



Stacked Rig Management
Optimum Stacking®

COMPANY OVERVIEW

COMPANY PROFILE

- Global manpower supply, consultancy and asset management company.
- Founded in 2000 with a purpose to provide dedicated manpower service to the offshore industry, subsequently adding consultancy, contractor management and stacked rig management solutions.
- We have developed over many years into a reliable partner serving the oil and gas, offshore wind, dredging and maritime industries around the world.
- 8 strategically positioned offices around the world. Delivering our service globally.
- GOSS is ISO 9001 and MLC certified.
- Provision of qualified ad hoc and permanent personnel, full crews and services at favourable rates with flexible terms and conditions.
- Our large database, extensive network and 24/7 support makes us able to provide our services at short notice anywhere in the world.

VISION, MISSION & VALUES



To be the preferred manpower supply, consultancy and asset management solutions provider, creating value for our clients in all market conditions anywhere in the world.



Delivering efficient and highly effective services tailored to clients' needs, leading to sustainable cost savings for our clients while utilising uncompromising approach to quality, safety and customer service.



- **S**afety
- **E**fficiency
- **R**espect
- **V**alue added
- **I**ntegrity
- **C**lient focus
- **E**mployees

WHERE WE WORK



METHODS OF STACKING

HARD DECISIONS: RETIRE OR STACK?

In today's market, drilling contractors are faced with the unfortunate need to make a decision to retire or cold stack their drilling units. For many of the older drilling units, this decision will most likely result in permanent retirement. There is also a trend to retire more and more units that are only halfway through their projected life spans. These units are generally in good shape, have proven track records, but their specifications are slightly less than that of a later generation unit. Adding the time and costs for the required Special Surveys, preservation and reactivation can easily trigger the decision to retire a unit.

We also see more and more of the latest generation units being cold stacked. Owners make these decisions based on a high cost to keep a rig warm or hot, and fear that the downturn can last much longer than originally anticipated.



CONVENTIONAL STACKING METHODS

Different terminology and definitions are used to define different stacking methods. GOSS is using the following definitions:

Cold

The unit is fully preserved. Topside (drilling), hull side (hull and marine) and thrusters (where applicable) are removed. All certifications are lost and the rig is totally down manned. Cold stacking has a high initial cost due to the preservation works and thruster removal (where applicable). High cost and time are required to reactivate the unit and recover its former certification. This is particularly true for the later generation units with complex systems on board, reactivation of which can result in unforeseen costs and delays. Once the unit is stacked, cold stacking results in a low daily cost to maintain the unit.

Warm

The unit's topside is fully preserved, all hull and marine systems remain operational and are maintained. All marine and class certifications remain up to date. The preservation and reactivation is only applicable to the topside equipment. Minimum crew levels are left on board to safeguard the unit and maintain all systems. Initial stacking and reactivation time and cost are less than these of cold stacking. Risks during reactivation are lower. Once the unit is stacked, the daily cost is substantially higher compared to cold stacking due to additional manning, fuel costs and maintenance of all systems.

Hot

No long term preservation is done, all equipment is kept in ready condition, certified and ready to operate. No preservation and only minor reactivation cost are associated with this type of stacking. Crew remains on board to periodically operate the equipment and to perform all the maintenance activities. The unit can be ready to operate within a short notice. Due to additional personnel required, cost of lubricants, consumables and fuel this is the most expensive way to stack the unit.

UNIQUE STACKING CONCEPT

Optimum Stacking® is a unique stacking method developed by GOSS offering a complete peace of mind and unparalleled flexibility. GOSS understands the dilemma that unit owners are constantly faced with. They are assessing the costs/benefits between cold, warm or hot stacking methods. GOSS is now in a position to offer a more efficient way of protecting your assets and reducing costs of the cold and warm stacking, preservation and reactivation process. The unit is kept in an optimum condition and ready to operate, allowing the owner to take advantage of short-term drilling contracts.

Optimum Stacking® is an all-inclusive concept, offering the unit owner the benefit of a lump sum day rate inclusive of all consumables, fuel, crew, catering, logistics and port fees. Insurance is optional and can be included on client's request.

Optimum Stacking® is a very cost-effective way to stack your idle unit. It typically costs 30-40% less than conventional hot stacking methods, and 10-20% less than warm stacking methods.

GOSS will fully manage and man the stacked unit on your behalf with experienced professionals that will take full care of your unit(s). This includes certification, review and compliance with the latest OEM product bulletins (any equipment upgrades will be charged separately), maintenance, upkeep of your maintenance system, periodic operations of the equipment following a detailed check lists and other procedures necessary to keep your unit in an optimum ready-to-drill condition. By use of the unit owner's ERP system all the rig records are updated daily and kept in compliance with any regulatory requirements.

