BENCHMARK ELECTRICAL SOLUTIONS

QUARTERLY NEWSLETTER O3 - 2017



Safety Update

Safety is always a top priority for Benchmark. We want to extend a huge thanks to everyone that has contributed to our safe work culture over the last several months. We have worked over 155,341 without a recordable injury. This is very impressive and we are on track to meet our goal of 200,000 man-hours with zero recordable incidents.

While we have been good in Safety, we have not been great. There have still been a few near misses and other incidents that could have potentially turned into a bigger problem. We encourage everyone to stay focused and sharp in the field when it comes to safety and we will do everything we can as a company to support that.

If you feel that you want to be a bigger part of what goes into our safety program, please join our Safety Committee. With some of the larger up and coming projects down in Texas, we will be assembling a Project-Specific safety group to help improve the safety and working conditions on those projects. Contact your direct supervisor for more information about getting involved.

SOR Cards are still an integral part of our safety culture and how we focus our efforts as a company. We want to recognize the following employees for their efforts:

- 1. Landon Heutzenroder
- 2. Joe Dunn
- 3. Shaun Tiner



Please keep up the great work!

Summary of Current Work

2017 has been a great year for Benchmark so far. We are currently working on projects in Colorado, Texas, North Dakota and the northeast region. Our main focus has been the oil and gas industry; however, we have also been able secure several projects outside of that industry to help contribute to the overall stability of the company. The projects below highlight a few of the projects we are working on or wrapping up. This is not all inclusive of every project and does not recognize every employee directly, but we want to THANK EVERYONE for their commitment to Benchmark and our values. It takes each and every person in this organization to be successful, no matter what job or position you are in.

Northern Colorado Region:

Our Colorado branch is extremely busy and we have been picking up quite a few new clients in the region. Jon Hensley and his crews are exceeding all expectations. Read below for further information about current and upcoming projects in the Colorado region.

Anadarko Petroleum Company- Joe Dunn and his crew recently completed the COSF Front End Heating project for Anadarko and the project was a huge success. There were zero safety incidents, zero issues with startup and we were ahead of schedule. Great job to Joe and his team!

Magellan Carr Extension- We are wrapping up the final loose ends for the Magellan Carr projects. We have another project with Magellan slated for later this year and we are looking at quite a few more opportunities with them. This is largely in part to our performance on these projects and to our commitment to client satisfaction. We had a few different project leads for the different sites and everyone did a really great job handling everything that was thrown at them, whether it was compressed schedule, operations, or changes in scope.



Kinder Morgan- Neff Lake- Following our completion of the Anadarko project, Joe Dunn and crew tackled the Neff Lake meter station expansion project with Bodell Construction. This project had its fair share of surprises, however, Joe and company were able to navigate them perfectly.

Ward Petroleum- Schaefer Pad- We have been working with Ward Petroleum for several months on front end budgeting and permitting. We are finally going to begin construction on the first well pad development in Adams County. This will be our first project with them and we are expecting great things!

REI- Greenwood Village- The REI remodel in Fort Collins was one of our first commercial projects in years. Because of our success, we have been given the opportunity to work on the Greenwood Village project. Kyle Raybon, Chris Giauque and their team are executing this project at a very high level. We have even been extended the opportunity to bid on the upcoming Flagship store remodel.

Service Department- Mark Valenzuela is at the helm of the service department. He is over 500 service calls since we started this division. In addition to the daily callouts that his team handles, he will also be taking on several smaller commercial projects during the remainder of 2017.

Upcoming Projects (Potential):

- Anadarko- Miscellaneous projects
- Pegasus- Compressor stations
- **Semgroup-** Platteville Pipeline Connections
- Extraction Oil and Gas- Ongoing well pad construction and maintenance
- Xcel- Denver Metro Stations
- Magellan Midstream- Fountain, CO
- Ward Petroleum- Ritchey Well pads
- Cub Creek- Miscellaneous projects
- Kinder Morgan- Miscellaneous meter stations and operation upgrades
- MBA Construction- Salt Water Disposals, TRDs and O&M Warehouse Buildings
- DCP Midstream- Godfrey Bottoms and Crossroads Compressor Station
- Service- Ongoing service/maintenance with Vintage, Dollarhide, Earl Weston, Connell, and more



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Permian/Delaware Region:

West Texas and Southeast New Mexico remain one of our busiest areas. We are currently working on the Sendero 130 Cryo Plant and the Targa Oahu 60 Cryo Plant in those regions and we are hoping to continue to build in that region. In addition to the cryo plants, we have several other opportunities we are looking at. Read more below:

Targa Oahu Cryo Plant (60 MMCF/D) — Due to our ability to execute the Navitas Newberry 60 MMCF/D, Benchmark was recently contracted by Dancar Energy Construction and Trailhead Engineering to complete the Instrument and Electrical scope for this 60 MM plant. John Davis III and his team will be heading up this project. Targa is extremely active in West Texas and North Dakota, so we are excited to have the opportunity to start working on this project. This project is just starting off and will be running for the next several months.

Sendero 130 Cryo Plant (130 MMCF/D) – In addition to the Targa project, we are also working with the Dancar/Trailhead team on the Sendero plant in southeastern New Mexico. Will Cross and his crew will be executing this project. Will was instrumental in the success of the Magellan projects in northern Colorado and we are looking forward to him knocking this one out of the park as well!



Nustar Diamondback WH 48 – Navigator Energy Services recently sold their assets in West Texas to Nustar. Nustar has big plans for this area and we plan to be a big part of that. James Perez and his crew are working on this smaller CDP project, but don't let it fool you. These projects have extremely tight timelines and require effective communication to manage properly. James and his crew have exactly what it takes to turn Nustar into a repeat customer!

Upcoming Work (Potential)

- Sendero Midstream Cryo Plant Expansion
- Navitas Midstream- Miscellaneous Projects
- NGL Water Solutions- Salt Water Disposal
- Nustar- Multiple CDP's and Loading Terminal
- Northern Natural Gas- Multiple projects
- Kinder Morgan- Multiple projects
- MBA Construction- Salt Water Disposals, TRDs and O&M Warehouse Buildings
- DCP Midstream- Compressor Stations
- Pinnacle Midstream- 60 MMCF/D Cryo Plant

Bakken Region:

It has been a while since we worked in North Dakota. We finished up the Liberty Midstream project at the end of last year and we have not had the opportunity to go back up in that region since then. We recently picked up a small project for Hess through MBA Construction. Phil Bulen and his crew will be heading up north to execute this project. We are looking forward to a successful project and many more to come!

Marcellus/Utica Region:

Tyler and his team continue to grind everyday to help grow and develop that region. Tyler recently picked up Consol and DTE as new clients in that area. We are looking forward to how those relationships will develop!

Rice Midstream – We are working on multiple projects for Rice's midstream group. Rice has been a steady client since we started working with them earlier this year. We are working towards opportunities with their construction group and hope to see a lot more out of these guys in the future!

EQT Interconnects- We continue to work with EQT on various types of projects. They recently purchased Rice Midstream and therefore have slowed down a bit. There are several projects on the horizon with them, so we are eager to get back out there and execute another one!



Upcoming work (Potential)

- EQT- MVP Bradshaw Compressor Station
- Tenaska- Meter Stations
- Rice Midstream- CDPs and other facility upgrades/expansions
- **DTE Energy-** Facility upgrades and maintenance
- Consol Energy- Miscellaneous projects
- Steel Nation- Compressor stations and other opportunities
- MBA Construction- Salt Water Disposals, TRDs and O&M Warehouse Buildings

SAFETY, QUALITY, PRODUCTIVITY BE THE BEST!

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