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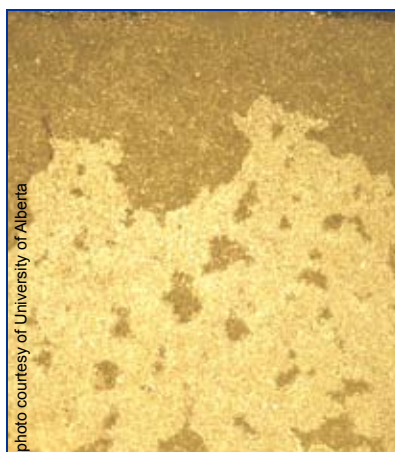
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World Oilfield Chemicals

Industry Study with Forecasts to **2010 & 2015**

Study #2162 | March 2007 | \$5400 | 368 pages

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North America, which dwarfs other regional markets, is expected to register healthy advances in demand for oilfield chemicals, as producers strive to maintain production levels.

Global demand to grow 5.9% yearly through 2010

World demand for oilfield chemicals is projected to increase 5.9 percent annually to \$14.5 billion in 2010. This is a deceleration from the rapid growth registered in 2004 and 2005, when oil and gas prices reached historic highs. However, gains going forward will remain substantial due to sustained growth in drilling activity. North America, which dwarfs other regional markets, is expected to register healthy advances in demand for oilfield chemicals, as producers strive to maintain production levels.

Drilling fluids to remain largest product category

Drilling fluids will remain the largest product category, accounting for over 40 percent of overall demand in 2010. Drilling fluids are also expected to register growth faster than the overall average, as drilling activity is expected to grow in every major region, most notably in North America and Latin America. Although oil and gas prices are projected to moderate from the runups seen in 2004, 2005 and part of 2006, they are expected to remain high in historical terms, adding incentive for new exploration to boost oil and natural gas production. Well stimulation chemicals will register the strongest growth of any product category, mainly due to the increasing use of fracturing and other stimulation techniques, particularly in the United States, Canada, Russia and China.

World Oilfield Chemical Demand (\$14.5 billion, 2010)



North America to stay biggest regional market for oilfield chemicals

North America will continue to dominate global oilfield chemical sales due mostly to the immense US market, which alone accounted for over 45 percent of global demand in 2005 despite producing only about twelve percent of the world's oil and gas. Demand in Europe will be supported by intensifying chemical use in the very mature North Sea fields as producers seek to mitigate declining production. In addition, Russia continues to rehabilitate and modernize its oil infrastructure. In the Asia/Pacific region, the growing reliance on secondary and tertiary production, such as chemical-

and polymer-based EOR in China, will support gains. The smallest regional market, Latin America, is also expected to register strong growth as Brazil continues to significantly increase oil and gas production and other countries expand production efforts, particularly for natural gas. The ongoing development of the extensive resource base of the Africa/Mideast region will also spur healthy gains in chemical usage. Although production costs and intensity of chemical use are very low in the region, the maturation of the largest fields in Saudi Arabia, Kuwait and elsewhere will boost demand for oilfield chemicals. Moreover, dramatic expansions in natural gas production in the region will drive growth.

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Sample Text, Table & Chart

LATIN AMERICA

Brazil: Oilfield Chemical Demand

Demand for oilfield chemicals in Brazil is forecast to expand at a rate of 2.5 percent per year through 2015, an acceleration from the 1.5 percent annual increases of the 2000-2005 period. Above the global average, Brazil's regional average of 2.5 percent is due to exploration and production of oil and deepwater sectors. Demand for oilfield chemicals will expand dramatically as a result of a strong growth opportunity. Foreign investment is increasing, which will increase the overall level of technical sophistication in Brazil's oilfield industry, boosting demand for higher value chemical products and creating further opportunities for increased production.

Strong growth opportunities are available for all types of oilfield chemicals in Brazil, a result of the country's diverse and expanding oilfield operations. The heavy crude generally produced from Brazilian fields will support demand for production chemicals, while demand for drilling fluids, completion fluids and cement will benefit from growing activity in deepwater areas. Demand for stimulation and EOR chemicals is expected to outpace that of other chemicals, but these products will remain a smaller product category in Brazil than in other producing countries, as Brazil's oil and gas fields are much less mature than those of neighboring Argentina and Venezuela.

Brazil's domestic suppliers of oilfield chemicals include Agena and Oxiteno. Agena's products include drilling fluids and production chemicals, while Oxiteno produces a range of drilling fluids, cement additives, completion chemicals and stimulation fluids. A number of foreign companies have production and research facilities in Brazil, including BJ Services, Clariant and Rhodia. Other important suppliers to the Brazilian market include Baker Hughes, Cytec Industries, Halliburton, Imperial Chemical Industries, Lafarge, M-I SWACO, Roemex, Schlumberger and Thermax.