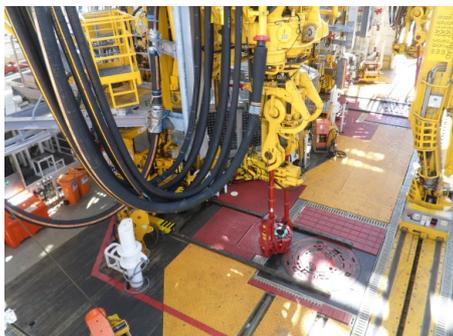
Optimum Stacking® processes are customised for every unit, ensuring an uncompromising maintenance schedule for the unit's equipment.

On client's request GOSS can also provide a full crew for short duration projects, allowing unit owner an unprecedented flexibility.



ADVANTAGES

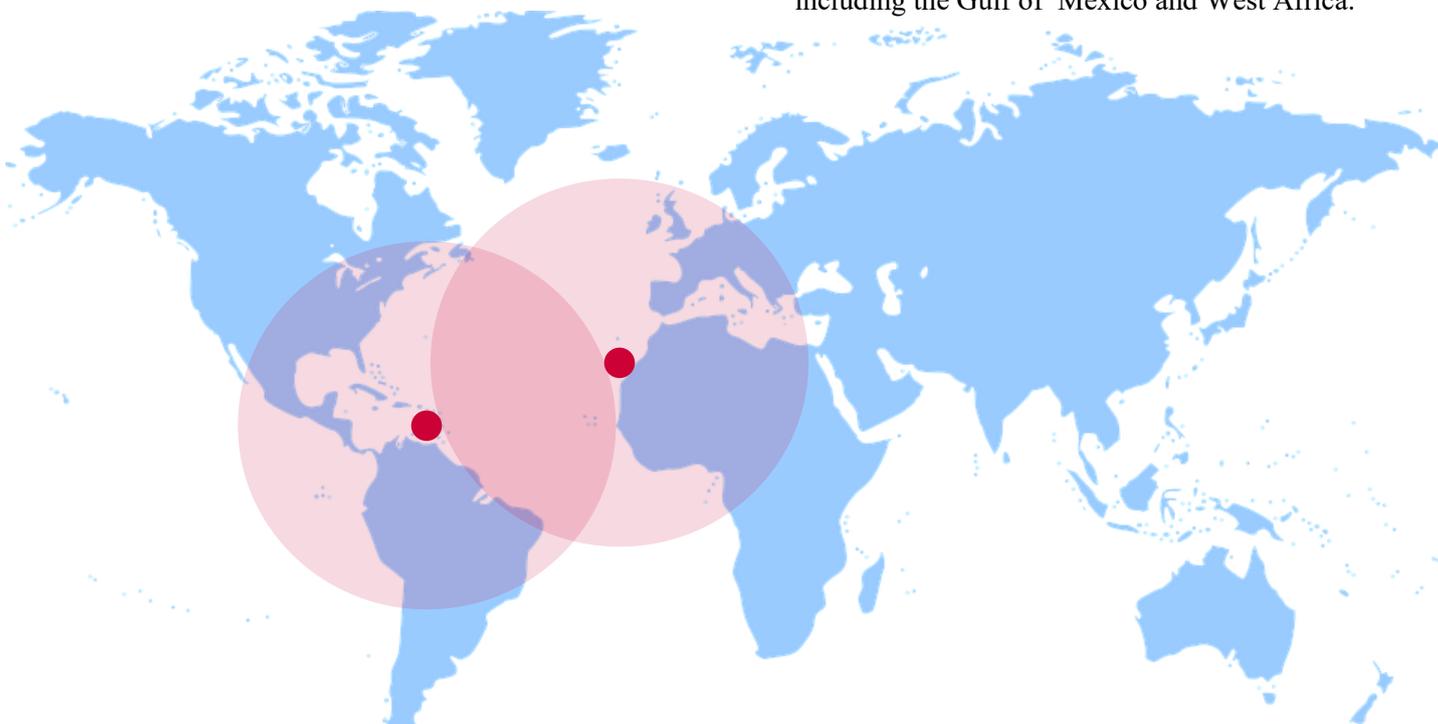
- One dedicated business partner will take care of the stacked unit(s).
- The unit is ready for deployment at any time, giving drilling contractor the opportunity to take advantage of short duration projects.
- The unit is ready for inspection by an operator at all times.
- No need for major capital expenditures to cold stack the unit.
- No need for major capital expenditures to reactivate the unit.
- No risk of time delays and cost overruns during unit reactivation.
- Highly competitive fixed all-inclusive daily cost for the stacking period.
- GOSS can supply a full competent crews for short duration projects.
- Although GOSS recommends taking full management of the unit, GOSS offers full flexibility to the rig owners to adjust the level of management (i.e. owner representative on board).
- Flexible Terms in Conditions
- A monthly report providing you a complete overview of the status of your unit(s).
- Optimum Stacking® offers the best value proposition for stacking of your idle unit.



