AMERICAN GILSONITE COMPANY

Ensures wellbore stability, controls fluid loss and reduces costs with no HSE impact

Gilsonite® is the most cost-effective multifunctional additive for any type of mud.

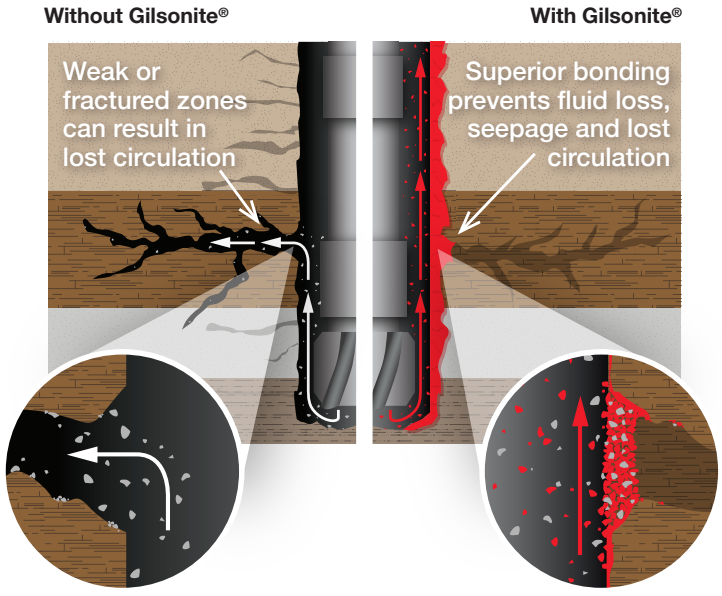
With its unique chemical properties and physical characteristics, Gilsonite® uintaite is scientifically proven to improve wellbore stability, plug micro-fractures, and bond and seal all types of formations. Multifunctional Gilsonite® lowers costs by allowing you to use fewer additives.

Gilsonite® uintaite is the only additive that provides all of these benefits:

- > Controls fluid loss and seepage
- > Stabilizes shales
- > Prevents lost circulation
- > Strengthens the wellbore
- > Minimizes differential sticking
- > Performs in oil- and water-based drilling muds
- > Performs in HP/HT environments
- > Passes deepwater EPA regulations

Unique bonding and plugging properties prevent formation damage

Gilsonite® uintaite forms a physical and chemical bond with permeable formations, creating an effective seal to prevent the passage of drilling fluid. By uniquely functioning as both a malleable and solid plugging agent, Gilsonite® controls fluid loss and seepage, prevents lost circulation and protects reactive and low-reactive shale surfaces, even at elevated bottomhole temperatures.



Proven to strengthen the wellbore

HP/HT wells, shales and underpressured zones require specialized drilling fluids and wellbore-strengthening techniques. Adding Gilsonite® uintaite to an OBM or WBM strengthens the well by:

- > Reducing pore pressure transmission and sealing micro-fractures in shale and low-porosity sands
- > Keeping interbedding formations intact
- > Developing effective filter cake
- > Providing a “smear effect” that creates a continuous protective sealant along the wellbore wall

The most effective additive to prevent differential sticking

Gilsonite® uintaite minimizes the occurrence of stuck pipe and stuck logging tools by thoroughly sealing permeable formations – even in zones with a highly overbalanced pressure differential – and improving filter cake lubricity.

American Gilsonite Company products perform in any application

Product	Softening Points	Mud Type
Gilsonite® XM-P	>325° F	OBM
Gilsonite® LM-P	>350° F	OBM
Gilsonite® GM-P	>350° F	OBM
Gilsonite® HT Series	400-500° F	OBM
Gilsonite® AquaSol Series	325-500° F	WBM

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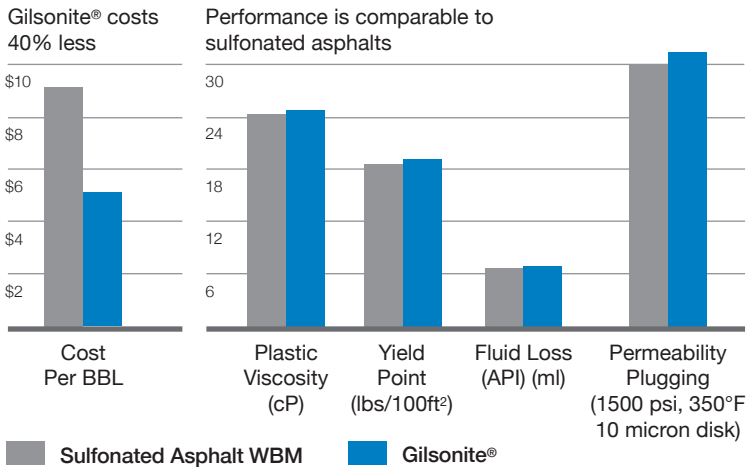
Gilsonite® uintaite has overwhelming performance advantages over alternatives

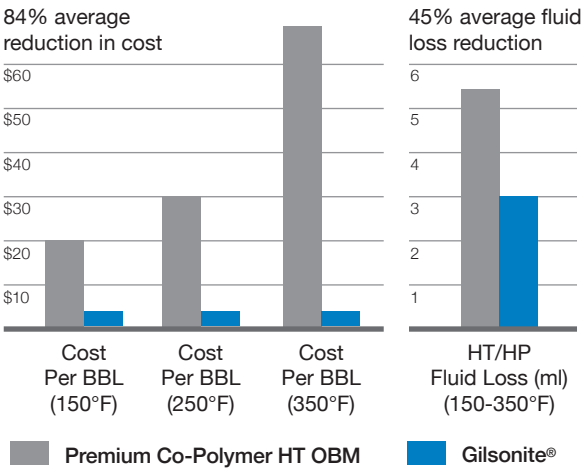
	Cost-effective	High Temperature	Controls Fluid Loss	Minimizes Differential Sticking	Stabilizes Wellbore	Non-Clumping	Strengthens Wellbore	Smear Effect	Coats & Bonds	Minimal Odor
GILSONITE®	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Lignite	✔	✔	✔	X	X	✔	X	X	X	✔
Oxidized / Sulfonated Asphalts	X	X	✔	X	✔	X	✔	✔	X	X
Bitumen	✔	X	✔	X	X	X	X	✔	X	X
Petroleum Coke	✔	✔	✔	X	X	✔	X	X	X	X
Coal	✔	X	✔	X	X	✔	X	X	X	X
Grahamite	X	✔	✔	✔	X	✔	✔	✔	X	✔
Glance Pitch	✔	X	✔	✔	✔	✔	X	✔	X	X

Gilsonite® uintaite offers significant cost advantages in both OBM and WBM applications

Water-Based Mud Applications:
Gilsonite® is comparable to sulfonated asphalts, but priced 40% less.



Oil-Based Mud Applications:
Gilsonite® reduces fluid loss at a fraction of the price.



Gilsonite® is naturally better®

Gilsonite® uintaite is a naturally occurring asphalt-like solid hydrocarbon rock found only in northeastern Utah. Gilsonite® has significant health advantages over synthetic products.

> Gilsonite® is:
- Non-toxic (unlike coal or fly ash)
- Non-carcinogenic
- Non-mutagenic

> No extreme safety measures are needed to handle Gilsonite®

> Passes Gulf of Mexico EPA discharge requirements for deepwater operations

Proven in more than 60 years of oilfield performance

The effectiveness of Gilsonite® uintaite as a versatile additive has been documented in over 50 SPE and other peer-reviewed presentations.

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There's only one source of Gilsonite®. **Proven under pressure®**

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