



**ERIELL**



ERIELL Group -  
Partner KHL Championship





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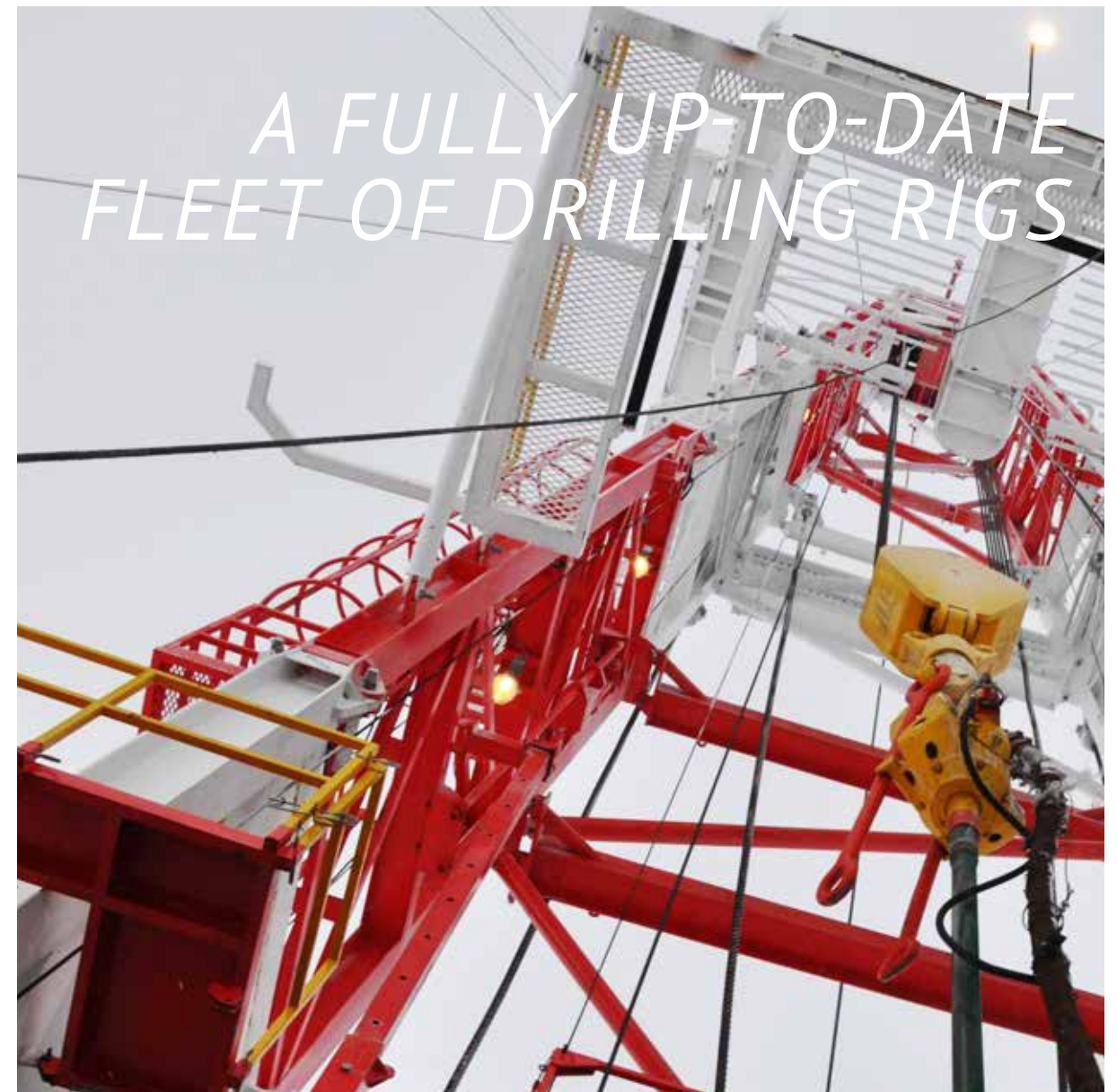
### About ERIELL Group

ERIELL is an international oilfield service group providing well drilling and workover services to leading oil and gas companies in the Russian Federation, Central and Southern Asia, and Middle East.

The Group's development strategy is organic growth and geographic diversification of the orders portfolio.