STACKING LOCATIONS

GOSS recommends stacking all moderate environment units in Canary Islands and the Dutch Caribbean islands.

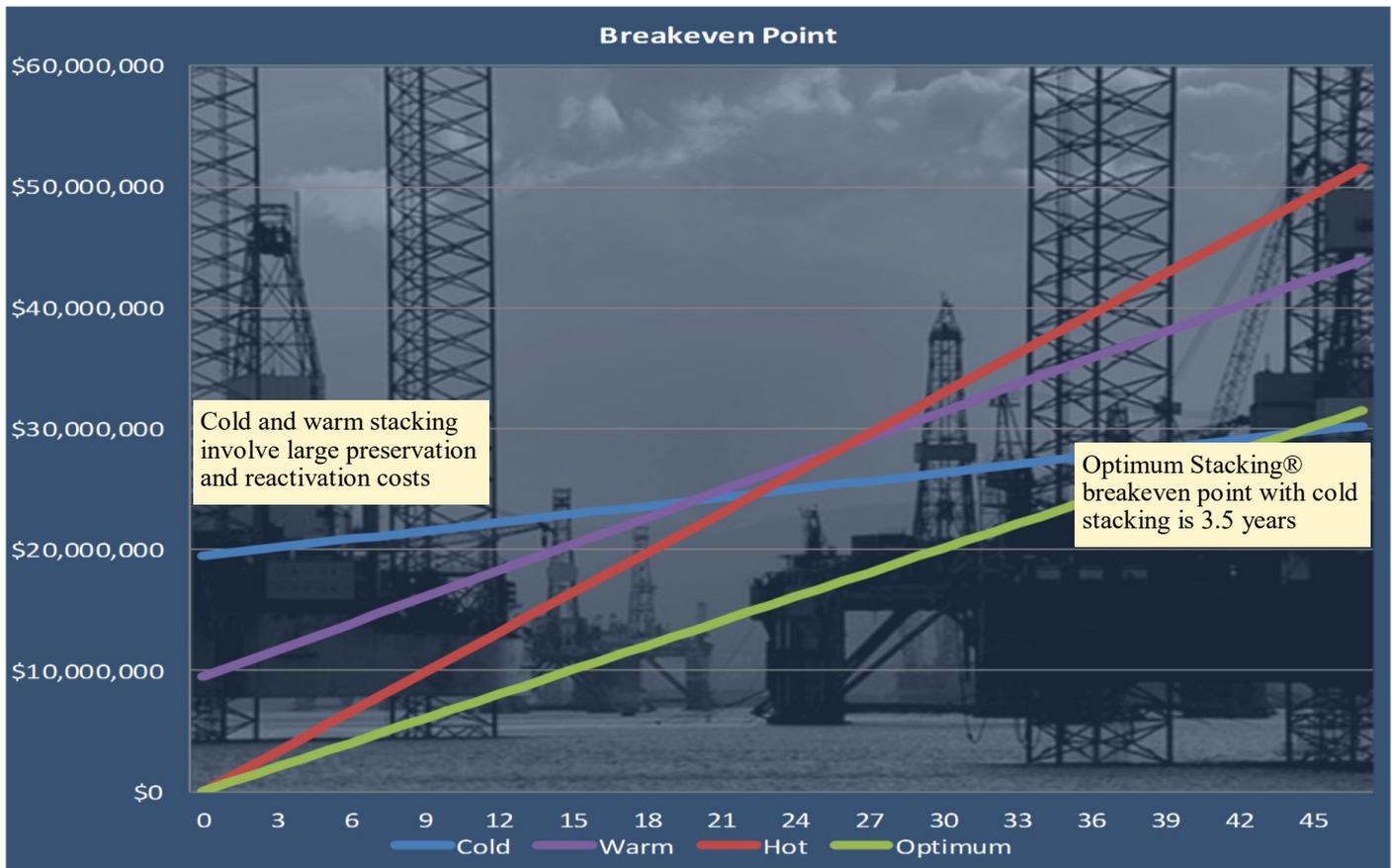
These locations are beneficial from environmental and cost perspectives and are positioned in relative proximity to major offshore drilling regions, including the Gulf of Mexico and West Africa.



