



NOV Announces a Technology Advancement in the Lifecycle Management of Wellbore Products

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HOUSTON--(BUSINESS WIRE)--May 26, 2016-- National Oilwell Varco, Inc. (NYSE: NOV) announced today that it has introduced an advancement in Radio Frequency Identification (RFID) technology and asset management software for the oil and gas industry. NOV's latest generation RFID tag, TracTag™, has been field-proven to withstand extreme drilling conditions when installed on drillstring components. The tag is currently the only RFID technology in the industry that can survive extreme downhole temperatures of -40°C to +200°C (-58°F to +400°F) and up to 1550 Bar (22'500 PSI) of pressure.

NOV has been a leader in using RFID for asset management on existing surface-based products and services; however, the technology behind TracTag has overcome the challenges associated with harsh downhole well conditions and can now be incorporated into NOV downhole products.

The Company also introduced an asset management software, TracAsset™, and an automated pipe tally system with a wellsite tag reader, AutoTally™. The combined system will enable greater capabilities for delivering reliable information and analysis to our customers.

Clay C. Williams, Chairman, President and CEO of National Oilwell Varco, stated, "We continue to invest in new technologies that drive our industry forward and help our customers improve effective asset utilization and reliability while decreasing their costs. The data we will be able to obtain from these innovative technologies will play a critical role in shaping the future development of drillstring components and tools."

NOV will be able to provide an entire lifecycle management solution for drillstring components that includes information regarding original manufacturing specifications, inspection and repair history, along with usage details. The TracTag and AutoTally system will make it possible to read tags as drillstring components pass through the rig floor; and integration of the system into the rig control system will provide drilling hours and critical drilling information down to the serial number of the component.

Incorporating the information into the global inspection and maintenance systems used by NOV's Tuboscope Business Unit will provide customers with analytics and other detailed information about pipe inventory that the industry has not been able to collect in the past. NOV's analytics enhance the lifecycle awareness of work history and associated inspections carried out which will mitigate instances of downhole tubular failure by knowing precisely when and where the tubular or downhole component has been used in a drilling environment in any given well.

National Oilwell Varco is a worldwide leader in the design, manufacture and sale of equipment and components used in oil and gas drilling and production operations, and the provision of oilfield services to the upstream oil and gas industry.

Statements made in this press release that are forward-looking in nature are intended to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 and may involve risks and uncertainties. These statements may differ materially from the actual future events or results. Readers are referred to documents filed by National Oilwell Varco with the Securities and Exchange Commission, including the Annual Report on Form 10-K, which identify significant risk factors which could cause actual results to differ from those contained in the forward-looking statements.

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