

Artificial Lift Market Trends

- Artificial lift demand remains resilient despite a more disciplined U.S. land activity environment. Operator sentiment points to international land and offshore markets outpacing NAM in 2027. Supplier pricing for artificial lift equipment & services is set to grow by 4.2% in North America, 5.3% internationally and 6.1% offshore
- Rod lift remains the dominant artificial lift method in U.S. land, but operators continue to deploy ESPs and gas lift more selectively based on production profile, decline characteristics, GOR and lifecycle economics. Multi-lift strategies are becoming increasingly common with unconventional developments.
- Digitalization and automation are becoming integral, with operators wanting more reliable AI for failure prediction, diagnostics and optimization. CHX/SLB (XSPOC) is the clear market leader in production automation and optimization software with over half of respondents citing use. WFRD (ForeSite) follows with 13% use, while BKR (Leucipa) and Halliburton are cited by 10% of respondents.
- Overall, the artificial lift market is becoming increasingly performance-driven, with operators prioritizing reliability, uptime and lifecycle economics over initial equipment cost as mature production and optimization become larger components of upstream spending.

ESP

- Operators' top priorities remain improved ESP design, longer run life and stronger component integrity, with particular emphasis on cables, motors, seals, connectors and other components exposed to heat, corrosion, voltage fluctuations and mechanical stress.
- Halliburton remains the strongest premium ESP supplier in NAM land, while Baker Hughes and SLB offer solid equipment performance but are constrained by service, availability and responsiveness gaps. Smaller suppliers are gaining traction on value, led by NOV and Levare, with Valiant (Flowco) competing aggressively on price and responsiveness.
- Internationally, Baker Hughes and SLB control over 2/3rds of the market. International Land remains concentrated around SLB and Baker Hughes, with SLB positioned as the premium performance leader and smaller suppliers competing primarily on price and value. Offshore is even more concentrated, with SLB commanding a premium for technical performance while Baker Hughes offers the strongest balance of performance and price.

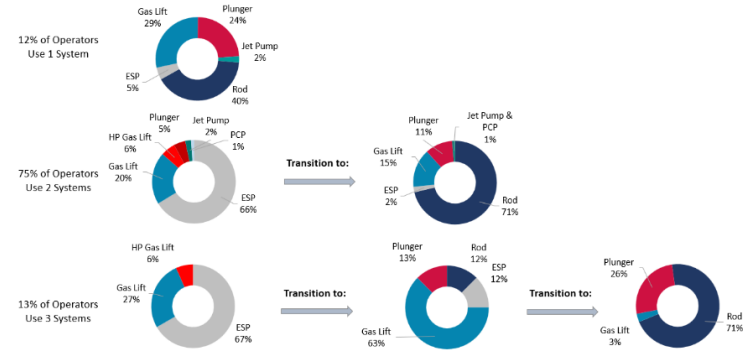
North America Land ESP Value Map



Rod Lift

- Rod Lift remains the dominant mature-well artificial lift solution in U.S. land. Worldwide MTBF is approximately 22 months, with rod failures/parting, tubing failures and stuck pumps the most common issues. Corrosion, wear, deviation, solids and scale remain the leading root causes, reinforcing the need for improved materials, durability and well-specific system design.
- In NAM land, Liberty Lift is the strongest value-positioned surface-unit supplier, while Lufkin retains a strong equipment reputation but is pressured by premium pricing and weaker service execution. In sucker rods, Liberty Lift and Endurance stand out for value, while Q2 continues to lead the downhole pump market on share and performance. TRC is recognized for its remanufactured rods and value based offering.
- Internationally, Tenaris offers the strongest sucker-rod value proposition, while Lufkin and SLB occupy more premium positions in downhole pumps. Weatherford remains more competitive internationally than in NAM Land but continues to face equipment and service-performance gaps.

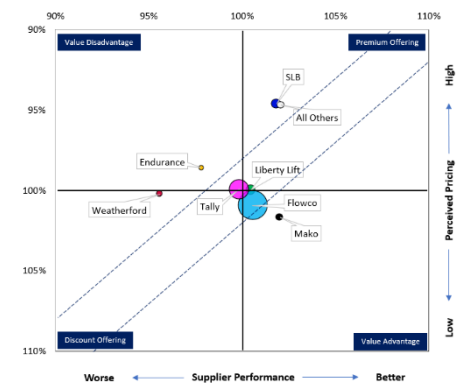
Use of Artificial Lift Across Well Lifecycle: US Land



Gas Lift

- Gas lift reliability improved in 2026, with worldwide MTBF increasing to ~36 months from 31 months. Valve/mandrel issues remain the leading failure mode, driven primarily by corrosion, wear/fatigue, solids and scale. HPGL remains a niche but growing option in selected high-rate, high-GLR U.S. land applications.
- In U.S. land, Flowco remains the market leader, with Mako also standing out on performance and value, while SLB is the clear premium offering. Internationally, SLB commands a premium for technology and engineering depth, while Weatherford appeals to more price-sensitive buyers. Offshore is a classic “pay more, get more” market led by SLB.

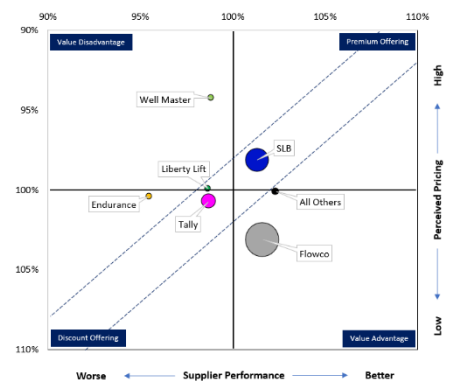
U.S. Land Gas Lift Value Map



Plunger Lift

- Plunger lift remains an important late-life solution in NAM Land, with reliability improving to roughly 23 months MTBF in 2026. Wear, stuck plungers, scale and corrosion remain the primary reliability challenges.
- Flowco strengthened its market-leading position with the strongest overall value proposition, while SLB continues to perform well despite higher pricing. Tally remains in the fair value zone, while Endurance trails on responsiveness, technical support and availability.

