



**NABORS COMPLETION &
PRODUCTION SERVICES CO.**

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J-7

U.S. Nuclear Regulatory Commission
U.S. NRC Region I
2100 Renaissance Blvd., Suite 100
King of Prussia, PA 19406-2713
Attn: Scott Wilson

November 10, 2014

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RE: Radioactive Materials License Number 37-30412-01

Mr. Wilson,

NCPS wishes to provide in writing to the U.S. Nuclear Regulatory Commission (NRC) the information pertaining to "change of control" which is required within 10 CFR 30.34(b); 10 CFR 31.2; 10 CFR 30.46; 10 CFR 70.36. Subject to and effective upon closing of the publicly announced proposed combination of C&J Energy Services, Inc., a publicly-traded Delaware corporation ("C&J"), with the completion and production business of Nabors Industries, Ltd., a publicly-traded Bermuda corporation ("Nabors") (the "Transaction"), Nabors Completion & Production Services Co. ("NCPS"), will undergo a Change of Control. A copy of the press releases discussing the Transaction is attached for your reference (see Attachment 1). We currently anticipate that the Transaction will be consummated during the fourth quarter of 2014; however, at this time we cannot definitively determine if and when the Transaction will close, as it is subject to a number of closing conditions, including some which are outside of our control. If consummated, the Transaction will result in a Change of Control by virtue of changing the ultimate parent company of NCPS; however, it will not affect the management of The Radiation Safety Program or operations using radioactive material by NCPS as allowed by License Number 37-30412-01.

NCPS is currently a wholly-owned subsidiary of Nabors Red Lion Limited ("Red Lion"), which in turn is currently a wholly-owned subsidiary of Nabors (see Attachment 2). Subject to and effective upon closing of the Transaction, the ownership of Red Lion will change, in that Red Lion will become a publicly-traded company, listed on the NYSE under the symbol "CJES" and renamed "C&J Energy Services, Ltd." Following closing of the Transaction, Nabors will continue to own approximately 53% of Red Lion (as CJES), and existing stockholders of C&J will own the remaining 43% of Red Lion (as CJES) (see Attachment 3).

As explained above, although the legal entity of its ultimate parent company will change, NCPS's ultimate parent entity will continue to be a publicly-traded company. As previously stated, this Change of Control will not otherwise affect the management of The Radiation Safety Program or operations using radioactive material by NCPS as allowed by License Number 37-30412-01.

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NRC/RCM1 MATERIALS-002

Description of Transaction:

- A copy of the press releases discussing the Transaction is attached for your reference (see Attachment 1). This document describes the transaction in its entirety
- NCPS is currently a wholly-owned subsidiary of Nabors Red Lion Limited (“Red Lion”), which in turn is currently a wholly-owned subsidiary of Nabors (see Attachment 2). Subject to and effective upon closing of the Transaction, the ownership of Red Lion will change, in that Red Lion will become a publicly-traded company, listed on the NYSE under the symbol “CJES” and renamed “C&J Energy Services, Ltd.” Following closing of the Transaction, Nabors will continue to own approximately 53% of Red Lion (as CJES), and existing stockholders of C&J will own the remaining 43% of Red Lion (as CJES) (see Attachment 3).
- The current license contact information and Radiation Safety Officer for all NRC regulated material will remain the same at this time

Changes of Personnel:

- NCPS will at this time continue to operate as a separate entity and will continue to operate under its current Employee Identification Number
- The current Radiation Safety Officer (Dustin Jones) for all NRC regulated radioactive material will remain the same at this time
- At this time there are no plans to change the current management at facilities which are licensed by the NRC to use and store radioactive material

Changes of Location, Equipment and Procedures:

- NCPS will at this time continue to operate as a separate entity and will continue to operate under its current Employee Identification Number
- At this time there are no planned changes regarding facilities where licensed material is used or stored
- At this time there are no planned changes regarding equipment which is used within the licensed program
- At this time there are no planned changes regarding relevant procedures pertaining to the NCPS Radiation Safety Program
- At this time there are no planned changes regarding relevant current operating or emergency procedures

Surveillance Records:

