

**From:** Phillip Shotts <Phillip.Shotts@iongeo.com>  
**Sent:** Monday, November 21, 2011 4:59 AM  
**To:** Kevin Hart <Kevin.Hart@pgs.com>  
**Subject:** Follow Up

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Kevin,

I would like to follow up on our discussions related to the patent infringement suit between ION and WesternGeco.

Speaking plainly, several PGS employees previously worked for WesternGeco and were integrally involved in the development and commercialization of streamer steering devices. One of these gentlemen, Mr. Hillesund, is a named inventor of the WesternGeco patents being asserted against ION, so his involvement in the case is unavoidable. It is also my understanding that Mr. Hillesund was involved in developing the Kongsberg EBird. ION intends to depose Mr. Hillesund and others about their prior work and certain elements of their current work related to streamer steering. I assume that Mr. Hillesund is fully aware of the WesternGeco patents that cite him as a co-inventor and that he would never seek to intentionally infringe the IP rights of another party.

I understand that the attorney for these individuals, Mr. Sandvik, was until recently in-house counsel for PGS. Mr. Sandvik is currently creating procedural obstacles that may limit our ability to constructively depose PGS employees. ION would be very interested in discussing mutually beneficial opportunities to improve our access to PGS employees so that we may complete these depositions in a timely fashion while collecting truthful testimony. It is our belief that such testimony will help, at least, to invalidate the WesternGeco patents.

I don't know if you are in town this week, but I am very interested in discussing this matter at your earliest convenience. If you are available and if PGS would entertain such discussions, I can make myself available Tuesday or Wednesday of this week. If the currently planned depositions in Norway are not convened next week, then I will also be available at that time. I would be happy to include key members of our litigation team in this discussion so that they can clearly address any questions or concerns that you may have.

Please let me know if PGS is interested in such discussions and, if so, when we might be able to discuss these issues.

Best Regards,

Phillip Shotts  
Senior Counsel and Intellectual Property Manager  
ION Geophysical

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PGSI-T2725-WG-0046640