



Quarterly

3rd Quarter '07



Crossmar 7 sets sail on first project

Crossmar recently set sail with their newest vessel. The Crossmar 7 is presently working for Oceaneering on its BP contract in the Gulf of Mexico. The crew are supporting a complex mix of personnel and equipment that includes Saturation diving, air diving, ROVs and a well killing spread.

Bringing together a new crew on a new barge has its challenges but everyone is settling in well and becoming a top flight crew. This is shown in the fact that we have recently seen BP recognizing a number of them with their award system.

“Zeke“ Zeringue, our Maintenance Manager headed the charge with the first ‘Innovation Award’ for his unflinching effort during the mobilization phase.

Barrett Best, Ashley Casey, David Collier, Danny Gray, Joshua Hamel, Brad Nelson, Zachery Powell, Matt Smith, and Nathan Taylor have continued this example by all being recognized as having “gone beyond the call of duty.” (the details of their efforts are best left to them to describe, but were very much appreciated by all on board)

This is a timely reminder to all that, no matter how new or impressive the equipment is, it is still just iron and must be operated by people who act in a safe and professional manner to represent our core company values.

Well done and our thanks go to those mentioned above as well as to our Superintendents, David Bledsoe and Randy Hamel, for blending a diverse group of people into a team capable of impressing our clients with their efforts.



Crossmar 14 Departs for Trinidad

Through the first few months of 2007, the CrossMar 14 continued working in the Gulf of Mexico supporting diving and ROV operations.

At the beginning of June the vessel returned to home port in Houma to mobilize for a contract which would take the CM-14 away from US waters for the first time.

Next stop Trinidad.

For the remainder of June the CM-14 was outfitted to provide a work platform capable of assisting the client with their project requirements, replacing a 42" loading pipeline with a 30" pipeline to be installed in two sections.

The intended activities conducted from the CM-14 are: the installation of several closing spool pieces, placement of concrete stabilization mattresses



over the pipeline, cross tensioning the Single Point Mooring (SPM) anchor chains utilizing Cross Rentals winches, Pipe Line End Manifold (PLEM) installation and assisting with supporting the client during pipeline to PLEM pigging operations. All activities are to be conducted in water depths between 40' - 70'.



The CM-14 departed for Chaguaramas Terminal dock, Trinidad, in mid July for a fourteen day uneventful transit.

Following a further mobilization in the Trinidad port, the barge has since started work off Galeota Point and anticipates conducting the offshore work until late September when it may return to the Cross Houma port for the final de-mobilization.



Crossmar provides winch and operators to Saipem

Saipem has contracted Crossmar Inc. to supply the Hepburn Model Winch with operators Jarrod Duplantis and William Baldrige. The winch was utilized to assist BHP Billiton Petroleum (Americas) with the installation of the Neptune Umbilicals and Jumpers.

Cross Mar 15 continues pipeline recovery

Over the past 3-1/2 months, the Cross Mar 15 has been working for Energy XXI recovering pipelines at the South Timbalier 21 field. The barge was initially contracted until the end of August to remove 50 pipelines from the area. However, roughly 36 lines were added to the vessel's scope of work which will keep the barge working for a few more months.

The recovery method uses divers to drop to the seabed and connect the damaged pipelines to the CM-15 crane. When the diver returns onboard the barge, the crane starts recovering the pipe to connect to the winch onboard while moving the vessel forward under the pipe, and cutting it in 100' sections on deck.

Once the pipe is cut, the winch shackles into another length and continues recovering the pipe from the seabed. At the time of printing, the barge has recovered roughly 45 pipelines averaging 1000' in length. As per Energy XXI, the Cross Mar 15 has removed approximately 16 miles of pipeline from the ST-21 field. Following the pipeline recovery operation, the barge will commence assisting Energy XXI with the damaged platform removal and recovery of killed subsea wells.

The first photo shows Brent Orgeron supervising the riggers who are about to secure the dual 4" pull on the barges deck prior to cutting.



Crossmar vessel transfer for Bender Shipbuilders

Bender Shipbuilders (Mobile,AL) called on Crossmar to pull the Seacor Grant into temporary drydock. The Skagit Model AED 295 winch pulled the 265'x52', 2000 ton vessel into drydock in 55 minutes time. Crossmar Operators, Lou Himel and Jason Eschete completed the project.



Garber Brothers calls on Cross Services

Cross Services delivers a refurbished Smatco 46 DAW 100 winch to Garber Brothers. The winch was pull tested and installed aboard the M/V Sea Oak, which is currently working in the Gulf of Mexico.

Smatco Model 84 Winch delivered to Kevin Gros Offshore

Cross Equipment & Cross Services team up to provide Kevin Gros Offshore and Honolulu Marine with a Rebuilt Smatco Model 84 DAW winch. The lower Drum shaft was extended to accommodate the need for chain whelps. This winch was installed on the motor vessel Kevin Gros formally know as the Seacor Star. The M/V Kevin Gros will be performing anchor handling in the Gulf of Mexico. Steven Cox of Cross Services, pictured here testing the new winch control panel.



Cross Services assists in expanding Crossmar's Rental Fleet

Crossmar Inc. takes delivery of (4) Skagit Model AED 295 single drum winches completely refurbished and modified by Cross Services, Inc. The winches were converted from electric to diesel driven power packages which consisted of Tier 3 John Deere engines coupled to Vicon torque converters and reversing gearboxes. Other modifications to the winches included spring set brake packages. After nearly 10 months of refurbishment and modifications the winches are now part of Crossmar's expanding rental fleet.