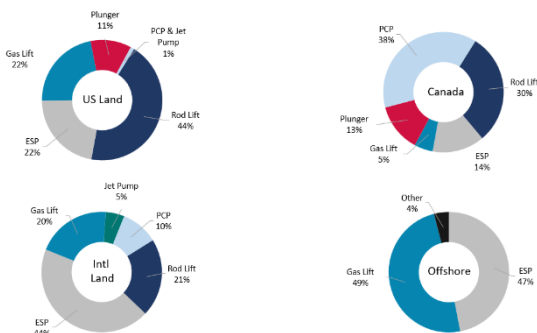
NAM Land Plunger Lift Value Map



PCP

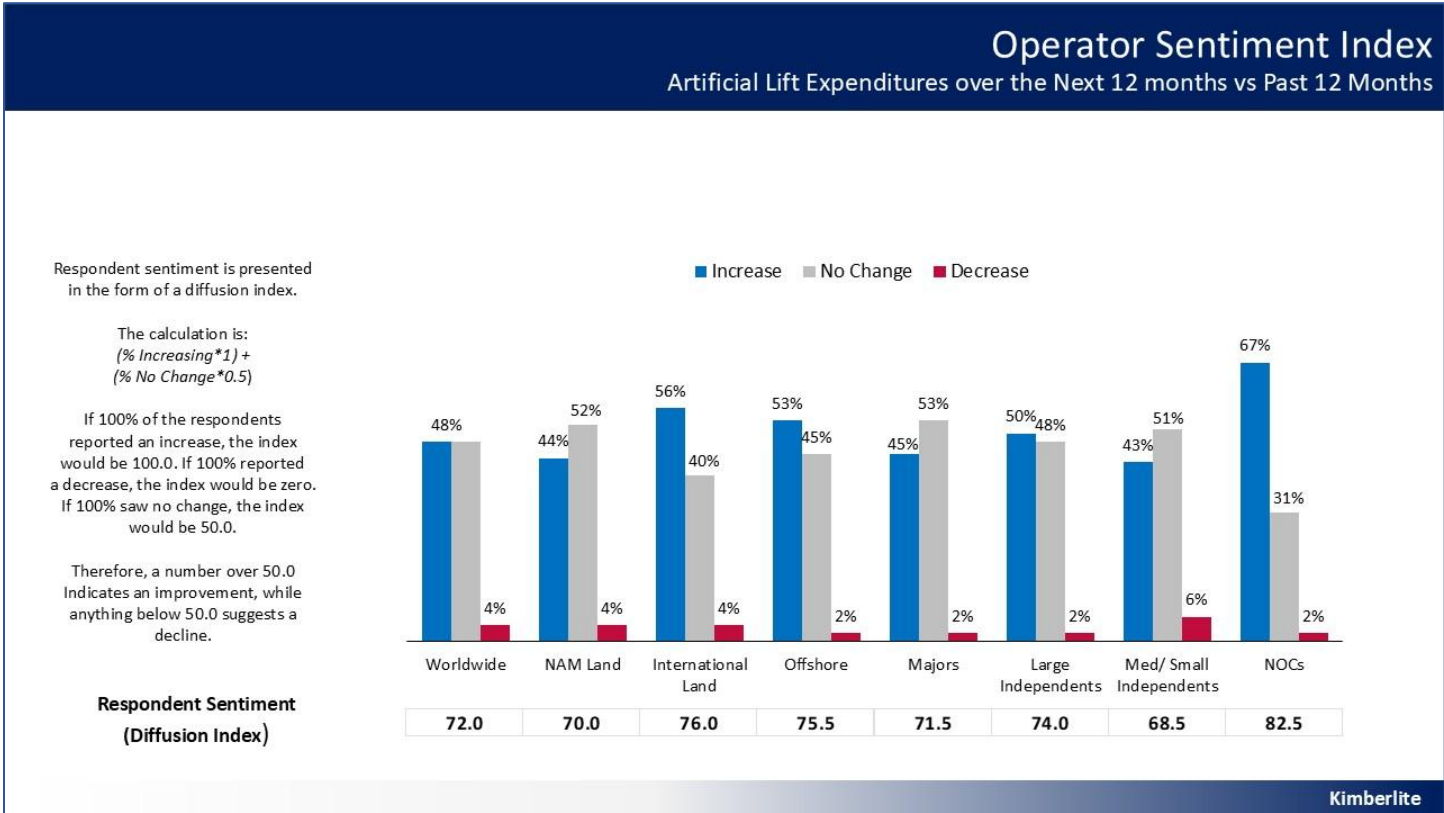
- PCP systems remain concentrated in Canada and selected international land applications, where operators value their ability to handle viscous fluids, solids and challenging well conditions. Reliability weakened in 2026 to ~20 months MTBF, with rod/shaft, pump and elastomer/stator failures most common; wear, solids, corrosion and well deviation remain the root causes.
- Supplier positioning varies by component and region. Weatherford is strongest in NAM drive heads, Lifting Solutions leads NAM rod strings and downhole pumps, and Tenaris stands out internationally in rod strings. Internationally, SLB holds the premium position in drive heads and pumps, while NETZSCH and PCM offer strong value-oriented alternatives.