- NCPS will at this time continue to operate as a separate entity and will continue to operate under its current Employee Identification Number
- All items which are included under the description of “Surveillance Records” will be reviewed before the time of the integration of the two separate entities
- All items which are included under the description of “Surveillance Records” will be reviewed before any transfer of records

Decommissioning and Related Records Transfer:

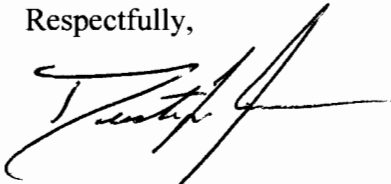
- NCPS will at this time continue to operate as a separate entity and will continue to operate under its current Employee Identification Number
- At this time there is no official time table pertaining to the integration of the two separate entities
- At this time all records related to the existing Radiation Safety Program and all NRC licensed material will remain at their current locations.
- At this time there are no planned changes regarding facilities where licensed material is used or stored
- At this time there are no planned decommissioning efforts

Transferee's Commitment to abide by the Transferor's Commitment

- NCPS will at this time continue to operate as a separate entity and will continue to operate under its current Employee Identification Number
- At this time NCPS will continue to abide by the constraints incorporated into license number 37-30412-01.
- When the transfer of material has taken place, the transferee will submit an agreement to abide by all constraints, license conditions, requirements, representations and commitments identified in and attributed to the existing or new license. The transferee may otherwise provide a description of its own program to comply with the license and all applicable regulations. This agreement may also provide descriptions of actions, if any, to be taken to resolve open issues pertaining to enforcement and inspection.

Should the Transaction close and the above-described Change of Control occur, I will provide written confirmation within thirty (30) days of the same. If you have questions or concerns regarding the above please feel free to contact Dustin L. Jones at 724-746-9981 or via email at Dustin.Jones@nabors.com.

Respectfully,



Dustin L. Jones
HSE Radiation & Explosives Manager
Radiation Safety Officer

Nabors Completion & Production Services Co.

Attachment 1 – Press Releases

1. June 25, 2014 – Announcement of the Transaction

C&J Energy Services to Combine with Nabors' Completion and Production Businesses in Transaction Valued at \$2.86 Billion

**Creates a Leading Diversified Completion and Production Services Provider
Greater Scale, Enhanced Service Offerings, Larger Geographic Footprint and Significant Operating Efficiencies
Expected to Advance Competitive Positioning and Future Growth
Global Alliance with Nabors Supports Acceleration of International Expansion
Expected Annual Run-Rate Synergies of More Than \$100 Million, Expected to be Fully Realized by 2017
Expected to be Accretive to Cash Earnings Per Share during the First Full Year of Combined Operations**

HOUSTON, June 25, 2014 /PRNewswire/ -- C&J Energy Services, Inc. (NYSE: CJES) today announced that it has entered into a definitive agreement to merge with Nabors' completion and production businesses to create a leading diversified completion and production services provider. Headquartered in Bermuda with corporate offices remaining in Houston, the combined company will have the scale, geographic reach and service capabilities to capitalize on improving North American market activity. Additionally, the operational, financial and strategic benefits of the combination will enable the Company to further accelerate its long-term growth strategy and compete on a global level.

The transaction is expected to generate significant financial benefits and stockholder value, including being accretive to C&J Energy Services' cash earnings per share during the first full year of combined operations. The combined company will leverage identifiable cost and revenue synergies through the achievement of operational efficiencies and Capex-savings.

"Today is a monumental day in C&J's history. Among many key strategic benefits of this combination is accelerated growth and scale, enabling the rapid advancement of our stated goal of transforming C&J Energy Services from what I started as a small energy services company to a diversified, large-scale, global provider of technologically advanced services," said Josh Comstock, Founder, Chairman and Chief Executive Officer of C&J Energy Services. "The combined company will possess greatly increased capacity for our best-in-class hydraulic fracturing, coiled tubing and wireline offerings, and introduce cementing to our suite of completion services. The addition of Nabors' industry-leading production services business will also bring meaningful diversification to our operations. Together, we will be well-positioned to deliver differentiated value to our customers. The combined company will also benefit from a larger customer base and an expanded geographic reach with a significant presence in all major domestic basins."

