



COASTAL CHEMICAL CO., L.L.C.

Drilling Rig Service Program

This program was designed for the drilling rig industry to decrease costs by conducting the following activities:

- ✓ Monitoring engine condition.
- ✓ Extending oil drain intervals.
- ✓ Eliminating engine and pump failure.
- ✓ Develop a communication process that insures timely corrective action.
- ✓ Ensure fuel supply.

We achieve these goals through our “Total Fluid Management” program:

Oil Program / Sampling Program – Samples are collected each month by Coastal personnel from all engines and mud pumps on each rig and sent to a laboratory for detailed analysis. Extended drain intervals are then made possible based on oil analysis results each month. A determination is made for each unit based on sump capacity, engine make and model, and type of operation for each component. *This allows continuous protection of the equipment while minimizing oil changes and unit downtime.*

Preventive Maintenance Training – Coastal personnel are available to train tool pushers and other personnel on the use and benefits of oil analysis and the analysis reports. They can also give presentations on problems found through oil analysis and how to **incorporate changes in maintenance practices to prevent future failures**. *This leads to a better awareness of the value of good maintenance practices and offers the most value.*

Monthly Management Report – This report is generated each month to summarize the abnormal and critical results from the previous month. It allows management to target areas or rigs of concern. *This report lets managers know if corrective action is being taken.*

Fuel Program – Fuel additives provide protection against microorganisms in fuel tanks. This results in increased fuel efficiency, reduced tank cleanings, and the elimination of clogged injectors. We also take a proactive usage analysis of ongoing consumption needs to ensure that the rigs with the greatest need for fuel are getting it. *This is accomplished through daily communication between dispatchers and rig hands.*

Coolant Program – Includes premium extended life product, which through routine analysis can remain in the engine for many years. Regular testing will indicate fluid condition and when necessary additives can be inhibited to original specifications. *Maintaining quality in your coolants is important at rig locations.*

Monthly Usage Report – This report summarizes deliveries to locations on a monthly basis. When product volumes are compared to actual drilling days for that month, a cost per operating day is easily determined and used to target any “high use” rigs or wells. *This special tool allows management to investigate unusual expenses.*