

Press release – 13 May, 2014

Success for Enhanced Drilling's EC-Drill[®] technology on Troll pilot with Statoil

OFFSHORE technology provider **Enhanced Drilling** has successfully completed a landmark pilot project with Statoil.

The EC-Drill[®] system from Enhanced Drilling is a managed-pressure-drilling system for use off floating rigs. The pilot, conducted on the Troll Field on the Norwegian Continental Shelf, saw EC-Drill[®] being used in the drilling of three branches of a well. Drilling of the 8½" section started from the COSL

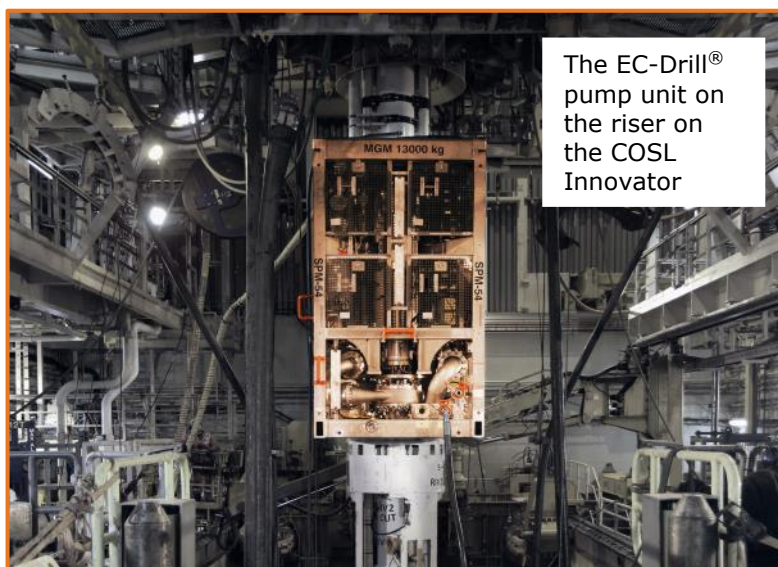
Innovator on 10 March this year, concluding on 30 April. During this period, 9.5km of sand was pumped.

EC-Drill[®] made it possible for Statoil to minimise losses, while the amount of drilling mud used was reduced by approximately 70 per cent in relation to comparable wells.

'WALK THE LINE'

The system solves a challenge commonly encountered in deep-water wells: drilling within a Narrow Pressure Window. EC-Drill[®] manipulates bottom-hole pressure by changing the level of drilling mud in the riser, enabling the operator to 'walk the line' between pore and fracture pressures.

The EC-Drill[®] Troll Pilot was the result of a NOK120m (USD20m) development contract announced



in July 2013 to develop EC-Drill® to Statoil's exacting standards. That contract received funding from Innovation Norway, the Norwegian governmental body that promotes innovation in enterprise and industry, plus Demo 2000, a programme established by The Research Council of Norway to ensure long-term competitiveness in the oil and gas business and continued profitable development of the petroleum resources of the Norwegian Continental Shelf.

Following the Troll Pilot, Statoil is due to introduce EC-Drill® to the Gulf of Mexico later in the year, on the Maersk Developer, for a multi-well project.

Enhanced Drilling's CEO, David Hine, said from the company's head office in Norway: "The successful completion of the EC-Drill® pilot is a milestone achievement for everybody at Enhanced Drilling. The system is a next-generation technology and the implications for the industry are very exciting indeed. Not only did the system meet Statoil's exacting standards, it performed successfully in the demanding conditions of the Troll Field with its erosive sand formations."

Enhanced Drilling changed its name from AGR Enhanced Drilling last month. The move came following the legal de-merger from AGR Group in 2013. As well as EC-Drill®, Enhanced Drilling is known for its RMR® Riserless Mud Recovery system, MPD Managed Pressure Drilling system and CTS Cuttings Transportation System. RMR® and CTS have been deployed on close to 600 wells, with RMR® recently celebrating ten years of successful deployments worldwide.

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Enhanced Drilling supplies innovative technical solutions and services to the global offshore industry. It has offices and facilities in Norway, Australia, Malaysia, Azerbaijan, Brazil, Canada, the UK and the USA.

