered investment companies (Notes A, B & C)	8,827,290	6,820,628
Total investments in common/ collective trusts and registered investment companies	10,238,996	8,118,485
Notes receivable - participants (Notes A, B & C)	760,667	610,851
TOTAL ASSETS	10,999,663	8,729,336
NET ASSETS AVAILABLE FOR BENEFITS	$10,999,663	$8,729,336

The accompanying notes are an integral part of these financial statements.

SCANDRILL, INC. 401(K) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	2012	2011
Additions to net assets attributed to:		
Investment activity:		
Net appreciation (depreciation) in fair value of investments:	$795,322	$ (341,408)
Interest	45,396	31,319
Dividends	230,723	219,800
Total investment income	1,071,441	(90,289)
Contributions		
Participant	1,450,235	1,223,124
Employers	1,086,287	796,706
Participant rollovers, net of issuances	6,502	18,842
Total contributions	2,543,024	2,038,672
TOTAL ADDITIONS	3,614,465	1,948,383
Deductions from net assets attributed to:		
Corrective distributions	29,933	122,687
Deemed distribution on loans and transfers	2,106	49,151
Benefits paid to participants	1,272,003	1,672,512
Administrative expenses	40,096	14,014
TOTAL DEDUCTIONS	1,344,138	1,858,364
NET INCREASE (DECREASE)	2,270,327	90,019
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	8,729,336	8,639,317
End of Year	$10,999,663	$8,729,336

The accompanying notes are an integral part of these financial statements.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE A - SUMMARY PLAN DESCRIPTION

The following description of the Scandrill, Inc. ("Company") 401(k) Plan ("Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, adopted by the Company's board of directors and effective September 1, 2000, is a defined contribution plan covering all eligible employees who have completed three months of service with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan's third party administrator until May 1, 2011 was Automatic Data Processing, Inc. (ADP) and its investment custodian and financial record keeper is State Street Bank and Trust Company. Effective May 1, 2011, the plan's third party administrator, investment custodian and financial record keeper became Fidelity Management Trust Company.

Administration of the Plan

Effective May 1, 2011, the financial investment custodian and financial record keeper for the Plan's participant directed assets is Fidelity Management Trust Company. Prior to May 1, 2011, that function was provided by State Street Bank and Trust Company (the "Custodians"). Administrative expenses charged by the Custodians relating to participant activities are deducted from the participant's account. However, record keeping expenses are paid by the Company, at its discretion, and are not charged to the Plan.

Contributions

Each year participants may elect to defer a percentage of pretax annual compensation to the Plan, subject to the limitations specified in the Internal Revenue Code ($17,000 for 2012 and $16,500 for 2011 for participants under 50 years old). The Company, may, in its sole discretion, contribute and allocate to each eligible participant's account, a percentage of the participant's elective deferrals. These elective matching contributions, if any, are determined at the end of the plan year. For the years 2012 and 2011 the Company made no elective matching contributions.

NOTE A - SUMMARY PLAN DESCRIPTION – (continued)

Participants' Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Forfeitures

Forfeitures occur when a participant terminates employment before becoming 100% vested. All forfeitures are used to reduce the expenses of the plan.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in Company contributions is based on years of service as follows:

Years of Service	Vesting
0-1 year	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notes receivable participants

Participants may borrow from their participant directed accounts a minimum of $500 and up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The interest rate, security and terms of payment are determined by the trustee based on rates charged for similar loans by commercial lenders; however, loan terms are not to exceed five years, unless the loan is used to purchase a primary residence, in which case it may be repaid within 30 years. Principal and interest are repaid monthly on an after-tax basis, in equal payments of principal and interest. The custodian and financial record keeper charge a fee for the loan, which is deducted from the participant's account.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Payment of Benefits

The account of a withdrawing participant is equal to the current market value of his or her vested balance in the account. The normal retirement age under the Plan is 65 with 5 years of service, and early retirement at age 55 is allowed. Benefits are paid by lump-sum distribution to the participant upon termination of employment. For termination of employment due to death, beneficiary may elect either the lump sum distribution or annual installments over a ten year period. Hardship withdrawals are allowed from the Participant's elective deferral account but such withdrawals may have income tax consequences and transactions fees to the participant.

Administrative Expenses

The Plan's expenses are paid by the Company. Such expenses are composed primarily of investment custodian and financial record keeping and administrative expenses. Expenses incurred for transfers and participant transactions are deducted from the participant's account.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their total account balances.

