UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2016

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________________________ to _____________

Commission file number: 001-36246

Civeo Corporation

(Exact name of registrant as specified in its charter)

British Columbia, Canada (State or other jurisdiction of incorporation or organization)	98-1253716 (I.R.S. Employer Identification No.)
Three Allen Center, 333 Clay Street, Suite 4980, Houston, Texas (Address of principal executive offices)	77002 (Zip Code)

(713) 510-2400

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES [X] NO [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES [X] NO [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

(Check one):

Large Accelerated Filer [ ] Accelerated Filer [X]

Non-Accelerated Filer [ ] (Do not check if a smaller reporting company) Smaller Reporting Company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES [ ] NO [X]

The Registrant had 107,684,417 common shares outstanding as of April 22, 2016.

CIVEO CORPORATION

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PART I -- FINANCIAL INFORMATION

ITEM 1. ***Financial Statements***

CIVEO CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Per Share Amounts)

	THREE MONTHS ENDED MARCH 31,	
	2016	**2015**
Revenues:		
Service and other	$ 91,767	$ 168,132
Product	3,269	2,855
	95,036	170,987
Costs and expenses:		
Service and other costs	61,377	99,839
Product costs	4,566	3,072
Selling, general and administrative expenses	13,117	16,686
Depreciation and amortization expense	33,555	42,446
Impairment expense	8,400	2,738
Other operating expense	218	1,330
	121,233	166,111
Operating income (loss)	(26,197)	4,876
Interest expense to third-parties, net of capitalized interest	(4,944)	(5,609)
Loss on extinguishment of debt	(302)	--
Interest income	86	1,122
Other income	112	998
Income (loss) before income taxes	(31,245)	1,387
Income tax benefit (provision)	4,571	(1,157)
Net income (loss)	(26,674)	230
Less: Net income attributable to noncontrolling interest	148	246
Net loss attributable to Civeo Corporation.	$ (26,822)	$ (16)
Per Share Data (see Note 6)		
Basic net income (loss) per share attributable to Civeo Corporation common shareholders	$ (0.25)	$ 0.00
Diluted net income (loss) per share attributable to Civeo Corporation common shareholders.	$ (0.25)	$ 0.00
Weighted average number of common shares outstanding:		
Basic	106,814	106,460
Diluted.	106,814	106,460

The accompanying notes are an integral part of these financial statements.

CIVEO CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In Thousands)

	THREE MONTHS ENDED MARCH 31,	
	2016	**2015**
Net income (loss)	$ (26,674)	$ 230
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustment, net of taxes of zero and $2.4 million, respectively	29,399	(111,024)
Total other comprehensive income (loss), net of tax	29,399	(111,024)
Comprehensive income (loss)	2,725	(110,794)
Comprehensive (income) loss attributable to noncontrolling interest	(191)	(60)
Comprehensive income (loss) attributable to Civeo Corporation.	$ 2,534	$ (110,854)

The accompanying notes are an integral part of these financial statements.

CIVEO CORPORATION

CONSOLIDATED BALANCE SHEETS
(In Thousands)

	MARCH 31, 2016 (Unaudited)	DECEMBER 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,968	$ 7,837
Accounts receivable, net	63,315	61,467
Inventories	5,163	5,631
Prepaid expenses	15,895	11,712
Other current assets	4,784	3,312
Total current assets	92,125	89,959
Property, plant and equipment, net	946,056	931,914
Other intangible assets, net	35,219	35,309
Other noncurrent assets	9,879	9,347
Total assets	$ 1,083,279	$ 1,066,529
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 28,476	$ 24,609
Accrued liabilities	12,568	14,834
Income taxes	1,102	1,104
Current portion of long-term debt	15,964	17,461
Deferred revenue	7,124	7,747
Other current liabilities	671	493
Total current liabilities	65,905	66,248
Long-term debt, less current maturities	393,998	379,416
Deferred income taxes	23,031	25,391
Other noncurrent liabilities	32,787	31,704
Total liabilities	515,721	502,759
Commitments and contingencies (Note 9)		
Shareholders' Equity:		
Common shares (no par value; 550,000,000 shares authorized, 107,745,785 shares and 107,470,861 shares issued, respectively, and 107,684,417 shares and 107,470,861 shares outstanding, respectively)	--	--
Additional paid-in capital	1,307,045	1,305,930
Accumulated deficit	(403,198)	(376,376)
Common shares held in treasury at cost, 61,368 and zero shares, respectively	(52)	--
Accumulated other comprehensive loss	(336,953)	(366,309)
Total Civeo Corporation shareholders' equity	566,842	563,245
Noncontrolling interest	716	525
Total shareholders' equity	567,558	563,770
Total liabilities and shareholders' equity	$ 1,083,279	$ 1,066,529

The accompanying notes are an integral part of these financial statements.

CIVEO CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (In Thousands)

	Attributable to Civeo						
	Common Shares						
	Par Value	Additional Paid-in Capital	Accumulated Deficit	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Shareholders' Equity
Balance, December 31, 2014	**$ 1,067**	**$ 1,300,042**	**$ (244,617)**	**$ --**	**$ (198,491)**	**$ 2,108**	**$ 860,109**
Net income (loss)	--	--	(16)	--	--	246	230
Currency translation adjustment.	--	--	--	--	(110,838)	(186)	(111,024)
Share-based compensation.	7	1,719	--	(118)	--	--	1,608
Balance, March 31, 2015	**$ 1,074**	**$ 1,301,761**	**$ (244,633)**	**$ (118)**	**$ (309,329)**	**$ 2,168**	**$ 750,923**
Balance, December 31, 2015	**$ --**	**$ 1,305,930**	**$ (376,376)**	**$ --**	**$ (366,309)**	**$ 525**	**$ 563,770**
Net income (loss)	--	--	(26,822)	--	--	148	(26,674)
Currency translation adjustment.	--	--	--	--	29,356	43	29,399
Share-based compensation.	--	1,115	--	(52)	--	--	1,063
Balance, March 31, 2016	**$ --**	**$ 1,307,045**	**$ (403,198)**	**$ (52)**	**$ (336,953)**	**$ 716**	**$ 567,558**

The accompanying notes are an integral part of these financial statements.

CIVEO CORPORATION

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	THREE MONTHS ENDED MARCH 31, 2016	2015
Cash flows from operating activities:		
Net income (loss)	$ (26,674)	$ 230
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	33,555	42,446
Impairment charge	8,400	2,738
Inventory write-down	--	1,015
Loss on extinguishment of debt	302	--
Deferred income tax benefit	(7,592)	(801)
Non-cash compensation charge	1,115	1,223
Gains on disposals of assets	(39)	(341)
Provision for loss on receivables, net of recoveries	(135)	730
Other, net	1,082	845
Changes in operating assets and liabilities:		
Accounts receivable	4,353	19,835
Inventories	792	1,256
Accounts payable and accrued liabilities	(302)	(10,680)
Taxes payable	(2,395)	(6,483)
Other current assets and liabilities, net	(1,184)	(3,111)
Net cash flows provided by operating activities	11,278	48,902
Cash flows from investing activities:		
Capital expenditures, including capitalized interest	(4,761)	(10,702)
Proceeds from disposition of property, plant and equipment	1,599	1,127
Other, net	(302)	--
Net cash flows used in investing activities	(3,464)	(9,575)
Cash flows from financing activities:		
Proceeds from issuance of common stock	--	500
Revolving credit borrowings	117,106	--
Revolving credit repayments	(99,021)	--
Term loan borrowings	--	--
Term loan repayments	(29,055)	--
Debt issuance costs	(2,035)	--
Net cash flows provided by (used in) financing activities	(13,005)	500
Effect of exchange rate changes on cash	322	(23,344)
Net change in cash and cash equivalents	(4,869)	16,483
Cash and cash equivalents, beginning of period	7,837	263,314
Cash and cash equivalents, end of period	$ 2,968	$ 279,797

The accompanying notes are an integral part of these financial statements.

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of the Business

We are one of the largest integrated providers of longer-term and temporary remote site accommodations, logistics and facility management services to the natural resource industry. Our scalable modular facilities provide long-term and temporary workforce accommodations where traditional accommodations and related infrastructure is insufficient, inaccessible or not cost effective. Once facilities are deployed in the field, we also provide catering and food services, housekeeping, laundry, facility management, water and wastewater treatment, power generation, communications and redeployment logistics. Our accommodations support workforces in the Canadian oil sands and in a variety of oil and natural gas drilling, mining and related natural resource applications as well as disaster relief efforts, primarily in Canada, Australia and the United States. We operate in three principal reportable business segments – Canadian, Australian and U.S.

On May 30, 2014, Oil States International, Inc. (Oil States) spun-off its Accommodations Segment (Accommodations) into a standalone, publicly traded Delaware corporation (Civeo US). In accordance with the Separation and Distribution Agreement, the two companies were separated by Oil States distributing to its stockholders all 106,538,044 shares of common stock of Civeo US it held after the market closed on May 30, 2014 (the Spin-Off).

On July 17, 2015, we changed our place of incorporation, pursuant to which Civeo Corporation, a British Columbia, Canada limited company formerly named Civeo Canadian Holdings ULC (Civeo Canada), became the publicly traded parent company of the Civeo group of companies (the Redomicile Transaction). The Redomicile Transaction was effected pursuant to an Agreement and Plan of Merger, dated as of April 6, 2015, between Civeo US, Civeo US Merger Co, a Delaware corporation and wholly owned subsidiary of Civeo Canada (US Merger Co), and Civeo Canada. At the effective time of the merger, (i) US Merger Co was merged with Civeo US, with Civeo US surviving the merger as a wholly owned subsidiary of Civeo Canada, and (ii) each issued share of Civeo US common stock, other than those shares of Civeo US common stock held by Civeo US in treasury, was effectively transferred to Civeo Canada and converted into one common share, no par value, of Civeo Canada. An aggregate of approximately 107.5 million Civeo Canada common shares were issued at the effective time as merger consideration. The Civeo Canada common shares are listed on the NYSE under the symbol "CVEO," the same symbol under which the Civeo US common stock traded prior to the effective time.

On February 18, 2016, we amended our credit facility to, among other things, (i) allow us to borrow under new Canadian tranches of the credit facility, (ii) substantially reduce both the existing U.S. term loan and the Canadian revolving credit facility and (iii) increase the maximum leverage ratio allowed under the credit facility. For further information, please see Note 7 – Debt.

We incurred costs related to the Redomicile Transaction totaling $1.0 million and $1.2 million for the three months ended March 31, 2016 and 2015, respectively. In addition, we incurred costs related to the amendment to our credit facility totaling $2.1 million for the three months ended March 31, 2016. $2.0 million has been capitalized as debt issuance costs, and the remaining $0.1 million is included in interest expense.

Basis of Presentation

Unless otherwise stated or the context otherwise indicates, all references in these consolidated financial statements to "Civeo," "the Company," "us," "our" or "we" for the time periods prior to July 17, 2015 refer to Civeo US and its consolidated subsidiaries. For time periods after July 17, 2015, these terms refer to Civeo Canada and its consolidated subsidiaries.

The accompanying unaudited consolidated financial statements of Civeo have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) pertaining to interim financial information. Certain information in footnote disclosures normally included in financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP) has been condensed or omitted pursuant to these rules and regulations. The unaudited financial statements included in this report reflect all the adjustments, consisting of normal recurring adjustments, which the Company considers necessary for a fair presentation of the results of operations for the interim periods covered and for the financial condition of the Company at the date of the interim balance sheet. Results for the interim periods are not necessarily indicative of results for the full year. Certain reclassifications have been made to the December 31, 2015 consolidated balance sheet to conform to current year presentation.

The preparation of consolidated financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. If the underlying estimates and assumptions upon which the financial statements are based change in future periods, actual amounts may differ from those included in the accompanying consolidated financial statements.

The financial statements included in this report should be read in conjunction with our audited financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2015.

2. RECENT ACCOUNTING PRONOUNCEMENTS

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the FASB), which are adopted by us as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on our consolidated financial statements upon adoption.