Share of Installed Base by Artificial Lift Type

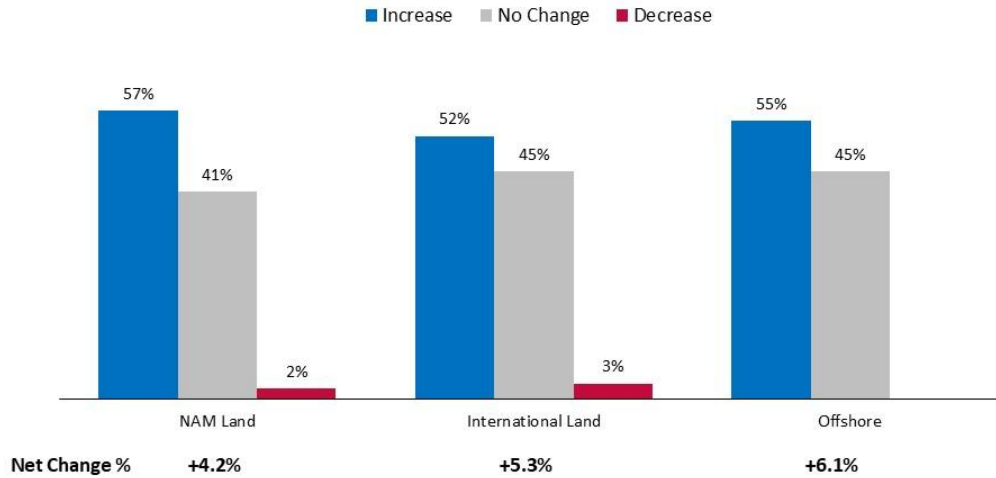


Jet Pumps

- Jet pumps remain a specialized lift method valued for simple downhole design and solids handling, but reliability declined to roughly 16 months MTBF in 2026 as nozzle plugging/erosion and solids-related issues persisted. Internationally, Weatherford remains the clear market leader, while North America is more fragmented with SLB, Liberty Lift and Weatherford all maintaining meaningful positions.
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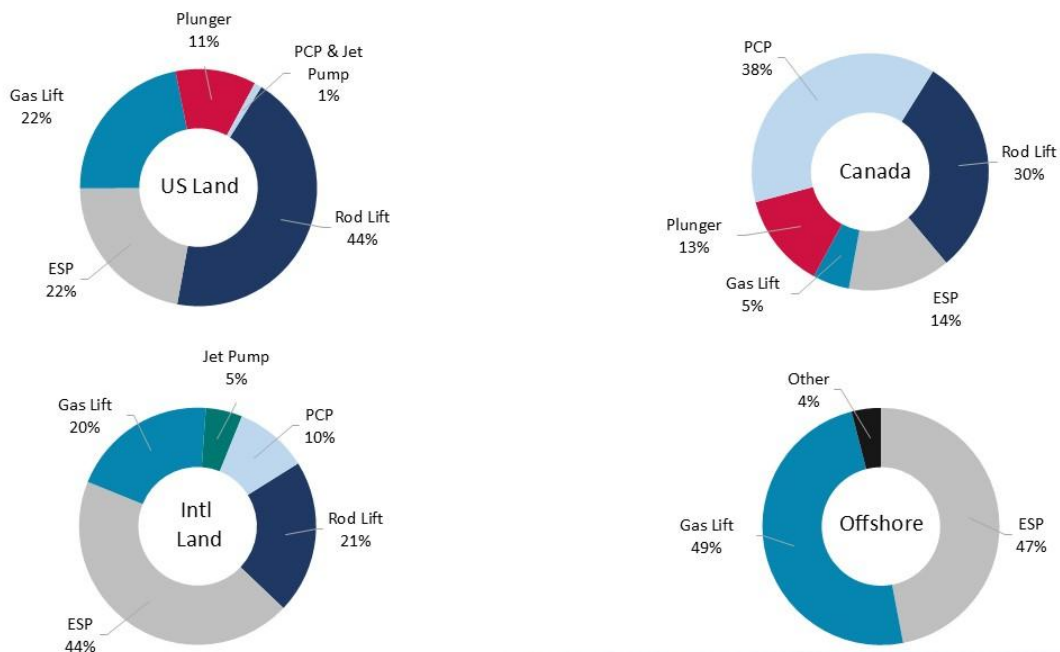


YoY Expected Change in Supplier Pricing for Artificial Lift Equipment & Services by Region



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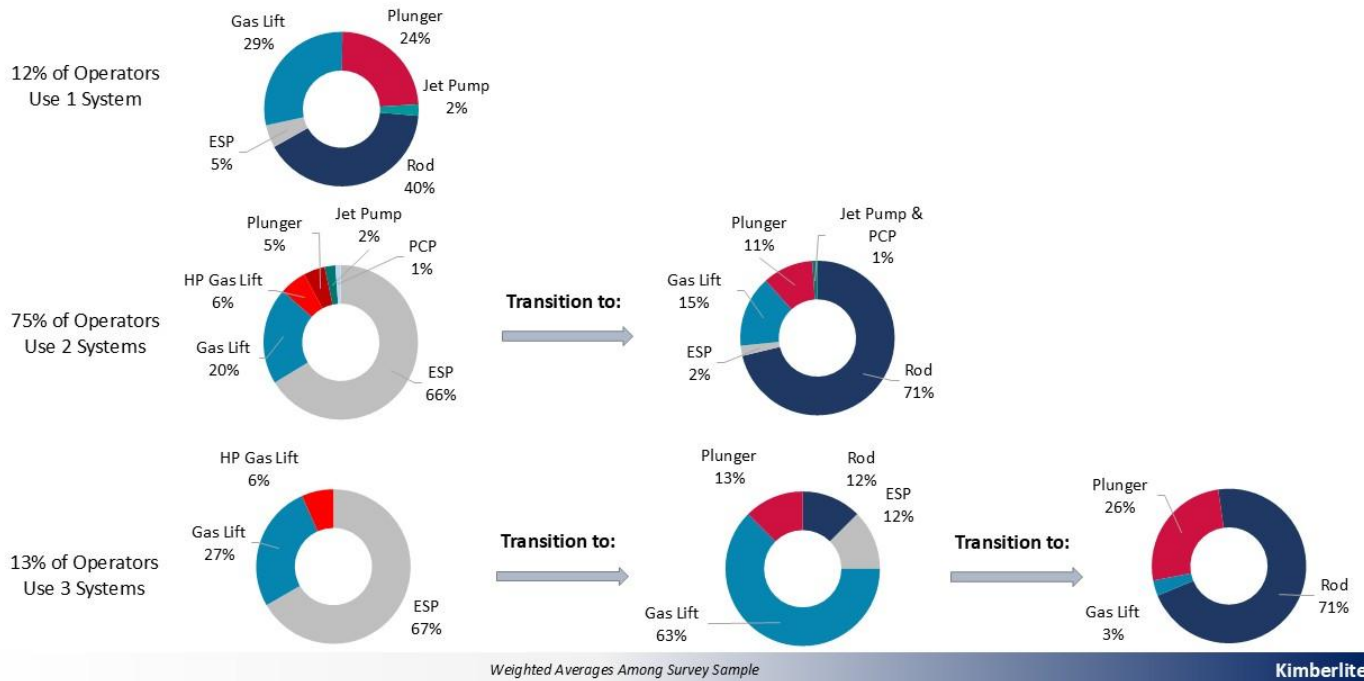
Artificial Lift Installed Base by System Type



