

Press Release

Canadian success for Caledus:

Talisman runs world's first field trials of SlimWELL®

Aberdeen-based well technology specialist Caledus has confirmed today (Mon 6 Feb) that the world's first field trials for its SlimWELL® well construction system have been successfully run in Alberta, Canada.

The SlimWELL® system made its debut in a 2000m onshore well drilled by Talisman Energy in its Kaybob South field, a remote area near the town of Whitecourt. SlimWELL® technology allows reduced clearance between successive well linings, enabling operators to slim down their well profile and achieve potentially significant savings on construction costs.

"Having invested nearly £2 million to date in getting SlimWELL® to the field trial stage, this is clearly a milestone achievement for our young company," said Caledus co-founder and managing director Paul Howlett.

"We would like to thank Talisman for supporting this initial field trial of a 5.1/2" x 7" system, and we plan to publish the full trial results at OTC in Houston in May.

"We are currently in advanced discussions with one of the energy majors over the system making its North Sea field trial debut later this year."

Talisman UK evaluated the potential benefits of SlimWELL® across a number of North Sea well types before deciding to trial the system in an onshore installation.

"Our study indicated that successful deployment of the technology on a full scale would lower well construction costs and even increase production in some scenarios," said Gordon Begg, of Talisman's Wells Business Performance unit in Aberdeen.

Core technology

SlimWELL® is the core long-term technology for Caledus, which was founded in 2003 and attracted major investment from transatlantic energy specialists Lime Rock Partners the following year. In its short life, the company has already won three prestigious business awards, opened an operations base in Calgary, made two acquisitions and seen its workforce grow from four to over 35.

"SlimWELL® has as yet made no contribution to our greater than £2.2 (2005) million pa revenue, but, within the next few years, we expect it to account for around 70% of our turnover," said Paul Howlett.

"Independent operator and well engineering consultancy studies have already suggested that SlimWELL® can reduce well construction costs between 20-50% and increase productivity by 15% based on an average of 65% reduction in consumable costs and larger casing across the zone of interest".

“Even with only modest market penetration, we can very quickly grow Caledus into a really significant well technology market specialist with annual revenues in excess of £50 million.”

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