Comstock continued, "In addition, the combination offers compelling financial synergies. The diversified revenue base, enhanced earnings and increased cash flow capacity of the combined entity, coupled with the expanded scale and service offering, will enable us to further accelerate our growth strategy, both domestically and internationally. The combined company will deliver substantial value to our stockholders, considerable opportunities for our employees and enhanced services to our customers.

"We are excited to welcome our new employees and look forward to working with them to realize the many benefits offered by this combination. Another key benefit of this transaction is the alliance of our new combined company with Nabors' international drilling operations, which provides access to new growth opportunities around the globe."

Transaction Structure

Under the terms of the agreement, Nabors will convey its completion and production businesses in the United States and Canada to an existing Bermuda subsidiary ("New C&J"). A Delaware subsidiary of New C&J will merge with and into C&J, with C&J surviving the merger as a subsidiary of New C&J. Common shares of C&J will be converted into common shares of New C&J on a 1:1 basis, in a transaction expected to be tax free to C&J

stockholders. Following the merger, New C&J will change its name to "C&J Energy Services, Ltd." and is expected to be listed on the NYSE under the ticker CJES.

Nabors will receive total consideration of \$2.86 billion, comprised of approximately 62.5 million New C&J common shares and approximately \$940 million in cash, paid upon closing of the transaction. Following the closing of the transaction, Nabors will own approximately 53% of the outstanding New C&J common shares, with existing C&J stockholders owning approximately 47% of the combined company.

C&J has secured a \$1.3 billion fully underwritten financing commitment from Citi to finance the cash portion of the transaction and refinance existing indebtedness. In addition, C&J has secured a \$600 million commitment on a new credit facility that is expected to be undrawn following the closing of the transaction.

The combined company will retain the C&J Energy Services name and existing C&J management team, with Josh Comstock serving as New C&J's Chief Executive Officer and Randy McMullen as President and Chief Financial Officer. It is expected that Messrs. Comstock and McMullen will enter into new employment agreements with New C&J. The New C&J Board will consist of seven members, with CEO Josh Comstock serving as Chairman.

The merger is subject to the approval of C&J's stockholders as well as other customary approvals, including under the Hart-Scott-Rodino Act. The Companies anticipate that the transaction will close by December 31, 2014. C&J Energy Services and Nabors intend to file a joint proxy statement / prospectus with the Securities and Exchange Commission as soon as possible.

Advisors

Citi is acting as C&J's financial advisor in connection with the transaction. In addition, Tudor, Pickering, Holt & Co. rendered a fairness opinion to C&J's Board of Directors. Vinson & Elkins L.L.P. is acting as C&J's legal advisor, and Fried, Frank, Harris, Shriver & Jacobson LLP is acting as tax counsel.

Goldman, SaNCPS & Co. and Lazard Ltd. advised Nabors on the transaction. Nabors' legal advisor is Milbank.

2. September 30, 2014 – Announcement of the Filing of Red Lion's Form S-4 in Connection with the Transaction

C&J Energy Services Reports Nabors Red Lion Limited Files Registration Statement on Form S-4 in Connection with Proposed Combination with Nabors' Completion and Production Services Business

HOUSTON, Sept. 30, 2014 /PRNewswire/ -- C&J Energy Services, Inc. (NYSE: CJES) ("C&J") today announced that, in connection with the proposed combination with Nabors' completion and production services business in the United States and Canada, Nabors Red Lion Limited ("Red Lion"), a subsidiary of Nabors Industries Ltd. ("Nabors"), has filed with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 ("S-4"), which includes a preliminary prospectus of Red Lion and a preliminary proxy statement of C&J. The information contained in the S-4 is subject, in its entirety, to completion or amendment as described within the document.

