

INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS



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IADC Advanced Rig Technology Committee Meeting
8:30 am, Wednesday, 24 March 2010
IADC – Houston, TX

Attendance:

Faisal Yousef, Canrig Drilling Technology
Randy Pynch, Canrig Drilling Technology
Dave Fetterly, GustoMSC
David Reid, National Oilwell Varco
Andres Gurdian, National Oilwell Varco
Josh Haberer, National Oilwell Varco
Robert Urbanowski, Precision Drilling Oilfield Services
Dustin Torkay, Seawell Americas
Terry Loftis, Transocean
Rolf Gullaksen, TTS Sense

Minutes:

David Reid opened the meeting and everyone introduced themselves.

David Reid reviewed the Anti-trust guidelines in brief and directed people to review the details of the guidelines.

David Reid gave a basic introduction to the ART group and its sub-committees.

David Reid began speaking on the topic of integrating all of the groups, concluding that the current group structure is good, but work is needed on goal setting and vision in order to draw a bigger crowd of participants. David Reid suggested ways of drawing more people to the meetings, to create even more valuable conversations. According to David Reid, ways of achieving this could include calling on people, ping people from the Top Drive Reliability Survey or create a review session for survey participants.

Robert Urbanowski updated the group on the Reliability and Guidelines subcommittee. David Reid asked Robert if Transocean had been included in the Top Drive Reliability Survey and it seems they were not, although Terry Loftis from Transocean will confirm. It was also pointed out that the survey does not have input from any rental groups, it is important to create momentum and trending in the survey to attempt to bring other people to the table. David Reid recommended that the participants in the Top Drive Reliability Survey be told that the survey is an ongoing project.

David Reid mentioned that Jay Picket from National Oilwell Varco showed interest in joining the Top Drive Survey since he is currently a product line manager for Top Drives at NOV. This is in line with the previous meeting suggestions about having the Reliability and Guidelines Group engage with the Top Drive Manufacturers Product Line Management in strategies to further the cause of the survey.

Terry Loftis discussed current events in the Drilling Controls Group. Terry talked about the need for a survey or similar tool to learn about the integration of downhole tools. David Reid suggested that there could be an

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interesting opportunity for the Drilling Controls Group and DSATS group to have a separate meeting in order to enhance communication. It was mentioned that DSATS has a desire to talk about future systems being standard which relates closely to the Drilling Controls Group subjects.

A discussion followed concerning the level of integration between Downhole and Surface currently and in the future. The group talked about the possibility of Operators in the future not requiring as much input by service companies if a smart control machine is able to achieve the same result. Naturally, this would depend on the complexities of the well. In relation to this subject, it was also mentioned that HIL testing has not been a specific task that has taken on but one that this group could get more involved in discussing in the future.

It is evident to all the meeting participants that the issues can't be resolved within a small group; more communication is required to continue moving forward.

Dustin Torkay of the ART Future Tech Group accepted the role of Sub-Committee Chairman with the support of Frank Springett and Keith Womer. Dustin updated the meeting participants on the current subjects that the Future Tech Group had discussed in their previous meeting. Dustin mentioned that one of the main conversations carried was the advantages of closed loop in addressing many problems such as stick/slip. Key questions that came up during the Future Tech meeting included: Does the Top Drive know what is going on Downhole? What do we need to connect the equipment downhole and in the surface? Higher bandwidth? Wired pipe?

Dustin mentioned that it would be of high benefit to raise technical problems at the meetings and bring in key people to talk about issues. This would help address the needs of the current environment. It was mentioned that the right attitude is to define the requirements with surveys and then "go do something about it".

Dustin asked if the group is looking too far into the future when currently, the main problems in our industry are related to equipment that was made a long time ago and still does not do what it was designed to do. David Reid mentioned that current issues are dealt with by the Reliability and Guidelines Group. The Future Tech Group has the objective of finding out what the industry needs are and get knowledge to make the right decisions in the near future.

Events mentioned during the meeting included the SPE Workshop in Galveston, SPE Forum in Paris and the DSATS Group.

The next meeting was scheduled for Wednesday, 28 April 2010 at 8.30am.