BP Investment in XACT Acoustic Telemetry Network Emphasizes Safety, Efficiency in Offshore Wells

Houston, TX, March 4, 2013 – BP Ventures is investing in advanced acoustic telemetry technology developed by XACT Downhole Telemetry Inc. for drilling and completing difficult offshore wells. The technology provides high-speed, real-time data transmission in conditions where traditional technologies are limited or ineffective.

In the agreement, BP, one of the world’s leading oil and gas companies, will make investments in XACT research and development, and to expedite manufacturing of a commercial fleet of telemetry tools for use in oilfield drilling and completion operations.

“The XACT Acoustic Telemetry Network has been proven in more than 400 successful applications,” said Douglas Smith, XACT Director of Business Development. “We are pleased to have BP’s support in further developing and deploying this unique technology that will assist operators worldwide to more safely drill and complete their wells.”

Catherine Hyde-Barber, BP Interventions Technology Manager, said, “BP is always searching for new technology that allows us to operate more safely and reduce operating costs. We feel that this acoustic technology has the potential to provide us with real-time data that will allow us to operate more safely.”

BP Ventures Global Director, Issam Dairanieh, said, “From an investment perspective, BP feels that this technology from XACT offers an exciting solution to the visibility of downhole measurements and will in turn provide an excellent ROI.”

The XACT technology features a network of specialized collar-based components that are part of the drill pipe assembly. These built-in instrument nodes acquire and transmit data along the entire length of the drill pipe. The real-time telemetry is independent of fluid type and flow in the wellbore, or water depth – factors that commonly restrict or eliminate traditional methods such as mud pulse and electromagnetic telemetry.

XACT has sales and executive offices in Houston, TX, USA, and R&D and R&M departments in Calgary, Alberta, Canada. They are also planning an operations facility in the Houston area later this year. For more information: www.xactinc.com

XACT Downhole Telemetry Inc. is majority owned by Shell Technology Ventures Fund 1 B.V., which is managed by Kenda Capital B.V.

###