The April 20, 2010 incident on the Transocean Deepwater Horizon is now a global news story. The implications will resonate within our industry for years to come. In spite of the operational and technical changes that are inevitably to come, the families and friends of the eleven rig workers that perished will have the ultimate adjustment to make. We extend our deepest condolences and honor them here lest we forget.

Benny Manuel

It is with great sadness that we report the passing of Benny Manuel on July 15th, 2010. Benny was a long time AADE member serving in a variety of roles at the National as well as Lafayette Chapter levels. He was an ardent supporter of AADE and never missed a chance to advance our organization.

In 2008 Benny was awarded the highest honor in AADE and received the Outstanding Service Award. One of his most impressive achievements was leading the effort to upgrade the drilling fluids lab at the University of Louisiana – Lafayette. Using his contacts inside as well as outside AADE, Benny led the effort to raise approximately $250,000 and provide a first class drilling fluids lab for the students at ULL.

Benny was also a great leader and advocate of our profession outside of AADE. He was an advocate and supporter of LAGCOE – the Louisiana Gulf Coast Oil Exposition. For the past few years Benny was responsible for arranging the judges for the competition. Even while battling the disease that took him from us he continued to serve LAGCOE and AADE doing a great job to ensure everyone knew what to do and felt appreciated for their efforts.

Benny was a great leader of AADE and an even better man. Quick with a smile, a warm hand shake and always considerate of the viewpoints of others Benny quickly put everyone at ease. Leading by example, always listening and seeking the greater good, it was a pleasure and an honor to work with Benny Manuel. He will be missed by all.

Godspeed Benny.
Opening Remarks:
I'm sure by now most of our Houston membership realizes that they never received a Spring Newsletter. Well, here is what happened. Several months ago the Board of Directors voted to combine the Spring/Summer and the Fall/Winter newsletters. Several factors drove this decision such as printing and mailing costs along with more time necessary to organize the technical presentations. I sincerely hope this decision is well received by our membership.

Now I would like to dedicate a few words regarding the ongoing spill in the Deepwater Gulf of Mexico (GoM). The facts listed below were summarized from several articles along with excerpts from a Wood Mackenzie publication several days ago:

- There will be no new drilling allowed in water depths greater than 500 feet for six months including sidetracks and bypasses of currently drilling wells. This moratorium imposed by our Federal government was recently been overturned by a Federal Judge in New Orleans. Finally someone with some common sense!

- The 33 wells currently drilling in deepwater must be suspended and temporarily abandoned at the first safe stopping point. This request has been fully complied with forcing rigs and crews to sit idle or leave the GoM to work elsewhere.

- Alaska offshore drilling will be postponed until at least 2011.

- Western GoM Lease Sale 215 along with the proposed Virginia Lease Sale 220 has been cancelled. This likely was a political posturing in Washington and ultimately no drilling would ever have been allowed.

- Remaining GoM Lease Sales are now subject to review and their future is uncertain.

- New standards for equipment and procedures will be initiated with a direct focus on Blowout Preventers (BOP’s), Fluid displacement, Cementing and Tubular designs.

So what do these things, along with a whole host of others yet to emerge, mean to our industry. For starters, production from the Deepwater GoM will begin to drop due to the moratorium along with potential delays in new projects. Even with the moratorium lifted, no new deepwater permits have been issued. Looking out to 2015, the combination of the six month drilling restriction, tightened drilling regulations (more government control) and longer permitting timetables could defer any production past 340,000 boe/d or 17% of the Deepwater GoM production. A couple of other major considerations will be the rising costs of insurance, the placement of our current Deepwater fleet and the huge economic impact to our Gulf Coast Region. It is way too early in the process to fully comprehend the implications of the oil spill and the impact from the moratorium but the effects will surely be felt by our industry for many years to come.

Chapter Business:
The Houston Chapter Board of Directors recently voted to alter our business profile by changing from fiscal year accounting to calendar year accounting. This model will more likely follow other industry organizations and best practices. The Drilling Technology Committees have concluded their programs for the 2009-2010 meeting year. This was another banner year for the Deepwater and Emerging Technologies Group and the Fluids Management Group. I would like to personally thank each of the steering committee members for their hard work and dedication in planning informative programs which was evident from the high attendance and interest generated by these events.

The Houston Chapter 2010 Fluids Conference and Exhibition was held April 6 & 7 2010 at the Hilton Houston North. Jason Maxey and Adrian Angove-Rogers co-chaired the event and were supported by a host of dedicated and tireless committee members. The conference netted 347 attendees along with 25 exhibitors. Student participation was strong with 43 attending representing 13 universities. GREAT JOB GUYS!!!! This was a home run.

