



Sale Leaseback Portfolio

OFFERING MEMORANDUM

partners

Exclusively Listed By:



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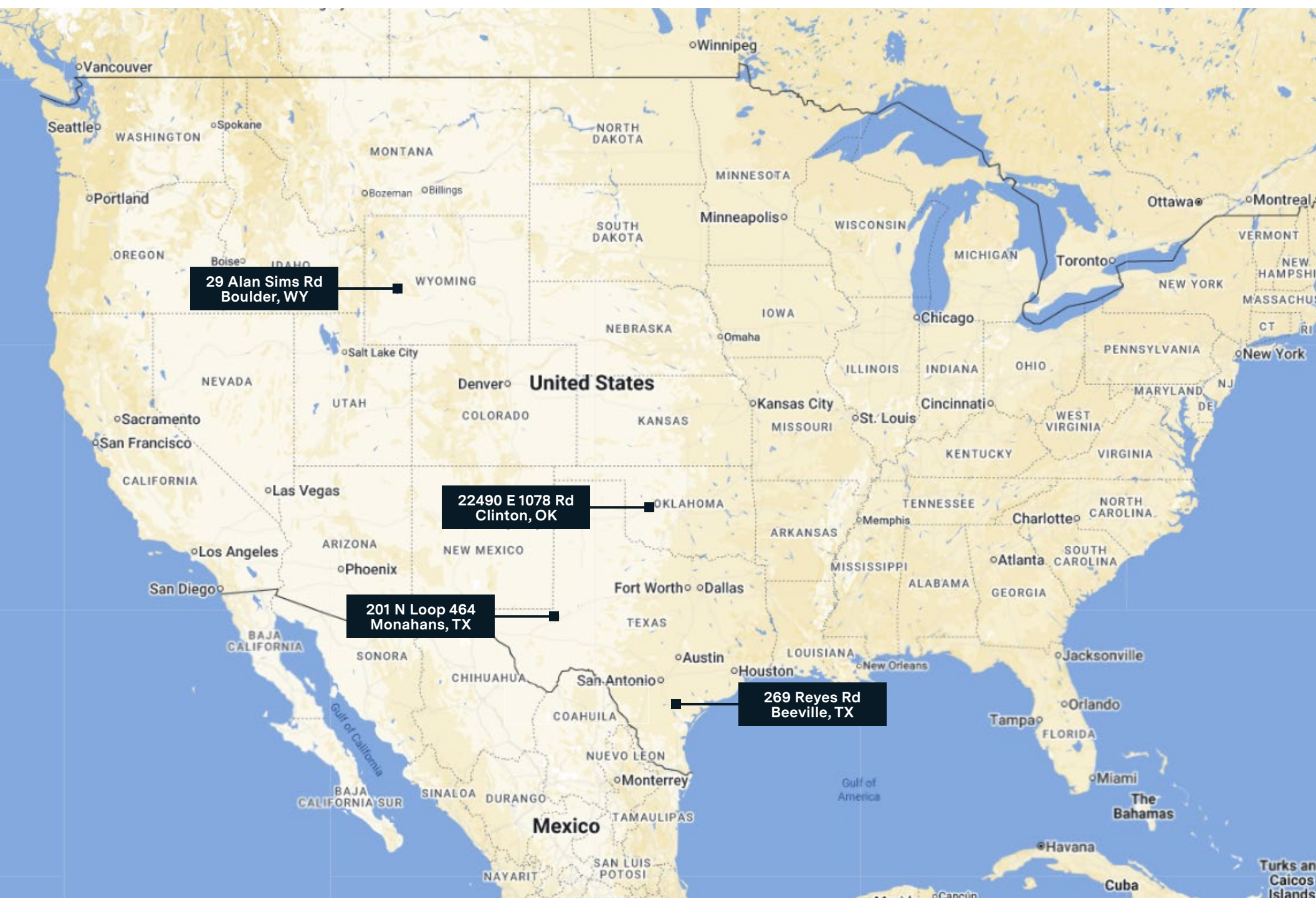
Property Details

Address	City	State	Classification	Land AC	Structure SF	Price	Cap Rate
201 N Loop 464	Monahans	TX	Plant/Blend Fac	5.80	Living Quarters 1,216 SF; Office 1,680 SF; Old Office 1,200 SF	\$5,201,600	9.00%
269 Reyes Road	Beeville	TX	Plant/Blend Fac	6.904	Living Quarters 1,216 SF; Warehouse 8,400 SF	\$854,755	9.00%
22490 E 1078 Rd	Clinton	OK	Plant/Blend Fac	13.00	Warehouse: 6 acres/Office 900 SF; Main Warehouse 20,000 SF; Small Warehouse 4,000 SF; Mud Plant: 7 acres/Office 500 SF; Main Warehouse 6,500 SF; Additional Warehouse 11,500 SF; Shop 2,500 SF; Office/Living Quarters 1,000 SF	\$3,126,666	9.00%
29 Alan Sims Road	Boulder	WY	Plant/Blend Fac	30.00	7 lots, 2 warehouses 10,000 ft and 6,000 ft with Liquid Mud plant	\$1,066,666	9.00%