ERIELL has a competitive advantage in the Russian oilfield services market because of its broad range of modern and technologically sophisticated drilling equipment - from light and mobile drilling rigs to unique super-heavy rigs with a lifting capacity of more than 600 tons.

*ERIELL has invested in technology and innovation to secure a position among industry leaders, providing services to the same high standards in extreme desert climates, mountainous regions and permafrost zones.*



### Long-term partnership

*In the territory of the Russian Federation the Group implements projects for JSC Gazprom Neft, ZAO Achimgaz, Gazprom Neft Novy Port LLC, OJSC Severneftegazprom, Arcticgas JSC, JSC Yamal LNG, etc.*

# BEING THE FIRST LINK IN THE CHAIN OF OIL AND GAS DELIVERY TO THE CONSUMER



## **Mission and vision**

*To be a preferred drilling contractor to the leading oil and gas companies by providing best performance, safety and quality.*



*To become the drilling contractor of choice for oil and gas companies.  
To offer the best operating standards.  
To become the most attractive employer in the industry.  
To always exceed our clients' expectations.*



# ERIELL GROUP HISTORY



## 2004

*Signing of first contract for drilling work in Uzbekistan.  
Startup of the first drilling rig.*

## 2004–2007

*ERIELL leads the market for drilling services  
in Uzbekistan.*

## 2007

*Expansion of drilling services (plugging operations,  
drilling muds, directional drilling, etc.).*

## 2008–2010

*Expansion of the drilling rig fleet.  
Signing of major contracts with leading Russian oil  
and gas companies.  
Projects in Turkmenistan and Libya.*

## 2011–2012

*ERIELL enters new markets (Bulgaria, Bangladesh).  
The Group opens its own training centre.*

## 2013–2014

*ERIELL shows a number of record results in horizontal  
drilling in the Yamal-Nenets Autonomous Area.  
The ERIELL Training Centre has been accredited by the  
IADC (International Association of Drilling Contractors)  
as the well control training provider authorized to issue  
WellCAP certificates.*

## 2015

*ERIELL makes long-term contracts with  
Gazprom neft Novyi Port and Yamal LNG for drilling  
of 136 and 39 wells in Yamal.  
A new regional office of the company is opened  
in the UAE.  
Signing a contract for drilling in Iraque  
with LUKOIL Overseas Iraq Exploration B.V.  
The Group continues cooperation with KHL.  
ERIELL Group becomes general sponsor of Spartak Ice  
Hockey Club (Moscow).*

## 2016

*Drilling Rigs to be Mobilized for Exploration  
of the West Qurna-2 Field, Iraq.  
Excavation Hit a New Record: 947,000 m.  
Russian Unit of the Group Recognized as Leader  
in Exploitation and Production Drilling,  
(Moscow Annual Oil and Gas Conferences).*



# TO APPLY MODERN TECHNOLOGIES AND ADVANCED EQUIPMENT



## **Competitive advantages**

*ERIELL takes the lead in the markets of Russia and Central Asia and has entered the international market. Partnerships with leading international and key Russian oil and gas industry companies are being successfully developed.*



*Competitive advantages, which justify ERIELL's reputation as an industry leader and reliable business partner, include:*

