



PRESS RELEASE

New Riser contract for engineering specialists

Aquaterra Energy Ltd has been awarded a \$3 million contract from a large joint venture petroleum company in Egypt, to provide a high pressure drilling riser for use on their developments during 2010 and 2011 in the Mediterranean Sea.

The contract represents Aquaterra's entry into the High Pressure Riser Rental market, a segment currently suffering from poor competition levels, and growing demand due to differential costs between Jack up and Semisubmersible drilling cost.

Aquaterra Managing Director, George Morrison commented 'This is a hugely significant contract for us, and we are extremely grateful to our client for the opportunity to work with them. We can't wait to deliver our experience, innovation and quality in this and subsequent riser rental projects. We see real growth for us in this market as more customers start to understand the advantages of drilling subsea wells with jack ups.'

The Norwich-based offshore engineering specialist will provide a state of the art full-bore riser to assist the client's drilling program. The riser will be capable of working at pressures up to 5,500 psi.

The riser system will enable the client to drill and complete three development wells, Taurt 6, Taurt 7 and Ha'py 10, on the Ras El Baar concession from the Transocean Constellation II jack-up drilling rig. The three well program is scheduled to commence from autumn 2010 with an estimated duration of 8-10 months in water depths to 108 metres.

The contract adds to the company's growing portfolio of Riser and Conductor products. 'Our aim' said Mr Morrison, 'is to have products relevant, and valuable to all jack up drilled wells. We see jack ups as our core market and ourselves as the expert vendor of all jack up riser related products, from tension systems and rings, through riser analysis, centralisers and VIV suppression. We offer a one stop shop for everything riser related. This riser, and our other recent purchase of 13 5/8 inch surface risers adds to our ability to meet changing client demands.'

The riser will be a self contained system that includes all necessary running equipment and power packs. It will form a pressure retaining conduit between the subsea wells and the surface BOP that facilitates the passage of drilling, completion and intervention equipment and tools.

Aquaterra Energy personnel have extensive knowledge of designing and running HP drilling risers and associated equipment, such as tensioning systems, tension rings, subsea connectors with the associated hydraulic equipment and appropriate optimisation of offshore operations and riser system handling.

Aquaterra's subsea riser systems are both adaptable and optimised for a variety of environmental and operational conditions.

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About Aquaterra Energy Ltd

www.aquaterraenergy.com

- Aquaterra Energy Ltd specialises in offshore engineering solutions for the international oil & gas industry, providing services to more than 100 customers in over 35 countries worldwide
- The company has offices in Aberdeen, Cairo, Cambridge, Houston, Kuala Lumpur and Norwich
- Aquaterra Energy's services are provided via three business streams:
 - **Riser Systems:** Riser Analysis; Subsea Riser Systems; Surface Riser Systems; Connectors; Pipeline Risers; VIV Suppression Systems; Tieback Engineering; Centralisers
 - **Offshore Structures:** Sea Swift Platforms; Subsea Drilling Templates; Subsea Protective Structures; Tension Decks; MOPU Wellbay Modules; Conductor Slot Addition; Bespoke Offshore Structures
 - **Service and Rental:** SUREgrip Tension Ring; PROten Riser Tension System; Rig Floor Tension System; Conductor/Riser Tensioning Unit; Cement Top Up Systems; Aquascope Subsea Camera Systems; Disposable Camera Systems; Conductor Slot Recovery; Conductor Whipstocks; Rental Tools; SUREcut Cold Cutter; PDQ Drill String Connectors; Trash Caps; Heavy Lifting Equipment; Gyroscopes
- Aquaterra Energy received a Queen's Award for International Trade in 2009.