In March 2016, the FASB issued Accounting Standards Update (ASU) 2016-09, "Improvements to Employee Share-Based Payment Accounting" (ASU 2016-09). This new standard requires companies to recognize the income tax effects of awards in the income statement when the awards vest or are settled. ASU 2016-09 is effective for financial statements issued for reporting periods beginning after December 15, 2016 and interim periods within the reporting periods. We are currently evaluating the impact of this new standard on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases" (Topic 842), which replaces the existing guidance for lease accounting, Leases (Topic 840). ASU 2016-02 requires lessees to recognize a lease liability and a right-of-use asset for all leases with terms longer than 12 months. The guidance is effective for financial statements issued for reporting periods beginning after December 15, 2018 and interim periods within the reporting periods. An entity will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. We are currently evaluating the impact of this new standard on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03 "Interest - Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs" (ASU 2015-03). ASU 2015-03 simplifies the presentation of debt issuance costs by requiring that such costs be presented as a deduction from the corresponding debt liability. The guidance is effective for financial statements issued for reporting periods beginning after December 15, 2015 and interim periods within the reporting periods and requires retrospective presentation. Effective with this quarterly report on Form 10-Q for the quarter ended March 31, 2016, we have adopted the provisions of ASU 2015-03. At December 31, 2015, as a result of our adoption of ASU 2015-03, we reclassified $4.7 million of debt issuance costs to reduce our recognized debt liabilities from other current assets ($1.3 million) and other non-current assets ($3.4 million) on the accompanying unaudited consolidated balance sheet. A portion of our debt issuance costs relate to revolving lines of credit and will accordingly continue to be included in "Other current assets" or "Other non-current assets".

In May 2014, the FASB issued ASU 2014-09 establishing Accounting Standards Codification (ASC) Topic 606, "Revenue from Contracts with Customers" (ASC 606). ASC 606 establishes a comprehensive new revenue recognition model designed to depict the transfer of goods or services to a customer in an amount that reflects the consideration the entity expects to be entitled to receive in exchange for those goods or services and requires significantly enhanced revenue disclosures. The standard is effective for annual reporting periods beginning after December 15, 2017. Accordingly, we plan to adopt this standard in the first quarter of 2018. ASC 606 allows either full retrospective or modified retrospective transition, and early adoption is not permitted. We continue to evaluate both the impact of this new standard on our consolidated financial statements and the transition method we will utilize for adoption.

3. FAIR VALUE MEASUREMENTS

Our financial instruments consist of cash and cash equivalents, receivables, payables and debt instruments. We believe that the carrying values of these instruments on the accompanying consolidated balance sheets approximate their fair values.

As of March 31, 2016 and December 31, 2015, we believe the carrying value of our floating-rate debt outstanding under our term loans and revolving credit facilities approximates their fair values because their terms include short-term interest rates and exclude penalties for prepayment. We estimated the fair value of our floating-rate term loan and revolving credit facilities using significant other observable inputs, representative of a Level 2 fair value measurement, including terms and credit spreads for these loans.

During the first quarter of 2016 and 2015, we wrote down certain long-lived assets to their fair values. Our estimate of fair value required us to use significant unobservable inputs, representative of Level 3 fair value measurements, including numerous assumptions with respect to future circumstances, such as future oil, coal and natural gas prices, anticipated spending by our customers, the cost of capital and industry and/or local market conditions that might directly impact each of the asset groups' operations in the future and are therefore uncertain.

4. DETAILS OF SELECTED BALANCE SHEET ACCOUNTS

Additional information regarding selected balance sheet accounts at March 31, 2016 and December 31, 2015 is presented below (in thousands):

	March 31, 2016	December 31, 2015
Accounts receivable, net:		
Trade	$ 40,758	$ 44,650
Unbilled revenue	22,376	16,649
Other	1,163	1,289
Total accounts receivable	64,297	62,588
Allowance for doubtful accounts	(982)	(1,121)
Total accounts receivable, net	$ 63,315	$ 61,467

	March 31, 2016	December 31, 2015
Inventories:		
Finished goods and purchased products	$ 2,009	$ 1,854
Work in process	593	1,260
Raw materials	2,561	2,517
Total inventories	$ 5,163	$ 5,631

	Estimated Useful Life (in years)	March 31, 2016	December 31, 2015
Property, plant and equipment, net:			
Land		$ 49,967	$ 47,825
Accommodations assets	3 - 15	1,578,680	1,482,842
Buildings and leasehold improvements	3 - 20	28,355	29,099
Machinery and equipment	4 - 15	9,786	9,183
Office furniture and equipment	3 - 7	30,745	29,172
Vehicles	3 - 5	15,542	15,412
Construction in progress		30,576	52,558
Total property, plant and equipment		1,743,651	1,666,091
Accumulated depreciation		(797,595)	(734,177)
Total property, plant and equipment, net		$ 946,056	$ 931,914

	March 31, 2016	December 31, 2015
Accrued liabilities:		
Accrued compensation	$ 8,674	$ 11,726
Accrued taxes, other than income taxes	1,713	963
Accrued interest	201	12
Other	1,980	2,133
Total accrued liabilities	$ 12,568	$ 14,834

5. IMPAIRMENT CHARGES

Quarter ended March 31, 2016. During the first quarter of 2016, we recorded an impairment expense of $8.4 million, resulting from the impairment of fixed assets in our U.S. segment, due to a continued reduction of U.S. drilling activity in the Bakken Shale region. These fixed assets were written down to their fair value of $3.8 million. We assessed the carrying values of the asset groups to determine if they continued to be recoverable based on estimated future cash flows. Based on the assessment, the carrying values were determined to not be recoverable, and we proceeded to compare the fair value of those assets groups to their respective carrying values.

Quarter ended March 31, 2015. During the first quarter of 2015, we made the decision to dispose of our manufacturing facility in Johnstown, Colorado. Accordingly, the facility met the criteria of held for sale, and its carrying value was adjusted downward to $8.7 million, which represents its estimated fair value less the cost to sell. We recorded a pre-tax impairment expense of $2.7 million and an additional $1.1 million write-down of our inventory as a result. During the fourth quarter of 2015, we completed the sale of the facility.

6. EARNINGS PER SHARE

The calculation of earnings per share attributable to the Company is presented below for the periods indicated (in thousands, except per share amounts):

	THREE MONTHS ENDED MARCH 31, 2016	2015
Basic Loss per Share		
Net loss attributable to Civeo	$ (26,822)	$ (16)
Less: undistributed net income to participating securities	--	--
Net loss attributable to Civeo's common shareholders - basic	$ (26,822)	$ (16)
Weighted average common shares outstanding - basic	106,814	106,460
Basic loss per share	$ (0.25)	$ (0.00)
Diluted Loss per Share		
Net loss attributable to Civeo's common shareholders - basic	$ (26,822)	$ (16)
Less: undistributed net income to participating securities	--	--
Net loss attributable to Civeo's common shareholders - diluted	$ (26,822)	$ (16)
Weighted average common shares outstanding - basic	106,814	106,460
Effect of dilutive securities	--	--
Weighted average common shares outstanding - diluted	106,814	106,460
Diluted loss per share	$ (0.25)	$ (0.00)

7. DEBT

As of March 31, 2016 and December 31, 2015, long-term debt consisted of the following (in thousands):

	March 31, 2016	December 31, 2015
U.S. term loan, which matures on May 28, 2019; principal repayable on May 28, 2019; weighted average interest rate of 3.2% for the three month period ended March 31, 2016	$ 24,375	$ 49,375
Canadian term loan, which matures on May 28, 2019; 1.25% of aggregate principal repayable per quarter beginning December 31, 2015; weighted average interest rate of 3.4% for the three month period ended March 31, 2016	316,260	300,165
U.S. revolving credit facility, which matures on May 28, 2019, with available commitments up to $50.0 million; weighted average interest rate of 5.0% for the three month period ended March 31, 2016	800	--
Canadian revolving credit facility, which matures on May 28, 2019, with available commitments up to $100.0 million; weighted average interest rate of 3.6% for the three month period ended March 31, 2016	41,634	52,020
Canadian revolving credit facility, which matures on May 28, 2019, with available commitments up to $100.0 million; no borrowings outstanding as of March 31, 2016	--	--
Australian revolving credit facility, which matures on May 28, 2019, with available commitments up to $100.0 million; weighted average interest rate of 4.9% for the three month period ended March 31, 2016	32,239	--
	415,308	401,560
Less: Unamortized debt issuance costs	5,346	4,683
Total debt	409,962	396,877
Less: Current portion of long-term debt, including unamortized debt issuance costs, net	15,964	17,461
Long-term debt, less current maturities	$ 393,998	$ 379,416

Interest expense on the unaudited consolidated statements of operations is net of capitalized interest of zero and $0.4 million for the three month periods ended March 31, 2016 and 2015, respectively.

Amended Credit Facility

As of December 31, 2015, our revolving credit facility consisted of (i) a $375.0 million, 5-year revolving credit facility allocated as follows: (A) a $50.0 million senior secured revolving credit facility in favor of Civeo, as borrower, (B) a $100.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, (C) a $125.0 million senior secured revolving credit facility in favor of certain of our Canadian subsidiaries, as borrowers, and (D) a $100.0 million senior secured revolving credit facility in favor of one of our Australian subsidiaries, as borrower, and (ii) a $375.0 million, 5-year term loan facility in favor of Civeo (collectively, the Amended Credit Facility).

On February 18, 2016, the second amendment to the Amended Credit Facility became effective, which provided for the following:

- Civeo Management LLC, an indirect wholly owned subsidiary of the Company, became a co-borrower under the US$50.0 million U.S. revolving credit facility under the Amended Credit Facility;

- The partial prepayment of the U.S. term loan under the Amended Credit Facility in the aggregate principal amount of US$25.0 million and the reduction by US$25.0 million of the aggregate revolving loan commitments under the Canadian revolving credit facility under the Amended Credit Facility to a maximum principal amount of US$100.0 million;

- (i) Increased the interest rate margin by 0.25% when the leverage ratio is less than 1.50x (by removing the lowest level in the leverage-based interest rate margin grid), (ii) established two additional levels to the total leverage-based grid such that the interest rates for the loans range from LIBOR +2.25% to LIBOR +5.00% and (iii) increased the undrawn commitment fee from a range of 0.45% to 0.90% to a range of 0.51% to 1.13% based on total leverage;

- Adjusted the maximum leverage ratio financial covenant, as follows:

Period Ended	Maximum Leverage Ratio
December 31, 2015	4.00 : 1.00
March 31, 2016	4.25 : 1.00
June 30, 2016	5.25 : 1.00
September 30, 2016	5.50 : 1.00
December 31, 2016	5.50 : 1.00
March 31, 2017	5.25 : 1.00
June 30, 2017	5.25 : 1.00
September 30, 2017	5.00 : 1.00
December 31, 2017	5.00 : 1.00
March 31, 2018	4.75 : 1.00
June 30, 2018	3.75 : 1.00
September 30, 2018 & thereafter	3.50 : 1.00

- Included a provision for a mandatory prepayment of the revolving credit facilities under the Amended Credit Facility in the event the Company and its subsidiaries hold an aggregate amount of cash exceeding US$40.0 million for a period of more than three consecutive business days, such mandatory prepayment to be made within two business days in an amount equal to the lesser of (a) an amount sufficient to reduce the aggregate amount of cash and permitted investments on hand at the Company and its subsidiaries to less than US$40.0 million or (b) an amount sufficient to repay all of the outstanding commitments under the revolving credit facilities under the Amended Credit Facility; and

- Other technical changes and amendments to the Amended Credit Facility.

As a result of the second amendment, we recognized a loss during the first quarter of 2016 of approximately $0.3 million related to unamortized debt issuance costs, which is included in “Loss on extinguishment of debt” on the accompanying unaudited consolidated statements of operations.