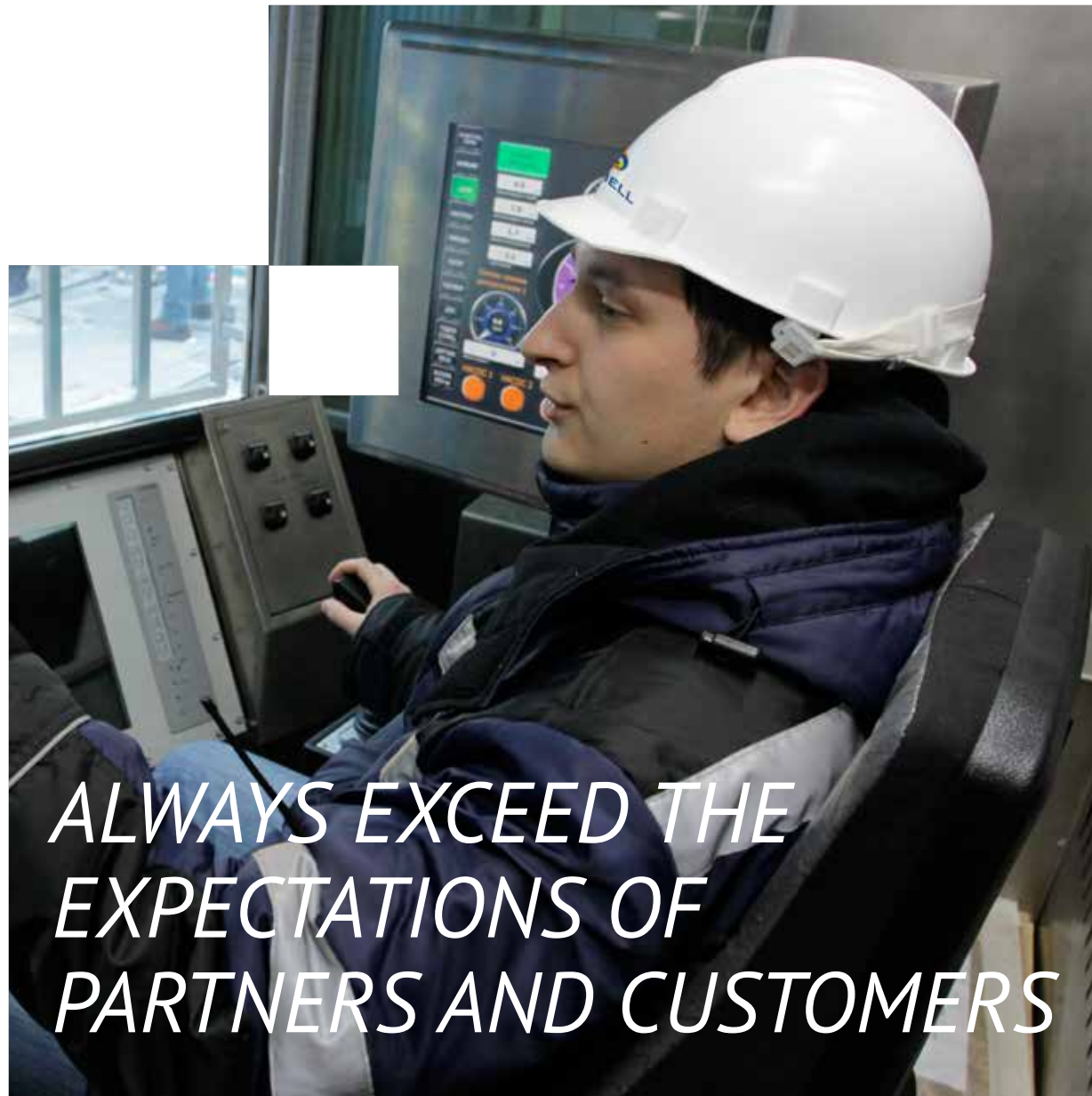
**A qualified team of professionals:** business executives, managers, engineers, technologists, and drilling crews who are fully versed in modern technology and have experience working in both Russian and international companies and projects.

**Integrated project management** ensures use of optimal technology solutions to achieve best possible results.

**ERIELL has executed projects in various regions** and is able to adapt quickly to new geographic, infrastructural and regulatory specifics while remaining a highly effective business partner.

**A wide range of modern and sophisticated drilling equipment.** ERIELL Group drilling rigs use up-to-date equipment to achieve the best results in oil and gas well construction. Drilling rigs are operated using an automated control system for drilling, monitoring, and diagnostics. ERIELL Group has a fleet of more than 70 drilling units, from mobile units to super-heavy rigs with lifting capacity of over 600 tons.





**ALWAYS EXCEED THE  
EXPECTATIONS OF  
PARTNERS AND CUSTOMERS**

### **Our services**

*ERIELL Group offers a full range of high-tech services for well construction specializing in horizontal drilling and implementation of projects on a turnkey basis.*



### **Drilling**

- exploration drilling (mobilization of drilling rigs and equipment, construction of drilling platform and utilities, rig installation, drilling and testing of exploratory wells up to 7,000 m);
- production drilling (drilling of vertical, directional, horizontal and multilateral wells, completion and launch of operations at producing wells);
- directional drilling, including that with rotary steerable systems;
- service works for cementing of casings and liners;
- sidetracking of previously drilled wells.

