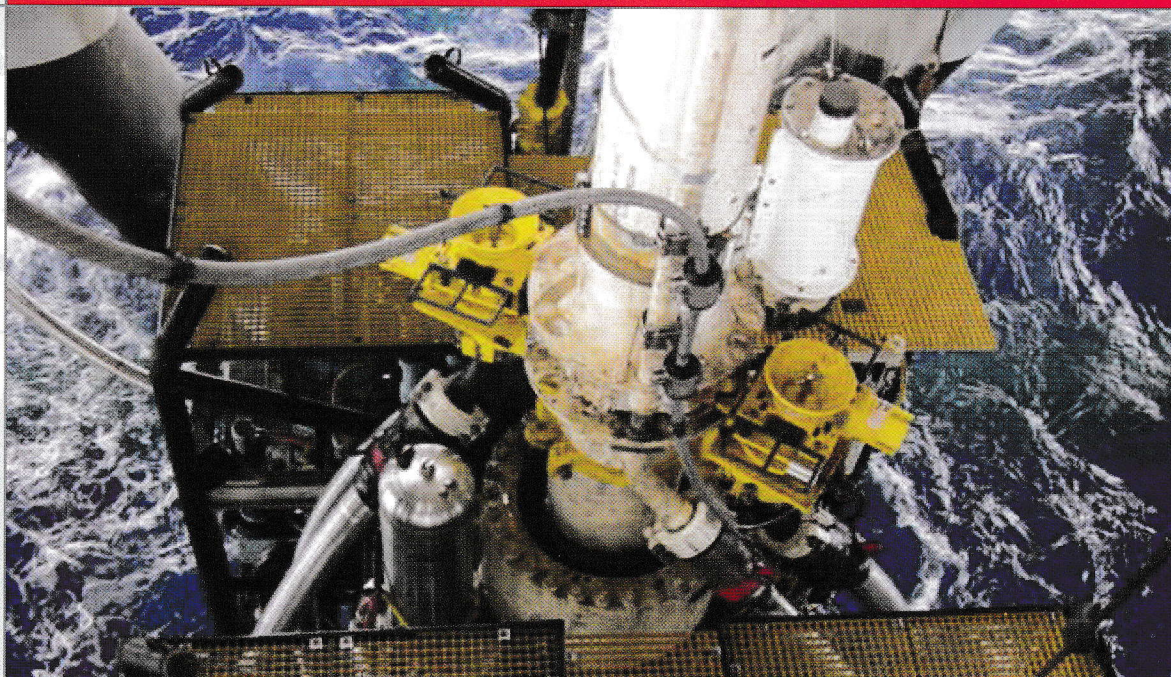


First Quarter, 2002

Volume 10, Number 1

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Subsea Mudlift Drilling

Field Test Success

The world's first Dual Gradient Drilled (DGD) well was successfully drilled offshore Louisiana on ChevronTexaco block GC 136 #8. This article is the first of a series of articles that will summarize this break-through drilling technology.

Phase III of the SubSea MudLift Drilling Joint Industry Project (SMD JIP) has been completed. This was the last phase of a 5 year, \$50 million collaborative effort to develop and deliver dual gradient drilling technology to the deepwater petroleum industry. The SubSea MudLift Drilling JIP is historic both from the perspective of its size and of its significance to deepwater drilling. By all accounts, the project was a resounding success. The equipment and procedures developed in the project were used to drill a dual gradient well in a ChevronTexaco operated deepwater drilling environment. The system is now commercially available.

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