

Why it will be easy to get a well drilled in 2013...and cheap

Oilfield Market Forecast

American Association of Drilling Engineers
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15 January 2013

Oil-directed activity is up. Gas-directed activity is flat.

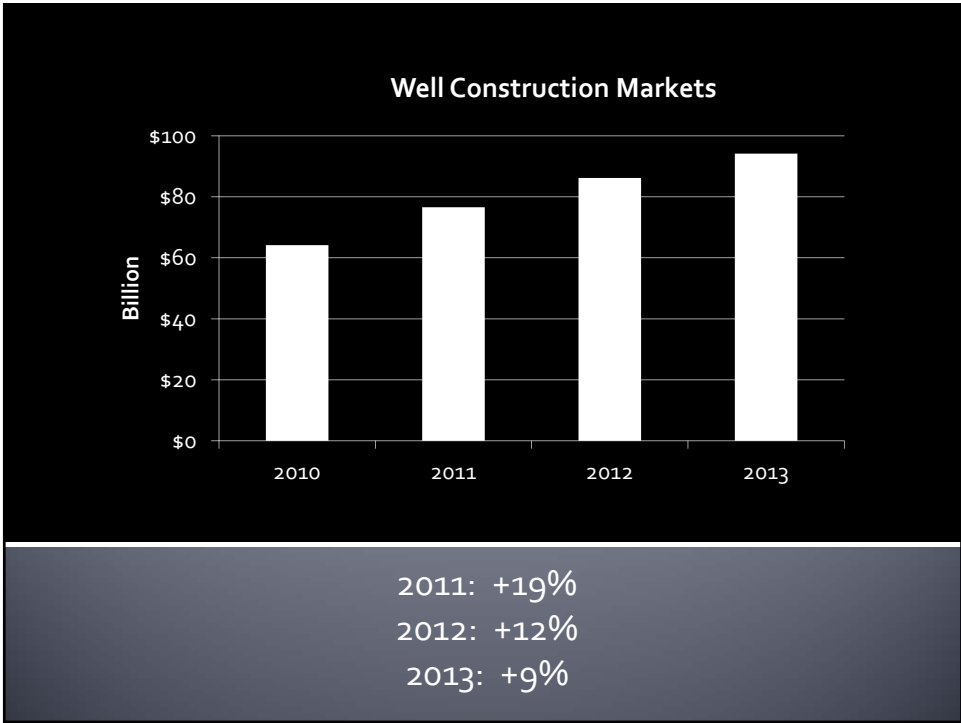
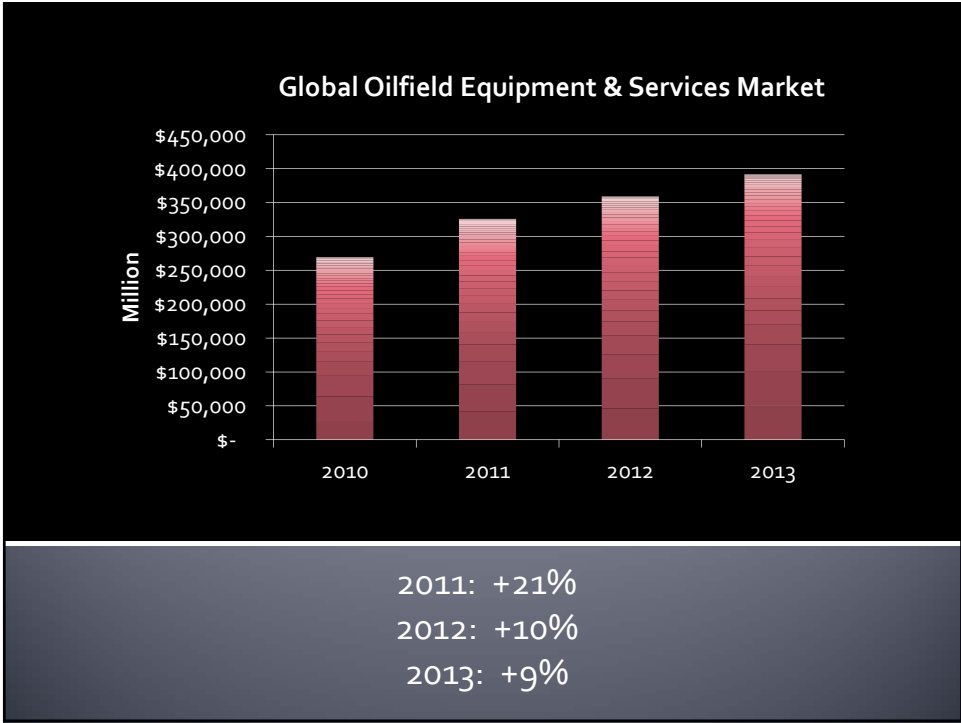
Completion services bottlenecks are gone.