### **Well workovers**

- well stimulation through re-perforation and acid treatment;
- sealing and workover of production casings;
- temporary abandonment , reactivation and final abandonment of wells.

### **Integrated Project Management (IPM) and Service Contractors Management System**

- integrated contracting;
- engineering;
- supervising;
- coordination and administering of contractors operations;
- procurement of equipment and materials;
- logistics;
- design documentation development;
- organizing and holding of tenders;
- obtaining of design approvals from supervisory and regulatory organizations;
- risk control;
- reporting.

### **Additional services**

- well completion and testing;
- taking core samples in various mining and geological conditions;
- preparation and servicing of drilling muds, including oil-based ones;
- services using coiled tubing units for workovers, bottom-hole zone treatment and other tasks.



# GEOGRAPHY OF OUR BUSINESS

ERIELL Group operates in various regions of the world, implementing projects for the leading Russian and international oil and gas companies.



Extensive network of branches, crews and separate divisions has been established in the Group for operational project management:

- Russia: Moscow, Novy Urengoy, Nizhnevartovsk, Usinsk;
- Uzbekistan: Tashkent, Karshi;
- UAE, Dubai;
- Austria, Vienna;
- Czech Republic, Prague;
- Bangladesh, Dhaka;
- China, Beijing;
- Iraq, Basrah.

# TO BE THE BEST EQUIPPED AND MODERN COMPANY



## Drilling and auxiliary equipment fleet

ERIELL Group offers the major competitive advantage of a fully up-to-date fleet of drilling machinery and auxiliary equipment, including a super-heavy drilling rig with lifting capacity of 688 tons.



## Machinery and equipment

Most of the Company fleet consists of fixed cluster rigs and mobile drilling units from the world's largest manufacturers and suppliers (Uralmash, Honghua, Caterpillar, National Oilwell Varco, Derrick, Allison, and Volvo Penta).

The Company works constantly to expand and upgrade its capacities, taking account of customer preferences and requirements.

Rig type	Rig lifting capacity		Draw-works h.p.
	kN	ton-force	
ZJ90DBS (fixed onshore)	6750	688	4291
ZJ70DBS (train-type)	4500	459	2682
ZJ70DBS (fixed onshore)	4500	459	2682
ZJ70LDB (fixed onshore)	4500	459	1971
ZJ50DBS (train-type)	3200	326	1500
5000/320 EK-BMCh (train-type)	3200	326	2012
ZJ40DBS (train-type)	2250	229	1341
ZJ40 MBU (mobile rig)	2250	229	1000
MR-I-ER225 MBU (mobile rig)	2250	229	1000
ZJ30 MBU (mobile rig)	1800	183.5	697
ZJ30-T MBU (mobile rig)	1700	173	697
ZJ20-T MBU (mobile rig)	1580	158	496
Koro-80 (hoist unit)	800	73	579
AK-60 (hoist unit)	600	55	225
APR-60/80 (hoist unit)	784	80	400
APR-80 (hoist unit)	784	80	400
MK 20-T (coil-tubing)			400

ERIELL Group has its own fleet of motor transport, loading equipment and high-tech special machinery (more than 900 units in total), including heavy trucks, trailers, bulldozers, excavators, snow- and swampmobiles, tractors, all-terrain vehicles, cranes, high-sided trucks, mobile steam units, mobile compressor nitrogen units, as well as plugging, coiled tubing and separation machinery and cementing equipment.



ERIELL drilling rigs meet international quality standards and are equipped with modern detachable and BOP equipment from the world's leading manufacturers, as well as with new drilling tools.

# TO USE ADVANCED OILFIELD SERVICE TECHNOLOGIES



## Our technologies

ERIELL drilling rigs meet API standards, enabling us to implement projects in the most challenging climates and natural environments, from the sands and deserts of Central Asia and North Africa and in the permafrost zones of northern parts of West Siberia.



ERIELL has experience of successful project implementation at extreme ambient temperatures ranging from -50°C to +50°C.