Basis of Accounting

The financial statements of the plan are prepared on the accrual basis of accounting. Investments held by a defined contribution plan are required to be reported at fair value. The Statement of Net Assets Available for Benefits presents the fair value of the investments.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include all monies at registered investment companies held in money market accounts. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investment Valuation and Income Recognition

The Plan's investments in the registered investment companies are valued at fair value as determined by the Custodian.

The registered investment company accounts are invested solely in shares of mutual funds which are valued at quoted market prices. Net appreciation in fair value of investments includes interest and dividend income earned. Investment transactions related to the underlying investments are accounted for on a trade-date basis and dividends are recorded when received.

Payment of Benefits

Benefits are recorded when paid.

Use of Estimates

The preparation of these financial statements requires management and the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and additions and deductions reported during the reporting period. Accordingly, actual results may differ from those estimates.

Excess Contributions

On March 14, 2011, the plan disbursed a total of $122,687.47 to various participants as a result of corrections under the actual deferral and actual contribution percentage compliance tests. On March 7, 2012, the plan disbursed a total of $29,932.74 to various participants as a result of corrections under the actual deferral and actual contribution percentage compliance tests. The disbursements were required to protect the qualified status of the plan. For the year ended December 31, 2011 and 2012, the Plan has passed all compliance tests.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

Subsequent events have been evaluated through August 6, 2013, which is the date the financial statements were available to be issued. In addition, the Plan Administrator terminated the consulting services used by the Plan in 2012 in order to reduce overall Plan expenses.

NOTE C - INVESTMENTS IN REGISTERED INVESTMENT COMPANIES

The Plan permits participants to invest contributions into various mutual funds managed by either the investment custodian (known as investments in common / collective trusts) or independent investment companies. The Custodian maintains all registered investment company investments in pooled separate accounts, which are valued at quoted market prices. Additional information regarding registered investments companies and the assets that each fund is invested in as well as the fund rate of return can be obtained from the Custodian

The following presents underlying investments that represent 5% or more of the Plan's net assets.

INVESTMENTS, AT FAIR VALUE	12/31/2012	12/31/2011
Thornburg Int Val R5	$ 585,632	$ 494,271
Metwest Tot RTN BD M	1,061,140	966,158
FID RETIRE MMKT	1,411,706	1,297,857
SPTN 500 INDEX INV	1,979,381	1,493,421
FID FREEDOM 2040	1,704,578	1,085,787
Total of all other funds	3,496,559	2,780,991
TOTAL INVESTMENTS	$ 10,238,996	$ 8,118,485

NOTE D – RELATED PARTY TRANSACTIONS

Certain plan investments are shares of common / collective trusts of the Plan's Custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for recordkeeping services amounted to $16,924 for the year ended December 31, 2012 and $14,014 for the year ended December 31, 2011.

For the year ended December 31, 2012, the Plan also contracted a consultant as an asset advisor. Direct compensation paid by the Plan for advisory services totaled $23,172 for the year ended December 31, 2012. There was no expense for advisory services for the year ended December 31, 2011.

NOTE E - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan termination, participants will become 100% vested in their accounts.

NOTE F – TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated December 6, 2002, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Financial Accounting Standards Board issued new guidance on accounting for uncertainty in income taxes. The Plan adopted this new guidance for the year ended December 31, 2011. Management evaluated the Plan's tax positions and concluded that the Plan has maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Plan's tax returns for tax years 2010 and beyond remain subject to examination by the Internal Revenue Service.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS –

NOTE G - DATA SUPPLIED BY THE PLAN'S CUSTODIAN (UNAUDITED)

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-5(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator has obtained a certification from both State Street Bank and Trust Company and Fidelity Management Trust Company, for the year ended December 31, 2011 and 2012, respectively, that the information provided to the plan administrator is complete and accurate.

- Investments, as shown in the statements of net assets available for benefits.
- Net appreciation in fair value of investments, as shown in the statements of changes in net assets available for benefits.
- Interest, as shown in the statements of changes in net assets available for benefits.

NOTE H – RISKS AND UNCERTANTIES

The Plan invests in various types investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Realized gains and losses are recorded based on the historical cost value of the investments sold. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded when received, which is not materially different from the results that would have been obtained if such income had been recorded on the accrual method.

Investments securities, in general, are exposed to risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of net assets available for plan benefits and the amounts reported in participant accounts.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS –

NOTE I – CONCENTRATION OF RISK

Financial instruments, which potentially expose the Plan to a concentration of credit risk, consist of investments in common and collective trusts and other registered investment companies. The Plan has not experienced any credit losses associated with these investments.

NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Schedule H of Form 5500:

	December 31, 2012	December 31, 2011
Net assets available for benefits per The financial statements	$ 10,999,663	$ 8,729,336
Reconciling items	0	0
Net assets available for benefits per Schedule H to Form 5500	$ 10,999,663	$ 8,729,336

The following is a reconciliation of the increase in net assets available for plan benefits per the financial statements for the year ended December 31, 2012 to Schedule H of Form 5500:

	2012	2011
Net Increase in net assets available for plan benefits per the financial statements	$ 2,270,327	$ 90,019
Add: Certain deemed distributions of Participant loans	0	32,685
Net Increase in net assets available for plan benefits per Schedule H of Form 5500	$ 2,270,327	$ 122,704

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS –

NOTE K – FAIR VALUE MEASUREMENTS

FASB ASC Codification 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC Codification 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to valuation methodology include, (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS –

NOTE K – FAIR VALUE MEASUREMENTS (continued)

Registered investment companies: Investments in the mutual funds held by the custodian are valued at the units of a bank collective trust and are included in Level 1 assets. The units, as provided by the Custodian, are used as a practical expedient to estimate fair value. The fair market value is based on the fair value of the underlying investments held by the fund less its liabilities. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

For those assets with fair value, the Plan administrator determines the fair value measurement policies and procedures in consultation with the Sponsor's chief financial officer and the Plan trustee. Those policies and procedures are reassessed at least annually to determine if the current valuation techniques are still appropriate. At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012 and 2011.

	Fair Value Measurements Using: 2012			
Description	Level 1	Level 2	Level 3	Total
Registered Investment Company Funds (Mutual Funds)				
Balanced	$ 498,262			$ 498,262
Growth	531,935			531,935
Foreign	585,632			585,632
Target date	2,984,051			2,984,051
Total return	1,061,140			1,061,140
Aggressive growth	479,317			479,317
Global	331,269			331,269
Index	2,355,684			2,355,684
Cash & cash equivalent funds				
Stable value fund	1,411,706			1,411,706
Total assets at fair value	$10,238,996	$ -	$ -	$10,238,996

SCANDRILL, INC. 401(K) PLAN
NOTES TO THE FINANCIAL STATEMENTS –

NOTE K – FAIR VALUE MEASUREMENTS (continued)

	Fair Value Measurements Using: 2011			
Description	Level 1	Level 2	Level 3	Total
Registered Investment Company Funds (Mutual Funds)				
Balanced	$ 408,619			$ 408,619
Growth	649,912			649,912
Foreign	494,271			494,271
Target date	1,864,629			1,864,629
Total return	966,158			966,158
Aggressive growth	360,245			360,245
Global	258,218			258,218
Index	1,818,576			1,818,576
Cash & cash equivalent funds				
Stable value fund	1,297,857			1,297,857
Total assets at fair value	$8,118,485	$ -	$ -	$8,118,485

SUPPLEMENTAL SCHEDULE

SCANDRILL 401(k) PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS - MODIFIED CASH BASIS (HELD AT END OF YEAR)

December 31, 2012

Plan Sponsor number 74-1914865
Plan number 001

(a)	(b)	(c)	(d)	(e)
Party in Interest	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
*	MSIF Mid Cap Growth I	Registered Investment Company	N/A	244,579
*	Mainstay LG Cap GR I	Registered Investment Company	N/A	229,883
*	Thornburg Int Val R5	Registered Investment Company	N/A	585,632
*	Col SM Cap IDX Z	Registered Investment Company	N/A	376,392
*	Metwest Tot RTN BD M	Registered Investment Company	N/A	1,061,140
*	INVS HIGH YLD INST	Registered Investment Company	N/A	118,993
*	RDGWTH MID CAP VAL I	Registered Investment Company	N/A	44,495
*	BLKRK EQUITY DIV I	Registered Investment Company	N/A	66,987
*	TCW SM CAP GRTH I	Registered Investment Company	N/A	12,978
*	OAKMARK EQ & INC I	Registered Investment Company	N/A	308,438
*	OPPENHEIMER GLOBAL Y	Registered Investment Company	N/A	331,269
*	DLWR SM CAP BAL INST	Registered Investment Company	N/A	122,837
*	FID CONTRAFUND	Registered Investment Company	N/A	360,234
*	FID FREEDOM 2000	Registered Investment Company	N/A	15,862
*	FID FREEDOM 2010	Registered Investment Company	N/A	206,260
*	FID FREEDOM 2020	Registered Investment Company	N/A	49,193
*	FID FREEDOM 2030	Registered Investment Company	N/A	289,388
*	FID RETIRE MMKT	Cash and cash equivalents	N/A	1,411,706
*	SPTN 500 INDEX INV	Registered Investment Company	N/A	1,979,381
*	FID FREEDOM 2040	Registered Investment Company	N/A	1,704,578
*	FID FREEDOM 2005	Registered Investment Company	N/A	12,771
*	FID FREEDOM 2015	Registered Investment Company	N/A	77,040
*	FID FREEDOM 2025	Registered Investment Company	N/A	64,699
*	FID FREEDOM 2035	Registered Investment Company	N/A	137,860
*	FID FREEDOM 2045	Registered Investment Company	N/A	40,493
*	FID FREEDOM 2050	Registered Investment Company	N/A	231,437
*	FID FREEDOM 2055	Registered Investment Company	N/A	154,471
	TOTAL INVESTMENTS			$ 10,238,996
*	Notes receivable - participants	Interest Rates ranging from 4.25% to 10.25%	N/A	760,667

