

Spring 2007



PEOPLE ORIENTED...PROJECT DRIVEN™

UPSTREAM

DOWNSTREAM

MIDSTREAM

PIPELINE

AUTOMATION

MUSTANG READIES FOR 20TH ANNIVERSARY

In July 1987, three engineers – Bill Higgs, Paul Redmon and Felix Covington – started **MUSTANG ENGINEERING**. From those humble beginnings, **MUSTANG** has flourished, spread into diverse market segments ranging from Upstream to Process and Industrial, and has become recognized for fit-for-purpose engineering, design and project management. The headcount now is over 3600 and growing daily in 12 offices around the world. As part of Wood Group, **MUSTANG** enjoys the support of an international services company with more than \$3.5 billion in annual revenues and operations in 44 countries.

MUSTANG IS FINALIST FOR OFFSHORE AWARDS

For the third consecutive year, **MUSTANG** was a finalist for the industry's Offshore Energy Achievement Awards (OEAA). In 2007, we qualified as an elite company in three categories. As Industry Champion, our extensive recruitment efforts at the high school level, hands-on internships for college students and the unique Young Guns mentoring and exchange programs for entry-level Mustangers were featured. Our LNG Smart® patented air vaporization technology for regasifying LNG was selected in the Emerging Innovation/Technology category. The Heart of Mustang, which provides assistance to more than 30 charities and community groups to help those less fortunate, was a finalist for the Contributions to Community category.

K.C. YOST ADDS MULTIPLE ROLES AT SGA

K.C. Yost, Manager of Pipeline Engineering in **MUSTANG'S** Pipeline Business Unit, has been named to the Board of Directors of the Southern Gas Association (SGA). K.C., a third-generation pipeliner, has been active in the organization for many years and has been a technical presenter on multiple topics at SGA seminars and on its web casts for CTN, the broadcasting/educational arm of SGA. He currently serves on CTN's Executive Management and Program Committees. K.C. has also been named to the SGA's Associate Member Management Committee. In March, he presented a paper entitled, "The Pros and Cons of Product Standardization" at the organization's Supply Chain Conference in Austin, Texas.

GLOBAL PERFORMANCE/PME CELEBRATES FIRST YEAR AS MUSTANGERS

On March 9, Global Performance and PME celebrated their first anniversary as part of **MUSTANG** and its Process and Industrial Business Unit. With strong leadership of co-founders Dennis Braasch, Jay Alexander and Steve Kiker, the team's client base has broadened, its reputation continues to attract top talent and the group has grown to more than 500 **MUSTANGERS**, with projections to reach 650 by 2008. The inaugural year has been filled with accomplishments that include a zero incident rate safety performance record; expansion of both the Greenville and Houston locations into larger office space; recognition by Inc. Magazine as the 15th fastest-growing U.S. private company; ENR Magazine's rank of 22 for engineering of manufacturing facilities and its rank of seven in automotive plant construction; along with significant project awards from a variety of industrial clients.

MUSTANG TEACHES THE INDUSTRY ABOUT PIPELINE INTEGRITY

MUSTANG'S Erika Sanchez, pipeline integrity specialist, was a presenter at the National Association of Corrosion Engineers (NACE) International Corrosion 2007 Conference & Expo, held in March in Nashville. Her paper was entitled, "Damages by Corrosion in a Basement Contaminated with Chlorides". Additionally her article "Corrosion Problems in Concrete Reinforced Basements Exposed to Chloride-Contaminated Waters", was published in the March issue of Material Performance, a technical trade publication of NACE.

MUSTANG AWARDED U.S. PATENT FOR LNG SMART® AIR VAPORIZATION PROCESS (SAV)

MUSTANG'S Midstream Business Unit has been awarded U.S. patent 7155917 for its proprietary LNG Smart® Air Vaporization (SAV) process used to convert Liquefied Natural Gas (LNG) from its cryogenic state to natural gas. The process provides up to 100% reductions in fugitive air emissions and substantial operating cost savings when compared to other technologies. The SAV process is currently being installed on a major LNG operator's infrastructure enhancement project along the U.S. Gulf Coast.

MUSTANG GROWS WITH THE FLOW

MUSTANG has recently expanded its facilities in three locations to accommodate significant growth. In West Houston, **MUSTANG** designed, built out, networked and brought on-line 290,000 square feet of offices and staging area in the Horseshoe and Palomino buildings. Process Plants, Upstream and MAC will be the principal occupants in these new facilities. In North Houston, **MUSTANG** expanded the office of PME, a unit of the Process and Industrial Business Unit. **MUSTANG** also expanded its West Coast office in Martinez, California, to accommodate project growth and an expanding client base. During 2006, **MUSTANG** added approximately 1300 persons while maintaining one of the industry's lowest attrition rates.

