

WELLKEEPER'S REMOTE MONITORING

An innovative system providing cost savings and an increase in production for oil wells.

þg 19



COMPLIANCE SOLUTIONS

ComplyWorks' compliance management creates reliable relationships.

pg 38

A Successful Approach

AES DRILLING FLUIDS HAS DEVELOPED A LOYAL FOLLOWING OF REPEAT CUSTOMERS AS A RESULT OF ITS ATTENTIVE CUSTOMER SERVICE.

By Elizabeth Wright

ES Drilling Fluids was founded in 2006 and has grown into a significant presence in the U.S. drilling fluids market. The company, despite its growth, has never strayed from its primary goal of providing personalized, attentive customer service. Based in Houston, AES operates throughout the United States out

of 15 satellite offices and warehouses, with two of its newest locations in Belfield, N.D. and Cheyenne, Wyo., where it operates 24/7 blending facilities serving the Rockies and North Dakota area.

The strategic merger of Fluids Management, Champion Drilling Fluids, Mega Drilling Fluids-Mid Continent and JACAM ultimately grew AES into one of the largest independent fluid providers in the industry.

"AES contributes to each operator's successful drilling operation with unique and personal-



ized customer service," Marketing Director Mike Provada says.

With a state-of-the-art lab located in Houston and staffed with experienced scientists, the company is able to stay ahead of the curve, developing new technologies to help customers increase efficiency.

"We pride ourselves on providing custom solutions to the challenges presented by operators," Provada says.

Although the company is best known for drilling fluids, its expertise extends far beyond



this market alone. The company employs field service technicians who bring an unmatched level of expertise to each project, monitoring and providing product support on a 24/7 basis.

"Challenging projects require persistent monitoring and critical engineering support," Provada says. "Our support staff brings their expertise to each well location to provide maximum drilling efficiency and environmental care. Their many years of experience working for AES enhance the application of our products."

"Some drilling fluid companies are so large that personal customer service is affected because the customer winds up dealing with multiple personnel on one project," U.S. Engineering Manager Charlie Freeman says. "With AES being smaller, our employees who sell the job stay in contact with the customer by giving daily project managing of the well until its completion."

"AES CONTRIBUTES TO EACH OPERATOR'S SUCCESSFUL DRILLING OPERATION WITH UNIQUE AND PERSONALIZED CUSTOMER SERVICE."

-Mike Provada, marketing director

AES offers the advantages of a major service company, while operating as a personalized independent with an impressive retention rate of existing clients. The company's current client base consists of around 50 oil and gas entities.







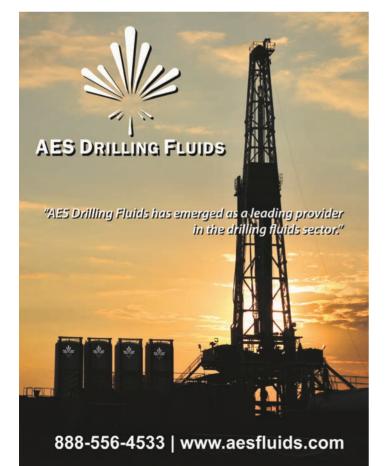




Freeman has been in the industry for about 38 years, and believes that AES's commitment to meeting customers' needs sets it apart in a competitive industry. When longstanding customers move into geographic areas not yet served by AES, it is routine for AES to send crews into the new areas to setup a servicing stock point in order to continue the relationship with the customer.

Although moving into new markets is not always easy in this highly regulated industry, the company takes a proactive approach to any potential challenges. For example, AES's R&D and HS&E representatives consult with state regulatory agencies as early on in a project as possible to establish an open line of communication.

"Some oil field service companies enter a new market and never consult with state regulatory agencies, which can create an adversarial relationship from the beginning," Freeman says. "We have found that if you communicate with them and ask advice, they'll work with you instead of finding ways to regulate you and hamper the operation. The bottom line is that you're trying



to bring business to their state, so as long as you do it properly and follow regulations, the resulting relationship should be mutually advantageous."

SKILLED AND DEDICATED

Staying ahead of the curve in a volatile industry is not always easy, but the AES R&D department's dedicated scientists are more than up to the task. The team is always searching for new and safer products and procedures. When an operator in Pennsylvania requested a fluid with low levels of chloride, the company lab tested and managed to develop an oil-based synthetic fluid to meet these requirements.

"Once we decide we need to develop something new, we can move fairly fast with our lab and then have certain customers field test the product," Freeman says. "Most are more than willing to try something new if it will eventually save them money and benefit the environment."

Finding dedicated, skilled employees is important to the company and it is more than willing to train the right candidate and provide the necessary guidance to create a successful work force.

"Sometimes it is a challenge because this is not a nine-to-five, Monday through Friday type of industry," Freeman says. "But if someone is willing to put in the time it takes to learn this business, it is a great career for them and their families."

Company employees tend to develop long-term careers, creating a talented, skilled and successful team.

"Today, all of our core operations are supported by personnel that have demonstrated their loyalty to our company over the years and have contributed their thoughts, ideas and enthusiasm," Provada says. "We believe this dedication to building a strong relationship is the source of our success and the foundation to our future."

COMMUNITY FIRST

The company strives to operate as a responsible corporate citizen, supporting local charities, sponsorships and causes whenever possible.

"Trying to help the community out in any way we can is just the right thing to do," Freeman says.

In the future, Freeman would like to see the public gain a greater understanding of the oil and gas industry to ultimately break down any preconceived notions that may be common in some areas.

"We're just as concerned about the environment and the earth as anybody else," he says "We'd like to utilize and take advantage of domestic reserves and not be so dependent on foreign reserves. We can all interact together in a safe manner – which will be a win-win for everyone."