

ON THE WIRE

The Newsletter of NOV Elmar

Issue 1 | Summer 2008



One Company | Unlimited Solutions

ELMAR LAUNCH PRESSURE TEST FACILITY

The team in Aberdeen have recently completed a purpose built underground facility which can test equipment to destruction by exerting up to a massive 60,000 psi of pressure. These pressure ratings allow us to test all pressure containing equipment we manufacture to well above the design requirements before the equipment is shipped.

Designed by NOV Elmar's internal engineering team, the innovative facility conforms to accepted engineering best practice. And the blast containing elements were designed to exceed the minimum requirements specified by the Health and Safety Executive contract research report 168/1998 on the subject of Pressure Test Safety.

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V.P. VIEW

Welcome to the first issue of the new NOV Elmar newsletter, On The Wire. We intend to publish the newsletter quarterly and communicate our plans and achievements with everyone involved with NOV Elmar.

Helping us put together the newsletter is the team at ThinkPR, an Aberdeen based PR consultancy. Should you have any suggestions for the content of the next issue please email Christine at christine@thinkpr.co.uk

Since Elmar was established in 1981, the

long term strategy has always been to aggressively expand both geographically and by product design whilst never compromising product quality or standard of service.

The acquisition of Elmar by Varco and the subsequent merger with NOI has afforded Elmar the opportunity to maintain this vision and, as a result, the NOV Elmar Division now has facilities strategically located in Aberdeen, Dubai, Singapore, Perth, Houston and Edmonton, with 40% of its employees based out with the UK.

Due to the high oil price our industry remains buoyant with continuing opportunities for market expansion. China, South America and the Former Soviet Union offer exciting potential and Elmar is fortunate to be well placed to draw on the experience of its highly professional workforce to ensure continuing growth and development.

Lets go for it.....

David Brebner
Vice President of NOV Elmar

Cover story continued....

Although the original concept was to build a pressure test facility which would allow us to conduct in-house pressure tests on our products in an extremely safe environment, news has spread fast and we are facing high demand from our clients who are keen to test their own equipment.

The pressure test bays are housed within our new state of the art assembly facility in Westhill, Aberdeen. Totalling 37,000 sqft of modern and efficient manufacturing space, we have been able to more than double the production of equipment including winches and masts, and we are also able to manufacture greater quantities of large scale equipment.



Brian King discusses the 5D+ Control Module.



Ian Will and Terry Anderson from Expro.



On the 7th of August we opened the doors of our new facility to clients and other guests, including Mike Rumbles (Member of the Scottish Parliament for Aberdeenshire West). The event was very well attended and gave us the chance to showcase some key pieces of technology and the high standard of our new premises.

We would like to take this opportunity to thank everyone involved in the organisation of the open day; your efforts were very much appreciated and have contributed to a number of new relationships being established.



Roberto Poggessi of Elmar with Serko Sarian and Colin Hale, both of Schlumberger.



Mike Rumbles MSP and Andrew Douglas.

REGIONAL UPDATES

ABERDEEN UPDATE BY ANDREW DOUGLAS, GENERAL MANAGER, NOV ELMAR UK

As a company we are committed to giving back to the communities in which we operate and we are pleased to have been able to support our staff in Aberdeen with their efforts to raise money for charity and support the work of the Blood Donation Centre.

For over a year now around 65 people from the Aberdeen plant have been regular blood donors, with 25% of staff giving blood for the first time. We are very proud to support the Blood Donor Centre and in the past we have donated money and DVD players to help make things more comfortable for those people who donate plasma – this takes a little longer than standard blood donation.

Jenni Dalziel, Senior Buyer at NOV Elmar UK said: "The company gives anyone who wants to donate blood time off to attend the Aberdeen Blood Donor Centre during work hours. Groups of between 2 and 6 people are picked up from the office by taxi and are taken to scheduled appointments."

Anyone between the ages of 17 and 60 who are fit and healthy can give blood and potentially save a life. If you would like to know more about what's involved in giving blood visit www.blood.co.uk or contact Jenni at [Jenni at Jenni.Dalziel@nov.com](mailto:Jenni.Dalziel@nov.com)



Well done to all of the ladies who took part in this year's Race for Life on Sunday 22nd of June. Race for Life is Cancer Research UK's flagship event and has grown to become the UK's largest women-only fundraising event. The 5km course took the runners around the Kings Links and the surrounding area. Luckily the rain managed to stay off for the duration of the race and despite a few blisters everyone seemed to enjoy themselves.

