

GeoDrilling

INTERNATIONAL

A large tunnel under construction, showing workers in orange safety vests and white hard hats operating heavy machinery. The tunnel walls are reinforced with a grid of steel and concrete. The scene is illuminated by bright work lights.

- Piling & foundations
- Ground stabilisation
- Italian manufacturers

soilmec
Drilling and Foundation Equipment



Recent Italian exports have been destined for Azerbaijan, Brazil, Ethiopia, Russia and Turkey

The key to survival

Italian rig manufacturers and service providers are looking outside the country for solutions to stay profitable

It has been a grim start to the year in many European countries, but Italy's financial fall has hit its construction and geodrilling sector harder than many of its

neighbours. The country came second in the EU for cutting construction spends in February 2012 (the latest figures available), down 23% against January, compared with

27.5% for Slovenia. Latest figures from Eurostat – the European Union's (EU's) statistical office – show that money for build projects declined sharply in February.

Spending on construction declined 3.7% across the 27-member EU, compared with January. Sums available for civil engineering fell 10.1% month-on-month.

Demand for new products in Italy is still lacking a pulse and unemployment is surging. As a result of this, suicides in Italy have increased 52%, to 187 in 2010 – the most recent year for which statistics were available – from 123 in 2005. At least four construction-related workers are known to have taken their lives this year so far.

It is not all doom and gloom, however, as certain major projects move forward, such as the €8.2 billion (US\$10.9 billion) 35-mile high-speed railway line proposed to link Lyon (France) with the northern Italian city of Turin.

Meanwhile, the good word about Italian engineering is spreading, with companies reporting a rise in exports. In April construction giant Saipem won an onshore engineering and construction contract worth approximately US\$350 million in Saudi Arabia. The contract includes procurement, installation, construction and assistance during the commissioning of a new rainwater drainage system serving the northern side of the city of Jeddah.

In the drilling sector Italian players are concentrating on exports in order to survive. ♥

Inset: Mc Drill Technology has put an emphasis on customer service in its efforts to secure work around the globe



The Drillmec MR8000 1000HP mobile drilling and work-over rig is optimised for drilling geothermal wells

Hot prospects in Turkey

Drillmec has tapped into the demand for geothermal drilling equipment in Turkey

Turkey's location on the Mediterranean volcanic belt makes it one of the globe's richest geothermal fields.

The country is ranked 7th in the world for geothermal potential and represents 13% of its total.

The installed geothermal electricity generation capacity in Turkey in 2010 was 100MWe, whereas direct-use installations were approximately 795MWt.

As of 2005, 170 geothermal prospects had been identified in the country with 95% in the low-to medium enthalpy range, suitable for direct-use applications. The proven potential is 3,293MWt and the total geothermal potential is approximately 31,500MWt. This power is sufficient to cover 30% of the heating requirements for Turkish residences.

However, before geothermal sources can be used, several processes are required, from drilling wells to building power plants.

Drillmec steps in

As in the oil drilling industry, Drillmec's role comes early in the drilling phase to access the underground hot water.

Building on its experience in both the oil and the geothermal drilling sectors, the company has designed a rig suitable for the Turkish market in terms of capacity, technology and cost.

In 2009 Drillmec delivered two medium-sized mobile rigs – Mod. MR-8000 – to state-owned company MTA, which specialises in exploratory drilling for the geothermal sector.

The rigs served to explore all the terrains in the territory to identify and assess their geothermal potential. The Ministry of Energy established concessions accordingly and granted licences to start operations, including private-sector involvement.

Consequently, the licence extension to the private sector created a high demand for drilling rigs. Drillmec has sealed two other deals to deliver an additional two rigs to Turkey within the second quarter of this year. ♥

"Geothermal power is sufficient to cover 30% of the heating requirements for Turkish homes"

Facts

7th

Turkey's global rank for geothermal potential

100MWe

Geothermal capacity of Turkey in 2010

170

Geothermal prospects identified in Turkey