



# Idle fees for highway engineering drilling rigs

What are intangible drilling costs (IDCs)?

Understanding what constitutes IDCs and how they differ from tangible drilling costs is essential for effective financial planning and investment. Intangible drilling costs (IDCs) are expenses that do not result in a physical asset for the oil and gas producer.

What are intangible drilling costs?

Intangible drilling costs (IDCs) play a crucial role in the oil and gas industry, significantly impacting tax liabilities for operators. Understanding what constitutes IDCs and how they differ from tangible drilling costs is essential for effective financial planning and investment.

Did ACC claim damages for idle equipment at the project site?

After a bench trial, the court entered judgment in favor of ACC. As part of its claim, ACC sought damages for costs related to idle equipment at the project site. Although the claim was only a small part of ACC's overall claim, the court's approach was noteworthy. ACC asserted that all of the costs were recoverable under the Miller Act.

Can a contractor recover idle equipment costs under the Miller Act?

According to the court, under the first scenario, "the equipment reasonably can be treated as 'furnished' 'in carrying out the work' even on those days it is in non-use" and, therefore, the contractor would be permitted to recover those idle equipment costs under the Miller Act.

Are intangible drilling costs tax deductible?

Understanding intangible drilling costs (IDCs) is essential for anyone involved in oil and gas production, especially if you're looking to maximize your tax deductions. Intangible drilling costs are eligible for immediate deduction, which can significantly reduce your taxable income, making them a valuable tool for investors in the energy sector.

Can a contractor recover damages for idle equipment?

As part of its analysis, the court first referred to the original language of the Miller Act which permits a contractor who "furnish [es] labor or materials in carrying out work provided for in a contract" to recover damages. The court then distinguished between two scenarios involving idle equipment.

There has been a lot of talk lately about rigs leaving the North Sea due to a lack of opportunities in the region and accelerated demand elsewhere.

Ranging in size from small, limited access drilling rigs to large platform/big performance sonic drilling rigs, our drill rigs cover a range of applications.



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Drilling in the US shale patch declined at the fastest pace in almost two years as mounting international trade tensions threaten to stifle energy demand.

UGANDA is likely to pay several billions for two idle oil drilling rigs which Tullow oil firm imported in December last year. Tullow hired the rigs from Swiss and Polish companies at about ...

Topic last reviewed: June 2023 ... Sectors: Upstream ... Introduction ... Energy, primarily power with some minor heat requirement, is critical to carrying out ...

As a leading rig equipment OEM and service partner, they offer comprehensive drilling rig solutions, aftermarket service support, and facilities engineering. ...

The question now becomes whether or not oil and gas producers need to idle even more rigs going forward in order to help keep prices propped ...

The Future of Long-Idle Drillships: Cold-Stacked or Dead-Stacked? Noble Corporation's recent decision to sell the Pacific Meltem and Pacific Scirocco for non-drilling purposes highlights a ...

Drilling Rigs - Exploration + Grade Control We supply the market-leading Hotline(TM) Reverse Circulation rigs. These drilling rigs are commonly used for exploration applications using RC ...

Our land drilling rig systems give you an edge in today's most challenging drilling environments. Learn more about our high-tech drilling rig systems.

Follow these tips and best practices for minimizing equipment idle times and increase your overall machine efficiency and company profitability.

Sun Machinery is the place for contractors to buy and sell rigs and vessels and related equipment. Our database contains thousands of used equipment for sale, which are presented and ...

Drilling rig engineers oversee the planning and management of oil-rig drilling operations for petroleum companies. They are responsible for ...

4: &quot;The number of drilling programs where old, low-specification rigs are optimal is declining and new rigs are increasingly competing for this work as the offshore ...

To help increase the chances of being recompensed delay costs, when preparing and submitting a claim for these costs, the claim should, where possible, be fair, reasonable, ...



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The cost of buying a new drilling rig ranges from \$3-4 million for basic land rigs to over \$1 billion for advanced offshore rigs. Land rig rentals ...

The calculated rate represents the cost of owning and operating the equipment, which is likely to be lower than the rate charged by a rental yard. The rental yard rate may ...

Drilling Rigs Insights In recent times, the demand for idle drilling rigs to be used has increased because of the post pandemic demand and the ...

Geotechnical Drilling Capabilities Tierra owns and operates one of the largest and modern geotechnical drilling operations in the State of Florida. Tierra's drilling ...

Anthony Beebe, senior vice president of project management and engineering at Northern Offshore, describes to conference attendees what it takes to keep a drilling rig from ...

Explore how drilling rigs operate, their crucial components, and their pivotal role in oil and gas extraction. Learn about safety and efficiency.

Idling Rates in the EquipmentWatch Cost Recovery Guide are by default the hourly cost associated with an asset idling. The hourly idling rates are calculated as: Hourly depreciation ...

The Holy Grail of Knowing Your Cost of Drilling Job costing is a method used to summarize Revenue and corresponding cost such as Labor, Materials, Overhead, and Outside Service ...

Intangible drilling costs (IDCs) play a crucial role in reducing your tax liability, especially in the oil and gas exploration sector. Understanding how to calculate and claim ...

FlexRig®; Fleet Solutions FlexRig®; Fleet Solutions A revolution in rig design More than 20 years ago, H& P pushed the industry further through the development ...

Idle drill rigs can get second wind in green energy market Analysts believe conversions offer lower costs and quicker construction times than ...

Drilling Rigs Insights In recent times, the demand for idle drilling rigs to be used has increased because of the post pandemic demand and the Ukraine conflict. Across the ...

There are, at least, eight methods of calculating extended field office overhead costs. None of the calculations arrive at the same daily delay cost. This paper discusses all eight methods - ...

Compare mobile, stationary, and automated drilling rigs--explore their benefits, limitations, and how to choose



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the best rig for your project.

This could involve: Repurposing idle fleets. Offshore drillers need to act now to determine where they could compete effectively in offshore wind ...

Deep-water drilling giants set high bar for returning idle rigs Transocean, Noble and Valaris all confident the right contracts will come to ...

The drilling rig performs a central function in oil operations, serving as the mechanical spine of each and every profitable exploration and ...

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