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World's 10 largest oilfield services companies

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It could be argued that the most difficult job in the oil and gas industry is oilfield services. Most oilfields tend to be located in geographically remote areas, and that's before you even start drilling. The logistics required to extract, process and transfer crude oil or gas would make most companies think twice about even entering the business in the first place.

So it was with this in mind that we at ArabianOilandGas.com decided to pay our respects and give you our list of the top 10 world's largest oilfield services companies.

The criteria we have used has been based solely on a company's revenues for 2008. However, there are a couple of anomalies that we should point out.

First of all we decided that we would exclude all NOCs and IOCs.

Second you will notice Fluor finished sixth on the list, but boasts higher revenues than any other company aside from Schlumberger. The simple explanation is that Fluor operates across a number of industries which accounts for its higher revenues.

Anyone who is au fait with the oilfield services industry will also notice a few glaring emissions. Where is Bechtel, Samsung Heavy Industries, Chiyoda, Hyundai Heavy Industries, SK Engineering, Technip, Tecnicas Reunidas etc?

To be honest a few of the above named companies should maybe have made the top 10, but during our research we found it almost impossible to separate the oilfield services side of their businesses from the rest. All we can do is apologise and promise to compile a list of the top 10 oil and gas contractors in the future.

1. Schlumberger Limited
2. Halliburton
3. Saipem
4. Transocean Ltd.
5. Baker Hughes
6. Fluor
7. Weatherford International
8. BJ Services Company
9. Petrofac
10. China Oilfield Services Ltd.

(Revenues in US dollars)

1. **Schlumberger Limited** ($27.16 billion)

When Conrad and Marcel founded the initial incarnation of Schlumberger in France back in 1926, I'm sure even they didn't know that it would one day become the largest oilfield services company in the world.

Schlumberger now operates in around 80 countries and has a staggering 82,000 employees. The company, registered in the Dutch Antilles and headquartered in Houston, Paris and The Hague supplies numerous products and services including seismic acquisition and processing, formation evaluation, well testing and directional drilling, well cementing and stimulation, artificial lift, well completions and consulting, and software and information management.

The CEO of the company, Andrew Gould, started work in the internal audit department at Schlumberger's Paris office in 1975. Since then he has held a number of positions within the company before assuming his current role in 2003.

In the Middle East Schlumberger are involved in numerous large scale projects for companies including Saudi Aramco, including the huge Dharan field, Abu Dhabi National Oil Company (ADNOC), Kuwait Oil Company (KOC) and Qatar Petroleum (QP) among many others.

2. **Halliburton** ($18.28 billion)

Although Halliburton has to settle for second place, there is no doubt that due to various controversies over the last decade, the company is far more famous than an oilfield operator should. A view, if you read the various disclaimers on its website, shared by Halliburton themselves.

The company started out in 1919 specialising in cementing oil well walls in Texas. Today Halliburton has 57,000 employees and operates in around 70 countries.

The company has dual headquarters in Houston and Dubai and provides technical products and services for oil and gas exploration and production.

The CEO of Halliburton, David J. Lesar, caused controversy in 2007 after announcing that he was moving to Dubai and would run operations from the Middle East. The move was believed to be in line with the company's growth in the region. Lesar said at the time: "As the CEO, I'm responsible for the global business of Halliburton in both hemispheres and I will continue to spend quite a bit of time in an airplane as I remain attentive to our customers, shareholders and employees around the world."

The move seems to have paid off and Halliburton has recently won some blue-chip contracts in the Middle East including Saudi Aramco's Manifa offshore field and the giant Khurais field in the Saudi desert.

3. **Saipem** ($14.1 billion)

A subsidiary of Italian energy company Eni, Saipem is one of the largest turnkey contractors in the oil and gas industry.

Founded in 1957, the Italian company has made its name handling the oilfield services for a number of challenging projects both on and offshore. With over 30,000 employees operating in all the major oil and gas producing nations, the company has earned a reputation in the industry for achieving results.

Saipem own and operate over 50 vessels that deal with all aspects of offshore construction and services activities including drilling and pipe laying.

The company has a number of high profile contracts in the Middle East and works with most major NOCs including Saudi Aramco, ADNOC and Sonatrach.

4. **Transocean Ltd.** ($12.67 billion)

Transocean Ltd. is the world's largest offshore drilling contractor. The company rents out floating, mobile drill rigs, along with the equipment and personnel needed for operations, to oil and gas companies.