MUSTANG DESIGNING 2ND WEST AFRICA COMPLIANT PILED TOWER

MUSTANG is performing detailed design services for a Compliant Piled Tower (CPT) for the Tombua-Landana Development Project located in Block 14 offshore Angola, West Africa, in approximately 1,200 feet of water. The field is operated by Cabinda Oil Company, LTD, a wholly-owned subsidiary of Chevron Corporation. The tower will be designed to support full drilling and production operations with a Tender Assist Drilling Rig, topsides weighing in excess of 26,000 short tons and 38 well slots. The CPT will be the 2nd bottom-founded structure outside the Gulf of Mexico. **MUSTANG** designed the first CPT located offshore West Africa for the nearby Benguela-Belize development in 1,280 feet of water.

MAC NAMED TO SYSTEMS INTEGRATOR LIST

MUSTANG'S Automation and Control Business Unit (MAC) was named as #3 on the Houston Business Journal's 2006 list of the Houston-area's largest computer network and systems integrators. MAC also ranked 460 on Software Magazine's Top 500 list of the world's largest software and services suppliers.

MUSTANG EMBRACES PMP

Led by **MUSTANG'S** Project Systems Management (PSM) group, almost 150 Mustangers have attended training sessions for Project Management Professional (PMP) certification. Almost 50 have sat for the stringent exam, and all who took the exam have passed and now hold PMP credentials. The global designation ascertains that those individuals have the knowledge and qualifications to manage a project. The ultimate goal is to have all project managers complete the course. Additionally, **MUSTANG** offers the opportunity to project engineers and discipline leads so that they can be exposed to PMP course content and gain experience, whether or not they elect to sit for the exam.

MUSTANG STARTS PIPELINE PROJECT

MUSTANG'S Pipeline Business Unit and Onshore Facilities Group have jointly been awarded a contract to provide engineering support for the development of an approximate 500-mile natural gas pipeline through four states, originating in the U.S. mid-continent region. The pipeline will have an initial capacity of 1.4 BCFD gas with startup slated for the first quarter of 2009. **MUSTANG'S** scope includes project management, engineering, drafting, survey, construction management, inspection, procurement support and environmental assistance.

LASER SCANNING PROVES COST EFFECTIVE

MUSTANG has expanded its laser scanning capability. The cutting-edge technique is being used on several upstream and downstream brownfield projects, both as a stand-alone service or for an existing project. **MUSTANG** employs this technology differently than others. Rather than using technicians on its laser scanning field surveys, **MUSTANG** relies on its experienced designers who can conduct the survey, model the facility at the site, and provide seamless and cost-effective design integration.

MIDSTREAM SHARES ITS KNOWLEDGE

Members of **MUSTANG'S** Midstream team are sharing their knowledge with presentations about LNG® Smart SAV technology. In February, Milos Soudek presented at an executive briefing in London, England, at SMI Group's 9th Annual Conference on LNG. His topic was "Contrasting LNG Vaporization Technologies". Brad Hubbard will present a paper at the American Institute of Chemical Engineers national meeting in Houston in April. His paper is entitled, "Floating Storage and Regasification Concepts."



MUSTANGERS PRACTICE SAFETY

MUSTANG'S year-to-year safety record for Total Recordable Incident Rate (TRIR) decreased 45 percent from 2005 to year-end 2006. For 2006, it was 0.31, extremely low for our industry. During 2006, **MUSTANG** celebrated working more than six million manhours without a lost time accident. Mustangers continue to put a great emphasis on safety and take considerable pride in our HSE successes.

OKUME/ELON COMPLEX PROJECT WINS AWARD FOR SAFETY EXCELLENCE

The Okume/Elon Complex Project, for which **MUSTANG** provided the FEED, detailed design, engineering and procurement, received Hess Corporation's 2006 Chairman's Award for Safety Excellence. This annual award recognizes one organization within Hess that demonstrates an outstanding commitment to safety through planning, employee involvement and effective implementation of performance improvement measures. The project team was instrumental in achieving first quartile safety results for a nearly four million man-hour project and contended with nine other nominations for the award. The four platform project is located in 205 feet of water offshore Equatorial Guinea, West Africa, and reached first oil in December, 2006.

MUSTANG ALIGNS WITH CUTLER TECHNOLOGY

MUSTANG'S Automation and Control Business Unit has formed an alliance with Cutler Technology Corporation (CTC) to promote that company's adaptive multivariable controller, [ADMC]™, for advanced process control (APC) applications. Dr. Cutler, founder of CTC and creator of the original DMC application, has over 40 years experience and is considered the pioneer of industrial APC. **MUSTANG** believes that the alliance will bring together best-in-class applications and proven implementation methodology to deliver additional bottom-line results to its clients. The alliance is an important part of **MUSTANG'S** APC practice.

MUSTANG RECEIVES GPSA EXCELLENCE IN SAFETY AWARD

MUSTANG received the Gas Processors Suppliers Association (GPSA) Excellence in Safety Award for 2006. The award, presented at the GPSA convention in San Antonio in March, acknowledged **MUSTANG'S** outstanding safety record and efforts to develop an exemplary safety program. The Pipeline Safety Leadership Program, created by the Pipeline Business Unit and **MUSTANG'S** HSE Department, incorporates an incident-free philosophy, hazard recognition and mitigation skills, coupled with an ongoing safety program.

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