U.S. dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to LIBOR plus a margin of 2.25% to 5.00%, or a base rate plus 1.25% to 4.00%, in each case based on a ratio of our total leverage to EBITDA (as defined in the Amended Credit Facility). Canadian dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to CDOR plus a margin of 2.25% to 5.00%, or a base rate plus a margin of 1.25% to 4.00%, in each case based on a ratio of our consolidated total leverage to EBITDA (as defined in the Amended Credit Facility). Australian dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to BBSY plus a margin of 2.25% to 5.00%, based on a ratio of our consolidated total leverage to EBITDA (as defined in the Amended Credit Facility).

The Amended Credit Facility contains customary affirmative and negative covenants that, among other things, limit or restrict (i) subsidiary indebtedness, liens and fundamental changes, (ii) asset sales, (iii) margin stock, (iv) specified acquisitions, (v) restrictive agreements, (vi) transactions with affiliates and (vii) investments and other restricted payments, including dividends and other distributions. Specifically, we must maintain an interest coverage ratio, defined as the ratio of consolidated EBITDA (as defined in the Amended Credit Facility) to consolidated interest expense, of at least 3.0 to 1.0 and our maximum leverage ratio, defined as the ratio of total debt to consolidated EBITDA, of no greater than 4.25 to 1.0 (as of March 31, 2016). As noted above, the permitted maximum leverage ratio changes over time. Each of the factors considered in the calculations of these ratios are defined in the Amended Credit Facility. EBITDA and consolidated interest, as defined, exclude goodwill and asset impairments, debt discount amortization and other non-cash charges. We were in compliance with these covenants as of March 31, 2016.

We have 15 lenders in our Amended Credit Facility with commitments ranging from $1.2 million to $135.7 million.

8. INCOME TAXES

The Company’s operations are conducted through its various subsidiaries in a number of countries throughout the world. The Company has provided for income taxes based upon the tax laws and rates in the countries in which operations are conducted and income is earned. For the quarter ended March 31, 2016, Civeo Canada is the public parent registered under the laws of British Columbia, Canada. For the quarter ended March 31, 2015, Civeo US, a Delaware corporation, was the public parent registered in the U.S.

We operate primarily in three jurisdictions, Canada, Australia and the U.S., where statutory tax rates range from 27% to 35%. Our effective tax rate will vary period to period based on changes in earnings mix between these different jurisdictions.

We compute our quarterly taxes under the effective tax rate method by applying an anticipated annual effective rate to our year-to-date income, except for significant unusual or extraordinary transactions. As Australia and the U.S. are now loss jurisdictions for tax accounting purposes, Australia and the U.S. have been removed from the annual effective tax rate computation for purposes of computing the interim tax provision. Income taxes for significant and unusual or extraordinary transactions are computed and recorded in the period that the specific transaction occurs.

Our income tax benefit for the three months ended March 31, 2016 totaled $4.6 million, or 14.6% of pretax income, compared to income tax expense of $1.2 million, or 83.4% of pretax income, for the three months ended March 31, 2015. The effective tax rates in 2016 and 2015 were impacted by discrete items totaling $0.9 million and $0.5 million, respectively.

9. COMMITMENTS AND CONTINGENCIES

We are a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters, including warranty and product liability claims as a result of our products or operations. Although we can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on us, management believes that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise provided for or covered by insurance, will not have a material adverse effect on our consolidated financial position, results of operations or liquidity.

10. ACCUMULATED OTHER COMPREHENSIVE LOSS

Our accumulated other comprehensive loss decreased $29.3 million from $366.3 million at December 31, 2015 to $337.0 million at March 31, 2016, as a result of foreign currency exchange rate differences. Changes in other comprehensive loss during the first quarter of 2016 were primarily driven by the Australian dollar and Canadian dollar increasing in value compared to the U.S. dollar. Excluding intercompany balances, our Canadian dollar and Australian dollar functional currency net assets totaled approximately C$0.2 billion and A$0.5 billion, respectively, at March 31, 2016.

11. SHARE BASED COMPENSATION

Our employees and non-employee directors participate in the 2014 Equity Participation Plan of Civeo Corporation (the Civeo Plan). The Civeo Plan authorizes the Board of Directors to grant options, awards of restricted shares, performance awards, dividend equivalents, awards of deferred shares, and share payments to our employees and non-employee directors. As of March 31, 2016, no more than 4.0 million Civeo common shares may be awarded under the Civeo Plan.

Upon effectiveness of the Redomicile Transaction, Civeo Canada assumed the Civeo US employee equity plans and related award agreements, including all options and awards issued or granted under such plans, as well as certain Civeo US benefit plans and agreements.

Outstanding Awards

Options. Compensation expense associated with options recognized in the three month periods ended March 31, 2016 and 2015 totaled $0.1 million and $0.1 million, respectively. At March 31, 2016, unrecognized compensation cost related to options was $0.2 million, which is expected to be recognized over a weighted average period of 1.5 years.

Restricted Share / Deferred Share Awards. On February 23, 2016, we granted 231,934 restricted share and deferred share awards under the Civeo Plan, which vest in three equal annual installments beginning on February 23, 2017.

Compensation expense associated with restricted share awards and deferred share awards recognized in the three month periods ended March 31, 2016 and 2015 totaled $1.1 million and $1.1 million, respectively. The total fair value of restricted share awards and deferred share awards that vested during the three months ended March 31, 2016 and 2015 was $0.3 million and $0.6 million, respectively.

At March 31, 2016, unrecognized compensation cost related to restricted share awards and deferred share awards was $6.5 million, which is expected to be recognized over a weighted average period of 2.3 years.

Phantom Share Awards. On February 23, 2016, we granted 2,917,130 phantom share awards under the Civeo Plan, which vest in three equal annual installments beginning on February 23, 2017. We also granted 3,099,194 phantom share awards under the Canadian Long-Term Incentive Plan, which vest in three equal annual installments beginning on February 23, 2017.

During the three month periods ended March 31, 2016 and 2015, we recognized compensation expense associated with phantom shares totaling $0.2 million and $0.3 million, respectively. At March 31, 2016, unrecognized compensation cost related to phantom shares was $9.4 million, as remeasured at March 31, 2016, which is expected to be recognized over a weighted average period of 2.8 years.

Performance Awards. On February 23, 2016, we granted 2,400,606 performance awards under the Civeo Plan, which cliff vest in three years on February 23, 2019. These awards will be earned in amounts between 0% and 200% of the participant's target performance share award, based on the payout percentage associated with Civeo's relative total shareholder return rank among a peer group of 12 other companies. Because shareholder approval is required to grant these awards as equity awards to be settled in shares, as of March 31, 2016, the awards have been accounted for as a liability that is remeasured at each reporting date.

During the three month periods ended March 31, 2016 and 2015, we recognized compensation expense associated with performance awards totaling $0.1 million and zero, respectively. At March 31, 2016, unrecognized compensation cost related to performance shares was $3.5 million, as remeasured at March 31, 2016, which is expected to be recognized over a weighted average period of 2.8 years.

12. SEGMENT AND RELATED INFORMATION

In accordance with current accounting standards regarding disclosures about segments of an enterprise and related information, we have identified the following reportable segments: Canada, Australia and U.S., which represent our strategic focus on workforce accommodations.

Financial information by business segment for each of the three months ended March 31, 2016 and 2015 is summarized in the following table (in thousands):

	Total Revenues	Less: Intersegment Revenues	Revenues from unaffiliated customers	Depreciation and amortization	Operating income (loss)	Capital expenditures	Total assets
Three months ended March 31, 2016							
Canada	$ 65,522	--	$ 65,522	$ 20,339	$ (9,699)	$ 1,047	$ 605,414
Australia	25,510	--	25,510	11,178	(1,622)	607	432,314
U.S.	4,004	--	4,004	1,906	(13,599)	--	58,633
Corporate and eliminations	--	--	--	132	(1,277)	3,107	(13,082)
Total	$ 95,036	$ --	$ 95,036	$ 33,555	$ (26,197)	$ 4,761	$ 1,083,279
Three months ended March 31, 2015							
Canada	$ 116,900	--	$ 116,900	$ 24,758	$ 12,120	$ 6,453	$ 900,174
Australia	41,859	--	41,859	13,913	6,727	3,267	620,378
U.S.	14,624	(2,396)	12,228	3,679	(6,894)	1,116	120,802
Corporate and eliminations	(2,396)	2,396	--	96	(7,077)	(134)	53,445
Total	$ 170,987	$ --	$ 170,987	$ 42,446	$ 4,876	$ 10,702	$ 1,694,799

Cautionary Statement Regarding Forward-Looking Statements

This quarterly report on Form 10-Q contains certain “forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act). The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. The forward-looking statements can be identified by the use of forward-looking terminology including "may," "expect," "anticipate," "estimate," "continue," "believe" or other similar words. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of important factors. For a discussion of known material factors that could affect our results, please refer to “Risk Factors,” “Forward-Looking Statements,” and "Management’s Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2015 and our subsequent SEC filings. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Our management believes these forward-looking statements are reasonable. However, you should not place undue reliance on these forward-looking statements, which are based only on our current expectations and are not guarantees of future performance. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the foregoing. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any of them in light of new information, future events or otherwise.

In addition, in certain places in this quarterly report, we refer to reports published by third parties that purport to describe trends or developments in the energy industry. We do so for the convenience of our shareholders and in an effort to provide information available in the market that will assist our investors in a better understanding of the market environment in which we operate. However, we specifically disclaim any responsibility for the accuracy and completeness of such information and undertake no obligation to update such information.

ITEM 2. *Management’s Discussion and Analysis of Financial Condition and Results of Operations*

You should read the following discussion and analysis together with our consolidated financial statements and the notes to those statements included elsewhere in this quarterly report on Form 10-Q.

Redomiciling to Canada

On July 17, 2015, we completed our change in place of incorporation from Delaware to British Columbia, Canada (the Redomicile Transaction). In the Redomicile Transaction, Civeo Corporation, a British Columbia, Canada limited company formerly named Civeo Canadian Holdings ULC (Civeo Canada), became the publicly traded parent company of the Civeo group of companies, and our former publicly traded Delaware parent (Civeo US) became a wholly owned subsidiary of Civeo Canada. Each issued share of Civeo US common stock, other than those shares of Civeo US common stock held by Civeo US in treasury, was effectively transferred to Civeo Canada and converted into one common share, no par value, of Civeo Canada. An aggregate of approximately 107.5 million Civeo Canada common shares were issued in the Redomicile Transaction. The Civeo Canada common shares are listed on the NYSE under the symbol “CVEO,” the same symbol under which the Civeo US common stock traded prior to the effective time.

The Redomicile Transaction qualified as a “self-directed redomiciling” of the Company as permitted under the U.S. Internal Revenue Code. U.S. federal income tax laws permit a company to change its domicile to a foreign jurisdiction without corporate-level U.S. federal income taxes provided that such company has “substantial business activity” in the relevant jurisdiction. “Substantial business activity” is defined as foreign operations consisting of over 25% of the company’s total (i) revenues, (ii) assets, (iii) employees and (iv) employee compensation. With approximately 50% or more of our operations in Canada based on these metrics, we qualified for a self-directed redomiciling.

We incurred costs related to the Redomicile Transaction totaling $1.0 million and $1.2 million for the three months ended March 31, 2016 and 2015, respectively.

Macroeconomic Environment

We provide workforce accommodations to the natural resource industry in Canada, Australia and the U.S. Demand for our services can be attributed to two phases of our customers' projects: (1) the development or construction phase and (2) the operations or production phase. Initial demand for our services is driven by our customers' capital spending programs related to the construction and development of oil sands and coal mines and associated infrastructure as well as the exploration for oil and natural gas. Long-term demand for our services is driven by continued development and expansion of natural resource production and operation of oil sands and mining facilities. Industry capital spending programs are generally based on the outlook for commodity prices, economic growth and estimates of resource production. As a result, demand for our products and services is largely sensitive to expected commodity prices, principally related to crude oil, metallurgical (met) coal and natural gas.