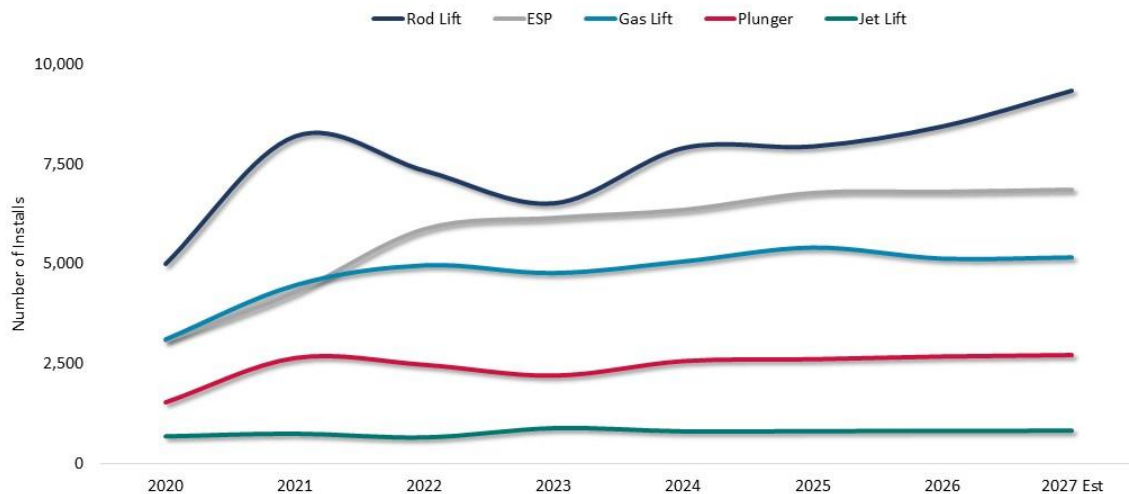
Weighted Averages Among Survey Sample

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Share of Artificial Lift Installs by System Type At Selected Life Cycle Intervals: US Land



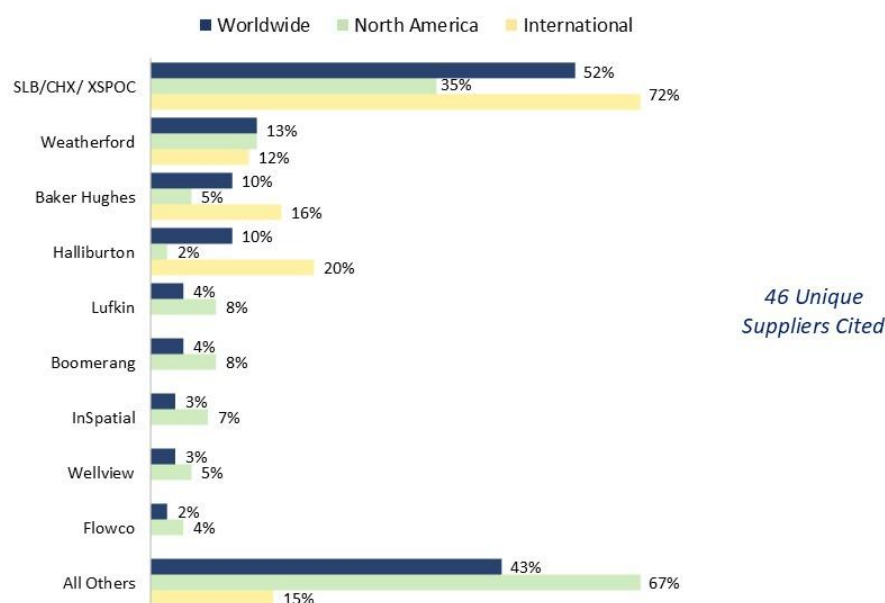
Artificial Lift Demand Estimates By Lift Type: US Land



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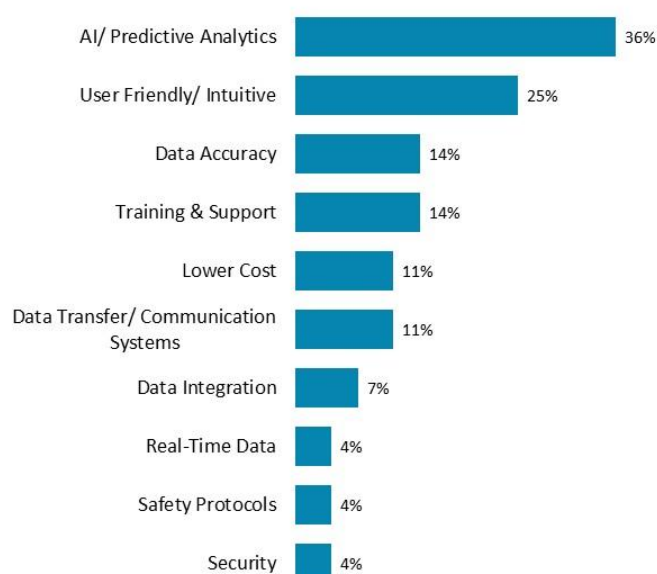
Suppliers Used – Production Automation & Optimization Software

By Region



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Desired Improvements in Automation Systems & Software for Artificial Lift



* Multiple Responses Allowed

AI/ Predictive Analytics: Operators want more reliable AI for failure prediction, diagnostics and optimization. Greater use of historical operating data, downhole surveys and rod stresses could improve anomaly detection, anticipate failures and extend equipment life.

User Experience, Customization & Training: Respondents want faster, more intuitive interfaces, improved mobile functionality and dashboards that make data easier to interpret. Better tutorials, knowledge-sharing resources and quicker incorporation of user-requested features would support adoption. Modeling tools should also update faster and allow more efficient sensitivity analysis.