The Saltwater Fishing Tournament was again hosted by the Galveston Yacht Club on Galveston Island June 3-4, 2010. Over 150 teams registered representing 542 fishermen. Even though these numbers are a little lower than previous years, sponsorship remained strong as did revenue. A “Big Thanks” to Doug McDonald and his team for organizing another first class event.

Mark your calendars for the upcoming Fall Sporting Clays Tournament to be held at Westside Sporting Grounds on October 1, 2010.

Closing Remarks:
With summer already at full throttle, please take a few moments to review safety protocol for all your indoor and outdoor activities. As always, please continue to support our chapter by attending monthly luncheons and participating in our scheduled events. Finally, I would like to thank the entire AADE Houston Chapter membership for allowing me the opportunity to continue to serve as your President for the remainder of the year.

Steve Hayes  
AADE Houston Chapter President
Requirements Database and Tracking Reduces NPT

Offshore drilling operations are now highly software-dependent. Yet, too often the functional and performance control systems software requirements are incomplete, scattered across multiple documents (Functional Design Specifications, Test Procedures, Screen Prints, User Manuals and Operating Instructions), or worse, just plain missing. As a result, mission-critical processes cannot be fully validated or verified during Factory Acceptance (FAT) and Commissioning Testing, issues are discovered late, sail and spud dates are delayed, and equipment failures cause expensive NPT and sometimes serious safety incidents.

Athens Group’s Software Requirements and Issue Tracking Database helps reduce Non-Productive Time (NPT) by providing a central location for logging and tracking all control systems software-related requirements. For each requirement, the database includes the detailed definition, the original source (e.g. contract), user documentation, etc., testing results, and issue status. As a result, FAT, Commissioning and Acceptance test procedures are more comprehensive; issues are found sooner when they can be resolved more cost-effectively and with less impact on critical deadlines; and equipment failures, NPT and safety incidents are minimized.

For more information on Requirements Validation and Verification, visit the Athens Group website at http://www.athensgroup.com/.

State-of-the-Art FEA Modeling Software

Cerberus™ for Drilling is the latest in drillstring design software; it was designed and built as a joint project between NOV CTES and Fearnley Procter, Inc. This software incorporates a purpose written Finite Element Analysis (FEA) stiff-string model which allows for the dynamic modelling of many drilling scenarios encountered in the field today (see features below). The results/outputs from this advanced model are very useful when trying to determine the optimum operational parameters at the wellsite.

Software features include:
• Drillstring design
• Drillstring limits
• Connection loading
• String load calculations
• Dynamic finite element analysis (FEA) modelling of torque and drag
• Buckling analysis
• Fatigue life model for drillstring
• Stall torque and slip-stick calculations
• Jarring calculations
• Casing wear module

The following series of questions are addressed by the software:

Drillstring Design
• How is the best drillstring selected for a given well?
• How is a drillstring designed/optimized for a well or a series of wells?
• How close will a given drillstring be to its operating limits when drilling a well?
Focus on New Technology

Torque and Drag
• What is the surface torque and surface weight when drilling a well?
• Will the drilling process breach the limits of the drill pipe?
• Does the BHA have the right amount of HWDP and/or drill collars?

Bit Stick
• While drilling at a given RPM the bit sticks; will the drill string twist off?
• What is a safe drilling RPM to avoid a twist off?

For more information on NOV CTES’ Cerberus™ for Drilling Software (CfD), please contact David Traugott at (936) 521-2200 or email us at CTESSales@nov.com. You can also obtain additional information including a free 30-day demo of this software by visiting the NOV CTES website at http://www.nov.com/ctes/.

Reducing Trip Times: Retractable TDC tools
Frank’s have developed a Top Drive Circulation tool, which allows for continuous circulation while tripping.

Significant time is lost by slow tripping while pumping out of hole to prevent swabbing, the EZT tool was successfully proven in Norway on several campaigns saving in excess of 200% in the trip times on the respective wells.

For normal drilling operation the Tool’s evolution now facilitates reaming when required or running casing on drillpipe.

The principal function of the tool is to allow for hydraulic connectivity while tripping pipe; the operator no longer has to circulate bottoms up at TD or at the shoe then continue to POOH dry as per normal tripping practices, you can now pull ‘wet’ at the same rate as normal dry tripping times while maintaining full hydraulic connectivity thus cleaning the hole all the way out giving optimum hole conditions and clean casing/riser without additional time. Other applica-

Preventing Hydrate Formation in Drilling Connectors

Expensive deep water wells have been lost due to hydrate buildup in drilling and tree connectors. The premise that an oil displacement fluid will work as a hydrate preventive in wellhead or tree connectors was determined to be viable by Chevron in 2008. A certain organic oil mixture was determined to be the most appropriate, environmentally friendly displacement fluid to use. This fluid appeared not to dilute the all
important Kopr-Kote grease during extensive lab testing and practical application in a deep water field where jumping to different wellheads could cause loss of the hydrate seal.