In Canada, Western Canadian Select (WCS) crude is the benchmark price for our oil sands accommodations customers. Pricing for WCS is driven by several factors, including the underlying price for West Texas Intermediate (WTI) crude and the availability of transportation infrastructure. Historically, WCS has traded at a discount to WTI, creating a "WCS Differential," due to transportation costs and limited capacity to move Canadian heavy oil production to refineries, primarily in the U.S. Gulf Coast. Depending on the extent of pipeline capacity availability, the WCS Differential has varied.

During the first quarter of 2016, global oil prices dropped to their lowest level in over ten years due to concerns over global oil demand, the economic growth rate in China, the overall economic health of Europe and price cutting by major oil producing countries, such as Saudi Arabia. Increasing global supply, including increased U.S. shale oil production, also negatively impacted pricing. With falling Brent Crude and WTI oil prices, WCS also fell. WCS prices in the first quarter of 2016 averaged $20.26 per barrel compared to $27.82 in the fourth quarter of 2015 and $35.03 in the first quarter of 2015. The WCS Differential narrowed from $13.25 per barrel at the end of the fourth quarter of 2015 to $13.15 per barrel at the end of the first quarter of 2016. Prices began to increase in March 2016, and as of April 22, 2016, the WTI price was $42.68 and the WCS price was $29.78, resulting in a WCS Differential of $12.90.

There remains a significant risk that prices in the Canadian oil sands could continue to deteriorate or remain at current depressed levels for an extended period of time, and the discount between WCS crude prices and WTI crude prices could widen. The continuation of these depressed price levels has negatively impacted exploration, development, maintenance and production spending and activity by Canadian operators and, therefore, demand for our services in 2016. Our Canadian oil sands customers could continue to delay maintenance spending and additional investments in their oil sands assets as well.

In Australia, approximately 80% of our rooms are located in the Bowen Basin and primarily serve met coal mines in that region. Met coal pricing and growth in production in the Bowen Basin region is influenced by levels of global steel production. Global steel production has decreased 3.6% during the first three months of 2016 compared to the same period in 2015. Furthermore, Chinese steel production decreased 3.2% for the first three months of 2016, and accordingly, Chinese demand for imported steel inputs, such as met coal and iron ore, has continued to decrease during 2016 compared to prior periods. Because of this, coupled with the fact that Australian met coal output has decreased 1% during 2016 compared to 2015, met coal prices have decreased materially from over $160 per metric tonne at the beginning of 2013 to approximately $81.00 per metric tonne in the first quarter of 2016. As of April 22, 2016, contract met coal prices were approximately $84.00 per metric tonne. We expect the historically low contract price of met coal to continue to negatively impact occupancy at our Bowen Basin villages throughout 2016. Depressed met coal prices have led to the implementation of cost control measures by our customers, some coal mine closures and delays in the start-up of new coal mining projects in Australia. A continued depressed met coal price will impact our customers' future capital spending programs. Long-term demand for steel will be driven by increased steel consumption per capita in developing economies, such as China and India, whose current consumption per capita is a fraction of developed countries.

Natural gas and WTI crude oil prices, discussed above, have an impact on the demand for our U.S. accommodations. Prices for natural gas in the U.S. averaged $1.98 per mcf in the first quarter of 2016, a 29% decrease over the average price in the first quarter of 2015. U.S. natural gas production has continued to outpace demand recently, which has caused prices to continue to be weak relative to historical prices. These weaker prices are expected to continue. At these levels, it is uneconomic to increase development in several domestic, gas-focused basins. If natural gas production growth continues to surpass demand in the U.S. and/or the supply of natural gas were to increase, whether the supply comes from conventional or unconventional production or associated natural gas production from oil wells, prices for natural gas could be constrained for an extended period and result in fewer rigs drilling for natural gas in the near-term.

Recent WTI crude, WCS crude, met coal and natural gas pricing trends are as follows:

	Average Price (1)			
Quarter ended	**WTI Crude (per bbl)**	**WCS Crude (per bbl)**	**Hard Coking Coal (Met Coal) (per tonne)**	**Henry Hub Natural Gas (per mcf)**
Second Quarter through 4/22/2016	$ 39.85	$ 26.01	$ 84.00	$ 2.00
3/31/2016	33.41	20.26	81.00	1.98
12/31/2015	42.02	27.82	89.00	2.23
9/30/2015	46.48	31.54	93.00	2.73
6/30/2015	57.64	48.09	109.50	2.73
3/31/2015	48.49	35.03	117.00	2.81
12/31/2014	73.21	57.75	119.00	3.83
9/30/2014	97.60	78.69	120.00	3.95
6/30/2014	103.06	83.78	120.00	4.58
3/31/2014	98.68	77.76	143.00	5.18
12/31/2013	97.50	66.34	152.00	3.85
9/30/2013	105.83	83.10	145.00	3.55
6/30/2013	94.05	77.48	172.00	4.02
3/31/2013	94.33	66.86	165.00	3.49

(1) Sources: WTI crude and natural gas prices are from U.S. Energy Information Administration (EIA), and WCS crude prices and Seaborne hard coking coal contract prices are from Bloomberg.

Overview

As noted above, demand for our services is primarily tied to the outlook for crude oil and met coal prices. Other factors that can affect our business and financial results include the general global economic environment and regulatory changes in Canada, Australia, the U.S. and other markets.

Our business is predominantly located in northern Alberta, Canada and Queensland, Australia, and we derive most of our business from resource companies who are developing and producing oil sands and met coal resources and, to a lesser extent, other hydrocarbon and mineral resources. More than three-fourths of our revenue is generated by our large-scale lodge and village facilities. Where traditional accommodations and infrastructure are insufficient, inaccessible or not cost effective, our lodge and village facilities provide comprehensive accommodations services similar to those found in an urban hotel. We typically contract our facilities to our customers on a fee per day basis that covers lodging and meals and that is based on the duration of their needs which can range from several weeks to several years.

Generally, our customers are making multi-billion dollar investments to develop their prospects, which have estimated reserve lives ranging from ten years to in excess of thirty years. Consequently, these investments are dependent on those customers' longer-term view of commodity demand and prices. Announcements of certain new and expanded oil sands projects can create the opportunity to extend existing accommodations contracts and incremental contracts for us in Canada. There have been few new or expanded projects announced in recent months.

With the current commodity price environment and expected demand, concerns about take-away capacity out of the Canadian oil sands region and continued high costs including labor costs, the current outlook for Canadian oil sands activity has continued to deteriorate in 2016. Although we are currently the primary third-party accommodations provider for the two major construction projects in the Canadian oil sands region, the Fort Hills project and the Kearl project, outlook for additional major oil sands construction projects is limited. Oil sands operators are looking to reduce their costs and capital spending, limiting the demand for accommodations like we provide. As a result, we experienced materially lower revenues and earnings from our Canadian operations in the first quarter of 2016 compared to the first quarter of 2015 and expect this trend to continue for the rest of 2016.

We began expansion of our room count in Kitimat, British Columbia during the second half of 2015 to support potential liquefied natural gas (LNG) projects on the west coast of British Columbia. We were awarded a contract with LNG Canada for the provision of open lodge rooms and associated services. To support this contract, we have developed a new accommodations facility, named Sitka Lodge, which includes private washrooms, recreational facilities and other amenities. This lodge currently has 386 rooms with the potential to expand to serve future accommodations demand in the region.

We expanded our Australian room capacity in 2012 and 2013 to meet increasing demand, notably in the Bowen Basin in Queensland and in the Gunnedah Basin in New South Wales to support coal production, and in Western Australia to support LNG and other energy-related projects. In early 2013, a confluence of low met coal pricing, additional carbon and mining taxes on our Australian accommodations customers and several years of cost inflation caused several of our customers to curtail or cease production from higher cost mines and delay or materially reduce their growth plans. This has negatively affected our ability to expand our room count and has led to a decrease in occupancy levels. Despite the repeal of carbon and mining taxes, continued concerns about China's economy, which significantly influences the global demand for steel, and therefore, met coal, the outlook for met coal demand continues to be negative. As a result, our Australian business experienced lower occupancy levels throughout 2015, and this trend is continuing in 2016.

Exchange rates between the U.S. dollar and each of the Canadian dollar and the Australian dollar influence our U.S. dollar reported financial results. Our business has historically derived the vast majority of its revenues and operating income in Canada and Australia. These revenues and profits are translated into U.S. dollars for U.S. Generally Accepted Accounting Principles (U.S. GAAP) financial reporting purposes. The Canadian dollar was valued at an average exchange rate of U.S. $0.73 for the first quarter of 2016 compared to U.S. $0.81 for the first quarter of 2015, a decrease of approximately 10%. The Canadian dollar was valued at an exchange rate of $0.77 on March 31, 2016 and $0.72 on December 31, 2015. The Australian dollar was valued at an average exchange rate of U.S. $0.72 for the first quarter of 2016 compared to U.S. $0.79 for the first quarter of 2015, a decrease of approximately 8%. The Australian dollar was valued at an exchange rate of $0.77 on March 31, 2016 and $0.73 on December 31, 2015. These fluctuations of the Canadian and Australian dollars have had and will continue to have an impact on the translation of earnings generated from our Canadian and Australian subsidiaries and, therefore, our financial results.

We continue to monitor the global economy, the demand for crude oil, met coal and natural gas and the resultant impact on the capital spending plans of our customers in order to plan our business. We currently expect that our 2016 capital expenditures will total approximately $30 million, compared to 2015 capital expenditures of $62 million. Please see "Liquidity and Capital Resources" below for further discussion of 2016 capital expenditures.

Results of Operations

Unless otherwise indicated, discussion of results for the three-month period ended March 31, 2016 is based on a comparison to the corresponding period of 2015.

Consolidated Results of Operations

	THREE MONTHS ENDED MARCH 31, 2016	THREE MONTHS ENDED MARCH 31, 2015	Change
	($ in thousands)		
Revenues			
Canada	$ 65,522	$ 116,900	$ (51,378)
Australia	25,510	41,859	(16,349)
United States and other	4,004	12,228	(8,224)
Total revenues	95,036	170,987	(75,951)
Costs and expenses			
Cost of sales and services			
Canada	47,764	73,706	(25,942)
Australia	12,519	17,671	(5,152)
United States and other	5,660	11,534	(5,874)
Total cost of sales and services	65,943	102,911	(36,968)
Selling, general and administrative expenses	13,117	16,686	(3,569)
Depreciation and amortization expense	33,555	42,446	(8,891)
Impairment expense	8,400	2,738	5,662
Other operating expense (income)	218	1,330	(1,112)
Total costs and expenses	121,233	166,111	(44,878)
Operating income (loss)	(26,197)	4,876	(31,073)
Interest expense and income, net	(5,160)	(4,487)	(673)
Other income	112	998	(886)
Income (loss) before income taxes	(31,245)	1,387	(32,632)
Income tax (provision) benefit	4,571	(1,157)	5,728
Net income (loss)	(26,674)	230	(26,904)
Less: Net income attributable to noncontrolling interest	148	246	(98)
Net income (loss) attributable to Civeo	$ (26,822)	$ (16)	$ (26,806)

We reported net loss attributable to Civeo for the first quarter of 2016 of $26.8 million, or $0.25 per diluted share. As further discussed below, net loss included (1) an $8.4 million pre-tax loss ($5.5 million after-tax, or $0.05 per diluted share) resulting from the impairment of fixed assets, included in Impairment expense below and (2) a $1.0 million pre-tax loss ($0.7 million after-tax, or $0.01 per diluted share) from costs incurred in connection with the Redomicile Transaction, included in Selling, general and administrative (SG&A) expense below.

These results compare to net loss attributable to Civeo for the first quarter of 2015 of $16,000, or $0.00 per diluted share. As further discussed below, net loss included (1) a $3.8 million pre-tax loss ($2.4 million after-tax, or $0.02 per diluted share) resulting from the impairment of fixed assets, included in Impairment expense below and (2) a $1.1 million pre-tax loss ($0.8 million after-tax, or $0.01 per diluted share) from costs incurred in connection with the Redomicile Transaction, included in SG&A expense below.

