

Boomtown: Industry demand skyrockets

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Wednesday, 30 June 2010 03:59

Growing global demand for energy has producers rushing to unlock deeply buried energy-bearing shale formations and plumb the oceans' depths in increasingly service-intensive endeavours. As a result, oil-field service providers have seen their earnings rebound rapidly from the recession.

"This is a tremendous business to be in right now," said Baker Hughes Chief Operating Officer Martin Craighead. "We just don't see an end," he said, to the growing complexity and service demands of unconventional drilling.

While lateral bores of 6,000 feet have been the norm, many customers now want to drill horizontal wells stretching up to 10,000 feet, Craighead said. Deaton, the chief executive, said that in some North American basins Baker Hughes' customers are waiting up to 180 days for the company's pressure pumping service, an essential element in forcing oil and gas from shales.