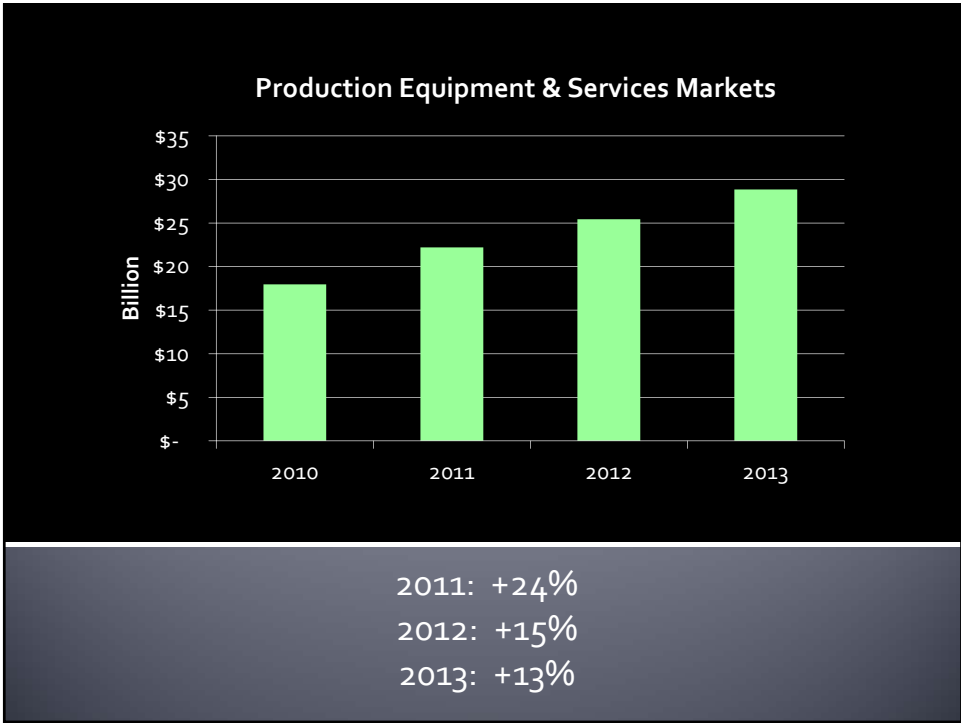
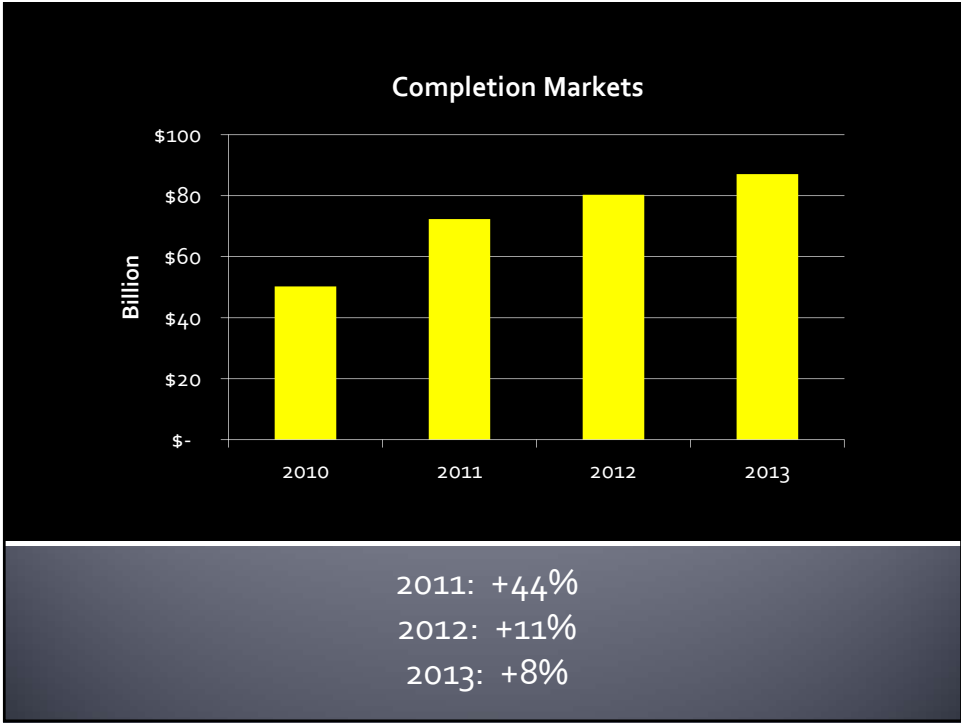
Record idle frac horsepower is everywhere.

