

2004 IADC Annual Meeting focuses on the future

THE 2004 IADC Annual Meeting 22-24 September in New Orleans promises to be an informative look at the industry's future in terms of technology, geopolitics and market outlooks from the perspective of the drilling contractor, operator and industry analysts. The always anticipated **ReedHycalog** rig census will also be presented during the Annual Meeting.

Wednesday, 22 Sept begins at 2:00 pm when registration will be held until 5:00. The Executive Committee members will meet from 3:00-5:30.

Registration on Thursday begins at 7:00 am with coffee service sponsored by **Varco International**.

DISTINGUISHED SERVICE AWARD

A keynote breakfast sponsored by **Hydril** begins at 8:00 with the presentation of the IADC Distinguished Service Awards. The award recognizes individuals for outstanding contributions to the drilling industry and to IADC. IADC Distinguished Service Award recipients have, in the course of their career, repeatedly demonstrated their commitment to improving the drilling industry and advancing its safety, training or technology.

This year's recipients are **Donald Ray**, Executive Vice President-QHSE, **Transocean Inc.** (Retired), and **Buddy King**, Vice President Special Projects, **Noble Corporation** (Retired)

KEYNOTE ADDRESS

Amy Myers Jaffee, Senior Energy Advisor, **Baker Institute for Public Policy**, will present the keynote address on the *Changing Geopolitics of Oil*.

OPEC has had remarkable success in maintaining oil prices above the group's targeted price band since 2000. The group's market management effort has been helped in great measure by political factors that have created a so-called "terror premium" in the price of oil. Continued political unrest in Venezuela, the uncertain

future for Iraq's oil industry and terror attacks inside Saudi Arabia all pose strong challenges to the future stability of oil markets.

But in the coming years, rising output from non-OPEC sources such as Russia and West Africa, as well as competition within OPEC itself, will make the producer group's ability to hold prices above \$25 far more difficult.

Ms Jaffe, well-known oil specialist and Wallace Wilson Fellow for Energy Studies at the James A Baker Institute for Public Policy at Rice University, will discuss the ins and outs of the challenges facing oil markets in the years to come and how key countries like Saudi

Arabia and Iraq may respond to these challenges.

Adding to the mix is shifting post-September 11 US foreign policy, which is becoming more assertive and pre-emptive, especially where the Middle East is concerned.

DRILLER'S OUTLOOK

A coffee break follows the keynote address, and then the Drillers Outlook begins at 9:45, featuring two experienced drilling contractors who will present their take and outlook on the rig and commodity markets, discussing trends and events that impact the onshore and offshore drilling industry around the world.

Dennis Smith, Director of Corporate Development for **Nabors Industries Ltd**, is responsible for all facets of the company's interaction with the capital markets, mergers and acquisitions, corporate marketing and management development. He has previously served as President and Executive Vice President of two of the company's operating subsidiaries.

Jon A Marshall, President & CEO of **GlobalSantaFe Corporation**, has been with the company for over 25 years, beginning his career with Global Marine as a roustabout in 1979. After holding numerous operational and managerial positions, he subsequently served as President of the operating subsidiaries ADTI, CMI and Global Marine Drilling Co.

In 1998, he was promoted to the position of Executive Vice President and COO of Global Marine Inc and in November 2001, he was appointed to the same position within GlobalSantaFe. He now serves as President and CEO.

M P D

At 10:45, following the Drillers Outlook, **Don Hannegan**, Director, Underbalanced Services for **Weatherford International**, will discuss managed pressure drilling technology.



Amy Myers Jaffe



Don Hannegan



Steven Nowe



Mike Derbyshire



Dennis Smith



Elliot Pew



Pete Miller



John Deane



Arvind Sanger



Jon Marshall



H.E. (Helene) Harding



Mike Williams



Juan Garcia

Mr Hannegan is a Registered Professional Engineer and Chair of the SPE Technical Interest Group on Underbalanced Drilling, Completions and Workovers.

He is on several program committees and advisory boards addressing technology transference venues for Underbalanced Drilling (UBD) and Managed Pressure Drilling (MPD); a member of the IADC MPD Subcommittee; and officer of the recently formed Arkansas Section, SPE.

He is author of numerous technical papers and published articles speaking to practical applications of UBD, MPD and enhanced well control aspects of drilling with closed and pressurize-able mud returns systems.

DEEP GAS

A coffee break follows Mr Hannegan's presentation at 11:15. Beginning at 11:30, **Elliott Pew**, Vice President Exploration for **Newfield Exploration**,

will present *Deep Gas Opportunities: An Operator's Perspective*.

Mr Pew joined Newfield Exploration in January 1998. Prior to his current position, he was also Team Leader for the company's new onshore effort along the Gulf Coast. In that capacity he was responsible for growing the company's gross onshore production from about 10 MMcfe/d to more than 140 MMcfe/d over a three-year period.

Prior to joining Newfield, Mr Pew was Senior Vice President-Exploration with American Exploration. He is a member of the Houston Geological Society, American Association of Petroleum Geologists and Society of Exploration Geophysicists.

LUNCHEON EVENTS

Lunch begins at 12:15 sponsored by **Hughes Christensen** and will feature recognition of IADC officer nominees for 2005 and presentation of the 2004 Chairman's plaque.

HE (Helene) Harding, General Manager, Gulf Coast Business Unit of Upstream for **ConocoPhillips**, will make the featured luncheon presentation. Ms Harding is responsible for the eastern half of the Lower 48 United States.

She was promoted to this position in 2003 after serving as the South Texas Business Unit Manager upon closure of the ConocoPhillips merger in 2002.