A connector design of sliding wedges uses a grease such as Kopr-Kote as an important component of that design. Loss of this medium will eventually result in seizure of the connector in the locked position.

Ideally, oil that does not dilute the grease would prevent hydrate formation since any gas that does accumulate in the chamber is not in contact with seawater, the necessary ingredient in hydrate formulation. A certain mixture of raw Brassicacea Napus organic oil appears suitable for this process. This mixture passed stringent GOM EPA testing for dumping into the ocean, which occurs every time the connector is operated.

For more information please contact Les Wood at +1 (832) 465-7554 (mobile).

New ONYX PDC Cutter Delivers Unprecedented Wear/Impact Resistance

In spite of the expanding PDC application envelope, drilling hard, abrasive and interbedded formations with PDC bits remains difficult. To solve the problem, Smith’s engineering team started by analyzing frictional heat generated at the rock/cutter interface. The study revealed that different applications require different cutter properties. Generally, wear resistance and thermal stability are required to efficiently drill abrasive formations, while a more impact resistant cutter is best suited for interbedded sections and formations with high rock strength. This differentiation was the basis of an R&D effort that focused on raw material selection and a new HPHT manufacturing process.

The result is ONYX cutter technology, the first PDC shearing element to successfully address all three critical longevity issues including thermal stability and wear/impact resistance. The cutters feature significantly improved thermal properties giving

Figure 1: Vertical turret lathe wear tests demonstrate ONXY cutter superiority.
them greater wear resistance than standard or premium PDC cutters. Tests comparing the new cutters against a standard premium cutter on a vertical turret lathe under cooled and un-cooled conditions demonstrate the new cutter’s superiority (Figure 1).

The improved endurance translates into more footage drilled at maximum ROP. The cutters are establishing new benchmarks in East/North Texas, West Africa and the North Sea.

For additional information on the New ONYX PDC Cutter, visit The Smith International website at http://www.smith.com/.

---

**Riserless Deepwater Casing Seat Optimization**

Successful Energy (SEPI) has developed a process (or concept) of casing seat optimization for narrow margin drilling operations, which is the typical environments in deepwater. This process is based upon optimizing shallow casing strings, providing the advantage of maximizing the hole diameter which makes ECD management possible and less risky to total depth. This ensures that all casing strings, including the structural string, are at the maximum depth based upon overburden fracture gradient, which is essential in deepwater environments.

It is proposed that the current deepwater well design simply fails to deliver the well objectives, and drilling metrics indicate that as the wells have become more complex (deeper in even deeper water), the drilling times are increasing, with no learning demonstrated.

The proposed well design takes advantage of the natural rapid growth of fracture gradient in the shallow supra salt formations, and lever the unique benefits of casing drilling to mitigate the shallow hazards to deepen initial casing seat beyond current setting depth.

This approach results in an alternative well design with the following advantages:

- Less hole intervals / casing strings to meet well objectives
- Better able to manage the narrow operating window
- Consistently a large completion

For more information on Casing Seat Optimization, contact David M. Pritchard, President at d.pritchard@successful-energy.com or Kenneth J. Kotow at k.kotow@successful-energy.com, or visit the Successful Energy Practices International website at http://www.successful-energy.com/.

---

**Advanced Graphitic Coatings for Downhole Applications**

Graphitic materials have a distinguished history of solving some of the most complex issues associated with downhole drilling. Successful case histories include lost
circulation management, friction control, thermal and conductive dissipation in adverse environments.

Graphite and Superior Graphite’s proprietary thermal purification process of carbon based precursors impart unique properties which are preferred in high pressure, high temperature settings. Increasingly ordered and layered carbon atoms arranged in a hexagonal fashion generally characterize graphitic materials. As these layers are stacked, graphitic properties become evident. These dimensionally ordered carbon layers promote advanced performance in areas of lubricity, resiliency, and electrical/thermal conductivity while being environmentally friendly. Graphite and thermally treated carbon products, exhibiting graphitic performance, have been employed for decades as sole additives and blends for downhole applications.

In an effort to impart graphitic properties to non-graphitic materials, Superior Graphite has developed a patented process which applies a graphite impregnated resin coating on a wide range of particulate substrates such as sand, calcium carbonate, glass beads, hematite, and perlite. The graphitic coating can be custom engineered to meet specific needs such as hardness, acidic dissolution, and morphological design. Applications for this emerging technology include advanced performance propants and lubricious coatings for abrasive particulates.

For more information on Advanced Graphitic Coatings contact Frank Wawrzos at fwawrzos@SuperiorGraphite.com or visit the Superior Graphite website at http://www.superiorgraphite.com/.