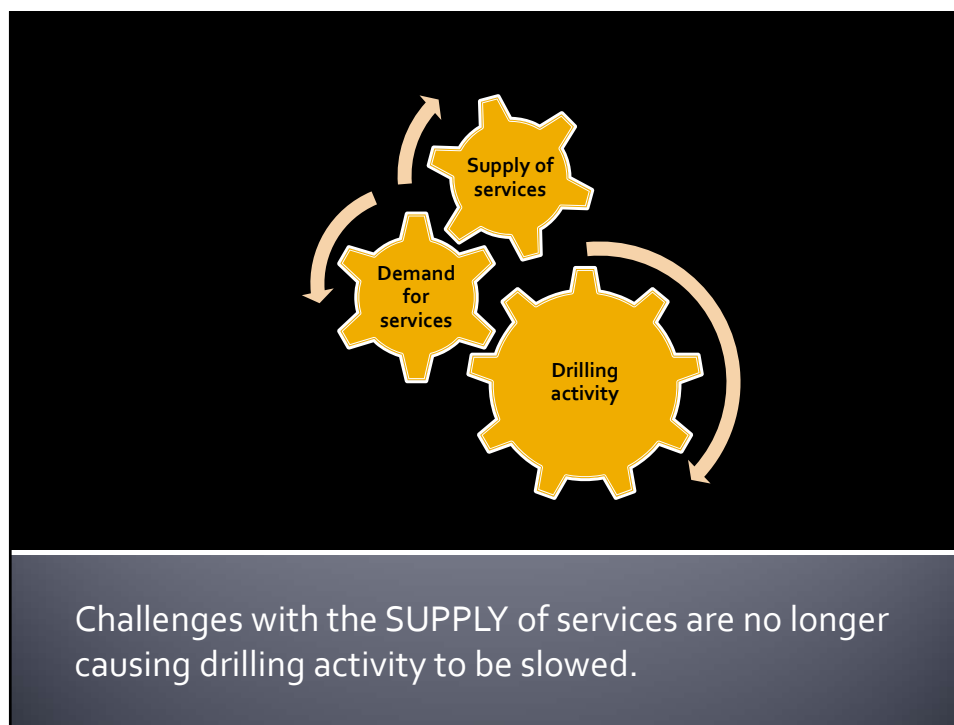
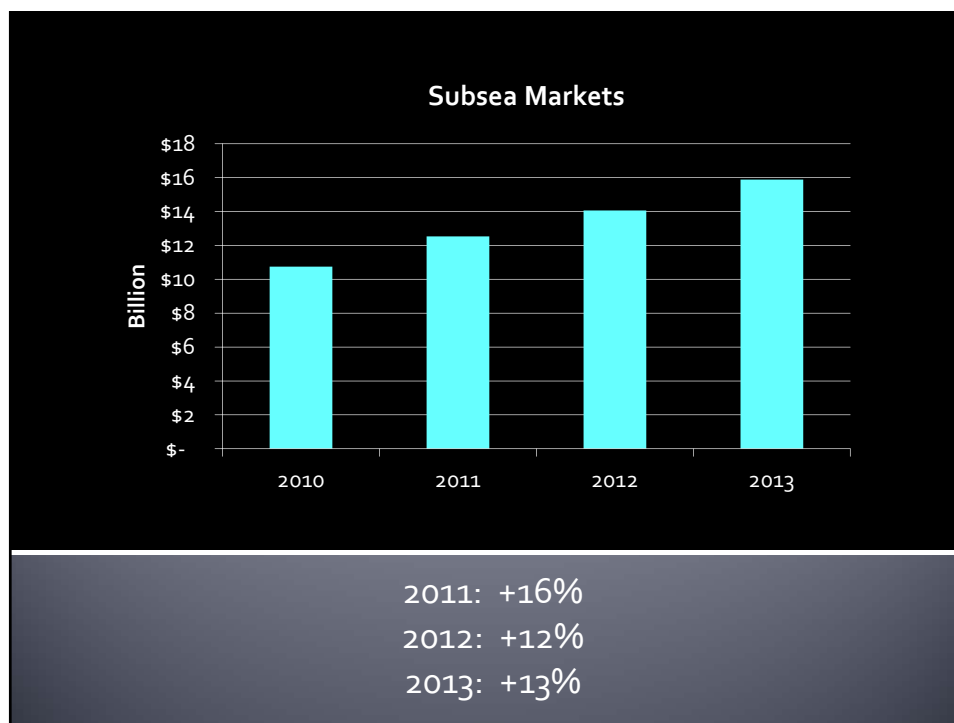
\$90 oil/\$3 gas in '13...drilling & completion are both easy.