Data Integration & Communications: Operators want easier transfer of production, API and engineering data between platforms. Better interoperability, stronger wireless coverage and satellite connectivity would improve access in remote areas and reduce manual data handling.

Real-Time Data and Control: Respondents want more complete, real-time visibility into artificial lift performance. Specific needs include simultaneously trending live dynamometer cards, SPM and pump fillage to better understand pump-off behavior, as well as improved real-time pump performance monitoring, automated surveillance and multi-injection control. Better real-time data can support faster optimization while helping extend asset life.

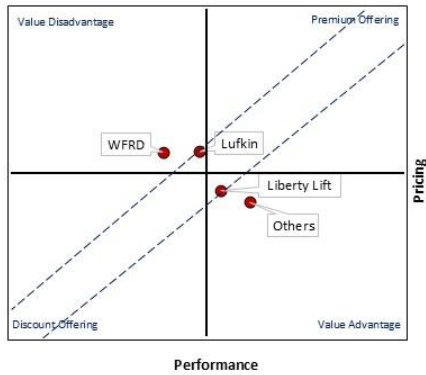
Cost, Support, Reliability & Safety: High software costs, recurring upgrade charges and limited technical support remain pain points. Operators want more flexible licensing, stronger engineering and technical support and software that reliably handles different operating conditions and equipment configurations. Security, robust risk-based auditing and stronger corrective and preventive action processes are also viewed as important to maintaining safe, reliable automation systems.

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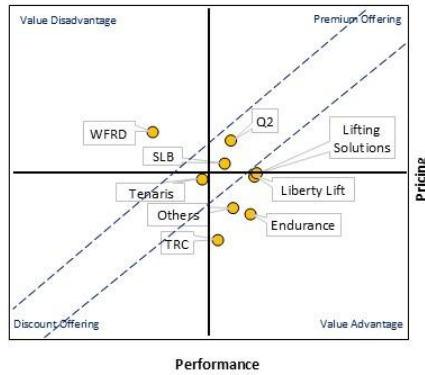
Value Map – Rod Lift

By Component: NAM Land

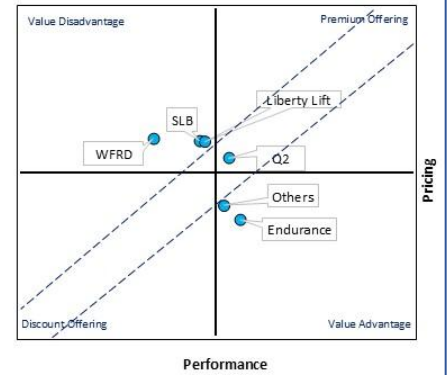
Surface Units



Sucker Rods



Downhole Pumps



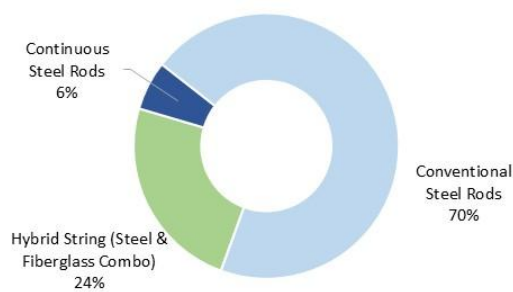
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Share of Sucker Rod Use by Type

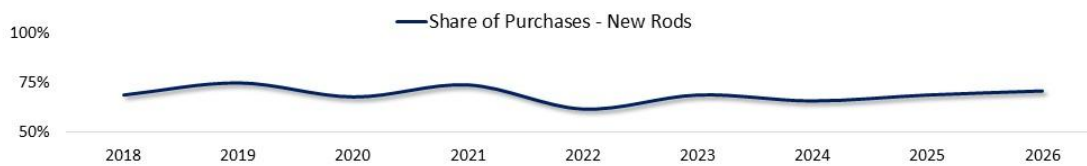
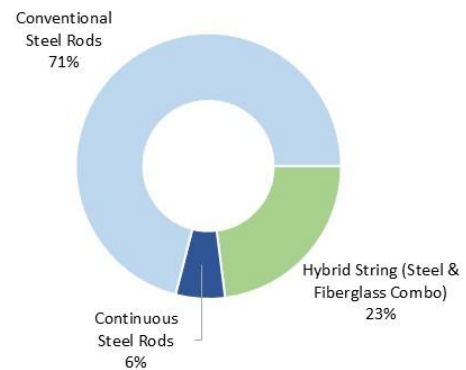
US Land

Continuous Steel Rod Use Has Grown from 1% to 6% Over the Last 4 Years

Current Use

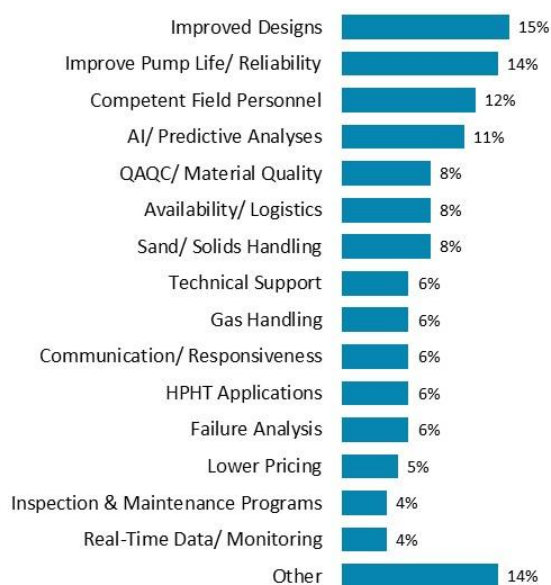


Use 2 Years From Now



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Desired Service Improvements from ESP Suppliers



Reliability, Run Life & Component Integrity: Extending ESP run life and preventing premature failures remain operators' clearest priorities. Respondents frequently cited failures involving cables and motor-lead extensions, motors, sensors, connectors and seals. Suppliers are expected to improve system sizing and design, strengthen metallurgy and insulation, and increase resistance to heat, corrosion, voltage fluctuations and mechanical stress. More rigorous qualification testing and QA/QC are also needed to prevent manufacturing and assembly issues from reaching the field.

