
GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains terms used in this Prospectus, as they relate to our business. Accordingly, these terms and their meanings may not always correspond to standard industry meaning or usage.

“AC”	alternating current electrical engine utilized for rigs, driven by diesel power
“air drilling”	a form of rotary drilling that uses compressed air instead of mud, used predominantly in shallow, low-pressure areas
“API”	the American Petroleum Institute, which provides quality certification programs, including the API Monogram Program, equipment, products and services in the oil and natural gas industry
“API Monogram”	the API Monogram signifies that the products licensed to carry this mark have met and continue to meet the applicable quality standards in the corresponding API Monogram Program
“bcf”	billion cubic feet
“bcf/d”	billion cubic feet per day
“BOP”	blowout preventor, a heavy steel cap designed to close the top of the wellbore during drilling operations, which seals well pressure and provides a controlled release of well fluids or gases
“Brent Crude Oil”	oil sourced from the North Sea. Brent Crude is a premium grade of crude oil and forms a benchmark for oil production from Europe, Africa and the Middle East
“CAGR”	compound annual growth rate
“cargo hoist”	equipment (similar to an elevator) commonly used to move tools used on the drill floor from the ground of the drill floor, mainly with a hydraulic drive
“CIF”	‘cost, insurance and freight,’ an export term in which the price quoted by the exporter includes the costs of ocean transportation to the port of destination and insurance coverage
“cluster well drilling”	the process of drilling multiple wells from the same drilling site, which requires the rig to be equipped with parallel move equipment to facilitate quick movement between the wells
“control cabin”	enclosed unit on the drill rig floor, where the driller operates the hoisting, rotary, and circulating equipment

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“crown block”	an assembly of sheaves or pulleys, mounted on beams at the top of the derrick. The drilling line is run over the sheaves, down to the hoisting drum
“day rates”	a fixed daily fee charged for the services provided by a drilling rig
“DC”	direct current electrical engine utilized for rigs, driven by diesel power, also known as “SCR” powered rigs
“diesel-engine generator set control system”	that part in the electric drive system, which is used to control the power generation units, the main functions of which are the synchronized control of power generation units and load distribution of multiple units
“drawworks”	the winch machinery on a drill floor, consisting of a large-diameter steel spool, brakes, a power source and assorted auxiliary devices, which reels out and reels in the drilling line, a large-diameter wire rope, in a controlled manner
“drill shipping”	a maritime vessel which contains a large drilling unit, which is typically utilized in drilling in deep water
“drilling fluid line”	pipelines used to deliver high-pressure drilling mud, from the mud pump outlet to the drill pipe, via the swivel (or top drive)
“fixed rigs”	a stationary platform offshore oil and/or gas production facility. Fixed rigs are designed to provide offshore workover, drilling and re-entry services. Fixed offshore platforms are steel structures that either stand on the ocean floor or are moored floating structures. The platform sits above the water level and provides the foundation upon which the rig is placed
“FOB”	‘free on board,’ an export term in which the price quoted by the exporter includes the cost of delivering the goods to the vessel at a particular designated port
“Henry Hub Gas”	a natural gas pipeline hub in Erath, Louisiana, that serves as the delivery point for New York Mercantile Exchange natural gas futures contracts, and often serves as a benchmark for wholesale natural gas prices across the U.S.
“hook”	a large heavy hook, which is attached to the traveling block and connects to the swivel
“HP” or “hp”	horsepower, a unit of measuring mechanical power

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“jack-up rig”	a drilling rig used in offshore drilling, comprised of a drilling platform supported by legs which stand on the sea floor so that the platform sits above the drill site. The platform is raised above the water and supported by the legs to conduct drilling operations. This type of rig is typically used for water depths of up to 300 to 400 feet
“mast” or “derrick”	a vertical tower, made of special structural steel on a drilling rig. The mast (or derrick) is used to suspend the drillstring in the well, and is part of the hoisting system, that raises and lowers equipment in the well, and allows for vertical stacking and changing of long drill pipes and drill collars
“MCC”	Main Control Cabin, the control cabin of the rig
“mmbbl”	million barrels (a measure of oil reserves)
“mmbbl/d”	million barrels per day
“mmboe”	million barrels of oil equivalent (energy and petroleum industry)
“mmboe/d”	million barrels of oil equivalent per day
“MMBtu”	million British Thermal Units
“mud pumps”	mud pumps are essentially large reciprocating pumps used to circulate drilling fluid, or drilling “mud”, through a rig’s circulation system.
“rotary table”	the principal component of a rotary system, used to turn the drill stem and support the drilling assembly. Rotary tables are located on the drill floor, and linked to electrical or mechanical drive systems
“SCR”	silicon controlled rectifier, a semi-conductor rectifier, utilized by SCR rigs in their diesel-to-AC-to-DC power systems
“semi-submersible rigs”	a mobile offshore drilling unit, that floats on the water’s surface, above the sub-sea wellhead and is anchored in place.
“semi-trailer rig”	a rig, having one or more sets of wheels at the rear only, with the forward portion being supported by the truck tractor or towing vehicle
“solids control system”	the solids control system can include shakers, centrifuges and other specialized equipment. The solids control system permits the mud to be continuously reused and recirculated back into the hole

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“substructure”	the substructure is an assembly of heavy beams used to elevate the derrick and provide space to install blowout preventers, casingheads, and so forth
“swivel”	a device hung from the traveling block by a hook, which is attached to a drillstring suspended down a well along the drill mud line. The swivel allows the drillstring to rotate while being suspended from the derrick. The drilling mud is pumped through the swivel, along the drill string
“tcf”	trillion cubic feet
“top drive units”	the top drive rotates the drill string and is operated from a control console on the rig floor
“travelling block”	a heavy pulley system, suspended below the crown block, used to hang tools and equipment, such as hooks and swivels, that raise and lower the drillstring and other equipment into and out of the well
“U8 system”	a database management system, which is a collection of programs, that enables users to create, store, modify, and extract information from a database
“VFD”	variable frequency drive, a system for controlling the rotational speed of an alternating current electric motor, by controlling the frequency of the electrical power supplied to the motor
“workover”	the process of performing major maintenance or remedial treatments on an oil or gas well. Workover may also imply the removal and replacement of the producing tubing string after the well has been killed and a workover rig placed on location