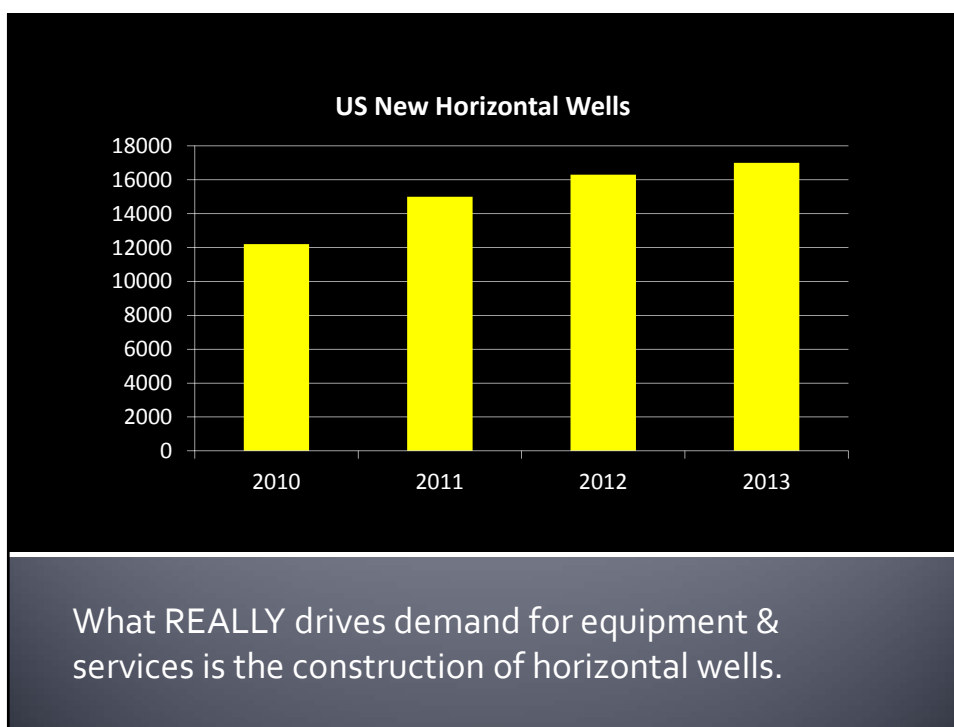
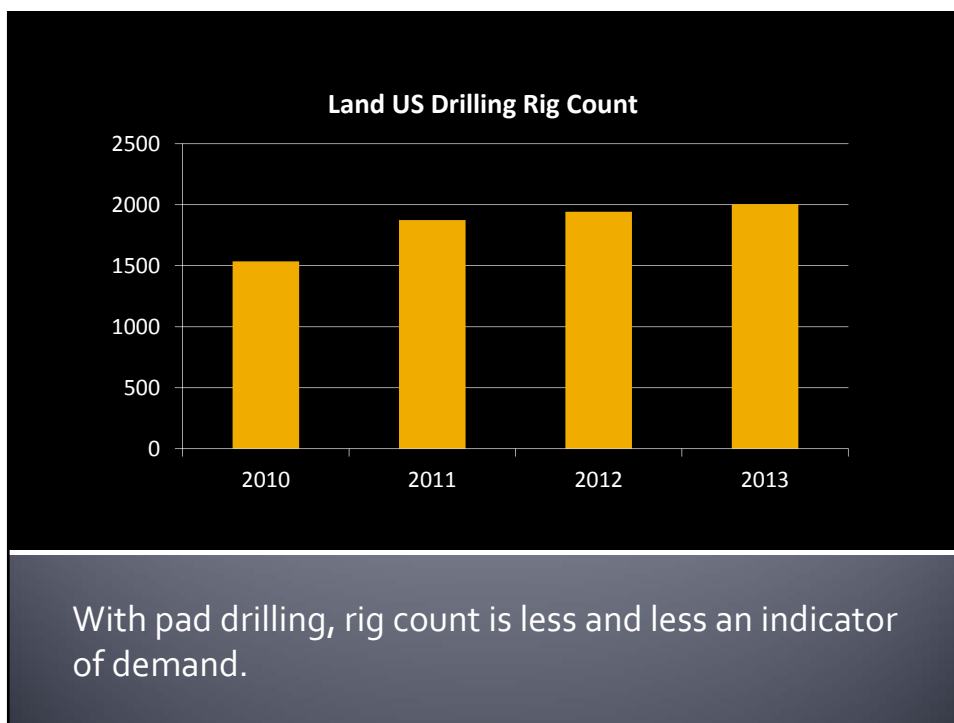
Is gas on its way back?