---

**Unconventional Logging for Unconventional Wells**

Over the past decade, as operators have drilled deeper and more sophisticated well designs into more complex geologies, they have faced increasing difficulties with stuck or lost tools. Deviated and horizontal wells have contributed to the challenges, as have tight sands and shales. To address these downhole conditions, a new method of logging from ThruBit® has been developed that allows the logging tool to pass through the bit and into the open hole, leaving the drill pipe to protect the bore hole above the tool. This new method and its associated technology make logging faster and cheaper in wells with trouble spots, which are increasingly the “new normal” given today’s unconventional geologies and well trajectories. The logging system operates when the well is at total depth (TD), in a relatively benign post-drilling environment (in
contrast to the hole-making LWD environment), so reliability is inherently greater. The logging tools are inserted into the drill string after the drilling, providing the maximum protection of the tool string until they are needed. The logging tools pass through the Portal™ bit into open hole for quality formation evaluation measurements. In the event that the drill string becomes stuck, the level of lost-in-hole exposure is low as the logging tools can be safely retrieved back to the surface. A Portal™ bit can be worked past difficult zones the same as a regular drill bit; circulation can be maintained at all times before logging tools are introduced into the bottom hole assembly (BHA). The logging tools can then be safely deployed where and when they are most needed to obtain data. If the bit can get to total depth, so can the logging tools.

For more information on ThruBit® Logging Solutions contact Chuck Matula, Vice President or ThruBit LLC’s website at http://www.thrubit.com/.

Patent Pending PDC Cutter Testing Technologies

Varel International has recently developed and deployed two patent pending PDC cutter testing technologies. The first is an Acoustical Emissions Toughness Test (AETT), which quantitatively assesses the strength of the diamond-to-diamond bonding in the PDC cutter. With this test, a load is applied to the cutters and increased at a constant rate while an acoustic sensor detects acoustic emissions from microcracking in the diamond table. Multiple types and grades of PDC cutters can be cross-compared according to their resistance to load induced microcracking, yielding a highly predictive valuation of impact toughness.

The second test, the Bimodal Abrasive Rock Test (BART), is a laboratory abrasion resistance test which employs an engineered rock sample with highly abrasive cement cast around upright layers of high compressive strength granite to measure a cutter’s abrasion resistance. The two rock samples create a load/unload cycle to simulate interbedded formations and formation transitions. By recreating this environment, it provides a more suitable measurement of abrasion resistance correlating to field performance and a quantification of a specific cutter’s applicability to transition drilling. These tests promise to significantly accelerate cutter development by speeding the qualification of new cutters and providing more accurate quantification of prototype cutter attributes.

For more information the Acoustical Emissions Toughness Test (AETT) or the Bimodal Abrasive Rock Test (BART) visit the Varel International website at http://www.varelintl.com/.

Boys and Girls Award

The Houston Chapter of AADE was awarded the Civic Group Award at the Boys and Girls Country Annual Meeting of the Board. The Annual Meeting was held at the Hotel Derek on Thursday January 28. Accepting the award was Houston Chapter President Steve Hayes, Vice President Rusty Ritz and Chapter Representative George Hanst.
Presented – “Self-healing cement: a Reality”

Self-healing cement is a new technology that improves long term isolation and protects against hydrocarbon leaks and Sustained Casing Pressure (SCP) at the wellhead. Pumped and placed as part of any primary cementing operation, the self-healing cement sheath forms an added isolation barrier above the reservoir, reacting whenever the cement sheath is damaged during the long-term productive life of the well. In the event the cement is damaged and hydrocarbons start to flow through either a crack or a micro-annulus, this self-healing cement responds within hours to seal the pathways, and restores the hydraulic integrity of the well. The self-healing action is repeatable if annular integrity is further compromised during the life of the well. This responsive sealant eliminates expensive remedial cementing operations and saves costs related to lost production.

Laurent Delabroy, Schlumberger Cementing Geomarket Technical Engineer, provides sales and technical support for cementing projects in the Gulf of Mexico, with an
Drilling Technology Committees

emphasis on deepwater. In 1996, after graduating from Rice University in Houston with an MS degree in Chemistry, he joined Schlumberger Oilfield Services to work in cementing operations. He has worked on horizontal well projects in Tierra del Fuego, Argentina; as Deepwater Cementing Project Manager, he helped develop and commercialize new technologies specifically designed for deepwater applications; he also worked in Paris, France, for the Schlumberger InTouch group, managing the cementing knowledge database and offering 24/7 worldwide technical support to the field. But it is in the Gulf of Mexico that he has spent the bulk of his career managing cementing engineering and operations, both on the shelf and in deepwater.

3. Dave Algu (Shell International E&P)

Presented – “Large Volume Cement Squeezes as cost effective solutions for Severe-Loss Zones in Extended-Reach wells”

This presentation presents the design strategy, formulations and testing requirements, placement techniques and procedure, and other practices utilized in successful large-volume cement squeezes to remediate severe, high-rate, large-volume losses. Results from three case studies will be presented to illustrate successful application of this treatment approach.

