

GLOSSARY

This glossary contains certain technical terms used in this prospectus in connection with our Company. Such terms and their meanings may not correspond to standard industry definitions or usage.

“API Monogram”	a logo licensed by the American Petroleum Institute, or API, to equipment suppliers which manufacture products in accordance with API standard. Licensed supplier may apply the API Monogram to their product, which constitutes a representation and warranty by the licensed supplier that, as of the date indicated, the product is manufactured in accordance with the API standard
“API standard”	the benchmark standard of American Petroleum Institute, or API, for the manufacturing of drill pipes and other oil and gas equipment. API is the primary trade association of the oil and gas industry in the United States and promotes the standardization of oilfield equipment by setting and maintaining more than 500 standards and recommended practices
“bottom hole assembly”	the underground part of a drilling rig consisting of a drill bit which is used to break up the rock formations, drill collars which are heavy, thick-walled tubes used to apply weight to the drill bit, and drilling stabilizers which keep the drilling assembly centered in the hole
“casing”	a large diameter pipe that is assembled and inserted into a newly drilled section of a borehole and typically held into place with cement
“double shoulder drill pipe” or “DSDP”	a type of drill pipe with two tool joints on each side of the pipe
“drill pipe”	a type of hollow, thick-walled, steel piping used on drilling rigs that functions as the connection between the drilling rig surface equipment and the bottom hole assembly, including the drill bit
“drilling rig”	a machine which creates holes and/or shafts in the ground
“Dual tubing completion”	a single well that produces from two separate pay-zones at the same time. Production from each zone is segregated by running two tubing strings with packers inside the single string of production casing, or by running one tubing string with a packer through one zone while the other is produced through the annulus.
“hardbanding”	a welding process that applies welding wires onto the tool joint of a drill pipe to enhance its strength and resistance to abrasion and friction
“heavy weight drill pipe” or “HWDP”	used to make the transition between the drill collars and drill pipe; the function of the HWDP is to provide a flexible transition between the drill collars and the drill pipe; this helps to reduce the number of fatigue failures seen directly above the bottom hole assembly; a secondary use of HWDP is to add additional weight to the drill bit
“high torque-resistant drill pipe” or “HTDP”	a type of drill pipe with specially designed tool joints which help to enhance the torque resistance of the drill pipe

GLOSSARY

“low temperature drill pipe” or “LTDP”	a type of drill pipe with capability to perform under extreme low temperature to facilitate the oil and gas drilling activities in low temperature regions
“OCTG”	Oil Country Tubular Goods, pipe and tube products used in oil and gas industry, which include drill pipe, tubing and casing
“pile up”	paraffin, pitch, water scale and crude residues that accumulate on the internal surface of pipe and tube products used in oil and gas industry
“sour service drill pipe” or “SSDP”	a type of drill pipe with capability of resistance to hydrogen sulfide stress corrosion to facilitate oil and gas drilling activities in sulfur-rich terrains
“tool joint”	the enlarged and threaded end of the joint of a drill pipe
“tubing”	a metal tube used in a wellbore through which production fluids are produced
“turnkey contract”	an oilfield service engagement whereby a contractor undertakes the design, construction and project management jobs. The engagement typically concludes upon the stage when the related project is available for immediate use. A turnkey contract for drilling services typically provides for payment for the contractor’s services upon the completion of the well drilling. In such a turnkey contract, the contractor generally furnishes drilling rig, rig crew and all other drilling related resources and controls the entire drilling operation
“upsetting”	a forging process to increase the thickness of the wall of a drill pipe
“welding wires”	solid, soft steel wires used for welding onto the tool joint of a drill pipe to enhance its strength
“West Texas Intermediate”	a type of crude oil used as benchmark in oil pricing and the underlying commodity of New York Mercantile Exchange’s oil futures contracts