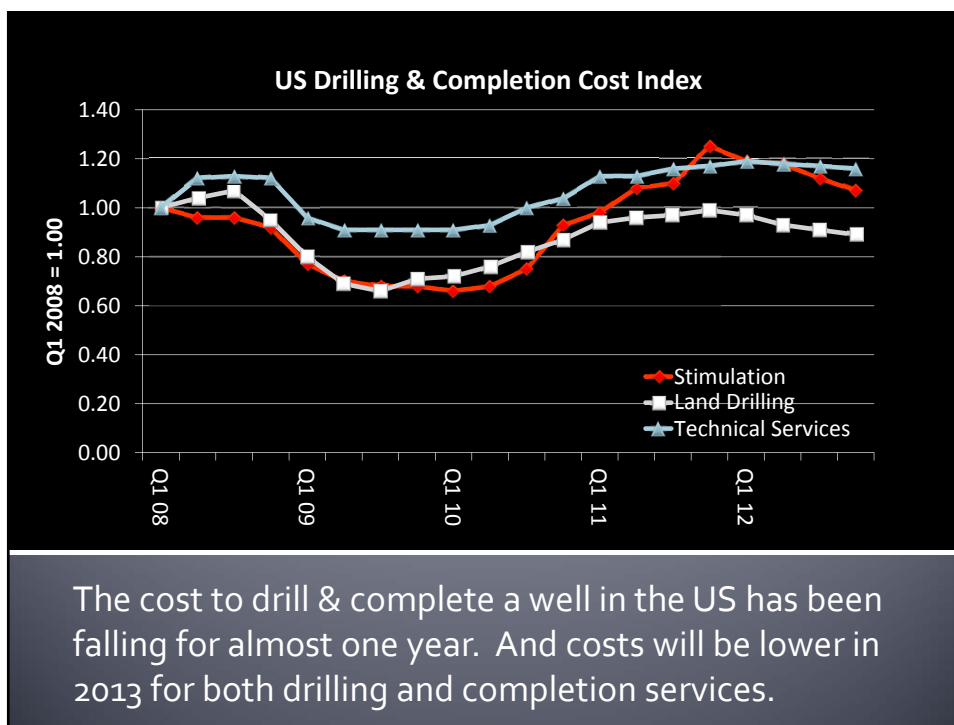
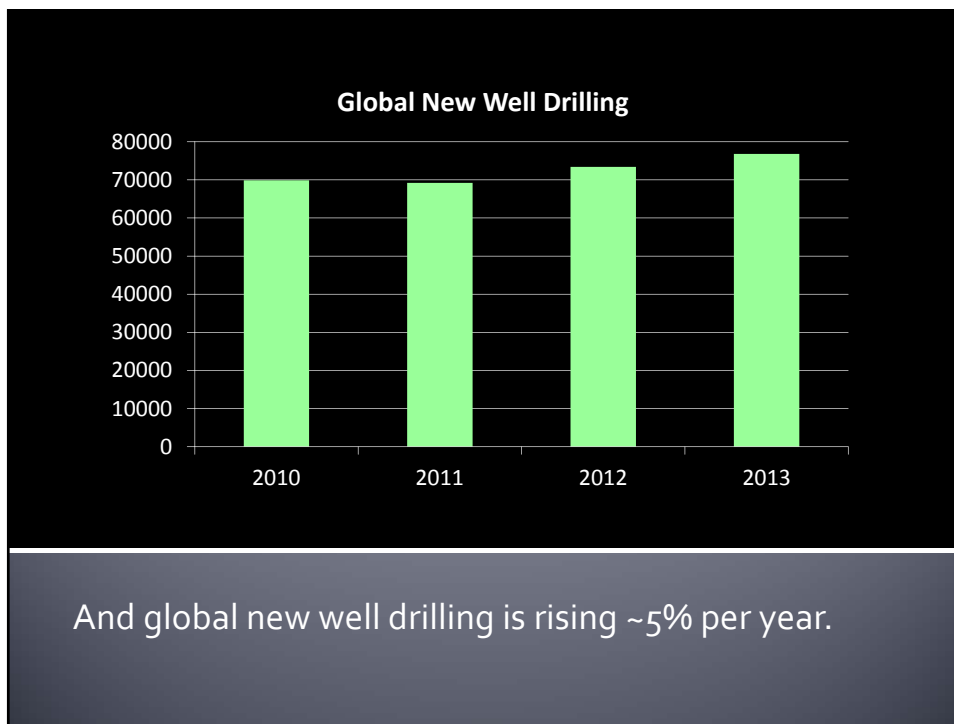
Summary