Dave Algu is a Sr. Staff Drilling Engineering with Shell International E&P. In his 30 years career with Shell, Dave has worked as a drilling and completion engineer on various land and offshore locations in the Gulf of Mexico. He is currently working on the Glider redevelopment program and the monodiameter implementation team. He graduated from Nicholls State University in 1980 with BS in Engineering Technology, and Tulane University in 1985 with MS in Petroleum Engineering.

4. Kurtis Price (Easywell)

Presented – “Swellpackers for Well Construction”

This presentation covers how swell packers can help stop sustained casing pressure, ensure FIT, prevent liner top squeezes, ensure isolation for production, and replace cement altogether. This in turn can save time and eliminate risk.

Kurtis Price is the Sr. Account Leader for Easywell for GOM/Int’l Support. He has over 24 years experience with Halliburton in the oil and gas industry. Kurtis has over 8 years experience in international operations. His previous duties included 3 years as the Operations Manager for Halliburton Completion Tools (HCT) in South Texas, Sr. Account Representative for HCT in Houston, Technical Advisor/Team Leader for TCP in Middle East, and TCP Service Supervisor experience.

Upcoming DTC Meeting Dates

<table>
<thead>
<tr>
<th>Study Group</th>
<th>Date</th>
<th>Location</th>
<th>Program Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMG</td>
<td>September 29, 2010</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>DETG</td>
<td>October 28, 2010</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>FMG</td>
<td>November 17, 2010</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>DETG</td>
<td>January 26, 2011</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>FMG</td>
<td>February 23, 2011</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>DETG</td>
<td>March 24, 2011</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
<tr>
<td>DETG</td>
<td>April</td>
<td>Westlake Club</td>
<td>TBD</td>
</tr>
</tbody>
</table>

All meetings will be held at The West Lake Club. Registration begins at 1:00 pm. Meeting starts at 1:30 pm. Reservations are required for all DTC meetings.
Drilling Technology Committees

AADE Fluids Management Group Steering Committee
2009-2010

ConocoPhillips
David Beardmore - Chairman
Office: 281-293-3967
Mobile: 832-228-2876
Fax: 281-293-6193
dave.beardmore@conocophillips.com

Paul Scott
Office: 281-293-1930
Mobile: 832-620-2511
Paul.D.Scott@ConocoPhillips.com

M-I SWACO
Theron Weathersby - Vice Chairman
Executive Account Manager
Office: 281-988-1893
Mobile: 713-412-5537
tweathersby@miswaco.com

AADE DTC Coordinator
Bernita Chavis
Office: 281-463-4757
Mobile: 832-771-6097
Fax: 281-463-4757
bjchavis@hal-pc.org

Apache Corporation
Phil Duhon
Fluids Specialist
Office: 713-296-6102
Mobile: 713-305-2221
Phil.Duhon@apachecorp.com

Fersheed Mody
Office: 713-296-6635
Mobile: 713-405-2221
Fersheed.Mody@apachecorp.com

Applied Drilling Technology, Inc
Shane Barge
Drilling Fluids Specialist
Office: 832-587-5304
Mobile: 713-824-3912
Shane.Barge@mail.deepwater.com

ETTP Consulting
Tom Sifferman
Fluids Specialist
Office: 281-363-2624
Mobile: 281-795-3253
tsifferman@apachecorp.com

Halliburton
Donald L. Whitfill
Global Technical Advisor - Baroid
Office: 281-871-6042
Mobile: 281-222-9620
don.whitfill@halliburton.com

Dodie Ezzat
Office: 281-871-4933
Mobile: 281-224-8767
dodie.ezzat@halliburton.com

Marathon Oil Company
David Ekas
W.W. Drlg & Comp Ops Support – Fluids
Office: 713-296-3961
Mobile: 281-221-6848
dmekas@marathonoil.com

Catalin Aldea
Office: 832-295-2349
Mobile: 281-813-7324
caldea@miswaco.com

NOV Brandt
E.J. Kubena, Jr.
Manager, Global Marketing
Office: 713-856-4165
Mobile: 281-384-8187
edwin.kubena@nov.com

Baker Hughes Drilling Fluids
David Clark
Director, Global R & D
Office: 713-625-4394
Mobile: 832-643-5168
dave.clark@bakerhughes.com

Ed Malachosky
Office: 713-625-5540
Mobile: 281-382-8827
edward.malachosky@bakerhughes.com

BJ Services Co., USA
Paul H. Javora
Research Scientist
Office: 281-357-2769
Mobile: 281-788-4370
paul_javora@bjservices.com