The team would like to say thank you to everyone who sponsored them and helped them raise a grand total of £2157.50 to help beat cancer.

Pictured above from left to right: Jacqui Smith, Sofia Redford, Pamela McDonald, Jenni Dalziel, Heather Fyfe, Rachael Sutherland, Lesley Noble, Denise Burnett, Gillian Milne, Valerie Clark, Lesley Main, Cheryl Copland, Karen Walker and Joanne Jamieson with her niece Abby.



Jenni Dalziel, senior buyer, NOV Elmar UK

US UPDATE BY TONY CLARK, GENERAL MANAGER, NOV ELMAR NORTH AMERICA

We have seen a number of changes within the production side of the company in the past 6 months and already these changes are delivering real benefits to the business in North America.

We would like to welcome Bruce Dawson as our new Sales Manager, Cyril Jose as our QHSE Manager and the addition of outside sales assistance in the form of Lourdes Carreon. These personnel moves have allowed us to swiftly complete existing orders as well as generate new contracts. In addition we welcome Dave Pearson as inside sales who reports to Carl Hartt, Sales Manager Elmar Canada.



Carl Hartt, Sales Manager NOV Elmar Canada

On the service and rental side of the company, our Service Manager, Mike Quinn, moved his group into their new 17,000 sq/ft facility in May and has added additional staff to create faster turnaround times. We have already seen growth and efficiency gains in the short time the facility has been active and we plan to continue to expand this side of the business over the next few years.

To help meet the ever increasing demand from our clients for our training courses we have appointed a Product Trainer to the staff. Kevin Airth started with Elmar at the beginning of August and is currently preparing to take on additional training courses this year.

REGIONAL UPDATES

FAR EAST UPDATE BY ALASTAIR ELLIS, GENERAL MANAGER, NOV ELMAR FAR EAST

Within the Singapore office we would like to welcome Derek Lew, who has joined NOV Elmar as a Sales Representative, and congratulate Rick Doiron on his move from the position of Service Manager to Sales Manager.



Juliet Kwan (pictured in the centre) has been a member of the Elmar team for 20 years having joined the company on the 25th of January 1988. A stalwart in the shipping and sales department Juliet has helped the company develop into the regional

market leader and from her current position of Shipping/Sales Administrator Juliet leads a hard working team and brightens up the Singapore office. We would like to thank her for all of her hard work over the years,

Congratulations must also go to Adam Blight on his recent promotion to Operations Supervisor for Elmar Far East Rental Services covering Asia, Australia and New Zealand. As Operations Supervisor Adam will be directly involved in all aspects of the Rental and Service business, including maintaining the highest standards of ISO accreditation and service quality.

Our final personnel change for this issue takes place as of the 29th of September when Hubert Menard will become the General Manager for NOV Elmar Far East and Alastair Ellis moves to Dubai to take on the role of General Manager for NOV Elmar Middle East.



Adam Blight is pictured performing the final quality check on a 3"ID 10k, H2S Lightweight Rental Skid for a customer in Asia.

MIDDLE EAST UPDATE BY BRIAN KING, SALES DIRECTOR, NOV ELMAR

In the past two years Elmar Middle East has grown considerably. We now have three buildings within the Oilfield Supply Center in Jebel Ali, totalling close to 40,000 sq/ft, manufacturing TCP, crossovers, fabrication and assembly of grease and hydraulic control modules, PTU's and main frame, along with service and rental of wireline pressure control equipment.

The team has completed the manufacture of the 1st Wireline Winch for the Elmar Far East rental fleet. The first of its kind to be made in Dubai this demonstrates our commitment to improving delivery times by manufacturing our products as close as we can to their final destination.

We predict that demand for these units will be high and the Well Head Equipment Team (WHE), under the leadership of John Joseph, is set to play a central role in the continued growth of the business in the Middle East. (Pictured below is the Well Head Equipment Team with John Joseph on the far right.)