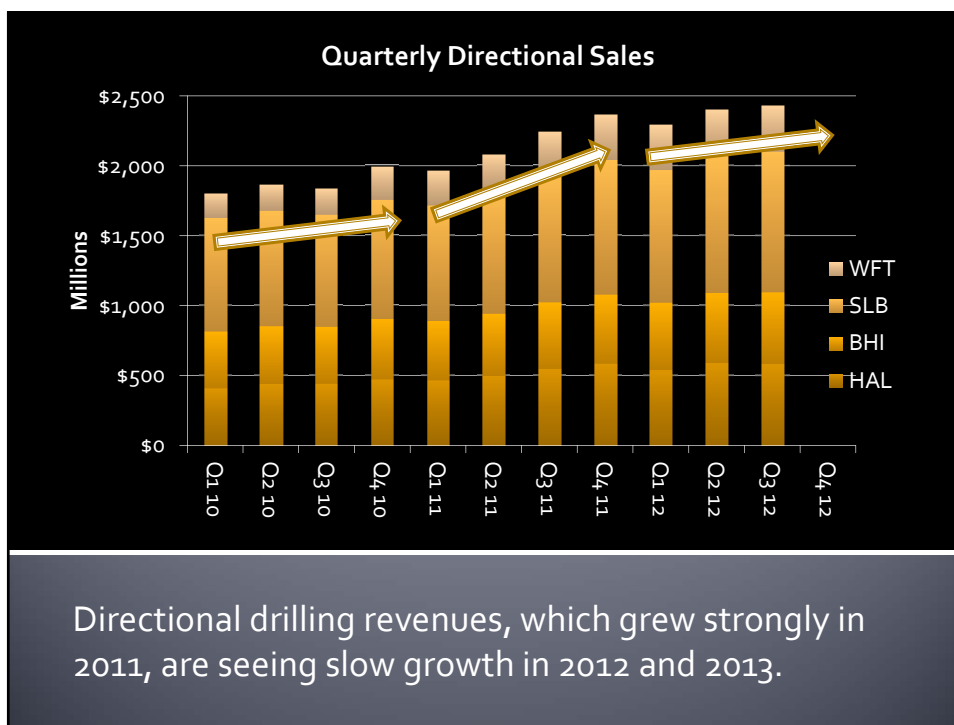
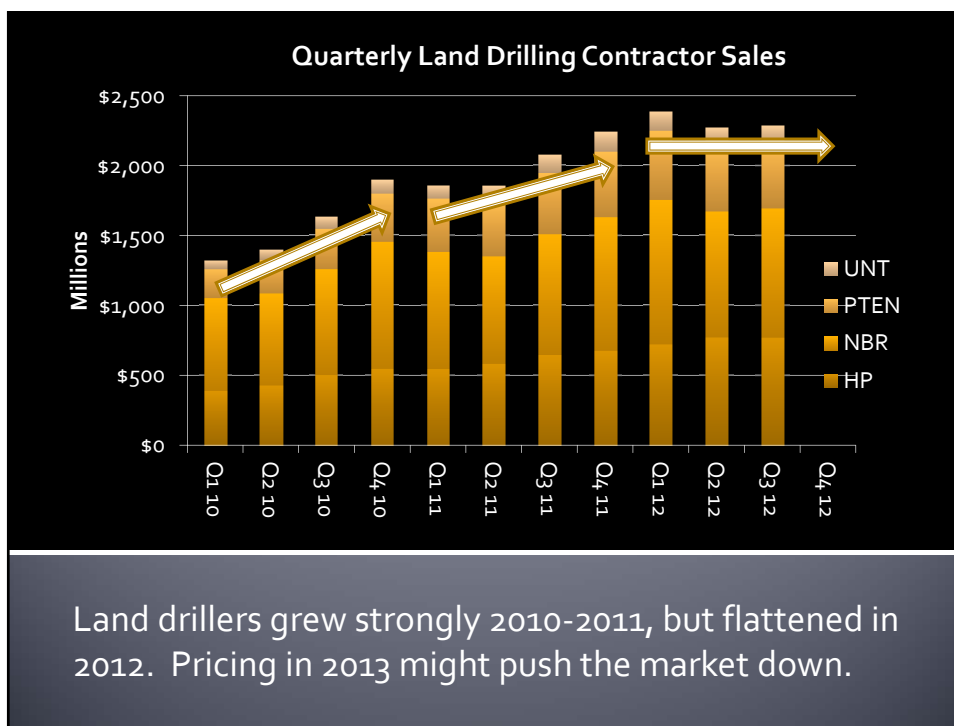