BP America
Jianguo Zhang
Office: 281-366-6724
Mobile: 832-766-6973
jianguo.zhang@bp.com

John LeBleu
Drilling Fluids Engineer
Office: 713-503-2257
lebleubj@bp.com

Chevron
Bob Carpenter
Sr. Advisor, Cementing
Office: 713-954-6152
Mobile: 713-392-7127
Bob.Carpenter@chevron.com

Cory Arceneaux
Office: 713-954-6161
Mobile: 713-392-5833
Cory.Arceneaux@chevron.com

Bonsall S. Wilton
Clover GS/BP - Drilling Fluids Specialist
Phone: 281.366.8204
Mobile: 281.433.3778
Bonsall.Wilton@bp.com

OXY O.&G.
Gary Young
Drilling Fluids Specialist
Office: 713-366-5786
Mobile: 713-550-0685
T_Gary_Young@oxy.com

Kirk Harris
Office: 713 366-5789
Mobile: 713-885-2810
Kirk_Harris@Oxy.com

Schlumberger
Syed Ali
Office: 281-285-4537
Mobile: 281-638-0963
Sali39@sugar-land.oilfield.slb.com

Mathew Samuel
Office:
Mobile: 832-704-4907
mathew.samuel@slb.com

Shell International E&P
Ron Rock
Drilling Fluids Specialist
Office: 713-245-7410
Mobile: 281-734-9028
ron.rock@shell.com

TETRA Technologies, Inc.
Joey Detiveaux
Applied Engineering Manager
Office: 281-364-2204
Mobile: 713-858-8975
joeyd@tetratec.com

Consultant
Carole Fleming - Retired
Mobile: 713-409-5413
carolehes@sbcglobal.net
Drilling Technology Committees

AADE Deepwater and Emerging Technologies Group Steering Committee
2009 - 2010

Greg Galloway
Chairman
VP Engineering & Operations
Particle Drilling Technologies
5611 Baird Court
Houston, TX 77041
Office: 713-896-8307
Mobile: 832-364-0318
ggalloway@particledrilling.com

Nicholas Lirette
Vice Chairman
BP
200 Westlake Park Blvd.
Houston, TX 77079
Office: 713-416-2052
Mobile: 832-364-0318
nicholas.lirette@bp.com

Bruce Bradley
General Manager, Technical Sales
Marubeni-Itochu Tubulars America
580 Westlake Park Blvd
Houston, TX 77079
Office: 713-896-8307
Mobile: 832-364-0318
bruce-bradley@mitube.com

Chris Brinkman
GOM DW Drilling Engineer
Shell International E&P
200 N. Dairy Ashford
Houston, TX 77079
Office: 713-896-8307
Mobile: 832-364-0318
chris.brinkman@shell.com

JC Cunha, Ph.D., P.Eng.
Well Operations - Manager
Petrobras America Inc.
10350 Richmond Ave., Suite 1400
Houston, TX 77042
Office: 713-896-8307
Mobile: 832-455-5034
jcunha@petrobras-usa.com

Rick Graff
Chevron
1500 Louisiana Street
Houston, TX 77002
Office: 713-896-8307
Mobile: 832-455-5034
rickrraff@chevron.com

Steve Hand
Transocean Inc.
P.O. Box 2765
Houston, TX 77252-2765
Office: 713-232-7555
Mobile: 832-790-5922
shand@mail.deepwater.com

Alan Xiaojun He
Principal Engineer Drilling Operations
Statoil Gulf of Mexico LLC
2103 CityWest Blvd.
Houston Texas 77042
Office: 713-579-9809
Mobile: 832-228-6385
ash@statoil.com

Darren Moure
Business Development Manager Ops
NOV Grant Prideco
400 North Sam Houston Pkwy, East
Houston, TX 77060
Office: 281-878-5998
Cell: 832-282-5620
Darren.moure@nov.com

Robert Pilko
Strategic Relationships Director
Blade Energy Partners
16225 Park Ten Place, Suite 450
Houston, TX 77084
Office: 281-206-2000
Mobile: 832-202-7341
bphilko@blade-energy.com

Joseph R. Roche
Vice President Sales & Marketing
Signal International
1011 S. Hwy 6, Suite 108
Houston, TX 77077
Office: 281-899-2121
Mobile: 713-557-4397
jroche@signalint.com

Russell Schmidt
Chevron
1500 Louisiana Street
Houston, TX 77002
Office: 832-854-4243
Mobile: 713-296-3270
russ.schmidt@chevron.com

Scott Sibert
Sales Manager
Vallourec & Mannesmann USA
4424 West Sam Houston Parkway
Houston, TX 77041
Office: 713-479-3235
Mobile: 713-252-8574
scott.sibert@na.vallourec.com

