

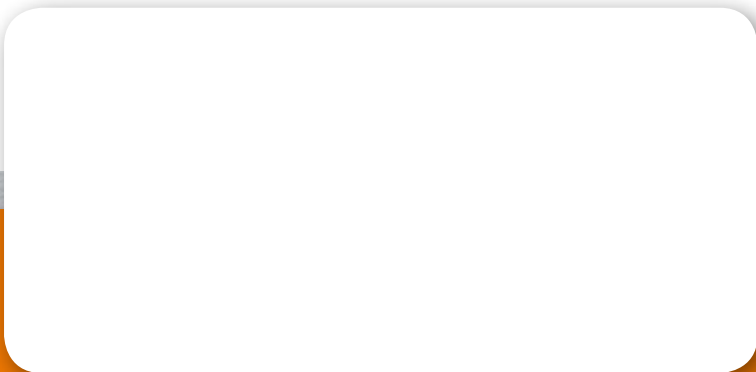


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#12 Newsletter

JUNE 2011



Implementing Our New Client Support Center

With over 12 years experience in international business development and global account management, Thomas Comte, the new VP Client Support Center (CSC), sat down to talk with us about VAM Drilling's latest innovative department.

What is the CSC? Acting as a global support center for our current clients and sales organization, this new high-performance department will enable VAM Drilling to build and reinforce proximity with worldwide accounts while better anticipating market needs and increasing our product portfolio.

Where will this new department be based? The CSC will be based in Houston, Texas, one of the world's largest energy hubs. We picked Houston, because our objective is to react quickly to key customer issues and to aggressively promote and align our offer according to the best industry practices.

Why this initiative? This initiative stems from three observations. The first is that international clients expect suppliers to offer global solutions. Secondly, products and market applications evolve at lightning speed. For this reason, the CSC will include a team of industry experts who, as product managers, will ensure greater awareness of the current and future VAM Drilling offer. Thanks to their close proximity to the market they will be able to anticipate and to accelerate the

development of new products and services. Finally, by centralizing our marketing and application forces in Houston, we will expand our global market perspective, taking full advantage of the depth of local industry expertise.

How is VAM Drilling going to do this? This new department will be entirely supported by high-level oil and gas market experts with years of proven experience in the industry.

When can we expect to hear more about the CSC?

Over the upcoming months, we will continue to develop the structure of the CSC and will ramp up external communication. Our new global account managers, global product line managers and key project managers will soon contact clients to explain this project and to provide their expert support.



Thomas Comte
VP Client Support Center

Editorial



Drill Farther, Faster

VAM Express™ is an industry standard for complex drilling conditions throughout the world

- A Major VAM Express order was recently placed in Russia from a local operating NOC.
- In the Bakken shale and in Wyoming, VAM Express, as well as the support from VAM Field

Service representatives, are helping to drill some of the most complex onshore wells in the US.

- A major international operator just selected VAM Express for an offshore field test in Indonesia.

Products

VAM DPR HP Is Now Fully Compliant with IRP 1.8

VAM Drilling now supplies its VAM DPR HP drill pipe riser in VM-95 DP SS and VM-105 DP SS grades for your most challenging Sour Service needs

The VAM DPR HP tool joint recently met all IRP 1.8 requirements. Specific aspects of the tool joint were tested and conclusively proved that VAM DPR HP is safe to use in sour environments:

- Resistance specification met with 8" OD tool joints demonstrating minimum threshold of 493 Mpa / 72 ksi (65 % of specified minimum yield strength) for 720 hours per NACE TM-01-77, Method A using Test Solution A;
- Required yield strength between 110 and 125 KSI achieved; Moreover, the resistance of the riser pipe body to Sulfide Stress Cracking has been achieved on 0.5" thick wall tube as per IRP 1.8 requirements, i.e. demonstrating minimum threshold of 85% of specified minimum yield strength (95 ksi for VM-95 DP SS and 105 ksi for VM-105 DP SS), per NACE TM0177 Method A using test solution A.



The Safety of Our Employees Comes First

New HSE Policy for VAM Drilling Middle East (VDME), Jebel Ali

VAM Drilling recognizes that the management of Health, Safety and Environment is an integral part of its business. Regionally, each plant strives to ensure that employees are healthy and safe and that the environment is protected. The recent HSE framework at VDME is an excel-

lent example of this and is structured to enhance the approach required for achieving HSE objectives. It manages risks associated with our business and covers all aspects related to the management and execution of stakeholders Health and Safety while ensuring that company activities do not harm the environment in any way.



VAM Drilling Produces Locally and Thinks Globally

The new friction welding line is up and running in Brazil

As of April 5th, VAM Drilling Brazil started producing high quality drill pipe on its new friction welding line. A big congratulations goes out to:

- The Brazilian project team and local manufacturing;
- Engineering teams in Saint-Saulve and Belo Horizonte;
- The support teams in Aulnoye, Belo Horizonte and Houston.

Helping our Clients Drill Better Faster

VAM Drilling is organizing field training for contractors and roadshows for operators to improve drilling performance

A major Drilling contractor in Saudi Arabia has five rigs using VAM Drilling's VAM EIS® high torque connection in Saudi Arabia. An initial audit was performed on one of the rigs to better

understand field practices and potential needs for improvement. Our training course was then specifically tailored to include VAM EIS field practices, with recommended handling, running and field inspection procedures.

A major operator in India facing ERD challenges in deepwater environments benefited from VAM Drilling's technical workshop focusing on the benefits of premium connections.

Topics covered included high strength steel grades, high torque connections, Hydroclean™, landing strings and riser systems.

Kazakhstan's largest drilling contractor recently visited our mills in Saint Saulve and Aulnoye, France. There to witness the production of their

VAM EIS drill pipe, we also took the opportunity to show them our completely integrated production process.

Contact us to program your tailor made Roadshow today!

<http://www.vamdrilling.com/contact.asp>



Recently...

FEBRUARY During the **SPE Applied Technology Workshop** on Highly sour fields in Abu Dhabi, VAM Drilling presented "how to specify a drill string in highly sour fields".

MARCH VAM Drilling met with clients at the **IADC/SPE Drilling Conference** in Amsterdam. Visitors enjoyed live VAM Express presentations from our technical support team.

APRIL VAM Drilling participated in the **DUG Fort Worth Conference** and outlined the superior performance of VAM Express in Shale environments.

MAY VAM Drilling participated in **Intergas** in Cairo.



VAM Drilling will be participating in:

- **Brasil Offshore**, 14-17 June, Macae Centro, Macae-Brazil
- **IADC World Drilling**, 15-16 June, Bella Centre, Copenhagen-Denmark (Platinum Sponsor)
- **Moscow International Oil & Gas Exhibition**, 21-24 June, Expocentre, Moscow-Russia

New to the VAM Drilling Team...

John BELUS

Global Accounts Manager

Previously Global Sales & Marketing Manager for a major sealing technologies company, specializing in the down hole and fracking segments, before joining the VAM Drilling CSC Team (Houston) in May 2011.



Pat MURPHY

Marketing & Technical Support Manager

Previously Quality Assurance Manager for VAM Drilling USA before joining the VAM Drilling North America Team (Houston) in April 2011.



Wayne OSBORNE

Sales Manager Canada and USA

Previously Sales Manager Canada for an oil field and power transmission products supplier before joining the VAM Drilling North America Team (Houston) in April 2011.

