

## Weatherford Canada Partnership becomes Fiberspar LinePipe™ distributor and preferred installer in Canada

Weatherford Canada Partnership, a wholly-owned subsidiary of Weatherford International, has become a non-exclusive distributor and preferred installer in Canada for Fiberspar LinePipe. Weatherford Canada has also acquired installation equipment and hired key operating and field personnel from Fiberspar Canada, Inc., who had been the exclusive distributor for Fiberspar LinePipe in Canada for the past three years.

Robert McNair, Vice President of Weatherford Artificial Lift Systems, said, "We are very excited to establish this relationship with Fiberspar and believe that the unique and patented high-pressure, spoolable, fiber-reinforced plastic pipe developed and manufactured by Fiberspar will enable significant cost savings for our customers. Fiberspar LinePipe lowers installed costs, reduces operating costs, and improves pipeline integrity by eliminating corrosion in most common gathering or injection applications."

Dave Addie, Weatherford's General Manager, went on to say, "Although traditionally Weatherford has not been involved with the in-field pipelining industry, we believe our BMW distribution organization and infrastructure can be leveraged to allow the benefits of this important new technology to be realized by our industry."

Fiberspar President Peter Quigley added, "Fiberspar is pleased to establish this new relationship with Weatherford/BMW in Canada, and we are confident that there will be a continuity of installation, technical, and operating support that will allow both our existing and new customers to have superior service going forward."

In the past three years, more than 400 kilometers of Fiberspar LinePipe have been installed in Canada, primarily under experimental pipeline permits from the Alberta Energy and Utilities Board (EUB) in Alberta. With the new Canadian Standards Association (CSA) Pipeline Regulations Z662-03 approved in July 2003, Fiberspar LinePipe now meets CSA and EUB requirements for most gathering and injection applications.

Mr. Quigley also added, "Weatherford's extensive resources, personnel, and infrastructure combined with the new CSA compliance, will allow the benefits of Fiberspar LinePipe to be made fully available to the Canadian energy industry."



## Fiberspar creates first long-term LinePipe supply agreement

A major operator has specified Fiberspar LinePipe exclusively for all gathering lines to tie in new production for a long-term drilling program. More than 350,000 ft of Fiberspar LinePipe is expected to be installed annually by the operator in a Texas gas field. This agreement also makes provision to extend the relationship to five other U.S. oilfields.

Historically, this operator had used stick fiberglass because of the corrosive nature of gas production. Fiberspar demonstrated over a twelve-month trial period that LinePipe has a lower installed cost than stick fiberglass, and also has the added benefit of faster installation. The trial program proved to the operator that even though LinePipe was close to 50 percent more expensive on a per-foot basis than stick fiberglass, when total installed costs were compared, LinePipe came out way ahead of stick fiberglass. When maintenance and repair costs associated with leaks that can occur at the joints of stick fiberglass were added, the operator concluded that the switch to LinePipe would substantially lower their operating costs. An added benefit to the operator is that through the extensive use of LinePipe in this field, more than 10,000 man hours of labor and equipment used for traditional pipeline construction will be eliminated. "This supply agreement is proving that through the everyday use of Fiberspar LinePipe technology in new pipeline construction, our end-user customers achieve lower capital costs, as well as reduced operating and HSE costs," said Fiberspar President Peter Quigley.

*Fiberspar Spoolable News continues on reverse side*

## Fiberspar LinePipe meets new Canadian Standards Association Specification; also accepted by Alberta Energy and Utilities Board for routine pipeline permitting

For the past three years, Fiberspar engineers have worked with the Canadian Standards Association (CSA) subcommittee to draft industry specifications for Fiberspar LinePipe. In July, 2003 a new CSA pipeline specification, Z662-03, was published. Fiberspar LinePipe fully complies with this new specification.

In August, 2003, the Alberta Energy and Utilities Board (EUB) fully qualified Fiberspar LinePipe for gathering and injection applications. This recognition came after an EUB experimental period. LinePipe samples were taken from more than thirty-five commercial installations in Alberta after two years in service. A thorough set of EUB-specified tests were performed and results compiled and reported to both operators and the EUB.

The permitted applications under CSA and EUB regulations were also expanded for LinePipe to include gas service up to 300 ANSI pressure rating, and 10,000 ppm<sub>2</sub>S. In Canada, fiberglass products have historically been prohibited from gas service due to poor service history, primarily from leaking joints. Based on the technical features and positive field performance of LinePipe, both the CSA and EUB have agreed to expand the range of applications where LinePipe can be installed on a routine basis.

"We were pleased to work closely with both the EUB and CSA to develop the new specifications and to qualify Fiberspar LinePipe as a routine material for pipelines in Canada", said Peter Quigley, Fiberspar President and CEO. "This opens the way to broad acceptance in the Canadian market. The approvals demonstrated that Fiberspar LinePipe is well on the way to becoming the preferred technology for pipelining in North America."

## Fiberspar corporate offices and LinePipe manufacturing have moved closer to our markets

Because of rapidly growing oilfield acceptance of LinePipe technology, Fiberspar has relocated its corporate offices and manufacturing operations to Houston, Texas. Houston's strategic location near oilfield operations and headquarters of many significant customers in North and South America allows Fiberspar to better serve the market and reduce transportation costs and time. The new 25,000 sq ft facility is custom-designed for Fiberspar's requirements. It houses corporate offices, sales, service, engineering, administration, manufacturing, production, warehousing, and storage. The new facility is an expansion of Fiberspar's current sales and distribution facility in Northwoods Industrial Park West on Houston's north side. Fiberspar's Houston address, phone, and fax numbers remain the same. The move has been completed and manufacturing is now in full operation.

"Our current and future growth compelled us to make this move," said Fiberspar President and CEO Peter Quigley. "It comes at exactly the right time. We outgrew our West Wareham, Massachusetts facility, and our new partnership with Weatherford (see nearby story) is expected to significantly increase LinePipe business in North America. Our costs are now lower, delivery times faster, and our customers better served."