Revenues. Consolidated revenues decreased $76.0 million, or 44%, in the first quarter of 2016 compared to the first quarter of 2015. This decline was largely driven by decreases in Canada and Australia, due to lower occupancy, as well as weaker Canadian and Australian dollars in 2016 compared to 2015. Please see the discussion of segment results of operations below for further description.

Cost of Sales and Services. Our consolidated cost of sales decreased $37.0 million, or 36%, in the first quarter of 2016 compared to the first quarter of 2015, primarily due to decreases in occupancy in both Canada and Australia, as well as the weaker Canadian and Australian dollars in 2016 compared to 2015. Please see the discussion of segment results of operations below for further description.

Selling, General and Administrative Expenses. SG&A expense decreased $3.6 million, or 21%, in the first quarter of 2016 compared to the first quarter of 2015. This decrease was primarily due to reduced compensation as a result of workforce reductions in 2015, lower incentive compensation accruals when compared to 2015, lower bad debt reserves when compared to 2015, and the impact of the weaker Canadian and Australian dollars.

Depreciation and Amortization Expense. Depreciation and amortization expense decreased $8.9 million, or 21%, in the first quarter of 2016 compared to the first quarter of 2015, primarily due to reduced depreciation expense resulting from impairments recorded in 2015 as well as the impact of the weaker Canadian and Australian dollars.

Impairment Expense. We recorded pre-tax impairment expense of $8.4 million in 2016 related to the impairment of fixed assets in our U.S. segment, due to a continued reduction of U.S. drilling activity in the Bakken Shale region. We recorded pre-tax impairment expense of $2.7 million in 2015 related to a decision to sell our U.S. manufacturing facility. As a result, the facility was classified as held for sale at March 31, 2015, and its carrying value was reduced to expected proceeds less cost to sell.

Operating Income. Consolidated operating income decreased $31.1 million, or 637%, in the first quarter of 2016 compared to the first quarter of 2015, primarily due to lower occupancy levels in Canada and Australia as well as the weaker Canadian and Australian dollars.

Interest Expense and Interest Income, net. Net interest expense increased by $0.7 million, or 15%, in the first quarter of 2016 compared to the first quarter of 2015 primarily due to decreased interest income due to lower average cash balances in 2016 as compared to 2015 and the 2016 write-off of $0.3 million of debt issuance costs associated with the Amended Credit Facility. This was offset by decreased interest expense associated with lower amounts outstanding under the Amended Credit Facility in the first quarter of 2016 as compared to the first quarter of 2015.

Income Tax Provision. Our income tax benefit for the three months ended March 31, 2016 totaled $4.6 million, or 14.6% of pretax income, compared to income tax expense of $1.2 million, or 83.4% of pretax income, for the three months ended March 31, 2015. The decrease in the effective tax rate from the prior year was largely the result of a change in the earnings mix between different tax jurisdictions. In addition, 2016 and 2015 include discrete items totaling $0.9 million and $0.5 million, respectively.

Other Comprehensive Income (Loss). Other comprehensive loss decreased $140.4 million in the first quarter of 2016 compared to the first quarter of 2015, primarily as a result of foreign currency translation adjustments due to changes in the Canadian and Australian dollar exchange rates compared to the U.S. dollar. The Canadian dollar exchange rate compared to the U.S. dollar increased 7% in the first quarter of 2016 compared to a 9% decrease in the first quarter of 2015. The Australian dollar exchange rate compared to the U.S. dollar increased 5% in the first quarter of 2016 compared to a 7% decrease in the first quarter of 2015.

Segment Results of Operations – Canadian Segment

	THREE MONTHS ENDED MARCH 31,		
	2016	**2015**	**Change**
Revenues ($ in thousands)			
Lodge revenue (1)	$ 54,886	$ 87,837	$ (32,951)
Mobile, open camp and product revenue	10,636	29,063	(18,427)
Total revenues	$ 65,522	$ 116,900	$ (51,378)
Cost of sales and services ($ in thousands)	$ 47,764	$ 73,706	$ (25,942)
Gross margin as a % of revenues	27.1%	36.9%	(9.8%)
Average available lodge rooms (2)	14,602	13,221	1,381
Rentable rooms for lodges (3)	9,103	10,546	(1,443)
Average daily rate for lodges (4)	$ 111	$ 135	$ (24)
Occupancy in lodges (5)	60%	68%	(8%)
Canadian dollar to U.S. dollar	$ 0.728	$ 0.806	$ (0.078)

(1) Includes revenue related to rooms as well as the fees associated with catering, laundry and other services including facilities management.

(2) Average available rooms include rooms that are utilized for our personnel.

(3) Rentable rooms exclude rooms that are utilized for our personnel and out-of-service rooms.

(4) Average daily rate is based on rentable rooms and lodge/village revenue.

(5) Occupancy represents total billed days divided by rentable days. Rentable days excludes staff rooms and out-of-service rooms.

Our Canadian segment reported revenues in the first quarter of 2016 that were $51.4 million, or 44%, lower than the first quarter of 2015. The weakening of the average exchange rates for the Canadian dollar relative to the U.S. dollar by 10% in the first quarter of 2016 compared to the first quarter of 2015 resulted in a $7.0 million year-over-year reduction in revenues. In addition, excluding the impact of the weaker Canadian exchange rates, the segment experienced a 31% decline in lodge revenues, primarily due to reduced occupancy and lower room rates.

Our Canadian segment cost of sales and services decreased $25.9 million, or 35%, in the first quarter of 2016 compared to the first quarter of 2015 due to lower occupancy, as well as the weakening of the average exchange rates.

Our Canadian segment gross margin as a percentage of revenues decreased from 37% in the first quarter of 2015 to 27% in the first quarter of 2016 primarily due to lower contracted room rates and occupancy in Canada.

Segment Results of Operations – Australian Segment

	THREE MONTHS ENDED MARCH 31,					
	2016		2015		Change	
Revenues ($ in thousands)						
Village revenue (1)	$	25,510	$	41,859	$	(16,349)
Total revenues		25,510		41,859		(16,349)
Cost of sales ($ in thousands)	$	12,519	$	17,671	$	(5,152)
Gross margin as a % of revenues		50.9%		57.8%		(6.9%)
Average available village rooms (2)		9,296		9,296		0
Rentable rooms for villages (3)		8,696		9,124		(428)
Average daily rate for villages (4)	$	68	$	80	$	(12)
Occupancy in Villages (5)		47%		63%		(16%)
Australian dollar to U.S. dollar	$	0.721	$	0.786	$	(0.065)

(1) Includes revenue related to rooms as well as the fees associated with catering, laundry and other services including facilities management.

(2) Average available rooms include rooms that are utilized for our personnel.

(3) Rentable rooms exclude rooms that are utilized for our personnel and out-of-service rooms.

(4) Average daily rate is based on rentable rooms and lodge/village revenue.

(5) Occupancy represents total billed days divided by rentable days. Rentable days excludes staff rooms and out-of-service rooms.

Our Australian segment reported revenues in the first quarter of 2016 that were $16.3 million, or 39%, lower than the first quarter of 2015. The weakening of the average exchange rates for Australian dollars relative to the U.S. dollar by 8% in the first quarter of 2016 compared to the first quarter of 2015 resulted in a $2.3 million year-over-year reduction in revenues. Excluding the impact of the weaker Australian exchange rates, the segment experienced a 34% decline in revenues due to lower occupancy levels in the first quarter of 2016 compared to the first quarter of 2015, primarily as a result of the continued slowdown in mining activity.

Our Australian segment cost of sales decreased $5.2 million, or 29%, in the first quarter of 2016 compared to the first quarter of 2015. The decrease was driven by lower occupancy levels as well as the weakening of the Australian dollar.

Our Australian segment gross margin as a percentage of revenues decreased to 51% in the first quarter of 2016 from 58% in the first quarter of 2015. This was primarily driven by reduced take or pay revenues on expired contracts and lower occupancy compared to the first quarter of 2015.

Segment Results of Operations – U.S. Segment

	THREE MONTHS ENDED MARCH 31,		
	2016	**2015**	**Change**
Revenues ($ in thousands)	$ 4,004	$ 12,228	$ (8,224)
Cost of sales ($ in thousands)	$ 5,660	$ 11,534	$ (5,874)
Gross margin as a % of revenues	(41.4%)	5.7%	(47.1%)

Our U.S. segment reported revenues in the first quarter of 2016 that were $8.2 million, or 67%, lower than the first quarter of 2015. The reduction was primarily due to lower U.S. drilling activity in the Bakken, Rockies and Texas markets and decreased sales in our offshore business.

Our U.S. cost of sales decreased $5.9 million, or 51%, in the first quarter of 2016 compared to the first quarter of 2015. The decrease was driven by overall lower activity levels.

Our U.S. segment gross margin as a percentage of revenues decreased from 6% in the first quarter of 2015 to (41)% in the first quarter of 2016, primarily due to overall lower activity levels.

Liquidity and Capital Resources

Our primary liquidity needs are to fund capital expenditures, which in the past have included expanding and improving our accommodations, developing new lodges and villages and purchasing or leasing land under our land banking strategy, and for general working capital needs. In addition, capital has been used to repay debt, fund strategic business acquisitions and pay dividends. Historically, our primary sources of funds have been available cash, cash flow from operations and borrowings under our credit facility. The following table summarizes our consolidated liquidity position as of March 31, 2016 and December 31, 2015:

	March 31, 2016	**December 31, 2015**
Lender commitments (1)	$ 350,000	$ 375,000
Reductions in availability (2)	(207,514)	(121,690)
Borrowings against revolver capacity	(74,673)	(52,020)
Outstanding letters of credit	(1,763)	(5,070)
Unused availability	66,050	196,220
Cash and cash equivalents	2,968	7,837
Total available liquidity	$ 69,018	$ 204,057

(1) We also have a A$1.3 million bank guarantee facility. We had bank guarantees of A$1.2 million and A$1.3 million under this facility outstanding as of March 31, 2016 and December 31, 2015, respectively.

(2) As of March 31, 2016 and December 31, 2015, $207.5 million and $121.7 million, respectively, of our borrowing capacity under our Amended Credit Facility could not be utilized in order to maintain compliance with the maximum leverage ratio financial covenant in our Amended Credit Facility.

Cash totaling $11.3 million was provided by operations during the first quarter of 2016, compared to $48.9 million provided by operations during the first quarter of 2015. The decrease in operating cash flow in 2016 compared to 2015 was primarily due to lower revenue resulting from occupancy levels in lodges and villages. During the first quarter of 2016 and 2015, $1.3 million and $0.8 million, respectively, was provided by working capital.

Cash was used in investing activities during the three months ended March 31, 2016 in the amount of $3.5 million, compared to cash used in investing activities during the three months ended March 31, 2015 in the amount of $9.6 million. Capital expenditures totaled $4.8 million and $10.7 million during the three months ended March 31, 2016 and 2015, respectively. Capital expenditures in the first quarter of 2016 consisted primarily of investments in an enterprise information system, and maintenance capital expenditures in the first quarter of 2015 consisted principally of costs for the construction and installation of assets for our lodges primarily in support of Canadian oil sands projects.

We expect our capital expenditures for 2016 to be approximately $30 million, which excludes any expenditures for unannounced and uncommitted projects, the spending for which is contingent on obtaining customer contracts. Whether planned expenditures will actually be spent in 2016 depends on industry conditions, project approvals and schedules, customer room commitments and project and construction timing. We expect to fund these capital expenditures with available cash, cash flow from operations and borrowings under our Amended Credit Facility.

Net cash of $13.0 million was used by financing activities during the three months ended March 31, 2016 due to repayments of term loan borrowings of $29.1 million offset by net revolver borrowings of $18.1 million. Net cash of $0.5 million was provided by financing activities during the three months ended March 31, 2015 due to proceeds from the issuance of common stock associated with exercises of options.