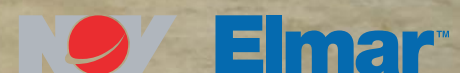
NOV Elmar is now able to provide Original Equipment Manufacturer (OEM) service and certification for its customers in the Middle East and Far East regions. The company expects to double the number of staff working within the business unit and

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plans to provide on-site service and inspection by the end of the year.

Pete Davies has been appointed as Coiled Tubing Supervisor for the newly formed Service and Repair Centre in the UAE.

With 20 years hands on experience working in coiled tubing, nitrogen, cementing and tools services, both on and offshore, Pete will be an asset to the team.



TECHNOLOGY UPDATE

As a world leader in the design and manufacture of wellhead pressure control equipment, NOV Elmar constantly aim to produce safer, more efficient technology. Here we focus on three recent developments in our extensive product line of well service and completion technology. For further information on our products contact Brian King on brian.king@nov.com

DUAL DRUM SLICKLINE/BRAIDED LINE WINCH TRUCK

The Dual Drum Slickline Truck provides the ultimate in flexibility for slickline and memory logging operations. Suitable for both on and off-road, the vehicle is ideal for operations in desert conditions with high ambient temperatures.

The truck has been designed to make working conditions as comfortable as possible; the isolated operator's cabin is well insulated to reduce noise levels and moderate temperature. This combined with the ergonomically designed 'captain's chair' and standard fit radio/CD system provides a low fatigue operating environment.

The composite construction body is mounted on an extruded aluminium base assembly providing a lightweight yet rigid structure. The base assembly allows for a free choice of chassis and multiple internal layout options. The truck has multiple tool storage solutions, with under floor lubricator storage, side and rear access for tools and additional storage in the rear tool step and body lockers. A vice with pipe jaws is provided on the rear tool step for tool servicing and cable head make up.



SMART-INJECT™ GREASE CONTROL SYSTEM

Elmar has developed a computer controlled grease injection system which senses the pressure at the injection point and modulates the grease pump output in line with the well pressure. The reaction to any decrease in grease pressure, due to gas inflow or increased line pulling speed, is instantaneous and automatic - faster than the reaction time of even a skilled operator.

The patented system is protected in several ways from an unexpected electronic control failure and recent field tests of the prototype have been extremely positive.



5D+ CONTROL MODULE

NOV Elmar 5D+ Units are designed to operate wireline pressure control equipment. They are self contained, powered by an internal diesel engine power pack - no external services are required. The unit uses hydraulic systems throughout. A diesel engine power pack is incorporated within the unit to operate 3 BOP's, tool trap, tool catcher, stuffing box, line wiper, grease injection and optional water/glycol pressure test.

Dual circuits ensure a back up grease system is available. Accumulators and hand pumps provide a back up system for hydraulic functions.



EMPLOYEE PROFILE



NAME: Victor Retalic

JOB TITLE: Quality Control Team Leader

QUALIFICATIONS: University of Life rather than formal qualifications.

GETTING THERE: I started my career as a Machinist with a company producing compressors and pneumatic tools. After moving to a firm which produced jacking systems I transferred to the inspection department where I became a Senior Inspector. Before joining NOV Elmar in 2000 I was the Lead Inspector with a company servicing air craft fuel systems.

WHAT ROLE DOES YOUR DEPARTMENT PLAY WITHIN THE COMPANY?: The Quality Control Team, as part of the Inspection Department, is responsible for ensuring that component parts produced or purchased by the company match the required specification. In most cases this is done by manually measuring all of the parts. However, in the case of highly critical parts, which have tighter tolerances, we use a Co-ordinate Measure Machine (CMM). The CMM is a device for dimensional measuring which produces a report on all of the sizes measured; it ensures that all parts developed by Elmar meet the exact specifications of the original drawing.

BEST BITS OF YOUR JOB: I get great satisfaction from solving problems and making improvements to the way we do things. Seeing a job done well is always the best part.

WORST BITS OF YOUR JOB: It doesn't happen often, but it's very frustrating to see mistakes being made.

IN MY SPARE TIME: I have recently taken up fly fishing; I wish I had started years ago. I also enjoy clay pigeon shooting, digital photography, hill walking with my two dogs (Blondie and Tammy) and I also dabble in painting.

FUTURE AMBITIONS: At my age not a lot, but I would like to finish the Geology degree course I started with the Open University.

ADVICE TO OTHERS: Don't wait for it to happen or it will pass you by.

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