



# Historical drilling rig day rates

What is a day rate in oil drilling?

The day rate in oil drilling refers to the total daily cost of renting a drilling rig, including personnel and incidentals. It's calculated by dividing the total contract value by the number of days in the contract. Day rates are a key metric for investors, indicating industry health and correlating with oil prices and rig utilization rates.

What is a drilling rig day rate?

It represents the daily cost incurred by an operator for renting a drilling rig from a contractor. This rate encompasses various expenses associated with the rig, including personnel, equipment, and operational costs, over the duration of a contract. The day rate comprises all-inclusive costs involved in running a drilling operation.

How much does a rig cost per day?

Lower specification rigs in some North African countries have been listed for as little as \$8,000 per day, while super-spec rigs in one Gulf Cooperation Council (GCC) country reportedly reached up to \$56,000 per day. Day rates across Latin America (LATAM) also have a significant range, with lows of \$10,000 per day and highs of \$48,000 per day.

What factors affect day rates in oil drilling?

Several factors impact day rates in oil drilling: Oil prices: Fluctuations in oil prices directly affect day rates. Higher oil prices typically lead to increased drilling activity, driving day rates up. Rig utilization: The utilization rate of rigs affects day rates. High utilization rates signal strong demand and can push day rates higher.

How much is a drilling contract worth?

The total contract value is \$5 million, covering a 30-day drilling campaign. These examples demonstrate the variability of day rates based on project scope, contract terms, and market conditions. As the oil and gas industry evolves, day rates continue to reflect broader market trends and technological advancements:

How has the oil and gas downturn impacted land rig day rates?

Since the oil and gas downturn of 2014 there has been significant pressure on drilling service costs, including land rig day rates. The world has seen pandemics, significant military conflicts as well as renewed efforts to transition the world away from oil and gas, all of which have deeply impacted the cost of oil and gas projects.

The offshore drilling market has been reaping the benefits of the ongoing upcycle, as rising demand and tightening supply brought higher day rates and fleet utilization in 2023. ...

The swift rate of cost inflation forces operators to take stock of their rig provisions and look to keep future drilling projects economical.



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The slide of day rates since May has followed the slump in rig utilization. More than 80% of marketed rigs were in use from YE21 through February 2023, peaking at 86.5% in ...

This addition allows users to see rates for each individual rig, based on the rig specification and the rate expectations of the country it is ...

In particular, these rigs started to see their day rates increase in late 2020 as opposed to late 2021. We also do not see as much of a ...

Even in the same category of rigs, different water depth capabilities cause offshore drilling day rates differ. Day rates are also impacted by region.

At Offshore Support Journal Conference, Americas in June, Ms Edralin put average leading edge day rates at US\$470,000, and marketed utilisation rates at 92%. She ...

Read here for an analysis of Borr Drilling's position in the jack-up market and its financial outlook with a focus on supply conditions and potential ...

Day rate alludes to the all in daily costs of renting a drilling rig. The operator of a drilling project pays a day rate to the drilling contractor who gives the rig, the drilling faculty ...

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The information provided and much more data on the offshore rig fleet can be sourced via the S& P Global proprietary offshore rigs information products, ...

Day rate characteristics Day rates are the most watched indicator of the offshore drilling market and a primary descriptor of the industry. Increasing day rates ...

The global offshore drilling market is continuing to experience a significant rebound with rig utilization now returning pre-pandemic levels, ...

Day rates continue to climb in APAC while demand in the region increases and supply tightens. Although this trend presently holds true for many other regions in the world, a ...

Westwood's Global Offshore Drilling Rig Dayrate Forecast 2024-2028 report provides detailed insight on historical offshore drilling rig dayrate ...

In turn, rig rates continued to strengthen; "leading edge" floater rates surpassed the \$500,000/day mark in Q4,



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while high-spec jack-up ...

Drillers interviewed for the Enverus Day Rate Survey regularly cited Biden administration drilling restrictions throughout the year as causing low activity. In addition, the ...

Our drilling market experts maintain a constant dialogue with rig owners, operators, contractors, fabrication yards and other players to collect and verify data on the global drilling rig fleet, ...

For companies working in or evaluating the offshore drilling industry, Petrodata Rigs is a tool that delivers the most trusted data and market intelligence on the global offshore drilling rig fleet, ...

Offshore staff LONDON -- Offshore rig rates hit a nine-year high last year, according to a report from Westwood Global Energy Group ...

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 ...

Day rates for its deepwater rigs in Q2 averaged US\$363,167 and US\$128,885 for its jack-ups. The floater fleet has added approximately ...

One of the most significant costs on any onshore oilfield is the cost of hiring a rig to drill the well and, as a result, there is a need for land rig ...

Drilling rig day rates in the U.S. declined for the fourth consecutive month, although the pace of the decline slowed a bit, according to the monthly Enverus Day Rate Survey, as rig ...

U.S. drilling day rates appear to have turned the corner, moving higher in November across all the Enverus Day Rate Survey's seven regions amid cautious optimism as ...

"Drilling": The rig is drilling and billing drilling day rate. "Moving": The rig is in transit, on standby, on rig watch, billing at a non-drilling rate, or performing other non-drilling activities ...

The Offshore Drilling Rigs Market size is expected to reach USD 78.16 billion in 2025 and grow at a CAGR of 6.78% to reach USD 108.51 ...

When it comes to oil drilling, the use of contracts is paramount. Day rate contracts are one of the most common types of contracts used in the industry. These contracts are ...

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