The following table summarizes the changes in debt outstanding during the first quarter of 2016 (in thousands):

	Canada	Australia	U.S.	Total
Balance at December 31, 2015	$ 352,185	$ --	$ 49,375	$ 401,560
Borrowings on revolving credit facilities	82,211	31,895	3,000	117,106
Repayments of revolving credit facilities	(96,821)	--	(2,200)	(99,021)
Repayments of term loans	(4,055)	--	(25,000)	(29,055)
Translation	24,374	344	--	24,718
Balance at March 31, 2016	$ 357,894	$ 32,239	$ 25,175	$ 415,308

We believe that cash on hand and cash flow from operations will be sufficient to meet our liquidity needs in the coming twelve months. If our plans or assumptions change, or are inaccurate, or if we make acquisitions, we may need to raise additional capital. Acquisitions have been, and our management believes acquisitions will continue to be, an element of our business strategy. The timing, size or success of any acquisition effort and the associated potential capital commitments are unpredictable and uncertain. We may seek to fund all or part of any such efforts with proceeds from debt and/or equity issuances. Our ability to obtain capital for additional projects to implement our growth strategy over the longer term will depend upon our future operating performance, financial condition and, more broadly, on the availability of equity and debt financing. Capital availability will be affected by prevailing conditions in our industry, the global economy, the global financial markets and other factors, many of which are beyond our control. In addition, such additional debt service requirements could be based on higher interest rates and shorter maturities and could impose a significant burden on our results of operations and financial condition, and the issuance of additional equity securities could result in significant dilution to shareholders. In addition, in some cases, we may incur costs to acquire land and/or construct assets without securing a customer contract or prior to finalization of an accommodations contract with a customer. If the contract is not obtained or delayed, the resulting impact could result in an impairment of the related investment.

Credit Facility and Long Term Debt

On February 18, 2016, the Second Amendment (Second Amendment) to the Credit Facility (together with all amendments, the Amended Credit Facility) became effective, which provided for the following:

- Civeo Management LLC, an indirect wholly owned subsidiary of the Company, became a co-borrower under the US$50.0 million U.S. revolving credit facility under the Amended Credit Facility;

- The partial prepayment of the U.S. term loan under the Amended Credit Facility in the aggregate principal amount of US$25.0 million and the reduction by US$25.0 million of the aggregate revolving loan commitments under the Canadian revolving credit facility under the Amended Credit Facility, which was incurred in connection with the first amendment to the Credit Facility, to a maximum principal amount of US$100.0 million;

- (i) Increased the interest rate margin by 0.25% when the leverage ratio is less than 1.50x (by removing the lowest level in the leverage-based interest rate margin grid), (ii) established two additional levels to the total leverage-based grid such that the interest rates for the loans range from LIBOR +2.25% to LIBOR +5.00% and (iii) increased the undrawn commitment fee from a range of 0.45% to 0.90% to a range of 0.51% to 1.13% based on total leverage;

- Adjusted the maximum leverage ratio financial covenant, as follows:

Period Ended	Maximum Leverage Ratio
December 31, 2015	4.00 : 1.00
March 31, 2016	4.25 : 1.00
June 30, 2016	5.25 : 1.00
September 30, 2016	5.50 : 1.00
December 31, 2016	5.50 : 1.00
March 31, 2017	5.25 : 1.00
June 30, 2017	5.25 : 1.00
September 30, 2017	5.00 : 1.00
December 31, 2017	5.00 : 1.00
March 31, 2018	4.75 : 1.00
June 30, 2018	3.75 : 1.00
September 30, 2018 & thereafter	3.50 : 1.00

- Included a provision for a mandatory prepayment of the revolving credit facilities under the Amended Credit Facility in the event the Company and its subsidiaries hold an aggregate amount of cash exceeding US$40.0 million for a period of more than three consecutive business days, such mandatory prepayment to be made within two business days in an amount equal to the lesser of (a) an amount sufficient to reduce the aggregate amount of cash and permitted investments on hand at the Company and its subsidiaries to less than US$40.0 million or (b) an amount sufficient to repay all of the outstanding commitments under the revolving credit facilities under the Amended Credit Facility; and

- Other technical changes and amendments to the Credit Facility.

The following table summarizes the capacity available under the Amended Credit Facility as compared to the Credit Facility (in thousands):

	Credit Facility	First Amendment to the Credit Facility	Amended Credit Facility
Term loans:			
U.S. term loan	$ 775,000	$ 50,000	$ 24,375
Canadian term loan	--	325,000	325,000
Total term loans outstanding	$ 775,000	$ 375,000	$ 349,375
Total capacity under revolving credit facilities:			
U.S. revolving credit facility	$ 450,000	$ 50,000	$ 50,000
Canadian revolving credit facility	100,000	100,000	100,000
New Canadian revolving credit facility	--	125,000	100,000
Australian revolving credit facility	100,000	100,000	100,000
Total capacity under revolving credit facilities	$ 650,000	$ 375,000	$ 350,000

U.S. dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to LIBOR plus a margin of 2.25% to 5.00%, or a base rate plus 1.25% to 4.00%, in each case based on a ratio of our total leverage to EBITDA (as defined in the Amended Credit Facility). Canadian dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to CDOR plus a margin of 2.25% to 5.00%, or a base rate plus a margin of 1.25% to 4.00%, in each case based on a ratio of our consolidated total leverage to EBITDA (as defined in the Amended Credit Facility). Australian dollar amounts outstanding under the Amended Credit Facility bear interest at a variable rate equal to BBSY plus a margin of 2.25% to 5.00%, based on a ratio of our consolidated total leverage to EBITDA (as defined in the Amended Credit Facility).

The Amended Credit Facility contains customary affirmative and negative covenants that, among other things, limit or restrict (i) subsidiary indebtedness, liens and fundamental changes, (ii) asset sales, (iii) margin stock, (iv) specified acquisitions, (v) restrictive agreements, (vi) transactions with affiliates and (vii) investments and other restricted payments, including dividends and other distributions. Specifically, we must maintain an interest coverage ratio, defined as the ratio of consolidated EBITDA (as defined in the Amended Credit Facility) to consolidated interest expense, of at least 3.0 to 1.0 and a maximum leverage ratio, defined as the ratio of total debt to consolidated EBITDA, of no greater than 4.25 to 1.0 (as of March 31, 2016). As noted above, the permitted level of the maximum leverage ratio changes over time. Each of the factors considered in the calculations of these ratios are defined in the Amended Credit Facility. EBITDA and consolidated interest, as defined in the Amended Credit Facility, exclude goodwill and asset impairments, debt discount amortization and other non-cash charges. We were in compliance with these covenants as of March 31, 2016.

We have 15 lenders in our Amended Credit Facility with commitments ranging from $1.2 million to $135.7 million.

Dividends

We do not currently pay dividends. The declaration and amount of all potential future dividends will be at the discretion of our Board of Directors and will depend upon many factors, including our financial condition, results of operations, cash flows, prospects, industry conditions, capital requirements of our business, covenants associated with certain debt obligations, legal requirements, regulatory constraints, industry practice and other factors the Board of Directors deems relevant. In addition, our ability to pay dividends is limited by covenants in our Amended Credit Facility. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the U.S. if we are required to repatriate foreign earnings to pay such dividends. If we elect to pay dividends in the future, the amount per share of our dividend payments may be changed, or dividends may again be suspended, without advance notice. The likelihood that dividends will be reduced or suspended is increased during periods of market weakness. There can be no assurance that we will pay a dividend in the future.

Off-Balance Sheet Arrangements

As of March 31, 2016, we had no off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K.

Contractual Obligations

For additional information about our contractual obligations, refer to “Liquidity and Capital Resources—Contractual Obligations” contained in the Information Statement included in our 2015 Annual Report on Form 10-K. As of March 31, 2016, except for net borrowings under our revolving credit facilities, there were no material changes to this disclosure regarding our contractual obligations made in our 2015 Annual Report on Form 10-K.

Critical Accounting Policies

For a discussion of the critical accounting policies and estimates that we use in the preparation of our consolidated financial statements, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Information Statement included in our 2015 Annual Report on Form 10-K. These estimates require significant judgments, assumptions and estimates. We have discussed the development, selection and disclosure of these critical accounting policies and estimates with the audit committee of our Board of Directors. There have been no material changes to the judgments, assumptions and estimates upon which our critical accounting estimates are based.

ITEM 3. *Quantitative and Qualitative Disclosures about Market Risk*

Our principal market risks are our exposure to changes in interest rates and foreign currency exchange rates.

Interest Rate Risk

We have credit facilities that are subject to the risk of higher interest charges associated with increases in interest rates. As of March 31, 2016, we had $415.3 million of outstanding floating-rate obligations under our credit facilities. These floating-rate obligations expose us to the risk of increased interest expense in the event of increases in short-term interest rates. If floating interest rates increase by 1%, our consolidated interest expense would increase by approximately $4.2 million annually, based on our floating-rate debt obligations as of March 31, 2016.

Foreign Currency Exchange Rate Risk

Our operations are conducted in various countries around the world and we receive revenue and pay expenses from these operations in a number of different currencies. As such, our earnings are subject to movements in foreign currency exchange rates when transactions are denominated in (i) currencies other than the U.S. dollar, which is our functional currency, or (ii) the functional currency of our subsidiaries, which is not necessarily the U.S. dollar. Excluding intercompany balances, our Canadian dollar and Australian dollar functional currency net assets total approximately C$0.2 billion and A$0.5 billion, respectively, at March 31, 2016. We use a sensitivity analysis model to measure the impact of a 10% adverse movement of foreign currency exchange rates against the United States dollar. A hypothetical 10% adverse change in the value of the Canadian dollar and Australian dollar relative to the U.S. dollar as of March 31, 2016 would result in translation adjustments of approximately $24.0 million and $49.0 million, respectively, recorded in other comprehensive loss. Although we do not currently have any foreign exchange agreements outstanding, in order to reduce our exposure to fluctuations in currency exchange rates, we may enter into foreign exchange agreements with financial institutions in the future.

ITEM 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2016 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2016, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II -- OTHER INFORMATION

ITEM 1. ***Legal Proceedings***

We are a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters, including occasional claims by individuals alleging exposure to hazardous materials as a result of our products or operations. Some of these claims relate to matters occurring prior to our acquisition of businesses, and some relate to businesses we have sold. In certain cases, we are entitled to indemnification from the sellers of businesses, and in other cases, we have indemnified the buyers of businesses from us. Although we can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on us, we believe that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise provided for or covered by indemnity or insurance, will not have a material adverse effect on our consolidated financial position, results of operations or liquidity.

ITEM 1A. ***Risk Factors***

For additional information about our risk factors, please read the section entitled "Risk Factors" in the Information Statement included in our 2015 Annual Report on Form 10-K.

ITEM 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

The following table provides information about purchases of our common shares during the three months ended March 31, 2016:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total number of shares purchased as part of publicly announced plans or programs (3)	Maximum number of shares that may yet be purchased under the plans or programs (3)
January 1, 2016 – January 31, 2016	--	--	--	--
February 1, 2016 – February 29, 2016	61,368(1)	$ 0.84(2)	--	--
March 1, 2016 - March 31, 2016	--	--	--	--
Total	61,368	$ 0.84	--	--

(1) Consists of shares surrendered to us by participants in our 2014 Equity Participation Plan to settle the participants' personal tax liabilities that resulted from the lapsing of restrictions on shares awarded to the participants under the plan.
(2) The price paid per share was based on the closing price of our common shares on February 11, 2016, February 16, 2016 and February 19, 2016, which represents the dates the restrictions lapsed on such shares.
(3) We did not have at any time during the quarter, and currently do not have, a share repurchase program in place.