J RAY McDermott calls on Cross Services

Cross Services, Inc. recently completed the evaluation, repair and performance certification of two Skagit Model RB97 winches for McDermott (shown with mechanic, Lynn Trahan, Jr.) The winches will be installed on a barge which is scheduled to complete the skid/launch of a jacket for Reliance in Dubai. The repairs included the replacement of friction shoes which will increase the overall performance of the equipment. The project was completed within the delivery schedule of 29 days.

BRIAN SAUCIER JOINS THE CROSS GROUP

Brian Saucier has recently joined Crossmar to support new Business Development strategies focused around Deepwater Subsea system applications. Brian has over 24 years industry experience and offers deepwater (1500 - 7,000 ft) project experience within the realm of subsea well drilling, completion and intervention design/operations.

Cross recently acquired Brian's company which has been working for the past 14 years, offering subsea engineering and project management services to several of the major operators in the

GOM (Shell, BP, Chevron) in various functional engineering/project management roles focused in Subsea field development design, construction/testing and field installation & intervention operations. Working within the client based, integrated project team (IPT), Brian was responsible for delivery of various major project segments (ie: Subsea installation, SS Equipment development, well testing and flow-back operations, intervention equipment/operations, etc) and would routinely coordinate a multi-vendor team to execute the work on behalf of client.

Brian has authored and co-authored

several deepwater technical papers related to subsea system project engineering, and intervention equipment and control system technologies related to Dynamically Positioned well intervention vessels and operations. He has also recently received patent (#7,219,740) for Intervention Access Hub Technology which offers alternative solutions to ultra-deepwater field developments.

Brian has a degree from LSU in Mechanical Engineering ('83). Brian will be working from the Houston office and will continue to offer selected consulting services to the industry, while working through Cross.



COLBY EDENS PROMOTED TO CROSS SERVICES SHOP FOREMAN

Colby, seen here with his father and fellow Cross Group employee Chuck Edens (left) was recently promoted to Shop Foreman. In celebration of his promotion, father Chuck Edens constructed a Scale model of a Skagit Model Winch as a gift to his son. Chuck, an avid craftsman, builds birdhouses and other small crafts. The intricate details includes a hook made of sand (hanging below the winch) to commemorate the recent completion of the Sandy Hook Project in Mississippi in which Colby was the head mechanic and technician.



CROSS SERVICES AND CROSS EQUIPMENT CELEBRATE PROJECT COMPLETION



Equipment Sales Manager, Carroll Goulas (right) is assisted by Inventory Control Manager, Errol Duplantis in preparing lunch in celebration of the recent completion of the Smatco 84 Rebuild for Kevin Gros Offshore.

CROSSMAR 7 KICK OFF LUNCH

The Crossmar 7 crew enjoyed steak and boiled seafood prior to departing for their first project in the Gulf of Mexico. The event was organized by Crossmar Project Manager, Kendall Craig (left) and Oceaneering Superintendent, Alan Charlson. (right) Big Al's of Houma catered the event.



CROSS GROUP CELEBRATES TWO WEDDINGS

Chad Pizzolato, Crossmar Project Manager says "I do" on July 13. Congratulations Kelly and Chad. Marketing Manager, Chris Robichaux married Liz Whitney on May 19. Congratulations Liz and Chris.

PEOPLE In PLACES



JASON CROCHET

Crossmar Inc., welcomes Jason Crochet as HSE manager. Jason has 10 years of safety experience in various fields. Jason previously

worked in New Orleans in general construction and iron working as well as fabrication at Gulf Island Fabrication. Job task include updating HSE policies/procedures, training, performing audits, contractor HSE management, and working with supervision/management to insure all employees follow HSE policies/procedures.



BRETT FARMER

Crossmar Inc. welcomes Brett Farmer to their outside sales force. Brett has over 10 years experience in sales

holding positions which include Assistant Manager of Nextel and salesman at Bayou Testers (x-ray and non-destructive testing).



STEPHEN NYE

Crossmar Inc. welcomes Stephen Nye as Sr. Project Manager. Stephen began his career in the oil industry in 1977 working as a diver. Stephen moved

to Aberdeen Scotland in 1978 where he continued working as a diver, dive supervisor and Client Rep in the North Sea, West Africa and South East Asia until 2001. Additionally, during that time, he was employed as a subsea project manager for Trident Offshore and was responsible for the installation / subsea maintenance of clients floating production systems. During that time, he returned to college, studying mechanical engineering (associates degree). In September 2001 Stephen returned to the

States where he accepted a position with Prosafe Production, a Norwegian company, who own and operate a fleet of FPSO's and FSO's located offshore Egypt, India, West Africa, Brazil, S.E.A. and New Zealand. Stephen was employed as Prosafe's Subsea Manager where he was responsible for the subsea maintenance and installation of subsea equipment, mooring systems and the FPSO.



KEVIN PIZZOLATO

Crossmar Inc. welcomes Kevin Pizzolato as Logistics Coordinator. Kevin studied business administration at Nicholls State University. Kevin was

previously employed by Oceaneering as an NDT Inspector for four years.

WHAT IS SAFETY?

The Cross Group continues to improve its safety performance and programs. Recent additions to the HSE department have given the Cross Group the opportunity to develop new training techniques and ideas. The Cross Group plans to launch a newly developed supervisor's training module that will teach the leadership skills, roles and responsibilities, and policies and procedures needed to improve safety performance. This training will include several modules covering JSEAs, Incident Management, Incident Investigation, Behavior Based Observation program, and Conducting Effective Safety Meetings. It will incorporate

some effective training techniques that will allow the student to have fun while learning and keep the interests levels high for content retention. This training will become an effective tool that will take a hands on approach to assure competency levels of Cross's supervision. HSE pocket guides are also being developed to provide supervisors and leaderman a quick reference reminder of policies and processes and will serve as a useful guide to effectively performing day to day required responsibilities. Cross will continue to strive for zero incidents, zero harm to people, and no damage to the environment while conducting business.



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