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Spiralbanding Potential Cost Saving Analysis

Spiralbanding Can Help Save Significant Drilling Costs

With Spiralbanding, drill pipe is in the well longer without being rotated top to bottom or replaced, increasing productivity. The cost savings associated with replacing drill pipe less often, and overall increased performance from the drill string are significant.

Model of Comparison

This analysis uses data from a real-world down hole trial in North Dakota, USA, to explore the potential cost savings associated with the use of Spiralbanding Technology to protect the drill string. Results and actual cost-savings will vary depending on a number of factors in other drilling projects.

For this example we have compared Drill Pipe costs for 36 wells drilled, over approximately 18 months, in three differing scenarios. The result of wear on both the Spiralband and Drill Pipe Tubes are extracted from data received from the Drilling Contractor who conducted this trial.

Notes/Observations:

Drill pipe string without Spiralbanding lasts 12 wells before it's rejected, including pipe being rotated 'top to bottom'.

Spiralbanding has 50% of its original thickness remaining after 12 wells, is completely worn down after 24 wells. (Drill pipe without Spiralbanding lasts another 12 wells before it's rejected)

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Scenario A – Drill Pipe cost with no Spiralbanding used

New Drill Pipe 22,000ft @ $1,430,000 **x 3** to drill 36 wells	$4,290,000
Total	**$4,290,000**

Scenario B – Spiralbanding is applied to used Drill Pipe

New Drill Pipe 22,000ft @ $1,430,000 (no Spiralbanding) x 1 to drill 12 wells	$1,430,000
Application of SB to lateral 11,000ft after 12th well @ $183,333 to drill 24 additional wells	$183,333
Total	**$1,613,333**
Saving vs no Spiralbanding	$2,676,667

Scenario C –Spiralbanding is applied to new Drill Pipe

New Drill Pipe 22,000ft @ $1,430,000 x 1 with Spiralbanding on lateral 11,000ft @ $183,333 to drill 36 wells	$1,613,333
Total	**$1,613,333**
Saving vs no Spiralbanding	$2,676,667

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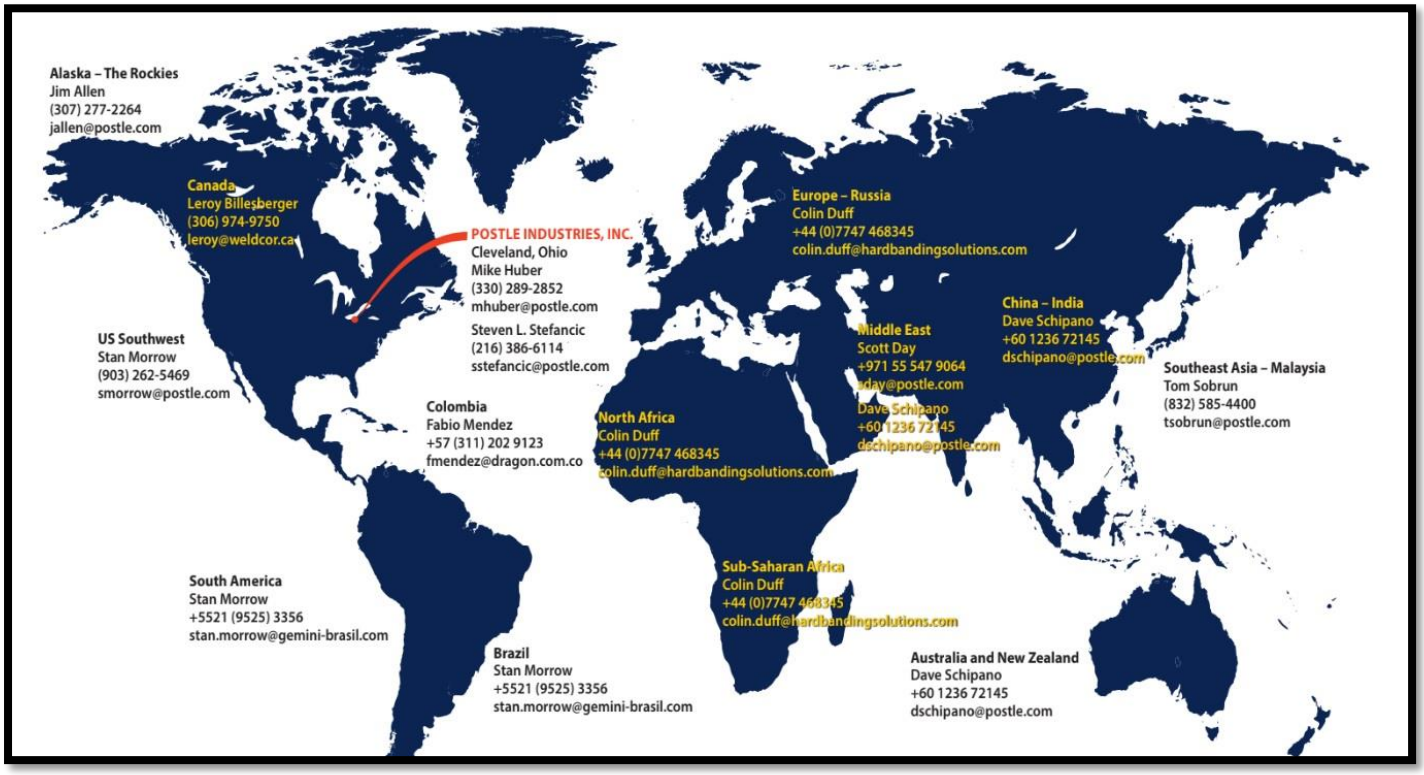

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