Field Expertise, Technical Support & Responsiveness: Operators want more experienced technicians who can diagnose problems beyond recommending that the pump be pulled or attributing every issue to solids. High turnover, limited field coverage and uneven technical competency continue to undermine service quality. Suppliers that retain skilled personnel, improve training, respond quickly and provide proactive operational follow-up will be best positioned to differentiate.

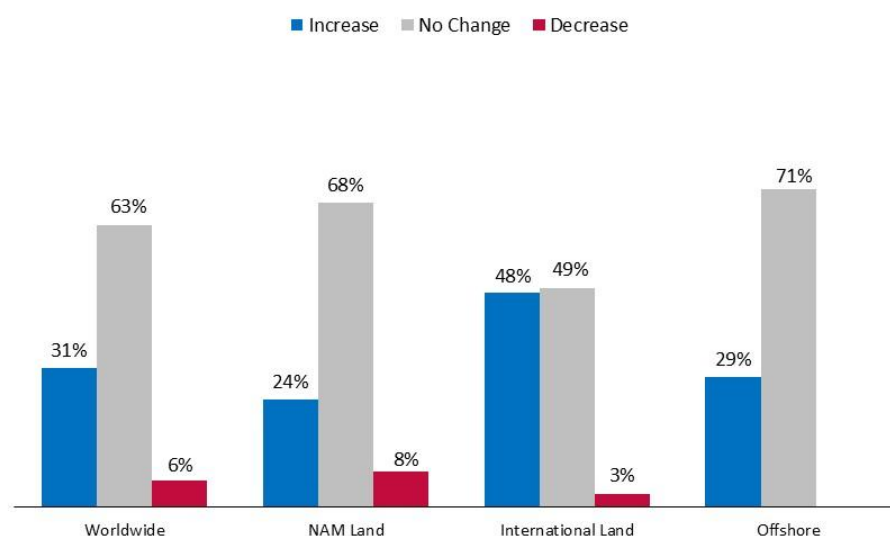
Monitoring, Diagnostics & Predictive Analytics: Interest in AI is centered on practical outcomes rather than automation alone. Operators want reliable real-time surveillance, actionable alerts, accurate predictions of remaining pump life and earlier identification of electrical or mechanical failures. Better teardown reporting, root-cause analysis and transparency around interventions would also help operators reduce repeat failures and make faster operating decisions.

Gas, Solids & Application-Specific Performance: Gas separation, sand and debris handling, scale, chemical compatibility and plugging remain significant performance challenges. Respondents also identified a need for more reliable solutions across HPHT, low-flow, heavy-oil, water and slim-hole applications, as well as pumps with wider operating ranges.

Availability and Service Readiness: Operators continue to experience delays caused by insufficient pump and cable inventory, limited transportation capacity and uneven technician coverage. Faster callouts, improved regional stocking and more complete service offerings would reduce downtime.

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Trend in Use of Permanent Magnetic Motors Over the Next 2 Years by Region



Reasons for Increased Use of PMM:

- Energy Efficiency – 57%
- Increased Production – 17%
- ESG Implications – 17%
- Increased Adoption/ Trials – 13%
- High Temperature Applications – 9%
- More Power/ Good Performance – 9%
- Other – 4%

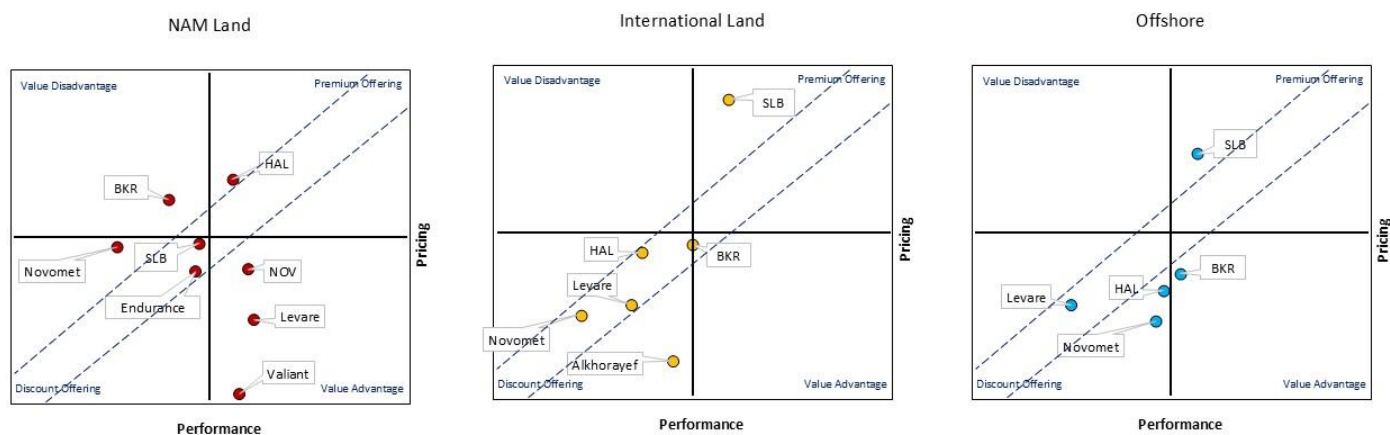
Reasons for Decreased Use of PMM:

- Poor Overall Experience – 33%
- Poor Cost-Benefit – 33%
- Safety Concerns – 17%
- Software Issues – 17%