VALUE PROPOSITION

GOSS will keep your unit 100% ready for any drilling opportunities at a highly competitive daily rate. With only 20% utilization of the unit at market rate, Optimum Stacking® will work out cheaper than the cold stacking alternative. At the same time you will benefit from unprecedented flexibility and avoid risks associated with delays to cold stack and reactivate your unit. This makes Optimum Stacking® the most cost-effective stacking method available on the market today.

Even with 0% unit's utilization, Optimum Stacking® will push back the break-even point with cold stacking years into the future. And you will always have an opportunity to benefit from having your unit readily available on the market



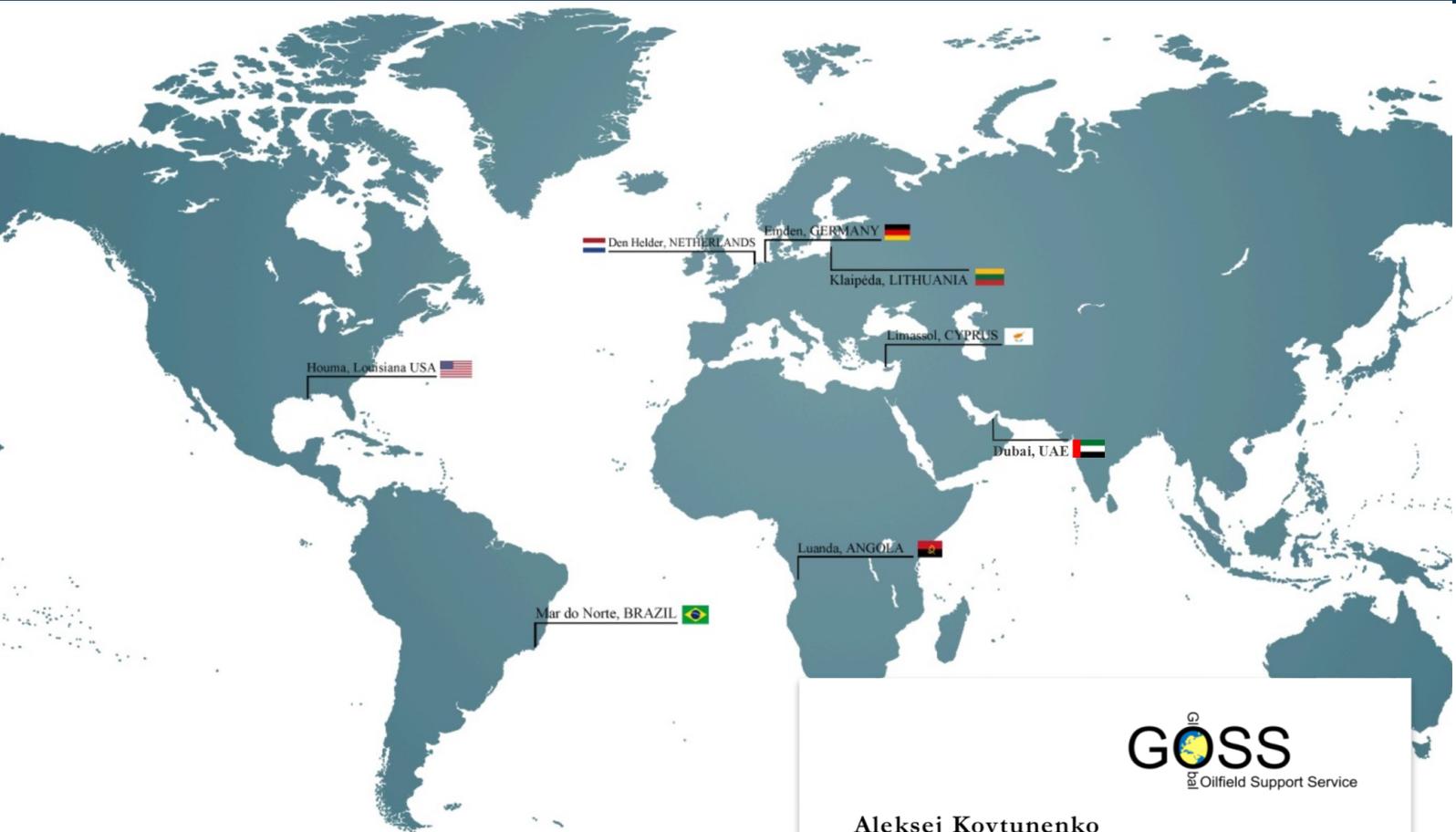
ALTERNATIVE STACKING METHODS

If a rig owner still decides to cold or warm stack the unit, GOSS can provide full teams to perform these stacking options.

GOSS has experienced in-house stacking personnel available to be deployed to any location worldwide at a short notice. An all-inclusive solution is also available for these stacking methods.



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