

PART 1:

LICENCE TO DRILL

Oil & Gas Middle East speaks to Brod Sutcliffe, man at the helm of one of the most ambitious directional drillers in the region

Cougar Drilling Solutions has a short history, but is long on experience and ambition. Formerly known as Blackstone Drilling Systems, the firm joined with Cougar Tools – an established drilling tools manufacturer operating out of Alberta, Canada since 1969 – in 2010 and is eyeing aggressive growth throughout the region and beyond.

“We established our business in the Middle East first since there is significant growth potential, and the region is very centrally located for growth within the Eastern Hemisphere,” says Brod Sutcliffe, president, services division, Cougar Drilling Solutions. “We are confident of increasing our business by multiples over the coming years.”

The company provides Drilling Engineering, Directional Drilling, Well Planning, Mud Motors, a range of Drilling Tools

and MWD/LWD provided on a rental-with or without-service basis. A key part of Cougar’s approach is to have sufficient backing from the drilling rental tools section of the business for each country base.

Cougar has made a point of recruiting highly experienced directional drillers who now want the flexibility of working for a smaller company.

The company opened a service centre in Erbil in 2009, giving Cougar a full repair and maintenance capability in Iraq. The directional drilling business followed soon after.

“You absolutely have to have a presence on the ground to service business in Iraq,” Sutcliffe says. “Trying to service the market from across borders is costly, risky and ineffective.” Elsewhere in the Middle East, the company has facilities in Saudi Arabia and the UAE.

The company began drilling operations in the north and subsequently gained work in the south at the supergiant Rumaila Field, working through Daqing Petroleum, a Chinese drilling contractor, and TPIC of Turkey.

From there, the company expanded operations into Turkey, which Sutcliffe says is a growth market currently, and underserved by the oil and gas service sector. Most recently the company has adopted a “strong focus” on Africa and in addition, the firm is in the



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process of opening a base in Jakarta, Indonesia.

"Though the directional drilling business has become very competitive in Iraq the drilling is quite challenging, especially approaching the Zagros fold belt," Sutcliffe says. "There are frequent issues associated with tectonic stresses, including geomechanical stability and large variations in formation pressures leading to some exploration wells in Northern Iraq being amongst the most expensive land wells drilled anywhere."

Sutcliffe added: "The growth in rig count in Northern Iraq has been slower than expected. However, the activity in the south is now increasing, with a focus on integrated services contracts from the major IOCs,

with concessions around Basra. With this in mind we will be opening our Basra facility soon."

Sutcliffe stresses that Cougar is strongly committed to developing local content in all markets, and placed a high value on the transfer of knowledge from international experienced staff to local, high potential recruits.

The manufacturing, engineering and distribution prowess of the Canadian parent company also makes a difference. "Most small directional drilling companies have to go out and buy mud motors, drilling jars and so on – we don't," says Sutcliffe. "Half the task and cost of tooling up for a job is not there because we already have high quality, in-house drilling tools."

Sutcliffe is also keen that

Cougar uses the experience of its engineers to offer the highest standards of HSE and quality management, which are typically associated with the services giants. "We've got a very clear perspective on what we want in terms of the support systems, and will only move to new markets as long as we can maintain these standards," he says.

"On many occasions in our industry, directional drillers are not using to the full what we

have on-hand in terms of offset well knowledge. Opportunities are being missed by not planning and engineering wells thoroughly enough during the pre-drilling phase.

"We encourage clients to involve service providers such as directional and performance drillers in exercises like drilling the well on paper, and conducting after-action reviews."

At a time when others might be thinking of winding down, Sutcliffe is happy to be running what is effectively a large start-up company.

"It's a good time to be in the business. We have an eye on the ball for quality, use guys with a lot of experience and work hard to capture their experience and pass it on." **Oil&Gas**

3MILLION

Iraq is targeting 3 million barrels per day output by year-end.

Source: Iraq Oil Ministry.

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