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Value Map - ESP

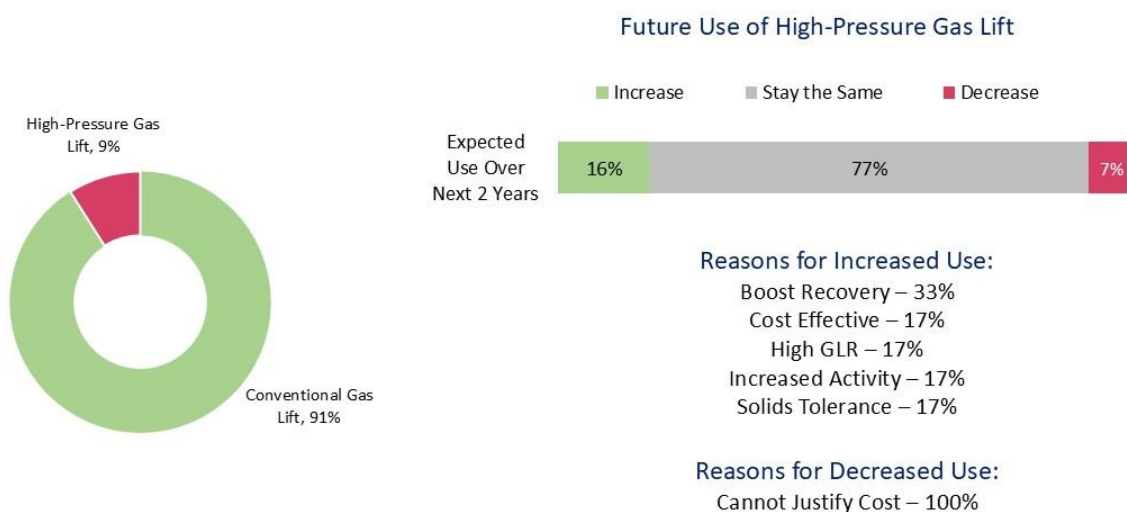
By Region



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Use of High-Pressure Gas Lift