Total Price: \$10,249,687

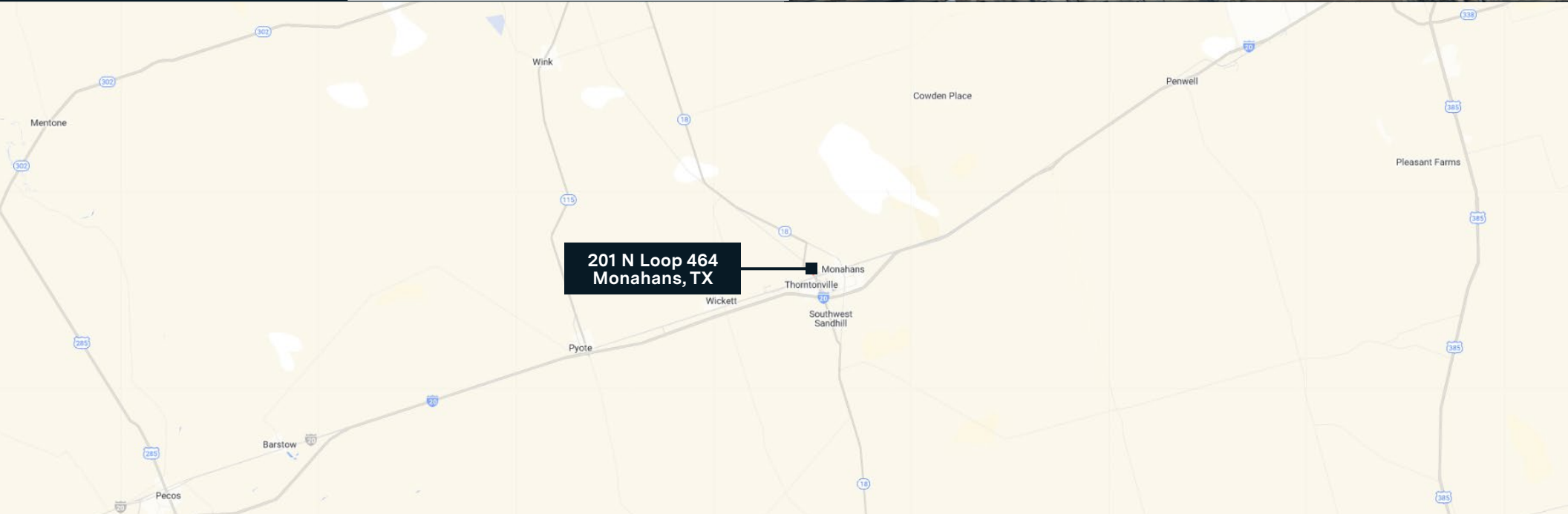


Portfolio Map



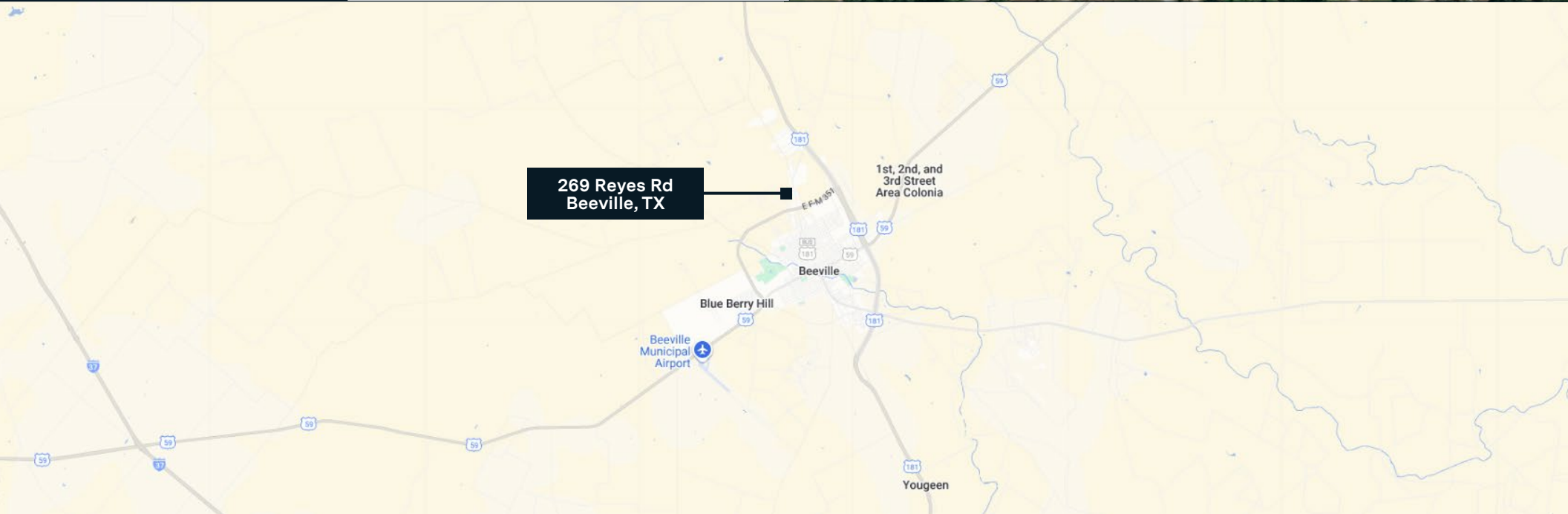
201 N. Loop 464, Monahans, TX

Land Size	5.80 AC
Building Size	Combined ±58,518 (Subject to Final As-Built Survey)
Lease Commencement	Close of Escrow
Lease Expiration	10-12 Years from Close of Escrow
Annual Rent/SF	\$8.00/SF
NOI	\$468,144
Annual Escalations	2.5% Annually
Lease Type	LL Responsible for Roof & Structure



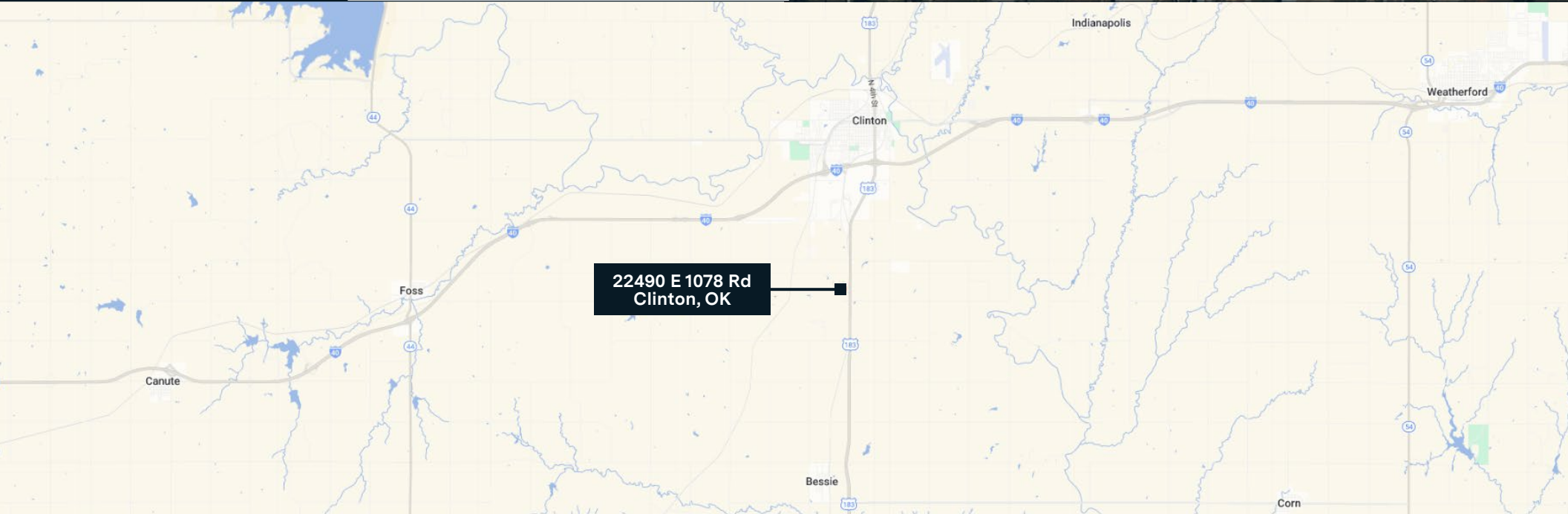
269 Reyes Rd, Beeville, TX

Land Size	6.904 AC
Building Size	±9,616 (Subject to Final As-Built Survey)
Lease Commencement	Close of Escrow
Lease Expiration	10-12 Years from Close of Escrow
Annual Rent/SF	\$8.00/SF
NOI	\$76,928
Annual Escalations	2.5% Annually
Lease Type	LL Responsible for Roof & Structure



22490 E. 1078 Rd, Clinton, OK

Land Size	13.00 AC
Building Size	±46,900 SF (Subject to Final As-Built Survey)
Lease Commencement	Close of Escrow
Lease Expiration	10-12 Years from Close of Escrow
Annual Rent/SF	\$6.00/SF
NOI	\$281,400
Annual Escalations	2.5% Annually
Lease Type	LL Responsible for Roof & Structure