## ERIELL Group is successfully using the following technologies:

- drilling in the most demanding geological conditions:
  - with hydrogen sulfide and carbon dioxide aggression;
  - at drawdown pressure, with passage of chlorhydric and anhydride formations;
  - in salt flowage zones;
  - abnormally high and abnormally low pressures;
  - in areas with partial or complete mud loss;
- isolation of productive formations in complex geological sections;
- application of horizontal well casing methods, which preserve formation properties;
- application of non-clay, biopolymer, polymer-saline, polysaccharide drilling muds, as well as oil-based ones;
- elimination of behind-the-casing flows;
- high-tech multi-stage well cementing using packers;
- drilling with rotary steerable systems;
- conductor pre-drilling, drilling with liners using mobile drilling rigs;
- pitless drilling using coagulation & flocculation unit (CFU);
- a five-stage cleaning system with a drying agent for oil-based drilling muds.

# TO BECOME THE MOST ATTRACTIVE EMPLOYER IN THE INDUSTRY



## Personnel Policy

*Our most valuable asset is our people: all members of the ERIELL team, from executives to managers, engineers and drilling crews with high qualifications and the experience in both Russian and international companies and projects.*



The Group's human resource policy is designed to create a team of professionals who are committed to implementing Group business strategy and who share ERIELL's corporate values. Our aim is providing decent and competitive working conditions and safety in the workplace, as well as ensuring a comfortable social climate.

Corporate HR policy is aimed at improvement of staff training and remuneration systems and ensuring of an inflow of young professionals to the Group. We work actively to encourage graduates from leading specialized universities to apply for jobs at ERIELL.

As part of our professional development program, company employees can refresh and improve their qualifications by pursuing courses of study at leading oil and gas industry training institutions in the following areas:

- specialized and new drilling technologies;
- operations in aggressive hydrogen sulfide environments;
- prevention of oil and gas ingress (including to IADC requirements);
- project management theory and practice;
- implementation of an integrated management system.



*The key to the Group's long-term success is ensuring that each employee is efficient and that his or her work is really relevant to our objectives.*





### Employees

ERIELL makes every effort to ensure that its employees benefit from best-possible conditions for work, rest and recreation at Group project facilities, including healthcare and hygiene.

All employees at drilling facilities receive four free meals daily. Corporate sports competitions (football, tennis, swimming, chess and other sports) are held on a regular basis, ensuring that our employees can spend their leisure time in a varied and enjoyable way.



### Society

We provide financial support for the construction and reconstruction of pre-school facilities and secondary schools.

ERIELL looks into the future with confidence and does all it can to ensure that rising generations have the best-possible career, leisure and social opportunities.



### Sponsorship



ERIELL is a partner of the Kontinental Hockey League (KHL). The KHL is more than a national championship: it is an international sports project, which aims to promote healthy lifestyles in Russia and other countries of Europe and Asia.

Since 2015, ERIELL has been general sponsor of Spartak Ice Hockey Club (Moscow).



### Social responsibility

*ERIELL Group is committed to the best interests of its employees and their families and to supporting regional development and improvement of living standards in the territories where it operates.*



# TO ENSURE THE HIGHEST QUALITY OF WORK WHILE CARING FOR THE ENVIRONMENT



*Our waste minimization program is part of the ERIELL HSE Management Policy and is designed according to international standards. We use environmentally friendly technologies in order to reduce adverse effects on the environment. These technologies include: pitless drilling using additional coagulation & flocculation units (CFUs); and a five-stage system for cleaning of vertical centrifuges with a drying agent for oil-based drilling muds, etc.*



## **HSE Policy**

*ERIELL Group puts a high priority on ensuring safe and healthy working conditions for our employees as well as on the safety and well-being of people living in the territories where we operate. In order to achieve these goals we take measures minimizing environmental impacts.*

*For this purpose ERIELL Group implements an integrated management system for industrial and environmental safety designed in full compliance with laws, regulations, rules and regulatory documents of the territories where we operate and taking account of best practice in this sphere.*

*TO OFFER THE BEST  
OPERATING STANDARDS  
AND BE THE BENCHMARK  
FOR QUALITY*

*ERIELL intends to become an industry leader in operating efficiency,  
while achieving best quality.*



*ERIELL Group deploys state-of-the-art drilling technologies. International licenses held by the Group confirm that the quality it delivers matches the best international standards.*

### **Conformance to recognized international standards**

*All our main operations are carried out in conformity with the following international standards:*

- *Integrated Management System (ISO): ISO 9001:2008, ISO 14 001:2004, and OHSAS 18 001:2007;*
- *Energy Management System BS EN 16 001:2009.*