North America Land

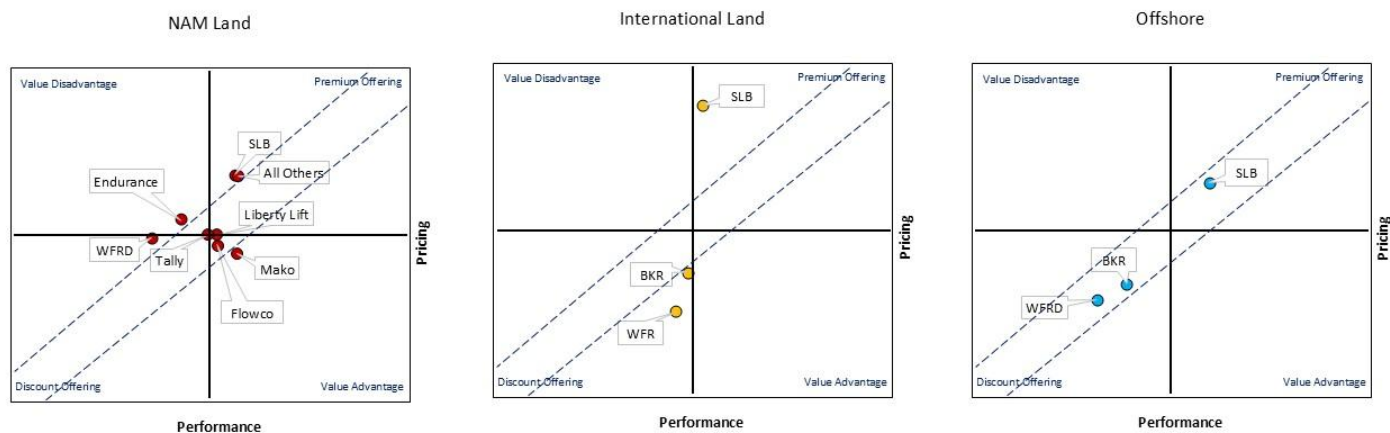


Percent of Gas Lift Systems

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Value Map – Gas Lift

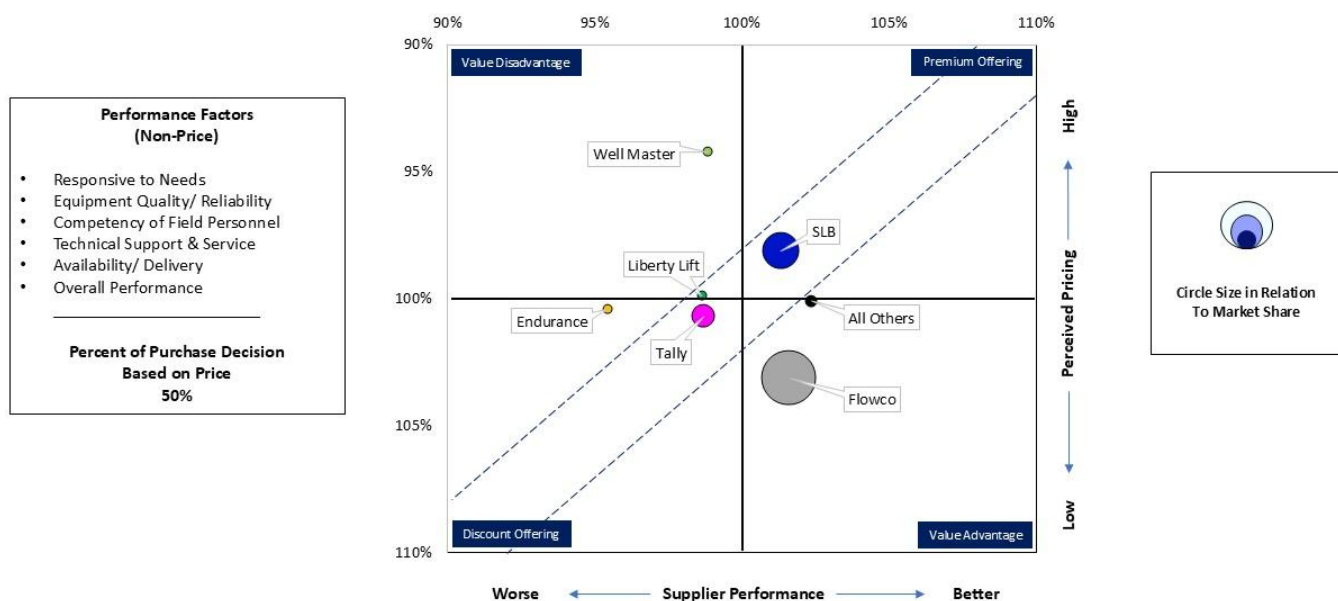
By Region



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Value Map – Plunger Lift

2026 NAM Land

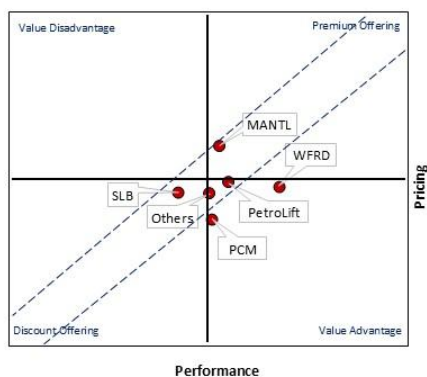


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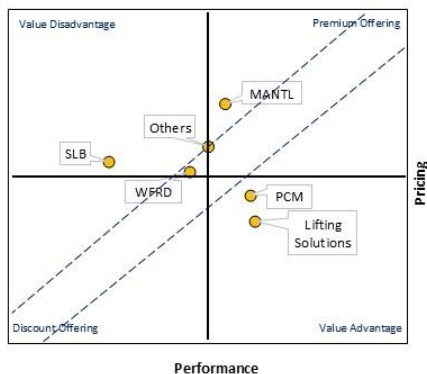
Value Map – PCP

By Component: NAM Land

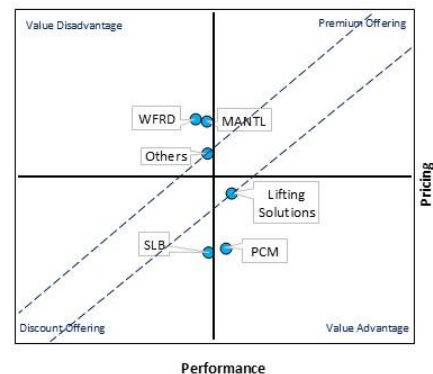
Drive Heads



Rod Strings



Downhole Pumps

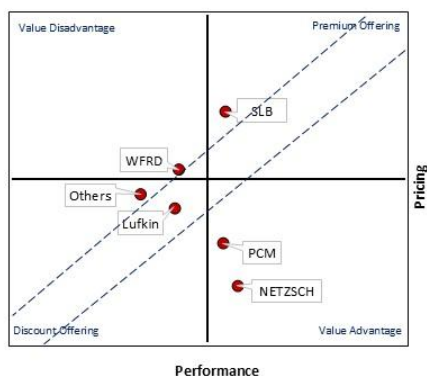


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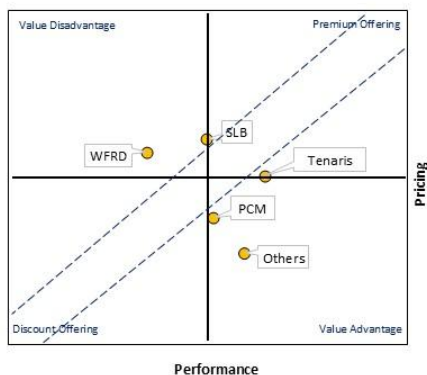
Value Map – PCP

By Component: International Land

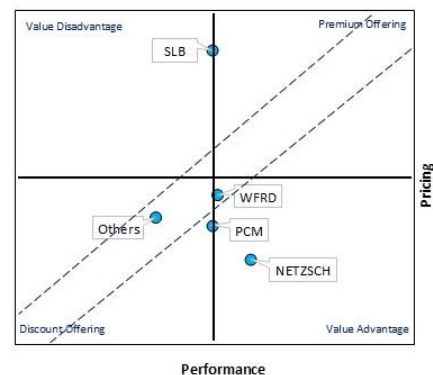
Drive Heads



Rod Strings



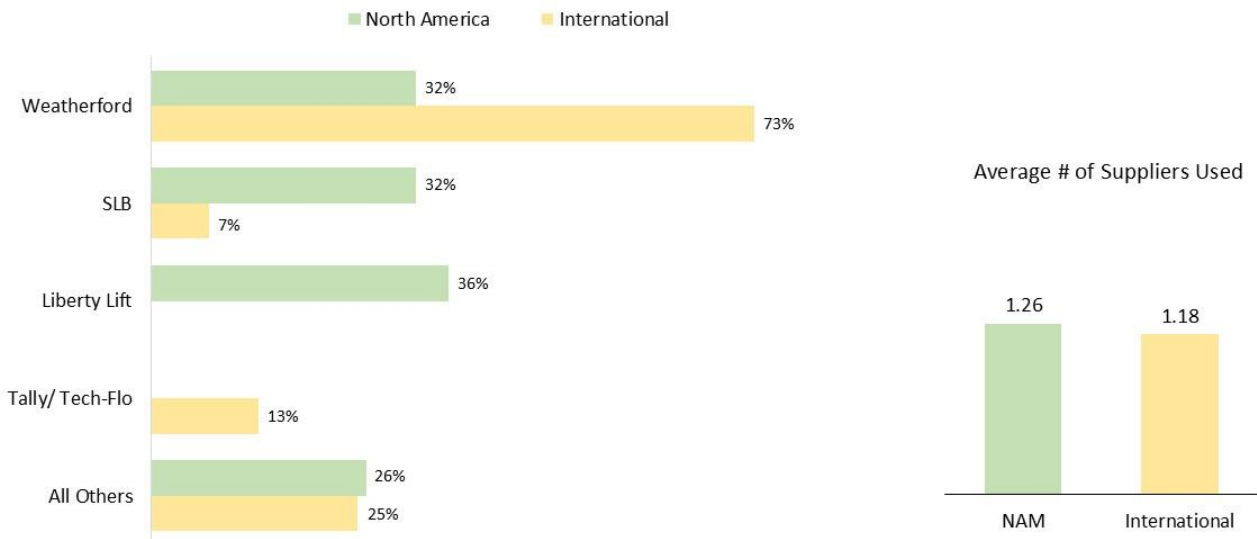
Downhole Pumps



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Suppliers Used for Jet Pumps

NAM vs International



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THANK YOU SO MUCH FOR YOUR GIFT OF FEEDBACK!

If you or your organization have any questions or would like to schedule an in-depth presentation of the results, please do not hesitate to reach out via the email below.

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