Ms Harding joined Conoco in 2001, bringing with her extensive experience gained during 19 years with ARCO Oil and Gas and BP in reservoir, facilities, planning and evaluation and international new ventures.

DEEPWATER DEVELOPMENT

At 1:45, **Steven Nowe**, Project Drilling Manager for **BHP Billiton Petroleum**, will present *Economic Challenges Facing Ultra Deepwater Development Drilling*. Mr Nowe has 17 years worldwide drilling experience on all types of

drilling rigs from remote land drilling operations to fifth generation deepwater drillships.

RIG TECHNOLOGY

At 2:15, following Mr Nowe's presentation, **Pete Miller**, Chairman, President and CEO of **National Oilwell**, will present *Advances in Drilling Rig Technology*.

Mr Miller joined National Oilwell in February 1996 as Vice President of Marketing, Drilling Systems, and was promoted in April 1997 to President of the Company's Products and Technology Group.

In November 2000, he was named President and Chief Operating Officer. In May 2001 he was elected President and Chief Executive Officer, and elected Chairman of the Board in May 2002.

TECHNOLOGY AND DRILLING

At 2:45, **Michael K Williams**, President-Drilling Equipment, **Varco International Inc**, will present *The Factory That Digs a Hole-Impact of Technology on the Drilling Process*.

Mr Williams began his career in the oilfield with Varco in 1979 as a Design Engineer. He has held various management positions with Varco around the world, including Group Manager Application Engineering; Director, Sales and Service; and Group Vice President of Sales & Service.

As President he is responsible for the worldwide operations of the Varco Drilling Equipment division of Varco International.

DRILLING IN MEXICO

A coffee break sponsored by Varco International follows Mr Williams' presentation. Then at 3:15, *Drilling in Mexico: An Update* will be presented. Mexico has become an increasingly hot drilling market as PEMEX expands its prospect portfolio, aiming to significantly boost production. This presentation will focus on PEMEX's goals and resulting drilling opportunities in Mexico.

Another coffee break follows this presentation.

OPPORTUNITIES IN IRAQ

At 4:00, **Mike Derbyshire**, Marketing &

Business Manager-Middle East, **Pride International**, & Chairman of the IADC Southern Arabian Peninsula Chapter, will present *Opportunities in Iraq: A Drilling Contractor's Perspective*. Beyond the headlines, the Iraq petroleum producing industry is picking itself up and turning to the right.

Last spring, under the leadership of Mr Derbyshire, the IADC Southern Arabian Peninsula Chapter organized a conference on Iraqi oil and gas field developments. The event featured leading figures in the Iraqi drilling and producing industry. In this presentation, Mr. Derbyshire will provide numerous insights into the challenges and opportunities for drilling contractors in Iraq.

ANNUAL MEETING RECEPTION

Following the Iraqi presentation at 4:30-5:30, the IADC Board of Directors Meeting for IADC Directors only will be held.

The always anticipated Annual Meeting reception will be from 5:30-7:00, co-sponsored by **Security DBS**. Entertainment will be provided by the Big Easy Jazz Band sponsored by **Parks Paton Hoepfl & Brown**. This year, members will enjoy a generous spread of New Orleans delicacies while relaxing to Crescent City jazz.

RIG CENSUS

The Annual Meeting continues on Friday, 24 Sept with registration beginning at 7:30 am and coffee service sponsored by **Tesco Corporation**. The Operator's Outlook Breakfast will be from 8:00-9:30 featuring the presentation of the ReedHycalog rig census presented by **John Deane**, President of ReedHycalog.

The ReedHycalog rig census and associated contractor survey is one of the major statistical benchmarks on the land and offshore drilling industry.

This year's census has been expanded to include Canadian rigs, as well as worldwide mobile offshore drilling units, in addition to US units.

OPERATOR OUTLOOK

The rig census will be followed by an address at the breakfast by **Juan Garcia**, Drilling Manager, **ExxonMobil Development Company**, *Building the Right Operator/Contractor/Service Company Relationship for a Safer*

More Efficient Drilling Operation.

Conducting a safe, efficient drilling operation in the global arena requires the building of an effective working relationship between operator, contractor and service companies at every level.

The challenge of quickly developing fully functioning work teams with inexperienced workers requires a unified effort by all parties to develop what ExxonMobil calls a Site Specific Operations Safety Plan.

This approach of bringing the best ideas from all operations shareholders into a simple and common plan for conducting the work has proven to be an effective means for achieving a safe and efficient operation.

MARKET OUTLOOK

A coffee break follows the breakfast at 9:30. This is followed by the traditional Market Outlook at 10:00 am that winds up the Annual Meeting.

This year industry analysts **Arvind Sanger**, Portfolio Manager for **SAC Capital Management LLC**, and **John Herrlin**, First Vice President at **Merrill Lynch**, will review past performance of the global drilling industry and spotlight future trends.

Mr Sanger joined SAC Capital in November 2002. Prior to that he was a sell-side equity research analyst for over 15 years covering the oil services and equipment sector at a number of firms including Deutsche Bank, Donaldson, Lufkin & Jenrette and Kidder Peabody.

Mr Herrlin is a top-rated Institutional Investor All American analyst for the eighth consecutive year.

He is also a top-ranked Greenwich Associates analyst covering exploration and production companies and currently follows 23 US oil and gas exploration and production companies and six Canadian oil and gas companies.

SPONSORS

Special thanks go to the IADC Annual Meeting sponsors, which includes **Hughes Christensen Company**; **Hydril Company LP**; **Parks Paton Hoepfl & Brown**; **ReedHycalog**; **Security DBS**; **Tesco Corporation**; and **Varco International**. ■