*We are also members of the following professional associations:*

- *Self-Regulating Organization "Inter-regional Union of Builders";*
- *International Association of Drilling Contractors (IADC-2014), USA;*
- *Association of Drilling Contractors, Russia.*



# TO BECOME THE DRILLING CONTRACTOR OF CHOICE FOR OIL AND GAS COMPANIES

## Major customers

ERIELL Group cooperates with leading Russian and foreign companies:

- LUKOIL Uzbekistan Operating Company
- LUKOIL-Komi
- LUKOIL Overseas Iraq Exploration B.V.
- Gazprom Neft
- Gazprom International
- Gazprom Neft Novy Port
- GISSARNEFTEGAZ
- Uzbekneftegaz
- Uz-Koz Gas Chemical
- Severneftegazprom
- Gazprom Dobycha Nadym
- Sibneftegaz
- Samotlorneftegaz
- Arcticgas
- RN-Yuganskneftegaz
- NK Alliance
- Yamal LNG
- JV RUSVIETPETRO
- Achimgaz
- Messoyakhneftegaz
- Geotransgaz
- Severneft-Urengoy





ALWAYS TO  
BE A RELIABLE  
BUSINESS  
PARTNER

### Company Suppliers

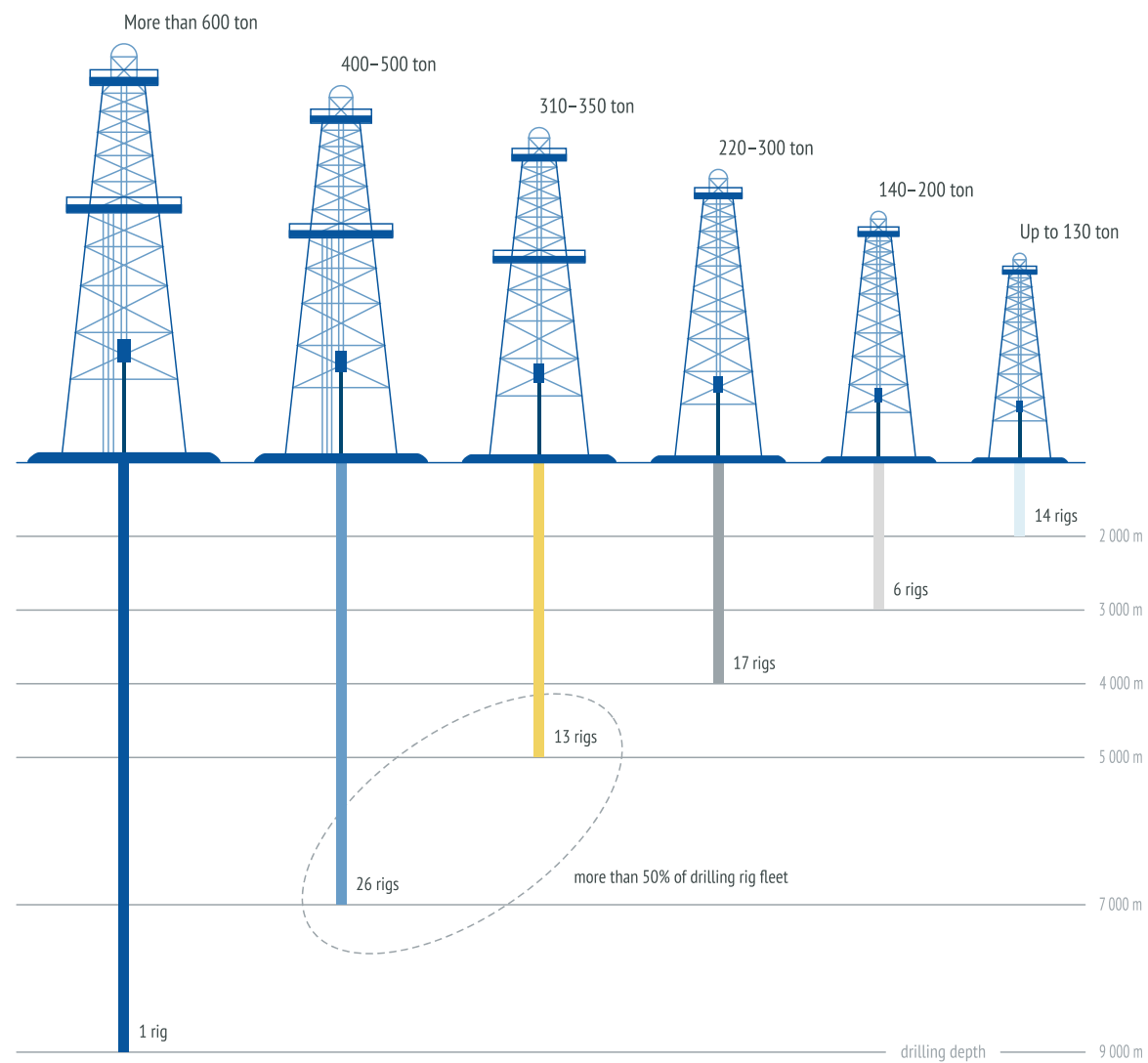
ERIELL seeks to ensure implementation of all its projects to the highest standards, therefore the Group chooses reliable service companies to cooperate with. Our partners include world-class manufacturers of equipment, materials and technical resources, as well as drilling service companies, such as:

