

# Inland barge contractor adding technology to units

**AXXIS DRILLING IS** one of those few companies that buck a trend and in doing so distance themselves from the rest of the pack. The company intends to fill a need from the tremendous influx of independents that are moving into the inland waters of Louisiana as a result of major operators releasing their concessions.

The company, formed only in January 2000, built an inland water drill barge that was delivered in 2002, and bareboat charters a second unit. The new drill barge was the first such unit built in 20 years and includes numerous new technologies not found on older rigs.

While the company is relatively new, the principals and officers bring to it more than 100 years of combined experience. Axxis was formed in January 2000 by **Robert P (Bob) Dunn** with the goal of forming a truly South Louisiana-based barge drilling contractor. Mr Dunn alone brings more than 30 years of experience in the drilling business.

He was the President of **Mallard Bay Drilling** for seven years and was with **Zapata Offshore** for more than 20 years before that. When **Parker Drilling** bought Mallard Bay, Mr Dunn became President of Parker's international division.

The Axxis management team also includes **Michael Topham**, CFO; **Kelly Boudreaux**, Vice President of Operations; **John Stevens**, Drilling Manager; and **Rene Borel**, Vice President of Marketing.

## ENTERING THE MARKET

"One of the reasons we got into this market was because the majority of rigs

in this segment average 27 years old," Mr Dunn explained, "so by the process of natural attrition, some new construction has to come into the market place at some point."

drilling expertise is uncommon especially for a small young company like ours, and they really enjoy being able to pick up the phone and talk to the owner."

The newbuild drill barge, the **Independence**, is a 2,000 hp conventional drill barge featuring circular mud tanks, high capacity cranes and full electronic monitoring of the drilling operations. It was designed to achieve a transit draft of only six feet.

The mud handling and processing systems consist of circular tanks to aid in better mixing capabilities. The tanks eliminate build-up found in corners of square tanks and they create better shearing capabilities.

The mud handling system includes three Derrick shakers consisting of two flow line cleaners and one mud cleaner, in addition to a Gumbo Buster.

The **Independence** features two cranes rated at 21 short tons at 30 ft, far greater capacity than typically found on inland water drill barges, in order to accommodate the heaviest projected lift during operations.

Both the **Independence** and the **Freedom**, a posted inland water drill barge that is bareboat chartered from **Perforadora Central** in Mexico, feature the latest in electronic monitoring. This allows the client to minimize costs on additional electronics.

Virtually any of the operating parameters of the barge can be monitored by the system, which was provided by **Acadiana Oilfield Instrumentation**. The monitoring is stored electronically and provides the client with a data base at the completion of the well.



**Axxis' inland water drill barge Independence features circular mud tanks, high capacity cranes and the latest technology in remote monitoring to view virtually any operating parameter remotely in real time.**

"In short the driving forces behind Axxis are the aging fleet and the desire to bring some new technology into the market place," Mr Dunn noted.

"Our focus has been to add value for operators by reducing operational risk and downtime through improved methods and the latest technology."

"The bottom line is we want to be the low cost, high value producer for our operators" Mr Dunn continued. "We have been told by operators that the quality and depth of management and

Also, the information can be monitored in real-time from virtually any location via satellite connection to an Internet website. This allows the customer to "piggy-back" onto the rig system, thus reducing the cost of communications to the customer.

### **BENEFITING LOCAL ECONOMY**

Axxis wanted to become a truly South Louisiana barge contractor, and that not only means supplying drilling services for the region but benefiting the local economy as well.

While the Independence's topside was under construction at Regional Fabricators in New Iberia, the hull was also under construction at Trinity Marine in Madisonville and Bourg. The barge construction resulted in a payroll of approximately \$600,000 for the communities of Madisonville and Bourg.

The topside construction payroll, including subcontractors, was about \$2 million plus an additional \$1.5 million in

materials and improvements from local suppliers.

Axxis will also generate annual payroll of over \$2 million to operate the Independence. Additionally, Axxis intends to use local vendors to supply the on-going operational needs of the rig.

### **EXPANDING INTO THE FUTURE**

The reception of the Independence into the Gulf of Mexico inland water drill barge fleet, along with the belief of a strengthening market, has convinced the company that additional units with new technology like the Independence are needed.

As a result, the company is considering building two more barges, this time posted units to work in deeper waters along the coast.

"We are nearing completion of the financial and engineering process," Mr Dunn said, "I anticipate the barges will be ordered in the very near future."

The inland water market is a well-to-well market but it can provide consistent employment opportunities. "We began working for Clayton Williams on a well-to-well basis last year," Mr Dunn notes, "and we are drilling well number six for them now."

Mr Dunn said the company hasn't seen a lot of movement in deep gas wells yet but he believes it's coming "We believe that deeper plays are coming," he said, "and one of our new rigs will be a 3,000 horsepower rig to accommodate that segment of the market."

The company also has an eye on the international market. "We are looking at every international prospect within our realm of operation," Mr Dunn said.

"We already supply some labor internationally and we will grow on that," he continued. "We are also looking at select opportunities to go overseas to strengthen our domestic operations, but not at the cost of our disciplined approach to adding value and efficiency." ■