
Insituform bags USD 12.4 million contract from Petroleos

Tuesday, 29 Sep, 2009

Insituform Technologies Inc announced that Insituform's Mexican JV, United Pipeline de Mexico de CV, has been awarded a USD 12.4 million contract by the Mexican national oil and gas company Petróleos Mexicanos. The contract includes the construction, replacement and rehabilitation of approximately 40 kilometers of pipelines in Mexico's Chicontepec oil region. Insituform's subsidiaries, Corrpro Companies Inc and The Bayou Company Inc will provide cathodic protection and field joint coating services for the project.

Mr J Joseph Burgess president & CEO of Insituform said that "This contract validates our decision to expand Insituform's oil and gas platform with our 2009 acquisitions of The Bayou Companies and Corrpro Companies. The joint marketing and cross-selling of our expanded product and service offerings provide additional value to our clients and positions the Company for new project opportunities. This contract also recognizes the benefit of our Company's comprehensive logistics and project management capabilities. We are positioned to address a customer's various pipeline installation, protection and rehabilitation needs with the various products and services offered from the family of Insituform companies."

Work on this project is expected to begin in November and to take approximately 16 months to complete. UPM will oversee new construction, including corrosion protection services, and the rehabilitation of over 24 kilometers of pipeline using Insituform's Tite Liner® polyethylene lining system. The new and rehabilitated pipelines will be used to transfer oil from well heads to production facilities in the Chicontepec Basin.

Mr Dorwin Hawn VP of United Pipeline Systems for Insituform said that "UPM has been working with Pemex for over 14 years. We are excited about this new project opportunity and also pleased to be able to engage the additional services of Corrpro Companies and Bayou Companies on this project."

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