

TO: API Specification 11V1 Monogram Licensees
API Specification 11V1 Applicants
API Auditors

FROM: Don Whittaker, Manager – Monogram Program/APIQR

DATE: April 1, 2011

RE: API Spec 19G1 and API Spec 19G2

Recently API Subcommittee 19 on Well Completion Equipment and its Task Group 19G adopted and published two new documents which will impact all API Spec 11V1 licensees/applicants. These new documents are API Spec 19G1, First Edition dated May 2010, covering Side-pocket Mandrels, and API Spec 19G2, First Edition dated June 2010, covering Gas-lift Valves (Flow-control Devices). These two new documents contain several new requirements over and above the requirements currently contained within API Spec 11V1.

For example, the new requirements for both the Gas-lift Valves and Side-pocket Mandrels include multiple levels of manufacturing functional testing and design validation testing which must be met by the licensed manufacturer. Additionally, there are quality levels and environmental levels which must be specified for the manufacture of the equipment.

The API Monogram Program is now taking applications for API Specs 19G1 and/or 19G2 from all manufacturers meeting the new specification requirements. As part of the application process, a new license agreement and the licensing information form(s) which corresponds to the Spec for which you are seeking a license must be submitted to API. The license agreement and applicable licensing information form(s) must be returned to API by January 1, 2012. Once the application documentation is received an audit of your facility will be scheduled to ensure uninterrupted Side-pocket Mandrel and Gas-lift Valve equipment monogramming capabilities. Please note that during the audit of your facility, an API Auditor will ensure that validated design packages are in place for the products within the licensing scope and will verify that your organization has the capabilities to perform the functional testing required by the specification(s).

API will maintain the Spec 11V1 licenses/applications for a transition period. This transition period will end July 1, 2012. After that date all Spec 11V1 licenses/applications will be withdrawn, the document rendered obsolete, and all manufacturers of monogrammed Side-pocket Mandrels and Gas-lift Valve equipment must be transitioned to the new requirements of Specs 19G1 and/or 19G2, as applicable. This will include successful completion of the required audit.

API will waive the cost of licensing to API Specs 19G1 and 19G2 for the first year as you make any required transitions. API will begin charging for the cost of the new license(s) beginning January 2013.

April 1, 2011

Page 2

The following is a link where copies of the new API Specs 19G1 and 19G2 may be purchased for your use in preparing for the new manufacturing requirements: global.ihs.com/?RID=API1.

Please visit the API website to find and complete the license agreement and licensing information form(s): www.api.org/certifications/monogram/documents/applications.cfm.

Once you are ready to submit your application, please send all documentation to apimonogram@api.org.

The API Standards staff and the API Monogram Program Department are prepared to answer your questions and assist you in your transition to the new specifications. If you have technical questions regarding Specs 19G1 and 19G2, please contact Roland Goodman at goodmanr@api.org. If you have questions about the API Monogram Program and the requirements for the transition, please send an email to apimonogram@api.org.