

Future Prospects at Tesco — *Continued from page 2*

itself," explains Angman.

Since Tesco's main business is renting equipment, it has agents throughout the world, allowing it to respond quickly to demands.

"Quick response," says Angman, "was also a key factor in our contract."

The company delivered the top drive last July, three months after the signing.

It is interesting that Lapidoth-Israel itself had to compete against an Italian company before getting the nod — on condition that it also supply a top drive.

That's how Tesco got into the picture.

Future prospects

There are about 1,000 land rig prospects throughout the world, but Tesco is already getting some competition.

As a matter of fact, one of its competitors in the Israeli project was Maritime Hydraulics, of Kristiansand, Norway.

Angman also points out that the drilling business, being a close-knit community, it is much easier to know what the competition is up to.

In addition to having gained access to the Israeli market, the 150-employee-strong Tesco, with revenues of over \$25 million — more than 75 per cent export-

based — is currently going after contracts in Abu Dhabi and Egypt. Recent customers include Austria, China, Colombia, Indonesia, Mexico, Papua New Guinea, New Zealand, the Philippines, Turkmenistan, and the U.S.A.

The company's excellence in the field was recognized at the May 1994 Offshore Technology Conference in Houston, Texas where it received the prestigious Meritorious Award for Innovative Engineering.

For more information on Tesco, contact Lindsay Hood, Senior Vice President. Tel.: (403) 720-2858. Fax: (403) 720-2862.

Israeli Market Conditions

Israel consumes approximately 175,000 barrels of crude oil daily, but supplies only 540 barrels from its own resources, according to trade officials at the Canadian Embassy in Tel Aviv.

Since 1975, close to US\$400 million has been invested in oil and gas exploration in Israel: \$140 million in state funding, \$60 million from the Israel National Oil Company, and the remaining \$200 million by private investors, joint ventures, and public companies.

Close to 25 per cent of this was invested in geophysical and geological surveys and infrastructure studies, and the remainder in drilling.

It is expected that some Cdn\$200 million will be invested in oil exploration during 1995-96.

Here are some of the main areas of opportunity for Canadian companies:

- testing and production equipment and procedures, including various pumps;

- coring equipment and methods;
- various logging facilities and services; and
- conventional and special drilling and fishing tools and methods.

Other areas of interest include:

- offshore drilling platforms for deep water, 500-1,500 meters;
- shallow high pressure gas drilling methods;
- coal-bed methane production; and
- generation of electricity with natural gas turbo-generators.

As Israel has almost no local production of tools or equipment for this sector, this market offers excellent opportunities for Canadian suppliers.

For more information on opportunities in the oil and gas sector in Israel, contact John Schofield, Africa and Middle East Trade Development Division, DFAIT. Tel.: (613) 944-6994. Fax (613) 944-7431.

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