

Bobby's got Texas oil filling his veins

Schramm chief executive **is the fifth generation of his family to work the West Texas Intermediate** — and he got his break while **cleaning up weeds**

NOAH BRENNER

Houston

TO SAY that Bobby Bryan has West Texas Intermediate oil coursing through his veins would be an understatement.

The chief executive of US rig builder Schramm is the fifth generation of his family to work in the oilfield and began his own career in the oil patch at a young age.

"I grew up in the Houston area and there were all kinds of rig-up yards that needed help," he explains.

"I had a lawnmower and sickles and was just cleaning up the weeds, and they gave me a bucket of soap and a wire brush to go and clean some of the equipment, and put thread protector on the drilling pipe, and make sure everything had enough grease on it so it didn't rust."

Bryan soon graduated from cleaning up around the rigs to a job with equipment giant National Oilwell Varco (NOV), where he began fixing the equipment itself and soon transitioned into selling new units to drilling contractors and national oil companies.

Business development When he left the company to join Schramm as chief operating officer in July 2014, he was NOV's vice president of business development for onshore rigs.

It was the breadth of that experience in the rig business and the depth of those connections in the oilfield that brought him to the top spot at Pennsylvania-based Schramm in July 2015 — less than a year after signing on.

The privately-held company has been in business more than 100 years, and has built more than 5000 rigs in its history, but the Schramm name was better known in the mining and water well sectors than in oil and gas.

"They didn't have a huge relationship base in the oilfield sector," Bryan says.

Schramm wanted to change that, and in 2012 the company retooled its oil and gas offerings and developed the T500XD rig specifically for drilling in shale plays such as the Marcellus and Utica, where rough terrain puts a premium on having a nimble drilling rig.

Even though he came from a better-known competitor, Bryan was impressed by what he saw during his first interview at Schramm.

"I walked through the shop and I could see the kind of quality they had," he says.

"You can tell a lot by looking at a manufacturer — what kind of painting process they do, or how much pride they take in their work."

Customers also recognised that attention to detail, Bryan says, noting that survey results showed Schramm scored above its competitors in reliability, quality and accountability.

"That is one of the biggest items that they measure by — how reliable is this rig," Bryan says.

"This rig could be in the middle of nowhere, they get paid for drilling per day or per foot, and they have to take a very reliable solution to their customer."

I don't know that I could do anything else, or that I'd want to do anything else."



Schramm's push into oil and gas, however, has come at a time of fierce competition in the rig business and an historic drop in oil and gas prices.

Bryan estimates that more than 1200 high-spec rigs have been brought into the US market over the past few years — and right now about 400 of those units are stacked.

Obviously, selling drilling rigs is easier during a boom than in the heart of a bust, but Bryan hopes that tough times will make customers more open to trying new things — and new companies — that could save money.

"You always have to have a kind of a catalyst for change," he says. "The opportunity is now."

In this climate, Bryan sees opportunities for Schramm in two specific segments — international markets and top-hole and intermediate drilling.

Technology success International rig fleets have not kept pace with advances in the US, and now national oil companies and others are looking to lower their own production costs by using the technologies that have been so successful in the US onshore sector.

This area is where Bryan is pushing the T500XD.

"Customers have been approaching us more than us approaching them — everywhere from Africa, Europe, Russia and quite a bit in Latin America," he says.

In top-hole and intermediate drilling, some operators are using smaller rigs to drill the top-hole sections of their wells because a larger unit is not necessary and costs more.

This technique is just catching on internationally, and many of the rigs in these top-hole fleets are older, inefficient and less safe than newbuilds.

These units are ripe to be retired, just as their larger brothers



Man with a plan: Schramm chief executive Bobby Bryan
Photos: SCHRAMM

have been over the past five years. "I think you are going to see a new fleet of rigs enter this market," Bryan says.

"Let's just say if you are drilling to 20,000 feet, there is a good portion in between the intermediate and tophole side of the drilling programme where 30% to 40% of costs can be taken out by using fit-for-purpose rigs."

Schramm has been aggressively courting this portion of the market by helping operators set up more efficient top-hole drilling programmes worldwide.

"We are going to be right there with them, writing up the pa-

pers and the case studies," Bryan says. "People have heard about (top-hole drilling) for years, so it's nothing new, but it's nothing that was accepted across the board."

Meanwhile, the boy who began cleaning rig-up yards in Houston seems to have found his niche in a boardroom far to the north in Pennsylvania.

"I knew at an early age that this is what I wanted to do — I was passionate about it," he says.

"I don't know that I could do anything else, or that I'd want to do anything else." □