Kalyan Singamshetty
Advanced Senior Drilling Engineer
Marathon Oil Company
5555 San Felipe
Houston, TX 77056
Office: 713-296-3270
Mobile: 713-208-0233
ksingamshetty@marathonoil.com

Andy Stewart
Drilling & Completions Manager
Maersk Oil Houston Inc.
2500 City West Boulevard
Houston, TX 77042
Office: 713-346-5855
Mobile: 281-638-6548
andy.stewart@maerskoil.com

Glenn Thibodeaux
Chevron
1500 Louisiana Street
Houston, TX 77002
Office: 832-854-4061
Glenn.Thibodeaux@chevron.com

John Victor
Specialty Rental Tools & Supply
3100 Timmons, Suite 455
Houston, TX 77027
Office: 713-629-7474
Mobile: 713-828-6309
john.victor@oilstates.com

Keith Womer
President, KW Technology Services
936 Blue Spring Circle
Round Rock, TX 78681
Office: 512-255-5745
Mobile: 512-496-4004
keithwomer@gmail.com

ALTERNATES
Barry Braniff  (Hand)
Well Operations Mgr. - Transocean
3100 Timmons, Suite 455
Houston, TX 77027
Office: 713-629-7474
Mobile: 713-412-2743
Barry.Braniff@deepwater.com

AADE DTC Coordinator
Bernita Chavis
18211 Spruce Creek Drive
Houston, TX 77084
Office & Fax: 281-463-4757
Mobile: 832-771-6097
bjchavis@hal-pc.org
Uncertainty has always been a part of the oil & gas business. This notion was prevalent during the planning phase of the 2010 Fluids Conference. Although the vigor of our technical programming would speak for itself, things such as budgeting, exhibitor participation and sponsorship were highly suspect. The recent economic downturn indicated that we should hope for the best and expect the worst. What a wonderful surprise it was then, when all expectations were exceeded, especially with regard to attendance. Nearly 400 attendees, presenters and exhibitors packed the halls of the Hilton Houston North during the April 6-7 event.

Conference co-chairmen Jason Maxey of Halliburton and Neil Trotter of Chevron introduced the Keynote address provided by John Yearwood, Smith International. Mr. Yearwood spoke about the great people in our industry and how they’ve stepped up to the plate during these challenging times.

Our plenary session “Fluids Technology: Have we got what it takes?” was moderated by Cheryl Stark and Mario Zamora of M-I SWACO. The plenary session panel consisted of Lee Dillenback, Chevron, Eric Van Oort, Shell, Paul Scott, ConocoPhillips and Gary Young, Oxy Oil & Gas.

Our luncheon began with the introduction of our distinguished Class of 2010 Fluids Hall of Fame inductees. Dennis Goldwood of Drilling Specialties once again had the privilege of describing the contributions of these men to the oil and gas industry and presenting them with a plaque. We were honored to be joined by these pioneers and their families as well as past honorees.

Our dynamic luncheon speaker was David Reid of National Oilwell Varco. In his presentation “Technology: The Good, The Bad, and the Elephant in the Room” gave us a perspective on technology can change the way we look at our industry.
The cocktail reception was sponsored by Drilling Specialties and had a slightly different twist this year. A video game bowling competition was hosted by the Houston AADE Chapter NEXT group. The purpose was to engage our attendees and students in friendly competition and award the winners with the Wii game consoles themselves. The raffle winner was Tucker Gordon from Colorado School of Mines and the high score winner was Oscar Pasache from Nicholls State University.

Through the great efforts of Adrian Angove-Rogers of ConocoPhillips and Khai Nguyen, this year we had participation from students from the following universities: Louisiana State University, Texas A&M, University of Calgary, University of Louisiana at Lafayette, University of Oklahoma, and University of Tulsa.

On the second day of the conference, the luncheon coincided with the Houston Chapter monthly meeting. The speaker, Tom Williams of Nautilus International presented “Environmentally Friendly is not an Oxymoron.”

Following the speaker, the following awards were presented to the conference participants.

On behalf of the Houston Chapter, conference co-chairs and the entire conference committee we send a special thanks to all our sponsors: Chevron, ConocoPhillips, BP, Marathon, Halliburton, Newpark, Baker Hughes, Derrick Equipment, Drilling Specialties and Newpark.

The editor sends a personal thanks to Bernita Chavis for her unwavering support of the organization of this conference.
2010 HALL OF FAME INDUCTEES

Max R. Annis – “For his contributions to drilling fluids technology, their performance under extreme conditions, and their impact on the environment”

Leroy L. Carney – “For his research and development of high-performance drilling fluids and fundamental work on complex chemical interactions”

Jack C. Estes – “For his accomplishments in optimized drilling, drilling fluids technology, and standardization”

Preston L. Moore – “For his dedication to drilling engineering education and to the drilling man on the rig” (No Photo available)

George S. Ormsby – “For his fundamental work on mechanical solids separation, hydraulics, and downhole pressure analyses of drilling fluids”

William A. Rehm – “For his contributions to directional drilling operations and to the understanding and control of wellbore pressures”

J. George Savins – “For his development of the V-G meter and his contributions to the understanding of the rheology of complex fluids”
In addition to the 2010 Fluids Conference and Exhibition here is a brief look at other 2010 events held so far in the Houston Chapter.