TABLE VI-6

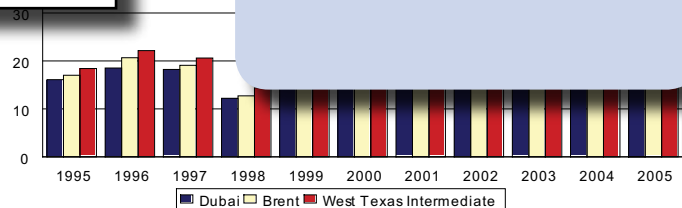
BRAZIL: OILFIELD CHEMICAL DEMAND
(million dollars)

Item	1995	2000	2005	2010	2015
Oil & Gas Production (quad Btu)	1.7				
\$ chem/bil Btu	49.4				
Oilfield Chemical Demand	84				
Drilling Fluids	45				
Cement & Additives	13				
Production Chemicals	16				
Stimulation & EOR Chemicals	3				
Completion & Workover Fluids	7				
% Brazil	20.0				
Latin America Oilfield Chemicals	420				

SAMPLE
TABLE

CHART II-2

ANNUAL SPOT CRUDE OIL PRICES, 1995-2005
(dollars per barrel)



SAMPLE CHART

Sample Profile, Table & Forecast

COMPANY PROFILES

AMCOL International Corporation

1500 West Shure Drive, Suite 500
 Arlington Heights, IL 60004
 847-394-
 http://ww

Sales: \$ (2005)

Employ

Key Pro materials and other drilling

fluid add

**SAMPLE
PROFILE**

AMCOL International is a producer of bentonite, clays and polymers for use in the metalcasting, personal care, oil well drilling and other industries. The Company also operates a long haul trucking fleet. AMCOL comprised four segments in 2005: Minerals, Environmental, Transportation and Corporate. In the third quarter of 2006, the Company created the Oilfield Services segment, formerly a business within the Environmental segment.

The Company is active in the world oilfield chemicals industry through the Minerals segment, which had 2006 sales of \$317 million, up from 2005 sales of \$296 million. Of the segment's sales in 2005, 70 percent were in North and Latin America, 17 percent were in Europe, and 13 percent were in the Asia/Pacific region. AMCOL's Minerals segment operates through several subsidiaries involved in the mining, processing and distribution of clays and clay-based products to various industrial and consumer markets. Among other applications, the Minerals segment is involved in the mining and processing of bentonite clay and leonardite materials for use in oil and gas well drilling applications. In oilfield drilling fluids, these materials impart thickening and

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TABLE VI-5

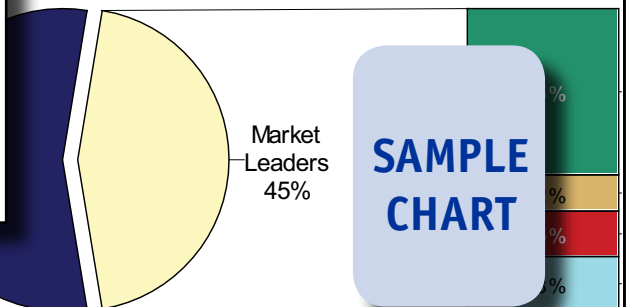
BRAZIL: KEY INDICATORS FOR OILFIELD CHEMICAL DEMAND

Item	1995	2000	2005	2010	2015
Population (million persons)	161.8				
GDP/capita	6900				
Gross Domestic Product (bil 2000\$)	1116				
000 Btus/\$ GDP	1.5				
Oil & Gas Production (quad Btu)	1.7				
Crude Oil Production (mil bbl)	268				
Natural Gas Production (bil cu m)	5				

**SAMPLE
TABLE**

CHART X-1

OILFIELD CHEMICAL MARKET SHARE, 2005 (\$10.9 billion)



**SAMPLE
CHART**

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OTHER STUDIES

Mining Chemicals

US mining chemicals demand will reach \$2.5 billion in 2011 based on gains in key markets such as coal mining and aggregate quarrying, which will boost demand for blasting agents. Explosives are the most important chemicals used in the mining industry and will provide the best opportunities. This study analyzes the 21 billion pound US mining chemical industry, with forecasts for 2011 and 2016 by product, function, application and market. It also evaluates company market share and profiles major producers.

#2267 11/2007..... \$4500

Oilfield Chemicals

US oilfield chemical demand will rise 4.3% per year through 2011. Gains will be driven by a rise in rig counts, more use of well stimulation and enhanced oil recovery (EOR) methods and more deepwater drilling and production. Best prospects include EOR chemicals, drilling fluids and well stimulation chemicals. This study analyzes the \$6 billion US oilfield chemical industry, with forecasts for 2011 and 2016 for formulated products and their raw materials. It also details market share and profiles major players.

#2253 10/2007..... \$4500

World Well Stimulation Materials

Global demand for well stimulation materials is forecast to increase 11.3% annually through 2010. Gains will be driven by high oil and gas prices coupled with maturing wells. Among the leading markets, China, Canada and Russia hold stronger prospects than the US. Proppants will be the largest and fastest growing product. This study analyzes the \$2.5 billion world well stimulation material industry to 2010 and 2015 by product, key country and world region. It also evaluates market share and profiles major players.

#2161 03/2007..... \$5400

Industrial Gases

US industrial gas demand will grow 3.6% annually through 2010. Best opportunities will remain in the key petroleum and natural gas market while faster growth will occur in smaller volume uses such as electronics and healthcare. Hydrogen will continue as the most valuable market while argon will be the fastest growing gas. This study analyzes the \$8.4 billion US industrial gas industry to 2010 and 2015 by type, delivery method and market. It also details company market share and profiles major players.

#2149 02/2007..... \$4400

World Catalysts

The world catalyst market will reach \$12.3 billion in 2010, driven by growing demand in the chemical, polymer and refining industries for more energy efficient processes and products. Polymer catalysts will grow the fastest while chemical synthesis types will remain dominant. Organometallics will lead gains by material. This study analyzes the global catalyst industry to 2010 and 2015 by material, product, market, world region and for 18 countries. It also evaluates market share and profiles industry participants.

#2125 01/2007..... \$5500

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