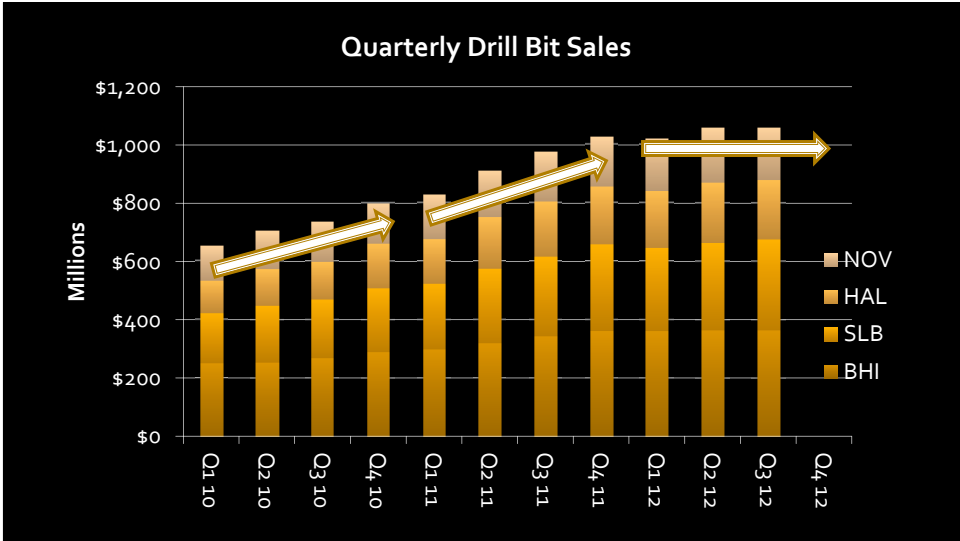




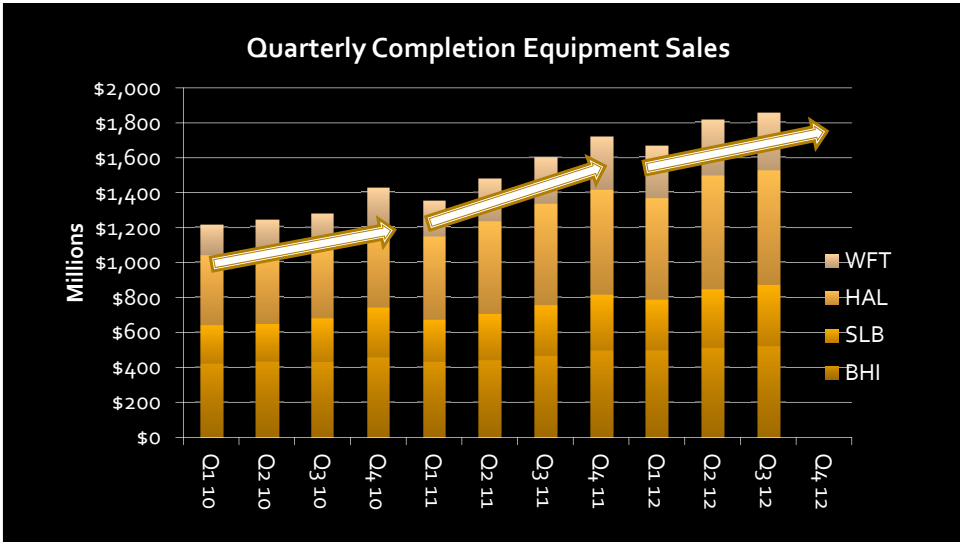




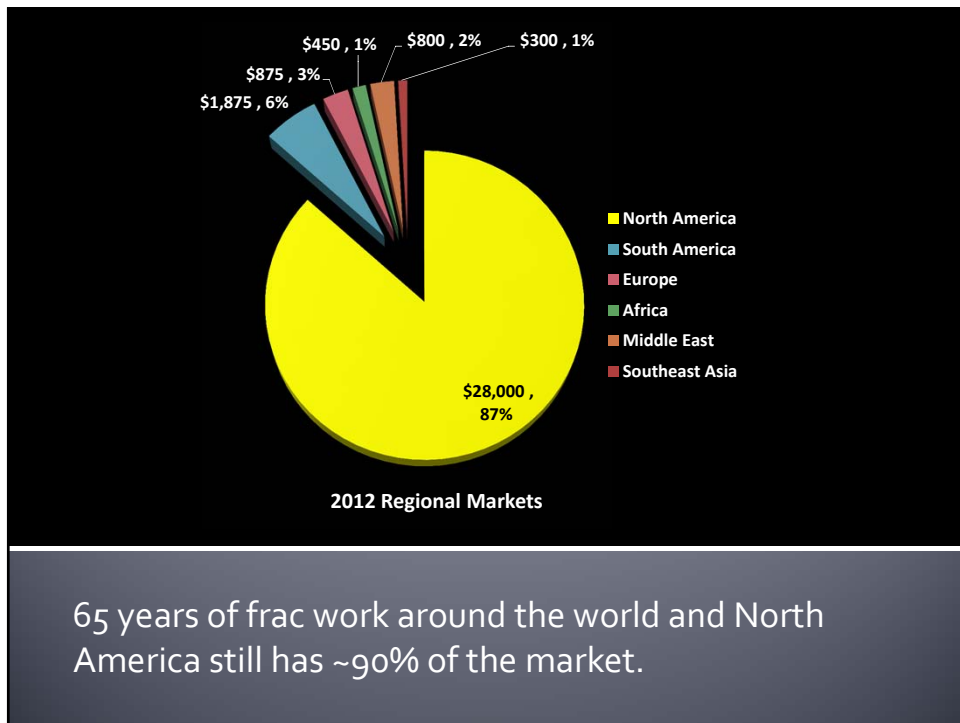
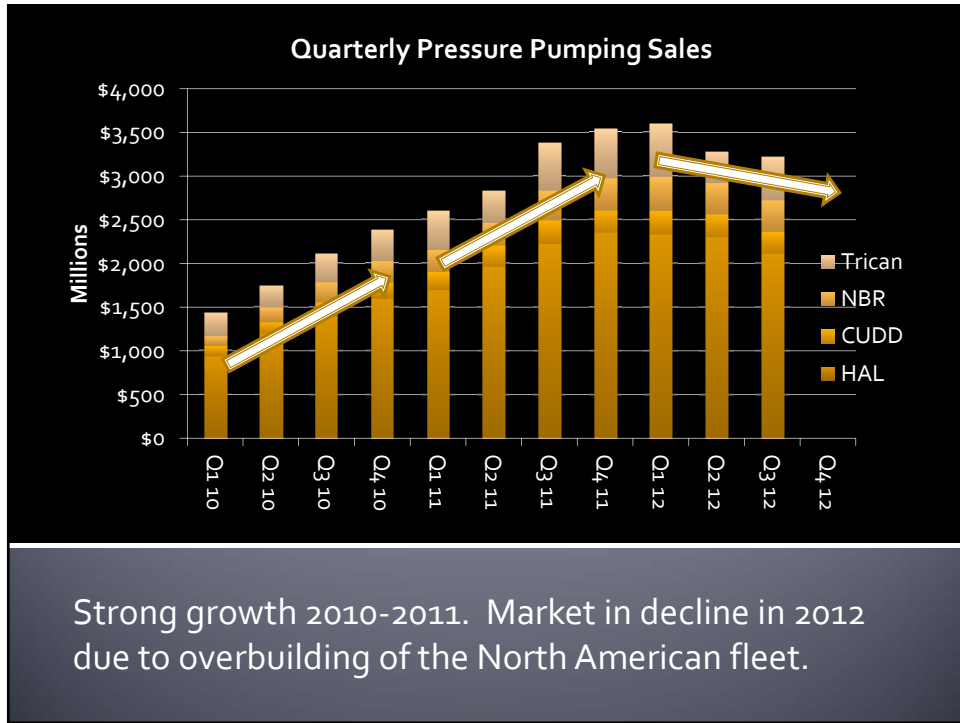