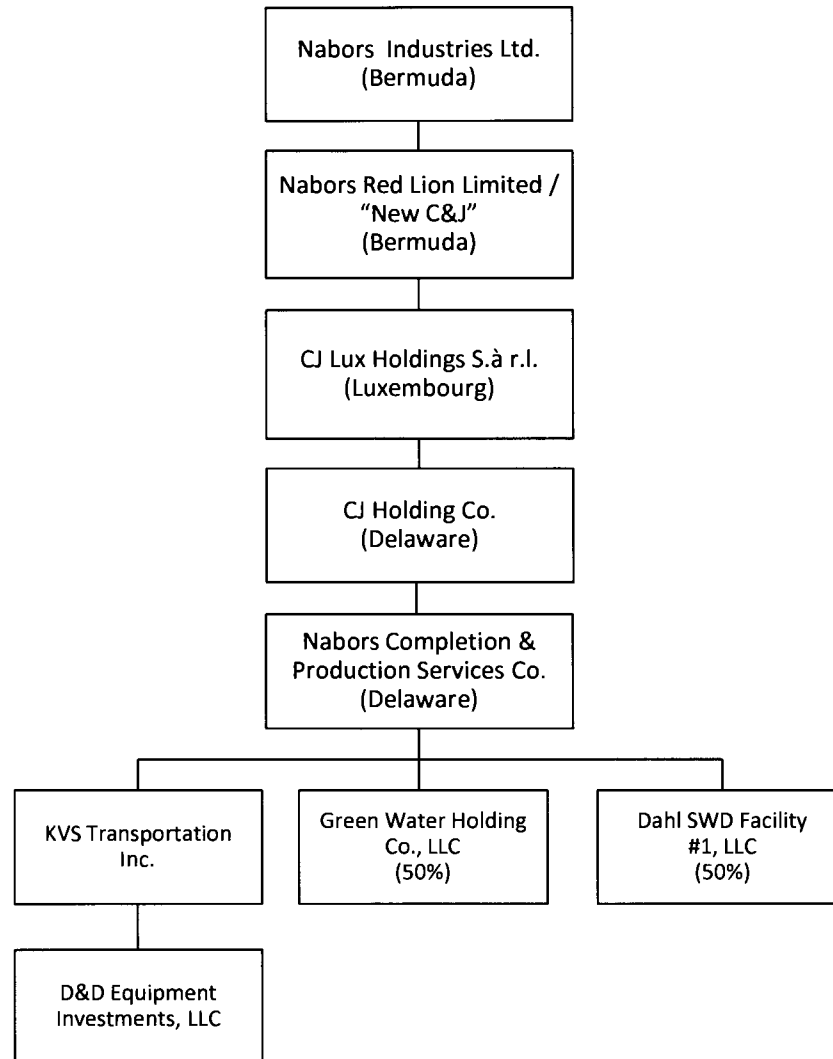
Founder, Chairman and Chief Executive Officer Josh Comstock commented, "We are pleased to be progressing towards the closing of this transformative transaction, and excited about what it means for the future of our combined company. Demand for our services has continued to increase over the course of the year, particularly in our hydraulic fracturing business, which further strengthens our confidence in the merits of this transaction. We are eager to integrate the complementary services and experienced employee base from Nabors' completion and production services business into our operations, and we are ready to leverage the greater size, capability and resources of our combined company to take advantage of the current market improvement and maximize projected synergies as soon as possible."

As previously announced on June 25, 2014, C&J, Red Lion and Nabors entered into a merger agreement pursuant to which C&J will combine with Nabors' completion and production services business in the United States and Canada in a transaction valued at approximately \$2.86 billion at the time of signing the merger agreement. The transaction is subject to C&J stockholder approval and customary closing conditions. C&J currently expects to complete the transaction before the end of 2014. For additional information about the transaction, please see the S-4.