29 Alan Sims Rd, Boulder, WY

Land Size	30.00 AC
Building Size	± 16,000 SF (Subject to Final As-Built Survey)
Lease Commencement	Close of Escrow
Lease Expiration	10-12 Years from Close of Escrow
Annual Rent/SF	\$6.00/SF
NOI	\$96,000
Annual Escalations	2.5% Annually
Lease Type	LL Responsible for Roof & Structure



Investment Highlights

SCF PARTNERS

With a presence in North America, Europe, Asia-Pacific, and the Middle East, SCF has the footprint and track record to support entrepreneurs servicing the energy industry worldwide.

SCF is committed to maintaining our 36-year-old reputation as the world's leading private investor in global energy services, product and technology companies.

Theme-Based Investing



Our global footprint (North America, Europe, the Middle East and Australasia) is unmatched in the energy middle market and provides early visibility to differentiated investing themes and an abundance of investment opportunities as the world's energy needs evolve.

Disciplined Approach



We remain extremely disciplined on new investments, selecting only ± 2 -3 new platforms per year, with a clear focus on returns, not AUM. Through a combination of investment discipline and partnership with our management teams, we have consistently generated strong returns with relatively low risk.

Trusted Partner



SCF's middle market approach positions us well for best-in-class businesses particularly when our experience, reputation, and integrity differentiate us on complex transactions like carve-outs, family-owned businesses, and global companies.

At SCF, we strive to do the right things, the right way for all our stakeholders.



SCF PARTNERS

Portfolio



Investment Highlights



The World's Leading Focused Fluids Company

Newpark Drilling Fluids LLC is the pure-play drilling fluids arm of Newpark Resources, Inc., a publicly traded company founded in 1932 and headquartered in The Woodlands, TX. Newpark Resources operates across two main segments: Fluids Systems and Mats & Integrated Services. Within the Fluids Systems segment, Newpark Drilling Fluids offers a full spectrum of drilling, drill-in, completion, and geothermal fluid solutions, supported by digital modeling, global laboratory facilities, and over 1,000 fluids experts across 23 countries.

SCF PARTNERS

SCF Partners owns Newpark Drilling Fluids, which now operates under the name Newpark Fluids Systems.

On September 13, 2024, Newpark Resources announced it had completed the sale of its Fluids Systems segment—which includes Newpark Drilling Fluids LLC—to SCF Partners, Inc. The sale included substantially all equity interests of the segment.

The transaction involved a base sale price of \$127.5 million, with adjustments for working capital, debt, and other liabilities, resulting in a net consideration of approximately \$56 million.

SCF officially announced the acquisition of the Newpark Fluids Systems business from Newpark Resources, reinforcing its ownership and intention to grow the fluids unit.

Since the acquisition, Newpark Fluids Systems (formerly Newpark Drilling Fluids) has been operating under SCF's ownership. The company has made notable moves such as strengthening its leadership team and making capital investments in facilities and technology centers.

Investment Highlights



Technological Innovation & R&D Investments

In 2010, the company launched the Evolution™ water-based drilling fluid system, a groundbreaking alternative to diesel-based muds, notable for high-temperature stability and enhanced penetration rates. It earned the World Oil Innovation Award the same year for Best Drilling, Completions & Production Fluids (newpark.com, PR Newswire).

2013 saw the opening of a new world headquarters and state-of-the-art laboratory and technology center in Katy, Texas, consolidating R&D, management, engineering, and operations under one roof, including advanced drilling simulators and analytical capabilities (PR Newswire, Hart Energy, Community Impact).

Strategic Acquisitions & Expansion

Newpark has strategically grown its drilling fluids capabilities via acquisitions:

- Acquired Ava, S.p.A. (Italy) in 2002, expanding presence in Europe, North Africa, and Mediterranean regions
- In 2011, acquired Rheochem PLC's drilling fluids and engineering services business, enhancing footprint in Australia, New Zealand, India, and Asia Pacific
- In 2012, completed acquisition of Alliance Drilling Fluids, LLC, strengthening its position in the Permian Basin and Eagle Ford Shale markets

Recent Developments & Strategy

In 2022, Newpark Resources exited the Gulf of Mexico completions fluids business via asset sale and sublease agreement; this repositioning allowed reallocation of capital and resources

In their 2023 financial results, Newpark highlighted:

- Significant international growth in Fluids Systems — e.g., 28% increase in Eastern Hemisphere revenue and 12% in Canada
- A net working capital reduction of \$69M in Fluids Systems, ending 2023 at \$171M
- The company is repositioning itself as a pure-play specialty rental & industrial solutions platform, with a sharper focus on domestic infrastructure markets



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