ITEM 6. ***Exhibits***

(a) INDEX OF EXHIBITS

Exhibit No.		Description
2.1	—	Agreement and Plan of Merger, dated as of April 6, 2015, among Civeo Corporation, Civeo Canadian Holdings ULC and Civeo US Merger Co (incorporated by reference to Annex A of Civeo Corporation's definitive proxy statement/prospectus on Schedule 14A filed with the SEC on April 8, 2015).
2.2	—	Separation and Distribution Agreement, by and between Oil States International, Inc. and Civeo Corporation, dated May 27, 2014 (incorporated herein by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-36246) filed on June 2, 2014).
3.1	—	Notice of Articles of Civeo Corporation (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K12B (File No. 001-36246) filed on July 17, 2015).
3.2	—	Articles of Civeo Corporation (incorporated herein by reference to Exhibit 3.2 to the Current Report on Form 8-K12B (File No. 001-36246) filed on July 17, 2015).
4.1	—	Form of Common Share Certificate (incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K12B (File No. 001-36246) filed on July 17, 2015).
10.1	—	Second Amendment to Syndicated Facility Agreement, dated as of February 18, 2016, by and among Civeo Corporation, Civeo U.S. Holdings LLC, Civeo Management LLC, Civeo Canada Inc., Civeo Premium Camp Services Ltd., and Civeo PTY Limited as Borrowers, the Lenders named therein, Royal Bank of Canada, as Administrative Agent, U.S. Collateral Agent, Canadian Administrative Agent, Canadian Collateral Agent and an Issuing Bank and RBC Europe Limited, as Australian Administrative Agent, Australian Collateral Agent and an Issuing Bank (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-36246) filed on February 24, 2016).
10.2*†	—	Performance Share Award Program under the 2014 Equity Participation Plan.
10.3*†	—	Form of Performance Share Award Agreement under the 2014 Equity Participation Plan.
31.1*	—	Certification of Chief Executive Officer of Civeo Corporation, pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
31.2*	—	Certification of Chief Financial Officer of Civeo Corporation, pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
32.1**	—	Certification of Chief Executive Officer of Civeo Corporation, pursuant to Rules 13a-14(b) or 15d-14(b) under the Securities Exchange Act of 1934.
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101.INS*	—	XBRL Instance Document
101.SCH*	—	XBRL Taxonomy Extension Schema Document
101.CAL*	—	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	—	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	—	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	—	XBRL Taxonomy Extension Presentation Linkbase Document

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* Filed herewith.

† Management contracts and compensatory plans and arrangements.

** Furnished herewith.

PLEASE NOTE: Pursuant to the rules and regulations of the Securities and Exchange Commission, we have filed or incorporated by reference the agreements referenced above as exhibits to this Quarterly Report on Form 10-Q. The agreements have been filed to provide investors with information regarding their respective terms. The agreements are not intended to provide any other factual information about Civeo or its business or operations. In particular, the assertions embodied in any representations, warranties and covenants contained in the agreements may be subject to qualifications with respect to knowledge and materiality different from those applicable to investors and may be qualified by information in confidential disclosure schedules not included with the exhibits. These disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements. Moreover, certain representations, warranties and covenants in the agreements may have been used for the purpose of allocating risk between the parties, rather than establishing matters as facts. In addition, information concerning the subject matter of the representations, warranties and covenants may have changed after the date of the respective agreement, which subsequent information may or may not be fully reflected in our public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants in the agreements as characterizations of the actual state of facts about Civeo or its business or operations on the date hereof.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CIVEO CORPORATION

Date:	April 28, 2016	**By**	**/s/ Frank C. Steininger**
			Frank C. Steininger
			Senior Vice President, Chief Financial Officer and Treasurer (Duly Authorized Officer and Principal Financial Officer)

Exhibit Index

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CIVEO CORPORATION

PERFORMANCE SHARE AWARD AGREEMENT

This Performance Share Award Agreement ("**Agreement**") is made between Civeo Corporation, a British Columbia Corporation (the "**Company**") and ________ (the "**Participant**"), regarding a Performance Share Award of ______ Restricted Share Units (this "**Award**") granted to the Participant on February 23, 2016 (the "**Grant Date**"), pursuant to the 2014 Equity Participation Plan of Civeo Corporation (the "**Plan**"), such Award is subject to the following terms and conditions:

1. **Relationship to Plan**. This Award is subject to all of the terms, conditions and provisions of the Plan, including the Performance Share Award Program (the "**Program**") and administrative interpretations thereunder, if any, which have been adopted by the Committee thereunder and are in effect on the date hereof. Except as otherwise provided herein, capitalized terms shall have the same meanings ascribed to them under the Plan or Program, as applicable. The Restricted Share Units are intended to represent a Performance Share Award under the Program, representing the right to receive the value of the Award in cash or Common Shares of the Company, subject to the satisfaction of the terms and conditions of this Agreement.

2. **Performance Targets and Settlement**. The number of Restricted Share Units that the Participant may receive pursuant to this Agreement, if any, will depend on the Performance Measure achieved against the comparator peer group as defined in Appendix 1 attached hereto, as determined by the Committee and such vested Restricted Share Units shall be settled in cash or Common Shares, as determined by the Committee in its discretion, no later than the fifteenth day of the third month following the end of the Performance Period.

3. **No Rights as Shareholder**. The Participant shall have no rights as a shareholder as a result of the grant of Restricted Share Units hereunder.

4. **Withholding**. To the extent that the grant, vesting or payment of an Award results in the receipt of compensation by the Participant with respect to which the Company or its Affiliate has a tax withholding obligation pursuant to applicable law, the Company or its Affiliate is authorized to withhold from any payment due under this Award or from any other compensation or other amount owing to the Participant the amount of such applicable taxes or other statutory remittances payable in respect of the lapse of restrictions hereon and to take such other action as may be necessary in the opinion of the Company or its Affiliate to satisfy its withholding obligations for the payment of such taxes or other statutory remittances.

5. **Governing Law**. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Texas.

6. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and upon any person lawfully claiming under the Participant.

7. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

8. **Committee's Powers**. No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to this Award.

9. **Amendment**. This Agreement cannot be modified, altered or amended, except by an agreement, in writing, signed by both the Company and the Participant.

CIVEO CORPORATION

By: ______________________________

Date: ______________________________

Name: Bradley Dodson

Title: President & Chief Executive Officer

The Participant hereby accepts the foregoing Agreement, subject to the terms and provisions of the Plan and administrative interpretations thereof referred to above.

PARTICIPANT:

Date: ______________________________

____
Name

Appendix 1

Performance Comparator Group

2016-18 Peer Group:

Basic Energy Services Inc.
Black Diamond Group Ltd.
Forum Energy Technologies Inc.
Horizon North Logistics Inc.
Matrix Service Inc.
Newpark Resources Inc.
Newalta Corp.
Oil States International Inc.
Precision Drilling Corp.
Savanna Energy Services Corp.
Tesco Corp.
TETRA Technologies Inc.

Exhibit 10.3

Civeo Corporation
Performance Share Award Program

1. PURPOSE

This Performance Share Award Program (this "**Program**") provides for the grant of Performance Share Awards (as defined below) to Employees under the 2014 Equity Participation Plan of Civeo Corporation, as amended and restated July 17, 2015, and as thereafter amended from time to time (the "**Plan**"). The purpose of this Program is to promote the interests of Civeo Corporation (the "**Company**") and its stockholders by motivating key employees of the Company and its affiliates to produce outstanding results, encouraging superior performance, increasing productivity, and aiding in the ability to attract and retain such key employees through Performance Share Award opportunities. The Program is intended to provide the Company with the ability to grant qualified performance-based compensation under Section 162(m)(4)(c) of the Code, and shall be administered and interpreted with respect to Performance Share Awards intended to qualify as such so to ensure such compliance.

2. DEFINITIONS.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan. As used in this Program, the following capitalized terms have the following meanings:

a. "**Cause**" shall mean:

i. the Participant's conviction of (or plea of nolo contendere to) a felony, dishonesty or a breach of trust;

ii. the Participant's commission of any act of theft, fraud, embezzlement or misappropriation regardless of whether a criminal conviction is obtained;

iii. the Participant's continued failure to devote substantially all of his business time to the Company's business affairs (excluding failures due to illness, incapacity, vacations, incidental civic activities and incidental personal time) which failure is not remedied within a reasonable time after written demand is delivered by the Company, which demand identifies the manner in which the Company believes that the Participant has failed to devote substantially all of his business time to the Company's business affairs; or

iv. the Participant's unauthorized disclosure of confidential information of the Company.

b. **"Disability"** shall mean a physical or mental impairment that entitles the Participant to receive benefits under a long-term disability plan of the Company. Where the Company does not make available a long-term disability plan to Participants, equivalent qualification determination for a long-term disability plan provided by an independent third party considered acceptable, in the sole discretion of the Committee, shall apply.

c. “**Good Reason**” shall mean:

i. a material reduction in the Participant’s authority, duties or responsibilities from those in effect immediately prior to the Change of Control or the assignment to the Participant duties or responsibilities materially inconsistent with those of the Participant in effect immediately prior to the Change of Control;

ii. a material reduction of the Participant’s compensation and benefits, including, without limitation, annual base salary, annual bonus, and equity incentive opportunities from those in effect immediately prior to the Change of Control;

iii. the Company requires Participant, without the Participant’s consent, to be based at any office located more than 50 miles from the Company’s offices to which the Participant was based immediately prior to the Change of Control, except for travel reasonably required in the performance of the Participant’s duties.

Notwithstanding the above however, Good Reason shall not exist with respect to a matter unless all of the following conditions are satisfied: (i) the condition giving rise to the Participant’s termination of employment must have arisen without the Participant’s consent; and (ii) (1) the Participant must provide written notice to the Company of such condition within 30 days of the initial existence of the condition, (2) the condition specified in such notice must remain uncorrected for 30 days after receipt of such notice by the Company and (3) the date of the Participant’s termination of employment must occur within 30 days after the expiration of the cure period set forth in (2) above.

d. “**Payout Percentage**” means the percentage of the target Performance Share Award earned as determined by the Committee after the end of the Performance Period that reflects the extent to which the Company achieved the Performance Measure during the Performance Period.

e. “**Performance Comparator Group**” means the Company’s peer group as set forth on Exhibit A with respect to the grant of a particular Performance Share Award, as adjusted pursuant to Section 4.

f. “**Performance Measure**” means the Company’s RTSR (as defined herein) performance ranking for the Performance Period expressed in terms of the Company’s absolute rank among the Performance Comparator Group when ranked by RTSR for the Performance Period.

g. “**Performance Period**” means the three-year period commencing from date of grant.

h. **“Performance Share Award”** means a Performance Award granted under this Program representing the right to receive a number of Common Shares, or the value of a number of Common Shares, depending on the Payout Percentage achieved during the Performance Period.

i. **“Retirement”** means voluntary termination of employment following (1) the attainment of age 60 or; (2) the attainment of age of 55 with 10 years of service with the Company.

j. “**RTSR**” means relative total shareholder return for the Company and the Performance Comparator Group over the Performance Period. For purposes of the calculation of RTSR, the share price of the Company or any company in the Performance Comparator Group shall be based on an average closing price of such share price for the first fifteen (15) trading days immediately preceding the first day of the Performance Period and the last fifteen (15) trading days in the Performance Period. For purposes of RTSR calculation, any dividends will be assumed to have been immediately reinvested in the stock of the issuer paying such dividend.

3. PROGRAM GUIDELINES.

The administration of this Program and any potential financial remuneration to come as a result of its implementation is subject to the determination by the Committee that the performance goals for the applicable periods have been achieved. This Program is an additional compensation program designed to encourage Program participants (“**Participants**”) to exceed specified objective performance targets for the designated period. Payments under this Program will be made upon approval by the Committee after it reviews the performance results for the designated period.

