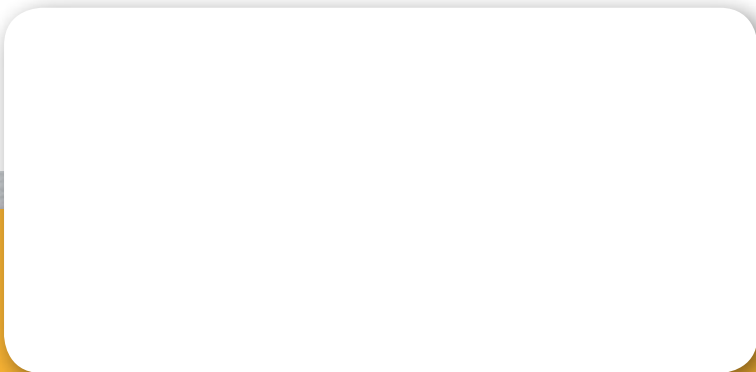




Designed to Perform

#9 Newsletter

SEPTEMBER 2010



VAM Drilling Research & Development: Innovation & High-End Support

2010 marks the 4th anniversary of VAM Drilling's creation. We have lived through some very successful years, introducing many high performance products to you our customers on a worldwide basis. VAM Drilling has become a technology leader offering products like:

- VAM Express™, VAM EIS® and VAM CDS™ high-torque connections with excellent field reliability, first-class performance and low repair rates.
- The first applications of 165 ksi material for ultra extended reach drilling and unequalled material grades for all applications and specifications including severe Sour Service wells.
- High pressure riser joints, exceeding the most demanding riser designs and connection sealability standards.
- The Hydroclean® product line, to help you solve hole cleaning challenges.

We have also been working to improve the reliability of our numerous internal processes. This has helped us ensure that you are receiving the product quality and delivery times you expect. Beyond high technology developments and improved

processes, the R&D department, along with our technical marketing team, does its utmost to support your specific needs for product customization, new developments, and services.

Our customer focus has driven the way we are organized with the objective to exceed virtually all your expectations in terms of high quality and reactive technical support.

In the coming years, you can expect new high performance products and the support of knowledgeable and customer oriented individuals. We renew our commitment to: technology leadership, reliable processes, customer focus and teamwork. Through our dedication and innovative designs we have contributed to your project's optimum performance.



Gabriel Roussie
General Manager R&D

Editorial

DPR HP for Offshore West Africa

Design and successful deployment of a High Pressure Drill Pipe Riser

VAM Drilling recently designed and manufactured a High Performance Drill Pipe Riser for Intervention Systems (DPRIS) for a project in Nigeria. The DPRIS was extensively tested and qualified in 2009, and is being used since July 2010 in an offshore Nigeria project.

The pipe delivered as part of this project are drill pipe risers fit with double shoulder rotary connections, featuring a gas tight metal to metal seal on the inner shoulder. The use of gas tight DPRIS is fairly new to the industry and allows the rig to establish a seal between the top of the wellbore, which is on the ocean floor, and the drilling equipment, located above the surface of the water. To mitigate the risks involved with the introduction of this new technology, an extensive qualification program was conducted that covered fatigue resistance, gas tightness, tensile loadings, temperature cycling, runnability (stabbing, round-robin make and break, tripping time) as a minimum.

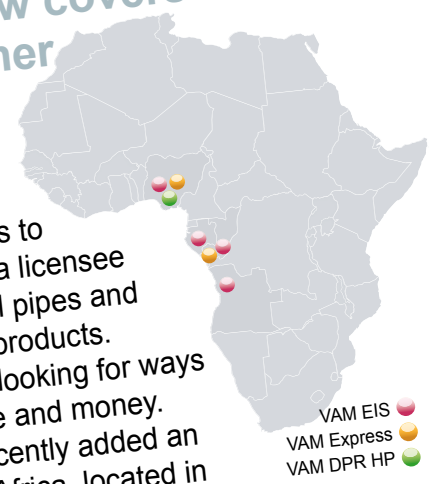
The benefits of VAM Drilling's DPR HP system are threefold and include the fact that it is:

- A cost efficient solution for subsea operations, workover applications and well intervention;
- Efficiently designed, easy repair and maintain;
- A field proven solution.

