

**TO: PROSPECTIVE ASSOCIATE MEMBERS OF THE CAODC**

Dear Sir/Madam:

You are invited to become a member of one of the oldest upstream oil and gas associations in Canada. The Canadian Association of Oilwell Drilling Contractors (CAODC) plays a key role in promoting high standards and quality services within the oil and gas industry.

The members of the CAODC are the face of the industry and the backbone of the Western Canadian economy. CAODC takes this good news story about our industry to political and community leaders, and to the general public. It is important that accurate and honest information be communicated to our policy leaders.

In 1949, ten drilling contractors came together because they had a vision for the industry. These ten contractors wanted to chart a new course that would lead the Canadian drilling industry to reach some of the highest safety and equipment standards in the world. After over sixty years of history, CAODC has served as a conduit for progress in an industry that has a social responsibility to operate. It has overseen the most technologically advanced and innovative drilling and service rig fleet in the world.

The oil and gas industry is the engine of many western provincial economies and a significant benefit to all Canadians. The industry's contributions to the Canadian GDP and standard of living are impressive. The direct and indirect employment opportunities are vast and spread across the country. Not only does the industry bring beneficial economic advantages, it also operates in an environmentally conscientious manner. Canada can be proud of this national industry.

You can play a part of this story. CAODC has taken the mandate to spread this good news story to our local and national leaders and the general public. With your support we can effectively impact positive change that benefits the industry, local businesses, and the Canadian public.

CAODC is a trade association that represents the contract drilling and service rig industry across Canada. The membership in the Association is comprised of 100% of the drilling contractors, 95% of service rig contractors operating in Canada and also has an Atlantic Division. Associate memberships are offered to persons and corporations interested in the affairs of the Association, including financial institutions, insurance brokers, banks, oil and gas explorers and producers, as well as service and supply companies.

As an Associate member you are given access to exclusive CAODC resources and information. This includes weekly, monthly and yearly rig utilization figures, area and depth analysis, cost studies and wage studies, employment figures, utilization forecasts and accident statistics. You will receive the CAODC OilDriller Magazine, a tri annual publication, a Membership Directory and advertising privileges, General, Environmental, Legal and Technical Information Bulletins, discounts on training and educational publications and audio visual materials.

Additionally, you are invited to the exclusive annual Associate Membership Breakfast where the CAODC forecast for the following year is unveiled. Be the first to hear about where industry activity is heading. For more information on the privileges that are included with an Associate Membership, please review the attached page.

If you are interested in becoming a member, complete the attached application form or contact Ms. Janice Kyte, Coordinator, Membership and Publication Services at (403)264-4311 Ext. 108.

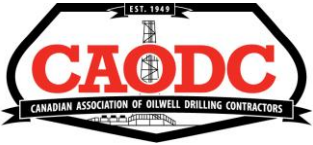
We look forward to welcoming you to our Association.

Regards,

A handwritten signature in cursive script, appearing to read "Mark A. Scholz".

Mark A. Scholz  
President

MAS/jlk - 653.0



CANADIAN ASSOCIATION OF OILWELL DRILLING CONTRACTORS  
 800, 540 – 5 Avenue SW Calgary Alberta T2P 0M2 Telephone: (403)264-4311 Fax: (403)263-3796

## MEMBERSHIP APPLICATION FORM Section I

**COMPANY NAME:** \_\_\_\_\_

Street / P.O. Box \_\_\_\_\_ City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

Main Telephone \_\_\_\_\_ Main Facsimile \_\_\_\_\_ General E-Mail \_\_\_\_\_

**DESIGNATED REPRESENTATIVE:** \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_

Direct Telephone \_\_\_\_\_ Direct Facsimile \_\_\_\_\_ E-Mail \_\_\_\_\_ Cellular \_\_\_\_\_

Do you have a *web site* you wish to link to the CAODC? [http/\\_\\_\\_\\_\\_](http://_____)

CHECK MEMBERSHIP CLASSIFICATION AND COMPLETE ATTACHED INFORMATION SHEET(S).

Drilling Rig Contractor  Service Rig Contractor  Associate Member

Is the company Privately Owned  Publicly Owned

Annual Membership Dues are based on a calendar year; with partial year assessments, as noted below, provided for membership after July 1<sup>st</sup> each year. Drilling and Service Rig dues are based on both a company levy plus a fee for each rig owned; Atlantic and Associate memberships are per company or individual.

