

Laser Cladding Services 5675 Guhn Road Houston, Texas 77040 713-996-8843

Media Contacts: Lena Clark – <u>lclark@wardcc.com</u> Shelley Eastland – <u>seastland@wardcc.com</u> 713-869-0707 For Immediate Release May 2, 2007

Laser Cladding Services Announces Details of Laser Coating Breakthrough at the Offshore Technology Conference

HOUSTON, May 2, 2007— Laser Cladding Services (LCS) today announced the details of their partnership with NASA that led to a recent laser coating technology breakthrough proven to increase component reliability in harsh environments for offshore applications.

For more than a decade, laser coating has been used to improve the wear resistance and performance of downhole oil and gas tools, but this new application of the technology equates to better protection of critical offshore components by significant reductions in abrasion and corrosion.

LCS has worked with NASA for a couple of years to cultivate specialized cladding projects for the rocket engine testing program at the Stennis Space Center (SSC) in Mississippi. Specifically, the coating technology was applied to a critical control valve seal on a rocket engine test stand. NASA previously used an oven-sintering process in an attempt to create a better seal for the valve that was exposed to extreme pressure and temperatures. The process was unreliable, not repairable, costly and time-consuming.

"The previous process often took three to five applications before the client was able to get an acceptable product. They needed a different coating methodology, and our technology proved to be the perfect solution," said Andy Gates, LCS manager of engineering and technology. "After a series of tests and trials, LCS was successful in applying copper to a stainless steel substrate through laser cladding to create a durable and effective seal."

Gates noted that the conditions and pressures for the SSC valve seal operated in far harsher conditions than an offshore critical component would, but the impact of costs are magnified when a component fails offshore due to all that is involved in repairing or replacing the component. -MORE-

This new innovation can be applied to many critical offshore applications and any part, like choke and kill lines, ball bounce or hydraulic cylinder rods, that is often exposed to corrosion or encounter abrasion. LCS has the most experience in applying dissimilar powder metals to different substrates than any other company in the industry.

"We think this application will have a domino effect into offshore and beyond because we know we have a product that will help protect customers' multi-million dollar investments and assets. The cost of this project was insignificant compared to the cost of valve failure to the operation," said Jim Kowske, vice president of sales and marketing for LCS.

"What we've learned from this application of the technology will help our customers in all industries down the line – especially in ultra-deep waters offshore," he added.

About Laser Cladding Services Ltd.

Laser Cladding Services Ltd. (LCS), and its parent company Gremada Industries, have provided offshore and oil patch companies with high quality laser cladding technology for over a decade. LCS was the first to offer this dynamic and economical solution, which evolved from the high wear demands of open pit and surface mining conditions, for enhancing critical production equipment.

Build on a reputation for implementing innovative engineering techniques to solve difficult component wear and corrosion problems, LCS enables operators to extract the greatest value from expensive metal parts and components. The company's proven solutions continue to deliver integrity in service to operators on land and offshore. To find out more about Laser Cladding Services, visit <u>www.lasercladding.com</u>.

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