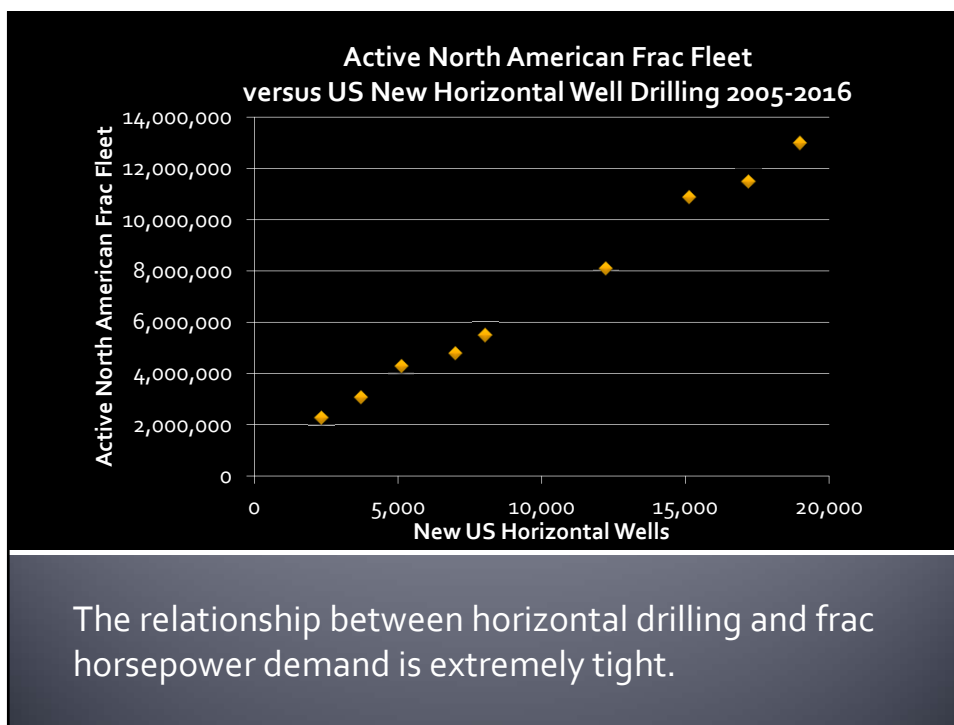
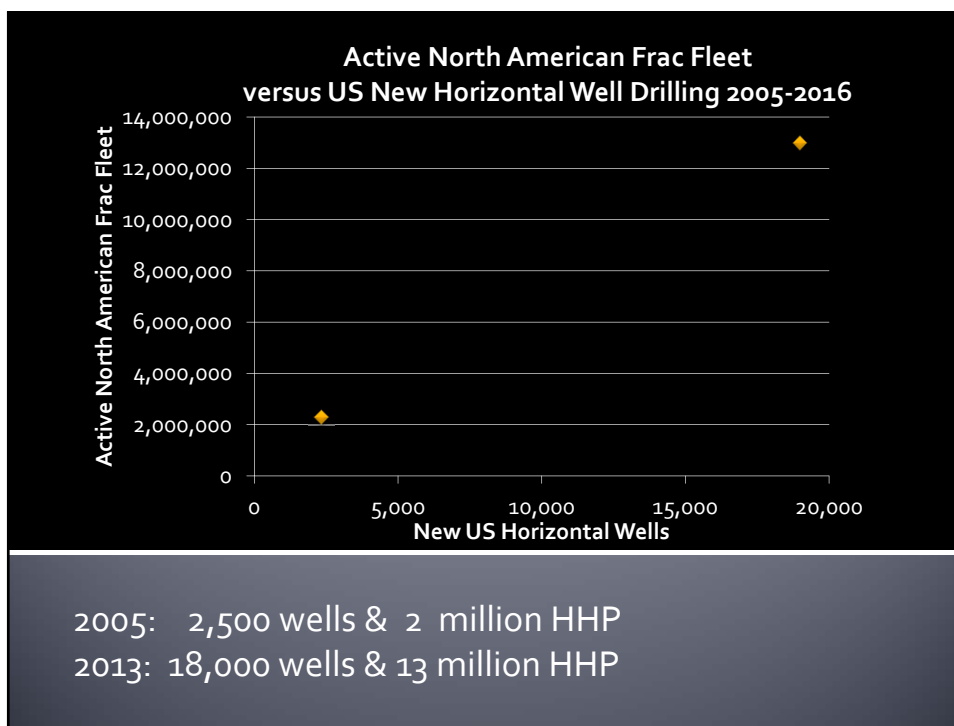


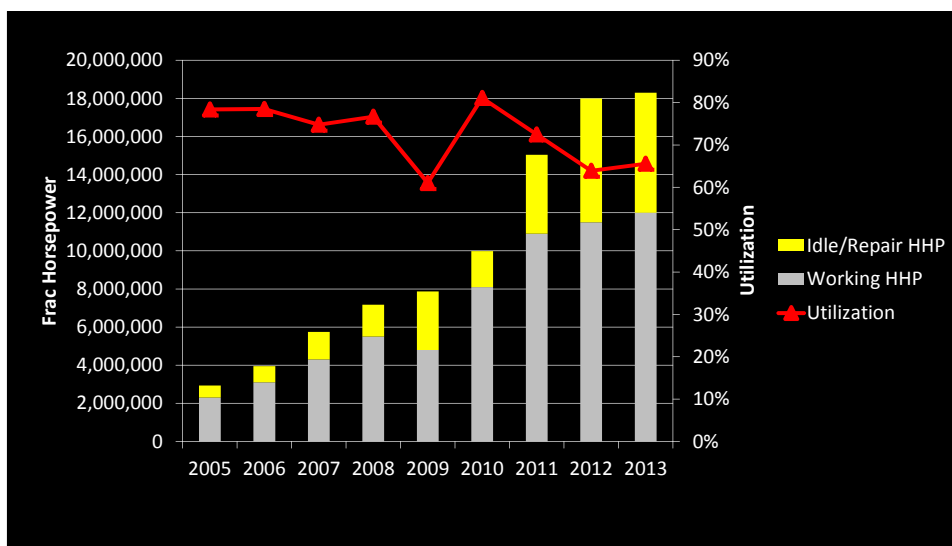
Drill bit sales grew smoothly from 2010-2011. Sales in 2012 flattened and might rise slowly in 2013.



Completion equipment continues to rise. Sliding sleeve tools and other gear makes this market grow.







Record demand for frac crews led to record horsepower additions 2011-2012. Now we have WAY too much and utilization is nearing 2009 levels.

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