- Schlumberger
- Halliburton
- Baker Hughes
- National Oilwell Varco
- Weatherford
- Caterpillar
- Cameron
- Derrick
- Allison
- Volvo Penta
- MI-Swaco
- Varrel
- NTS
- Honghua International
- Jereh Oilfield Services&Equipment
- Uralmash
- CCS
- TNG Group
- Voestalpine
- Tesco

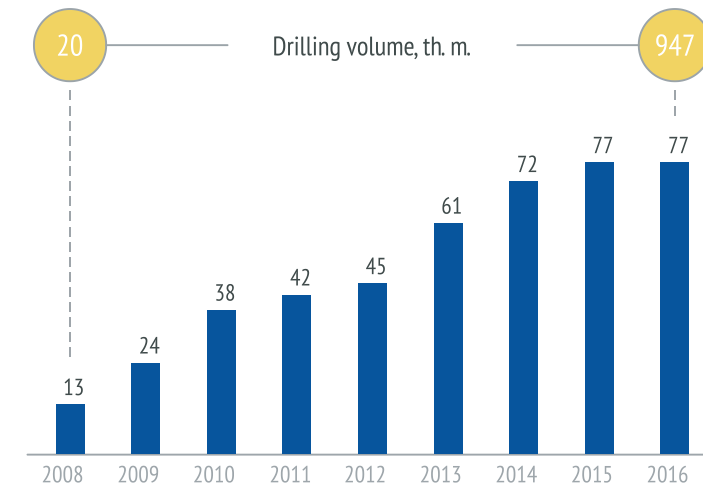


# DRILLING RIG FLEET

ERIELL's fleet is mainly populated by heavy-duty high-output drilling rigs allowing to drill challenging deep wells in severe conditions of Yamal.

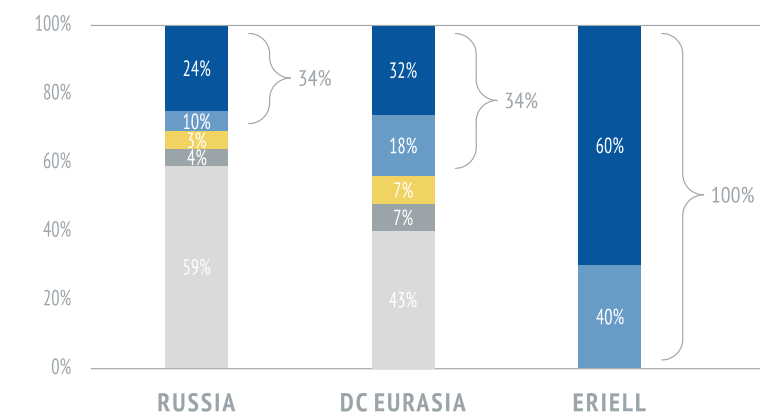


Implementation of investment programme allowed ERIELL to sextuple its drilling rig fleet.



## DR fleet's age composition

ERIELL possesses one of youngest and high-tech drilling rig fleet in Russia.



● Less than 5 years ● 5-10 years ● 10-15 years ● 15-20 years ● More than 20 years

# CONTACT INFORMATION



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