The company was founded in the US, but is currently headquartered in Geneva, Switzerland. Transocean employs around 26,300 people and has offices in 20 countries around the world.

Transocean has a fleet of 136 vessels and units. company's day rates day rates currently extend as high as $650,000 for its deepwater drillships, which house dual activity derricks and are capable of drilling in ultra-deep ocean depths of 10,000 feet.

5. **Baker Hughes** ($11.86 billion)

Yet another oilfield services company headquartered in Houston, Texas. Baker Hughes provides the hydrocarbons industry with reservoir consulting and products and services for drilling, formation evaluation, completion and production.

With almost 40,000 employees operating in over 90 countries, Baker Hughes is an amalgamation of numerous companies whose combined history can be traced back to the early 1900s. The Hughes section of the name actually comes from Hughes Tools Company which was owned by the father of legendary American entrepreneur, aviator and recluse Howard Hughes.

The company has numerous large contracts with all the Middle Eastern NOCs such as Saudi Aramco, Qatar Petroleum and ADNOC as well as interests in places as diverse as Kazakhstan and Algeria.

6. **Fluor** ($22.326 billion)

In regards to revenues Fluor finishes above both Halliburton and Baker Hughes, but due to the companies various interests in other industries only manages to finish fourth on the list.

A Fortune 500 company, headquartered in the Las Colinas area of Irving Texas, Fluor employs over 41,000 people and has offices in 25 countries.

In regards to oilfield services the company provides the full range including. enhanced oil recovery systems, steam-generating plants, gas compression and injection systems, production systems for conventional fluids, gathering systems and separation systems. (gas-oil-water separation; gas and oil dehydration, desanding, desalting, and sweetening

Contracts in the Middle East include the US$9 billion Manifa offshore oilfield development as well as working closely with numerous other NOCs including the Kuwait Oil Company.

7. **Weatherford International Ltd** ($7.8 billion)

Weatherford is a provider of products and services that span the drilling, evaluation, completion, production and intervention cycles of oil and natural gas wells.

Started in the US in 1948, Weatherford employs around 46,700 employees and operates in more than 100 countries. The company provides a whole host of services including drilling, evaluation, conveyance, completion systems, production, maximising recovery and well optimisation.

The company works extensively in the Middle East with a number of high profile companies including the ubiquitous Saudi Aramco and ADNOC as well as having ongoing projects across the Gulf region. It was also recently announced that Weatherford are drilling a number of wells at the al-Bazrakan field near Armara in Iraq.

8. **BJ Services Company** ($4.08 billion)

Founded way back in 1872 BJ Services Company is based in Houston, Texas. The company has over 13,000 employees and operates in over 50 countries worldwide.

BJ Services provides various oilfield services including, pressure pumping, cementing and stimulation services, remedial work, completion tools, completion fluids, casing and tubular services, production chemical services, and pre-commissioning, maintenance and turnaround services in the pipeline and process business, including pipeline inspection.

BJ Services has a number of ongoing projects around the Middle East including the huge QatarGas project in Qatar.

9. **Petrofac** ($3.34 billion)

Petrofac is an oilfield services company based n London. It has over 11,000 employees and operates out of 24 offices worldwide.

The company has seven business units providing a variety of services to the oil and gas industry including operations management, engineering, construction and maintenance.

Petrofac has extensive interests in the Middle East and North Africa region and has recently won around US$5 billion worth of contracts including a $2.3 billion contract by Abu Dhabi Company for Onshore Oil Operations (ADCO) for the full development of the onshore Asab oil field, a $543 million lump-sum contract by Kuwait Oil Company and a $2.2 billion engineering, procurement and construction (EPC) contract for the El Merk central processing facility in the Berkine Basin of Algeria.

10. **China Oilfield Services Ltd.** ($1.23 billion)

The Beijing-based China Oilfield Services Ltd (COSL), is state-controlled, but also trades on the Chinese stock exchange.

Founded in 1967, COSL has around 8500 employees and its services cover exploration, development, and production of offshore oil and natural gas operations. Its four business segments are drilling services, well services, shipping, and geophysical services.

COSL claims a 95% share of China's market for offshore drilling services, 70% of the marine support and transportation market, 60 % of the well survey services market and more than 50% of the seismic data collection market.

While active in the Middle East, COSL is believed to be looking at a number of acquisition targets to further increase its presence in the region.