4. PERFORMANCE TARGETS.

4.1 **Performance Targets**. Performance Share Awards will be earned in amounts equal to between 0% to 200% of the Participant’s target Performance Share Award, based on the Payout Percentage associated with the Performance Measure over the Performance Period (subject to the vesting requirements described below), as follows:

Performance Measures			**Payout Percentage**
Approximate Decile	**Absolute Rank**	**Implied Percentile Rank**	
1st	1st or 2nd	90%-100%	200%
2nd	3rd	80%-89.9%	175%
3rd	4th	70%-79.9%	150%
4th	5th	60%-69.9%	125%
5th	6th	50%-59.9%	100%
6th	7th or 8th	40%-49.9%	75%
7th	9th	30%-39.9%	50%
8th	10th	20%-29.9%	25%
9th-10th	11th, 12th or 13th	0%-19.9%	0%

For the avoidance of doubt, if the Performance Measure yields a Payout Percentage of 0%, the Participants will not earn the Performance Share Awards for the respective Performance Period. If more than one member of the Performance Comparator Group, as a result of a business combination or other transaction, ceases to exist and/or ceases to have publicly traded common stock, the Committee may adjust the absolute rank associated with the range of implied percentile rankings described above as determined in its discretion to be appropriate to reflect the removal of such members from the Performance Comparator Group. Where a member of the Performance Comparator Group is unable to report financial results for the complete Performance Period for reasons including but not limited to insolvency, it shall not be removed from the Performance Comparator Group until the end of the respective Performance Period.

5. PARTICIPANTS.

Employees of the Company and its affiliates eligible to participate in this Program shall be designated by the Committee, in its discretion, as Participants.

6. GRANT AND PAYOUT OF PERFORMANCE SHARE AWARDS.

A Participant's designated target Performance Share Award shall be determined under criteria established or approved by the Committee. In the discretion of the Committee, different target Performance Share Awards may be established for Participants. A Participant's target Performance Share Award will be set forth in an Award Agreement and communicated to the Participant. The amount of Performance Share Award, if any, a Participant may receive will depend upon the Performance Measure achieved, as described in Section 4, as determined by the Committee. Payment of the Performance Share Award shall be made in the form designated in the Participant's Award Agreement no later than the fifteenth day of the third month following the end of the Performance Period, subject to earlier forfeiture or payment as provided in Section 7. For the avoidance of doubt, a Performance Share Award may be settled in cash or Common Shares as determined in the Committee's sole discretion.

7. VESTING REQUIREMENTS.

7.1 **Termination of Employment**. A Participant's termination of employment for any reason, including termination without cause, prior to the payment of the Performance Share Award will result in the Participant's forfeiture of any right, title or interest in any payment of the Performance Share Award under this Program without consideration or compensation, except as expressly set forth below:

a. If a Participant's employment is terminated due to death or Disability, then the Participant will be entitled to a payment at the end of the Performance Period as provided in Section 6 based on the Payout Percentage achieved for the Performance Period, but prorated based on the number of days employed in the Performance Period prior to termination of employment.

b. If a Participant's employment is terminated due to Retirement, then the Participant will be entitled to a payment at the end of the Performance Period as provided in Section 6 based on the Payout Percentage achieved for the Performance Period, but prorated based on the number of days employed in the Performance Period prior to termination of employment.

c. The requirement that a Participant remain employed for the entire Performance Period may be waived by the Committee, in its sole discretion; provided, that no such forfeitures shall be waived to the extent such waiver would cause a Performance Share Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code to fail to so qualify.

7.2 **Change of Control**. If a Change of Control occurs prior to the end of the Performance Period, then the Payout Percentage will be determined by the Committee as if the date of the Change of Control is the last day of the Performance Period. In determining the Payout Percentage, the Performance Measure to be applied will be that which is attained through the date of Change of Control. Payout of Performance Share Awards will made following the completion of the Performance Period as provided in Section 6, subject to the Participant's continued employment through the end of the Performance Period; provided, however, that if the Participant's employment is terminated (i) by the Company without Cause or by the Participant for Good Reason or (ii) as a result of the Participants death or Disability, in either case following a Change of Control and prior to the payout of Performance Share Awards, then the Participant will be entitled to payout of the Performance Share Award (A) in the case of a termination within two years following a Change of Control that constitutes a "change in control event" within the meaning of Code Section 409A, within 15 days following termination of employment or (B) in all other cases, at the completion of the Performance Period as provided in Section 6, without regard to any obligation to remain employed.

8. AMENDMENT AND TERMINATION.

The Committee, at its sole discretion, reserves the right to amend this Program and to terminate this Program at any time; provided, however, that no such amendment or termination shall adversely affect the rights of any Participant who has received a Performance Share Award grant prior to the date of such amendment or termination without the consent of such Participant. For the avoidance of doubt, in no event will the Committee's exercise of discretion as contemplated by the Plan or this Program be considered an amendment under this section.

9. ADMINISTRATION OF PROGRAM.

9.1 **Administration**. The Committee may delegate the responsibility for the day-to-day administration and operation of this Program to the President & Chief Executive Officer (or his designee(s)) of the Company or any participating affiliate. The Committee (or the person(s) to which administrative authority has been delegated) shall have the authority to interpret and construe any and all provisions of this Program. Any determination made by the Committee (or the person(s) to which administrative authority has been delegated) shall be final and conclusive and binding on all persons. Notwithstanding the foregoing, the Committee shall not delegate any authority with respect to a Performance Share Award intended to constitute performance-based compensation" under Section 162(m) of the Code, to the extent such delegation would cause the Performance Share Award to fail to so qualify.

9.2 **Indemnification**. Neither the Company, any participating affiliate, the Board, any member or any committee thereof, nor any employee of the Company or any participating affiliate shall be liable for any act, omission, interpretation, construction or determination made in connection with this Program in good faith; and the members of the Board, the Committee and/or the employees of the Company and any participating affiliate shall be entitled to indemnification and reimbursement by the Company to the maximum extent permitted by law in respect of any claim, loss, damage or expense (including counsel's fees) arising from their acts, omissions and conduct in their official capacity with respect to this Program.

10. PERFORMANCE-BASED COMPENSATION.

10.1 **Administration of Performance-Based Compensation Awards**. Any Performance Share Awards granted hereunder which are intended to constitute "performance-based compensation" under Section 162(m) of the Code shall be administered solely by a committee or subcommittee of two or more members of the Board composed solely of individuals who constitute an "outside director" (within the meaning of Treasury Regulation Section 1.162-27 under section 162(m) of the Code), except to the extent administration of this Program by "outside directors" is not then required in order to qualify for tax deductibility under Section 162(m) of the Code. All references herein to the "Committee" when applied to awards intended to constitute "performance-based compensation" shall be references to the committee described in the preceding sentence, which such committee shall be the Committee to the extent it meets such requirements.

10.2 **Determination of Performance and Forfeiture**. After the end of the Performance Period, the Committee administering any Performance Awards intended to constitute "performance-based compensation" under Section 162(m) of the Code shall certify the amount, if any, of the Performance Share Award otherwise payable to each Participant. The Committee (or other committee administering such awards) may, in its discretion, reduce the amount of a settlement otherwise to be made in connection with such Performance Share Awards but may not exercise discretion to increase any such amount payable to an employee who has received a Performance Share Award intended constitute "performance-based compensation" under Section 162(m) of the Code.

11. GENERAL PROVISIONS.

11.1 **Non-Guarantee of Employment**. Nothing contained in this Program shall be construed as a contract of employment between the Company and/or a participating affiliate and a Participant, and nothing in this Program shall confer upon any Participant any right to continued employment with the Company or a participating affiliate, or to interfere with the right of the Company or a participating affiliate to discharge a Participant, with or without cause.

11.2 **Interests Not Transferable**. No benefits under this Program shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment or other legal process, or encumbrance of any kind, and any attempt to do so shall be void.

11.3 **Facility of Payment**. Any amounts payable hereunder to any person under legal disability or who, in the judgment of the Committee or its designee, is unable to properly manage his financial affairs, may be paid to the legal representative of such person, or may be applied for the benefit of such person in any manner which the Committee or its designee may select, and each participating affiliate shall be relieved of any further liability for payment of such amounts.

11.4 **Tax Withholding**. The Company and/or any participating affiliate may deduct from any payments otherwise due under this Program to a Participant (or beneficiary) amounts required by law to be withheld for purposes of federal, state or local taxes.

11.5 **Section 409A**.

a. The Performance Share Awards granted pursuant to this Program are intended to comply with or be exempt from Code Section 409A, and ambiguous provisions hereof, if any, shall be construed and interpreted in a manner consistent with such intent. No payment, benefit or consideration shall be substituted for the Performance Share Awards if such action would result in the imposition of taxes under Code Section 409A. Notwithstanding anything in this Program to the contrary, if any Program provision or Award Agreement results in the imposition of an additional tax under Code Section 409A, that Program provision or provision of the Award Agreement shall be reformed, to the extent permissible under Code Section 409A, to avoid imposition of the additional tax, and no such action shall be deemed to adversely affect the Participant's rights to the Performance Share Award.

b. Notwithstanding any provision of the Program to the contrary, if the Participant is identified by the Company as a "specified employee" within the meaning of Code Section 409A(a)(2)(B)(i) on the date on which the Participant has a "separation from service" (other than due to death) within the meaning of Treasury Regulation § 1.409A-1(h), the Performance Share Awards payable or settled on account of a separation from service that are deferred compensation subject to Code Section 409A shall be paid or settled on the earliest of (i) the first business day following the expiration of six months from the Participant's separation from service, (ii) the date of the Participant's death, or (iii) such earlier date as complies with the requirements of Code Section 409A.

c. For all purposes of this Program, the Participant shall be considered to have terminated employment with the Company and its Affiliates when the Participant incurs a “separation from service” with the Company within the meaning of Treasury Regulation § 1.409A-1(h).

11.6 **Gender and Number**. Words in the masculine gender shall include the feminine gender, the plural shall include the singular and the singular shall include the plural.

11.7 **Controlling Law**. To the extent not superseded by federal law, the law of the State of Texas shall be controlling in all matters relating to this Program and the Plan.

11.8 **No Rights to Award**. No person shall have any claim to be granted any award under this Program, and there is no obligation for uniformity of treatment of Participants. The terms and conditions of awards need not be the same with respect to each recipient.

11.9 **Severability**. If any provision of this Program, the Plan or any award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or award, or would disqualify this Program, the Plan or any award under the law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of this Program, the Plan or the award, such provision shall be stricken as to such jurisdiction, person or award and the remainder of this Program, the Plan and any such award shall remain in full force and effect.

11.10 **No Trust or Fund Created**. None of this Program, the Plan or any award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any participating affiliate and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any participating affiliate pursuant to an award, such right shall be no greater than the right of any general unsecured creditor of the Company or any participating affiliate.

11.11 **Headings**. Headings are given to the Sections of this Program solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Program or any provision thereof.

Exhibit A
<u>Performance Comparator Group</u>

2016-18 Peer Group:
Basic Energy Services Inc.
Black Diamond Group Ltd.
Forum Energy Technologies Inc.
Horizon North Logistics Inc.
Matrix Service Inc.
Newpark Resources Inc.
Newalta Corp.
Oil States International Inc.
Precision Drilling Corp.
Savanna Energy Services Corp.
Tesco Corp.
TETRA Technologies Inc.

EXHIBIT 31.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF CIVEO CORPORATION
PURSUANT TO RULE 13a–14(a) UNDER THE
SECURITIES EXCHANGE ACT OF 1934

I, Bradley J. Dodson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Civeo Corporation (Registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s Board of Directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: April 28, 2016

/s/ Bradley J. Dodson
Bradley J. Dodson
President and Chief Executive Officer

EXHIBIT 31.2

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF CIVEO CORPORATION
PURSUANT TO RULE 13a–14(a) UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

I, Frank C. Steininger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Civeo Corporation (Registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: April 28, 2016

/s/ Frank C. Steininger
Frank C. Steininger
Senior Vice President, Chief Financial Officer
and Treasurer

EXHIBIT 32.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF CIVEO CORPORATION
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Civeo Corporation (the "Company") for the quarterly period ended March 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bradley J. Dodson, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bradley J. Dodson

Name: Bradley J. Dodson
Date: April 28, 2016

EXHIBIT 32.2

CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF CIVEO CORPORATION
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Civeo Corporation (the “Company”) for the quarterly period ended March 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Frank C. Steininger, Senior Vice President, Chief Financial Officer and Treasurer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Frank C. Steininger
Name: Frank C. Steininger
Date: April 28, 2016