	Full Year	Partial Year (July 1 to December 31)
<b>Drilling Rig Contractor</b>		
Initiation Fee (one time only)	\$2000.00	\$2000.00
Company Dues	\$4500.00	\$2250.00
Rig Dues	\$400.00 per rig	\$200.00 per rig
<b>Atlantic Division Drilling Rig Contractor</b>		
Company Dues	\$4000.00	\$2000.00
<b>Service Rig Contractor</b>		
Initiation Fee (one time only)*	\$5000.00	\$5000.00
Company Dues (includes first 3 rigs)	\$1950.00	\$975.00
Rig Dues (for each rig more than 3)	\$300.00 per rig	\$150.00 per rig
<b>Associate Members</b>	\$850.00	\$425.00

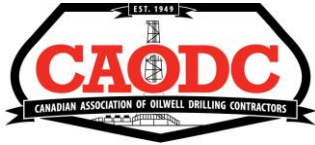
\*Applicants will also be responsible for the costs of a third-party Membership Agreement assessment.

Membership Dues \$ \_\_\_\_\_  
 (#106842784RT) GST @ 5% \$ \_\_\_\_\_  
 Payment Enclosed \$ \_\_\_\_\_

\_\_\_\_\_  
 Date Authorized Signature Title

**Return all 3 sections of the application form, appropriate attachments and payment (Canadian funds):**  
 Canadian Association of Oilwell Drilling Contractor  
 800, 540 – 5 Avenue SW Calgary, AB T2P 0M2  
 For question, email membership@caodc.ca or telephone (403)264-4311 ext 108





## **A DETAIL of VALUE-ADDED SERVICES to ASSOCIATE MEMBERS**

Included in an Annual Association Membership:

### **Invited to the Annual Associate Membership Breakfast**

CAODC hosts an annual Associate Membership luncheon to provide its Associate Members with a *State of the Industry Report*. It is an informational event that highlights the current and future activity within the drilling and service rig industry. The luncheon provides a venue for the release of the CAODC forecast for the following year.

### **Exclusive Invitation to CAODC Social Events**

Throughout the year, CAODC hosts a number of invitation only social events. These events include the CAODC Annual Ball which is only available to members.

### **Membership Directory**

CAODC publishes an annual directory that includes all member companies of the Association. It contains a complete list of each company's rig model(s), size(s) and design(s). It is a convenient reference tool for all participants in the conventional upstream oil and gas industry. As an Associate Member your company will be listed in this directory for industry use.

### **Advertising Opportunities**

CAODC offers its membership a range of promotional and informational material. Within these publications there are advertising opportunities available to members. As an Associate Member you are given advertising privileges within these publications to share your products and services with industry.

### **The OilDriller Magazine**

The CAODC OilDriller Magazine provides an up-to-date review of new government legislation, the status of CAODC and joint industry standing committees, drilling rig utilization and industry events.

### **CAODC Database**

The CAODC database contains a substantial amount of historical data, including drilling rig utilization statistics (1977-present) broken down by area, province and depth.

The CAODC also conducts cost studies, wage studies, and follows trends in oil prices, interest rates and investment levels, in order to provide members with data for financial planning and market development.

### **Publications**

CAODC markets training and educational publications and audio visual materials for the oil and gas industry. They cover basic introductions to the upstream industry to detailed technical manuals, with a focus on training and safety procedures. Associate Members are entitled to a 10% discount on all materials.

**General, Technical, and Environmental Information Bulletins**

General Information Bulletins present an in-depth review of issues of universal interest to the Association, such as legislative changes, legal decisions and government programs.

Technical Information Bulletins review matters of a technical nature, which have a direct effect on the environment in which our members operate.

Environmental Bulletins highlight key environmental compliance and regulatory issues that affect the drilling and well servicing industries. These issues are generally of great interest to the entire upstream petroleum industry, as they are widely encompassing.

**MemberWeb**

CAODC has a secure website accessible to CAODC Members who have completed and returned the attached application forms.

A listing of documents (annual reports, CAODC Information Bulletins, miscellaneous studies, minutes of committee meetings, CAODC Recommended Practices, recommended wage schedules and statistical reports) that can be accessed by members only — a privilege of membership.

**Be on the Leading Edge of Rig Activity Trends and Data**

Does your business follow the trends of drilling and well servicing activity? If so, do you want your company to be among the first to access CAODC rig activity data and forecasts. A CAODC Associate membership will put you on the leading edge of industry information.

CAODC Associate members get advance notice of CAODC press releases. As an Associate Member, you will have, on your desk, rig utilization forecasts even before some news organizations.