Las Vegas Night
Marriot Woodlands
January 23, 2010

The Fluids Conference featured a Wii Bowling Challenge during its cocktail social on Tuesday evening. The raffle winner was Tucker Gordon-Colorado School of Mines. The High score winner was Oscar Pasache-Nicholls State University.

Wii Donation to Sunshine Kids.
One of the Wii machines was donated to Sunshine Kids. Shannon Lillith is pictured here after accepting the Wii console on behalf of The Sunshine Kids Foundation. Everyone was very grateful & anxious to see the kids enjoy it at their next event.

A sincere thank you to all AADE members involved with The Sunshine Kids.
**Recent Events**

**Golf Tournament**
Cypresswood Golf Club
April 5, 2010
A special thanks to our sponsor Continental Airlines for their annual support.

**Saltwater Fishing Tournament**
Galveston Yacht Club
June 3-4, 2010
<table>
<thead>
<tr>
<th>Meeting Date</th>
<th>Type / Host</th>
<th>Location</th>
</tr>
</thead>
</table>
| Aug-10       | Jt. Breakfast Mtg. w/ SPWP  
SPWP HOST       | Marriott Westchase |
| Sept-10      | Chapter Luncheon - Jt. Mtg w/ IADC  
AADE HOST       | Petroleum Club |
|              | FMG         | WestLake Club |
| Oct-10       | Sporting Clays Tournament       | Westside Sporting Grounds |
|              | DETG        | WestLake Club |
| Nov-10       | Chapter Luncheon       | Petroleum Club |
|              | National FFFFFF       | Humble Civic Arena |
|              | FMG         | WestLake Club |
| Dec-10       | Fall/Winter Newsletter  
Chapter Luncheon - Jt. Mtg w/ SPE  
SPE HOST       | Petroleum Club |
| Jan-11       | Chapter Luncheon - Jt. Mtg w/ API  
AADE HOST       | Petroleum Club |
|              | Las Vegas Night       | Marriott Woodlands |
|              | DETG        | WestLake Club |
| Feb-11       | Chapter Luncheon       | Petroleum Club |
|              | FMG         | WestLake Club |
| Mar-11       | Chapter Luncheon       | Petroleum Club |
|              | DETG        | WestLake Club |
| Apr-11       | Golf Tournament (tentative)  
National Tech Conference  
Chapter Luncheon (tentative)  
DETG       | Cypresswood Golf Club |
|              |               | Hilton Houston North |
|              |               | Hilton Houston North |
|              |               | WestLake Club |
| May-11       | Chapter Luncheon       | Petroleum Club |
| Jun-11       | Spring/Summer Newsletter  
Saltwater Fishing Tournament (tentative)  
DETG       | Galveston Yacht Club |
Houston Chapter, AADE American Association of Drilling Engineers
P.O. Box 107 Houston, Texas 77001-0107

Editor
Ivan Bermudez
ibermudez@miswaco.com
281.881.8768

Business Coordinator
Meeting Reservations
Carolyn Berry
carolynberry@att.net
281.293.9800

Drilling Technology Committees
Coordinator
Bernita Chavis
bjchavis@hal-pc.org
281.463.4757

Website: www.aade.org/houston

BOARD OF DIRECTORS

President
Steve Hayes
Common Resources
shayes@common-resources.com

1st Vice President
Jeff Day
Marathon Oil Co.
jdday@marathonoil.com

2nd Vice President
Rusty Ritz
HTK Consultants
rritz@htkconsultants.com

Secretary
Tammy Riggle
Forest Oil
tcriggle@forestoil.com

Treasurer
Jeff Hughes
HTK Consultants
jeffh@htkconsultants.com

STEERING COMMITTEE

Chairman
Thom Roller
Mariner Energy, Inc.
troller@mariner-energy.com

Bonsall Wilton
Fluidwatch, Inc.
bwilton@fluidwatch.com

Gary Young
Oxy Oil & Gas
t_gary_young@oxy.com

Juan Pinzon
BP America
juan.pinzon@bp.com

Jonathan Mok
El Paso
jonathan.mok@elpaso.com

Duane Halverson
Baker Hughes INTEQ
duane.halverson@bakerhughes.com

Andy Ellis
St. Mary Land & Exploration
aellis@stmaryland.com

Terry Riggle
Bristow U.S. L.L.C.
terry.riggle@bristowgroup.com