

PIPE

TMK subsidiary to expand presence in U.S. shale gas project

MOSCOW. (Interfax) - TMK IPSCO, a member of Russia's TMK, one of the world's top-three oil and gas industry pipe producers, is set to expand its presence in the Marcellus Shale gas project in the United States.

TMK Ipsco said in a statement that it would launch a new ULTRA Premium Connections Production Facility, capacity 100,000 tonnes of threaded pipe per year, in the Marcellus Shale Region in the second quarter of 2010. It has signed a lease on a building in Brookfield, Ohio where it will install new equipment which will further expand the threading capacity of its ULTRA Premium Connections product line.

"The new facility will be capable of manufacturing both premium connections and API connections and will support TMK IPSCO's growing market share in the Marcellus Shale gas plays, where ULTRA has been one of the first manufacturers to make premium connection sales," the statement said.

The Brookfield site is approximately 40 miles northwest of TMK IPSCO's existing steel mill in Koppel, Pennsylvania.

"As a company, we go where our customers need us and the Brookfield, Ohio facility is in direct response to the growing need for infrastructure within the Marcellus Shale and for full service premium and API threading field service and threaded accessories to be located in close proximity to our customers' well-sites," said Vicki Avril, TMK IPSCO's President and CEO said.

"TMK IPSCO has seen remarkable growth in its ULTRA Premium Connection product line and has become one of the largest manufacturers of premium connections in North America. As a Company, TMK IPSCO has made a commitment to grow with its customer base. The Brookfield, Ohio facility is one more step in that growth. Our investment is not only in new facilities and expanded capacity, it is also in new and innovative products. Each shale play we enter is unique in its requirements, and, with the opening of the new Brookfield facility, TMK IPSCO will introduce new products that are specifically designed for the drilling activity taking place within the Marcellus Shale," said Scott Barnes, Vice President and Chief Commercial Officer.

TMK IPSCO is a leading producer of energy tubulars. It operates one steel mill and nine pipe mills and product finishing facilities in seven states across the United States. TMK IPSCO's pipe mills produce a wide range of seamless and welded energy tubular products including oil and gas well casing and tubing, line pipe, drill pipe, standard pipe and hollow structural sections.

TMK IPSCO also manufactures premium connections for oil and natural gas drilling and production under the ULTRA brand name.

TMK reduced overall pipe sales 13% in 2009 to 2.8 million tonnes. TMK supplies to companies in more than 65 countries. TMK production facilities are located in Russia, the United States, Romania and Kazakhstan.