VAM Drilling's DPR HP systems are manufactured in accordance to the ISO 13628-7:2005 standard for the design and operation of subsea production systems - Part 7: Completion/workover riser systems.

Full service provider: One More Licensee in Africa

VAM Drilling now covers 100% of customer needs in Africa



Wherever clients use VAM Drilling connections to drill, we can guarantee a licensee nearby to repair our drill pipes and bottom hole assembly products. VAM Drilling is always looking for ways to save our clients time and money. For this reason, we recently added an additional licensee in Africa, located in Pointe Noire (Congo). This new licensee is certified to thread VAM Express and VAM EIS connections.

Additionally, VAM Drilling successfully qualified Oil Tools Africa for the repair of DPR HP connections, a first for Africa.

With premium connections that consistently outperform the competition and better services close to drilling locations, VAM Drilling is there for its clients no matter where they operate.

Company

Bringing You High Performance Products in Every Region

VAM Drilling qualifies Middle East plants for Sour Service products and VAM Drilling premium connections

Today's drilling challenges require products with greater capabilities than API. All of VAM Drilling's manufacturing facilities can now provide performance products close to where you operate. We recently qualified our Jebel Ali plant to produce Sour Service grades compliant with the latest industry standards and VAM Drilling premium connections. Our BHA plant in Abu Dhabi was qualified for producing Sour Service integral heavy weight drill pipe, pup joints and accessories. With VAM Drilling as your partner, you will never have

to go far for your highly engineered drilling product needs.



Products

VAM Drilling: Always Close to Its Clients

VAM Drilling was Platinum Sponsor at the 2010 IADC World Drilling Conference and present at the Neftegaz exhibition Moscow

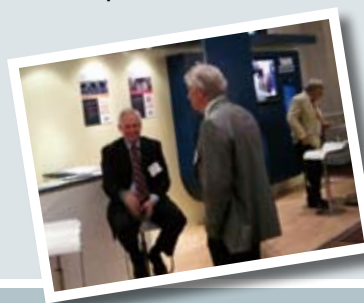
NEFTEGAZ

VAM Drilling was present at Neftegaz, one of Russia's leading oil and gas industry exhibitions from June 21st to 25th 2010.

This was a unique opportunity to meet with our clients and to showcase our latest innovations and services.

IADC WORLD DRILLING

For the fourth consecutive year, VAM Drilling has been a "Platinum Sponsor" at the IADC World Drilling Conference in Budapest on June 16th and 17th 2010. We were delighted to spend time with all of you and we look forward to meeting you again soon.



Events

Helping our Clients Drill Better, Faster

VAM Drilling is organizing Roadshows for operators and clients to improve drilling performance

Technical Support and Sales Representatives continue to visit clients and spend time understanding their needs and answer questions concerning the most complicated drilling challenges. Their objective is to explain how VAM Drilling Premium Products can directly impact drilling performance and reduce non-productive time and improve efficiency.

Recently, VAM Drilling visited the Oil and Gas Development Company in Pakistan (OGDCL) and took the time to explain VAM Express, Hydroclean, Sour Service and drill pipe functions and design.



Projects

On the Move...

Jason Crabtree

Sales Manager - USA

Previously Sales & Operations Manager in QA/QC Consulting before joining VAM Drilling in July 2010.

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Nikhil Prakash

Technical Sales Supervisor

Previously Sales Engineer in the Oil & Gas Industry before joining VAM Drilling in August 2010.

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Marcelo Velho

Sales Manager South America

Previously Sales Manager in the Oil & Gas Industry before joining VAM Drilling in July 2010.

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Please take note that we have a new sales office in Brazil:

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VAM Drilling Newsletter #9

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