

TWMA contract extension shows environmental commitment from Oilexco

Aberdeen-based global drilling waste management firm TWMA has announced a contract extension worth £6 million with Oilexco North Sea Limited, a wholly owned subsidiary of Oilexco Incorporated, the Canadian energy company focused on the UK North Sea. This contract extension between the two companies, which will commence this month **[April]**, demonstrates commitment from Oilexco to minimise the environmental impact of their drilling operations as well as improving safety and operational efficiencies.

TWMA is the only company in its field which is currently capable of processing and disposing of hydrocarbon drilling waste (cuttings) in a safe and environmentally sound way at source, offshore. The fluids recovered from the treatment oil and water can be recycled and there are no emissions to the atmosphere from the process.

The new work scope will run for the duration of 24 months on the Ocean Guardian rig. TWMA will supply CCDS equipment and personnel for handling of oil based mud contaminated drilled cuttings, supply of TCC-RotoMill thermal processing technology and specialist personnel for offshore processing of oil based mud contaminated cuttings.

TWMA managing director, Ronnie Garrick said: "Industrial waste management is a complex and costly activity for any business and the oil and gas industry is no exception. With the near doubling of waste generation in the past 40 years, protection of the environment through reuse and recycling of materials is now a top priority.

"Legislation is driving this priority and the requirements for legal compliance are stringent, onerous and ever changing. More than 50,000 tonnes of cuttings are transferred from offshore installations in the UK sector of the North Sea for onshore treatment disposal. This has serious safety, logistical and environmental implications apart from the high costs involved - TWMA, through the use of the cost saving

TCC-Rotomill, can address all of these concerns.”

The original contract, awarded in 2006, saw TWMA supply handling equipment and thermal processing on the rig Transocean 712. Since mobilising in July 2006 over 5,000 tonnes of cuttings have been processed offshore by TWMA for Oilexco, significantly minimising environmental effects with 4000 tonnes of solids not having to go to landfill and improved safety through a reduction in the number of crane lifts required.

Oilexco drilling manager, Adrian Jones said: “The 712 operations have been handled with a high level of professionalism by the TWMA team and we had no hesitation extending the contract for drill cutting processing onto the Ocean Guardian rig. Oilexco takes environmental practise and the safety of personnel very seriously. By using this onsite process, it allows us to achieve the highest standard for both.”

- ENDS –

Issued on behalf of TWMA by ThinkPR. For further information on TWMA contact Julie Roberts on 01224 652964 or email Julie@thinkpr.co.uk

Notes to Editors:

TWMA’s vision is to become the world leader in the handling and treatment of waste generated by drilling operations. The company understands that drilling related waste, from both onshore and offshore, represents an increasing problem for the oil and gas industry - wastes varying widely, include non-hazardous recyclable materials, low volume toxic materials and drill cuttings. TWMA aims to address these problems by continuing to develop new technologies and services in this field to retain its leading innovative position in its specialist field.

Since the acceptance of the TCC-RotoMill technology and its use in offshore applications (by both DTI and most of the operators in the North Sea), more than 13000 tonnes of cuttings have been processed offshore and as a result over 8,800 tonnes of solids did not have to go to landfill.

In February 2007 TWMA secured significant growth capital from Lime Rock Partners, a private equity firm focused on the global energy industry, to support global expansion of TWMA.