* Represents a party-in-interest
N/A Cost informaiton is not presented because all investments are participant directed.

See accompanying independent auditors' report and notes to financial statements

SUMMARY OF NET TRUST ASSETS

Total Plan Assets as of 12/31/2012

Fund Name (Cusip #)	Share Balance 12/31/2012	Historical Cost	Price	Total Market Value
MSIF MID CAP GRTH I	7,040.257	$287,109.23	$34.74	$244,578.53
MAINSTAY LG CAP GR I	28,807.425	$229,182.33	$7.98	$229,883.25
THORNBURG INT VAL R5	20,885.581	$624,809.90	$28.04	$585,631.69
COL SM CAP IDX Z	21,181.329	$387,078.61	$17.77	$376,392.22
METWEST TOT RTN BD M	97,352.303	$1,029,016.31	$10.90	$1,061,140.10
INVS HIGH YLD R5	26,860.696	$115,508.84	$4.43	$118,992.88
RDGWTH MID CAP VAL I	3,786.810	$44,919.71	$11.75	$44,495.02
BLKRK EQUITY DIV I	3,361.101	$65,190.58	$19.93	$66,986.74
TCW SM CAP GRTH I	484.248	$14,587.41	$26.80	$12,977.85
OAKMARK EQ & INC I	10,822.393	$317,605.89	$28.50	$308,438.20
OPPENHEIMER GLOBAL Y	5,132.771	$338,000.28	$64.54	$331,269.04
DLWR SM CAP VAL INST	2,896.408	$124,461.58	$42.41	$122,836.66
FID CONTRAFUND	4,645.147	$337,894.53	$77.57	$360,324.05
FID FREEDOM INCOME	0.045	$0.54	$11.71	$0.53
FID FREEDOM 2000	1,282.269	$15,726.75	$12.37	$15,861.67
FID FREEDOM 2010	14,607.626	$208,624.87	$14.12	$206,259.68
FID FREEDOM 2020	3,437.681	$49,794.63	$14.31	$49,193.22
FID FREEDOM 2030	20,336.437	$286,234.62	$14.23	$289,387.50
FID RETIRE MMKT	1,411,706.150	$1,411,706.15	$1.00	$1,411,706.15
SPTN 500 INDEX INV	0.000	$0.00	$50.49	$0.00
FID FREEDOM 2040	206,365.337	$1,683,580.50	$8.26	$1,704,577.68
FID FREEDOM 2005	1,139.212	$12,871.64	$11.21	$12,770.57
FID FREEDOM 2015	6,523.246	$77,884.62	$11.81	$77,039.54
FID FREEDOM 2025	5,414.141	$63,408.92	$11.95	$64,698.98

SUMMARY OF NET TRUST ASSETS

Total Plan Assets as of 12/31/2012

Fund Name (Cusip #)	Share Balance 12/31/2012	Historical Cost	Price	Total Market Value
FID FREEDOM 2035	11,653.432	$135,209.80	$11.83	$137,860.10
SPTN 500 INDEX ADV	39,201.672	$1,906,627.76	$50.49	$1,979,292.42
FID FREEDOM 2045	4,140.435	$38,983.07	$9.78	$40,493.45
FID FREEDOM 2050	24,008.014	$221,576.37	$9.64	$231,437.25
FID FREEDOM 2055	15,634.711	$150,602.84	$9.88	$154,470.94
OUTSTANDING LOAN BALANCE				$760,667.39
			NET ASSETS 12/31/2012:	$10,999,663.30

Assets are presented at fair value with the exception to fully benefit responsive investment contracts which are presented at contract value as in previous years. See chapter 7 of the Fidelity auditor's guide for financial statement presentation and disclosure information.