



Development Specialists, Inc.

Advisory and Fiduciary Services • Corporate Restructuring and Workouts • Interim Management • Insolvency Services

March 10, 2017

e-mail address: msorenson@dsi.biz

**FINAL COMMUNICATION
CASE NOW CLOSED**

TO THE CREDITORS AND EQUITYHOLDERS OF

ThermaSource, LLC, a Delaware limited liability company
ThermaSource International, LLC, a Delaware limited liability company
ThermaSource Holding Company, LLC, a Delaware limited liability company
Ridge Cementing, LLC, a Delaware limited liability company
ThermaSource Drilling, LLC, a California limited liability company; and
Tecton Geologic, LLC, a Delaware limited liability company
3883 Airport Way, Suite 340
Santa Rosa, California 95403

Re: **GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS**

As previously advised, ThermaSource, LLC, a Delaware limited liability company; ThermaSource International, LLC, a Delaware limited liability company; ThermaSource Holding Company, LLC, a Delaware limited liability company; Ridge Cementing, LLC, a Delaware limited liability company; ThermaSource Drilling, LLC, a California limited liability company; and Tecton Geologic, LLC, a Delaware limited liability company (collectively, the “**Assignors**”) executed general assignments for the benefit of creditors in favor of Development Specialists, Inc. on June 16, 2016. This letter is the Assignee’s final report as to the liquidation of assets.

As previously mentioned the Assignee negotiated and closed a sale of the cementing business assets to Ridge Energy Services, Inc. for \$600,000 plus the assumption of nearly \$670,000 of secured debt on the assets for a total consideration of \$1,270,000. The sale was approved by Glitnir Holdco ehf, (“Glitnir”) which has a lien on all of the Assignors’ assets. The Assignee also successfully closed on the sale of rig #101 located in Malta, Idaho for a sales price of \$400,000 as well as rig #102 in Calipatria, California for \$250,000.

Currently the only remaining asset is rig #108, which is located in Arbuckle, California and is listed for sale with Tiger Capital Group, LLC in conjunction with Liquidity Services, Inc., and Houston Texas broker Land Rig Clearing House. The value of this rig is unfortunately not sufficient to retire the Glitnir secured claim. Glitnir is currently owed in excess of \$15 million dollars despite applying the proceeds from the sales mentioned above.

LOS ANGELES

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THERMASOURCE, LLC and related Assignors
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The bar date established for filing claims with the Assignee was December 14, 2016, with claims in excess of \$1.781 million filed with our office . Again, in light of the realities of this assignment estate, and as described above, no recoveries will be available for any unsecured creditor claim.

Attached hereto is the Assignee's Statement of Receipts and Disbursements, which will provide creditors with a summary of the monies recovered and distributed during this assignment estate. Finally, as there will be no recovery for creditors, the Assignee is closing its files in this matter and creditors are requested to mark their records accordingly.

Very truly yours,

Development Specialists, Inc., solely in its capacity
as Assignee for the Benefit of Creditors of THERMASOURCE, LLC. AND RELATED ASSIGNORS



By
Matthew P. Sorenson

Enclosures: (Receipts & Disbursements)

cc: Justin Rawlins, Esq. (w/enclosure)
Geoffrey L. Berman