

Oil Review

Oil · Gas · Petrochemicals

Middle East

VOLUME 22 | ISSUE 1 2019

What lies ahead for the OIL MARKET?

- Drilling automation solutions
- The evolving oil and gas job market
- Complete lifetime efficiency for offshore terminals
- Advanced surface logging for well placement
- The latest in gas detection
- Bolted joint integrity

22
Years

Serving the regional oil & gas sector since 1997

Tenaris acquires stake in Saudi Steel Pipe

TENARIS HAS ANNOUNCED that it closed its previously announced acquisition from a private group of 47.79 per cent of the shares of Saudi Steel Pipe Company (SSP), a welded steel producer listed on the Saudi stock market, for a total amount of SAR 529.8mn (approximately US\$141mn).

SSP's facilities are located in the Eastern Province of the Kingdom of Saudi Arabia (KSA) and have a manufacturing capacity of 360,000 tons per year. The company, which started its operations in 1980 and serves energy, industrial and commercial segments, is qualified to supply products with major national oil companies in the region, including Saudi Aramco.

Tenaris will begin consolidating SSP's results from January 21, 2019 and together will have more than 1,000 employees in Saudi Arabia. Tenaris has been serving the Saudi market for decades, and the combined portfolios coupled with the strengthened technical capabilities will allow Tenaris to better meet customers' requirements.

The result of the transaction is expected to expand Tenaris' industrial presence in Saudi Arabia, one of the largest markets for OCTG and line pipe products, and the range of products it supplies to Saudi Aramco. Since its first industrial investment in Saudi Arabia in 2010, Tenaris has continuously invested in the expansion of its local operations, supporting the industrialisation of the country.

"The official integration of Saudi Steel Pipe into Tenaris marks an important step to further expand the company's footprint and capabilities in Saudi Arabia," said Mariano Armengol, who has been appointed as managing director and CEO for SSP. "I would like to recognise the efforts of both Tenaris and SSP teams who contributed to the successful closing of this acquisition. We are very positive to what the future holds in terms of business growth and people development."

Commenting on the acquisition, Ahmed Al-Debasi, SSP's former managing director and newly appointed chairman of the Board of Directors said, "We are pleased to join Tenaris, a global leader who shares our industrial legacy, our commitment to customers and our



Image credit: Tenaris

The Tenaris facility in Saudi Arabia.

willingness to contribute to Saudi Arabia's oil and gas development. The integration will strengthen our technical capabilities, allowing us to better meet customer requirements and become an industrial hub for the region."

SSP operates five pipe production lines, covering an outside diameter range from 1/2" to 20" outside diameter which complements Tenaris' existing offering in Saudi Arabia. Tenaris' premium OCTG threading facility in Dammam covers a range from 4 1/2" to 14" for the threading of full length pipes and accessories, with an annual capacity to produce 120,000 tons. The combined portfolio will provide Saudi Aramco and regional customers with a comprehensive range of products including welded pipes, commercial pipes and a full range of line pipes, as well as expanded services offer incorporating coating and bending.

Cortec introduces the next generation of corrosion-inhibiting fuel additives

APPLYING A GOOD corrosion inhibiting additive to fuel tanks and systems is an important part of the preservation process, especially when vehicles, tanks, or equipment will be going through a period of disuse. Otherwise, harsh environments and stagnation can lead to sludge formation and the deterioration even of new metal components.

Cortec has developed the next generation of VpCI® fuel additives for more potent corrosion protection of fuel systems. Cortec VpCI-707 has been specially formulated to protect fuel tanks and systems from corrosion and sludge formation without damaging copper and aluminum. It is a powerful option for keeping new and existing fuel tanks and systems in good

condition during day-to-day operation and especially during vulnerable times such as intermittent operation, storage, or shipment. Other benefits of VpCI-707 are its improved water handling and good injector-cleaning capabilities. VpCI-707 does not contain trace metals, chlorides, chromates, nitrites, phosphates, or secondary amines.

Because of its combined contact-phase and vapour-phase action, VpCI-707 effectively provides corrosion protection to metal surfaces not only in direct contact with the treated fuel, but also in the void space above the fuel line. This means it be applied at a very low dose compared to the volume of the tank being protected. VpCI-707 can be added directly to gasoline or diesel fuel in blending, storage, or vehicle tanks. It can also be fogged as a concentrate into dry fuel tanks before storage and shipment.

VpCI-707 can be used for fuel stabilisation and corrosion protection in applications such as large or small fuel storage tanks; heavy equipment or vehicles being shipped overseas; equipment operating in harsh industrial or offshore environments; generators or other equipment going into seasonal storage; and industrial plants going into temporary layup.



VpCI-707 can be used in applications such as fuel storage tanks.

Image credit: Cortec