

# EDITORIALS

From the Chairman

## INTERNET FINDS THE OILFIELD

**NOT TOO LONG** ago, high technology in the drilling industry referred to advances in mud motors, MWD, automation and so on. All of these are commendable achievements that have enabled the industry to continually ratchet down the cost of drilling while steadily bettering the odds of success.

Today, the term "high technology" evokes almost exclusively the brave new world of the Internet. The Internet is a fascinating, and perhaps revolutionary innovation.



John R Irwin, Chairman

While the course of its ultimate impact and influence remains foggy, it is undeniable that this medium is already adding new dimensions to the shape of world commerce.

Relative to some other industries, our industry perhaps lags in its implementation of e-commerce. And most of us consider that our companies provide value-added services

to the well construction process, that it is the application that counts, as much as the product or equipment itself. Few of us want to be commodities.

Since start-up "dot com" companies are now beginning to abound in our industry, it may be useful to review our role and goals at IADC. We have recently undertaken a number of initiatives in this direction. It is now possible to register for conferences and purchase IADC publications and forms on-line, as well as subscribe to *Drilling Contractor* and our newsletter "Drill Bits". Also, our website is focussed on providing the information our members often need quickly.

However, even as Internet investment charges ahead, we see that some of the most visible dot-com firms have yet to turn a dime of profit, despite soaring stock prices. Cash is depleting for some of these companies.

We certainly won't let that happen to IADC through investments in these new technologies. Our Association's strategy is to maximize the value of the Internet for our members, but not to become bogged down in huge e-investments. Our goal is to stay abreast of developing technology in this arena and to implement and invest in it carefully, in order that it be value-adding for our membership.

In this regard, we are also offering the ability to reproduce from electronic rig data-collection software the industry-standard IADC Daily Drilling Report. IADC will license the

right to accurately reproduce the IADC DDR paper form from a company's proprietary rig-data software.

So far, 3 service firms and one drilling contractor have been so licensed. The service firms are: **M/D Totco**; **Pason Systems** and **Pentastatic Systems**. The contractor is **Transocean Sedco Forex**.

If you are considering implementing software to capture and report data on your rig, I recommend you ensure that the software offers the capability to produce the industry-standard IADC Daily Drilling Report.

Let's not use technology for technology's sake. Whether it is a downhole tool or the Internet, the critical feature we must consider is the value it adds to our customers. That, ultimately, is what provides value to ourselves, as well. If you have any thoughts on your own needs or the best use of new technology at IADC, please let us know. ■

From the President

## IADC: 60 YEARS YOUNG!

**AT 60 YEARS** old, a human being might begin to feel creaks in the bones and sag in the step that foretells the inevitable. For a trade association, though, the 60-year milestone underscores its resiliency. Six decades of service to the drilling industry have endowed IADC with the maturity and experience to continue its leadership in the new century.

I invite you to help us celebrate our 60th birthday at the 2000 IADC Annual Meeting, 27-29 Sept in Houston. A mirror of today's industry, our program will feature issues critical to today's drilling professional—direction of the drilling market, outlook for oil and natural gas, cutting-edge drilling technology, equipment availability and reliability, value and influence of e-commerce in the oilfield, as well as regulatory and legislative trends and impacts.

Our conference begins Wednesday afternoon with a review of IADC activities and initiatives in regulatory and government affairs.



Lee Hunt, President

We will be honored that day with a keynote address by **Carolita Kallaur**, Associate Director for Offshore Minerals Management of the US Minerals Management Service.

Our keynote speaker on Thursday will be **Bob Allison**, Chairman and CEO of Anadarko Petroleum, one of the most aggressive, dynamic and successful producing companies around today.

The IADC Annual Meeting is also a great place to renew old friendships and strike up new ones with the people who constitute this unique industry in these changing times.

See you in September! ■