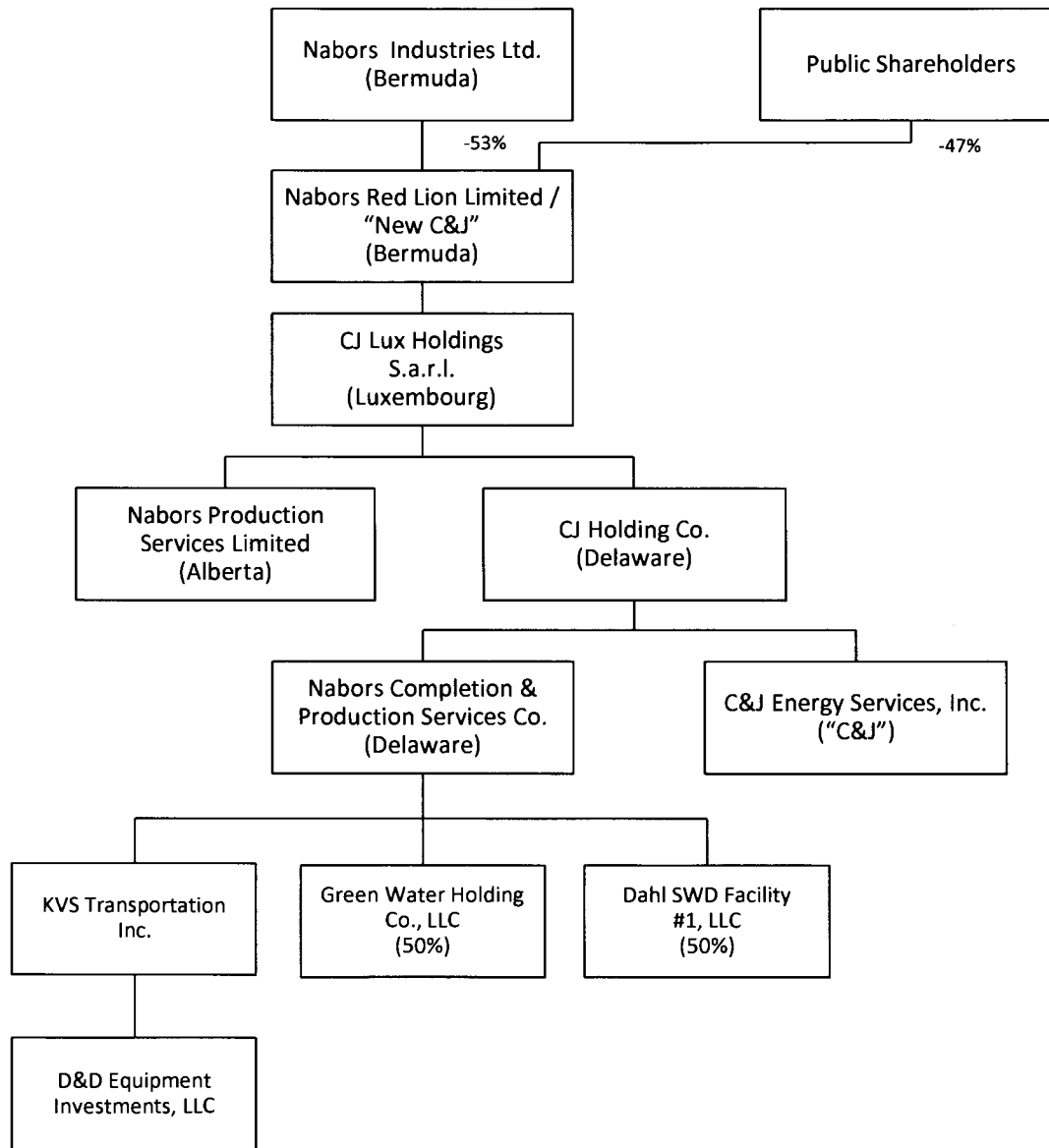
The S-4 is available through the SEC's EDGAR system, and may be accessed at <http://www.sec.gov/Archives/edgar/data/1615817/000104746914007940/0001047469-14-007940-index.htm>.

The S-4 is also available on C&J's website and may be accessed at <http://www.cjenergy.com/news-events/about-the-cj-nabors-transaction>. Information contained on or available through C&J's website is not incorporated by reference into the S-4 or any future documents that may be filed with the SEC and should not be considered part of the S-4.

Attachment 2



Attachment 3



This is to acknowledge the receipt of your letter/application dated

11/10/14, and to inform you that the initial processing which includes an administrative review has been performed.

☒ **Notification (37-30412-01)**
There were no administrative omissions. Your application was assigned to a technical reviewer. Please note that the technical review may identify additional omissions or require additional information.

☐ Please provide to this office within 30 days of your receipt of this card

A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned **Mail Control Number** 585385.
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.