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Parker Drilling Announces Award of Operations and Maintenance Contract for BP Liberty Ultra-Extended-Reach Drilling Rig

HOUSTON, Aug. 25 /PRNewswire-FirstCall/ -- Parker Drilling (NYSE: PKD), a global drilling contractor and service provider, announced today the award of an initial two-year Operations and Maintenance (O&M) contract for BP's Liberty rig, a land-based rig designed to drill ultra-extended-reach wells to offshore targets in the Liberty field from the North Slope.

(Photo: <http://www.newscom.com/cgi-bin/prnh/20090825/DA65538>)

The O&M contract is the third phase of the Liberty field development project awarded to Parker. Phase one was a technical service project awarded in 2006 by BP to provide a conceptual design for the purpose-built rig, and phase two was the construction and commissioning contract, awarded in 2008.

Work under the O&M contract has already begun. The Liberty rig arrived at the drilling site in July after being transported via barge.

The Liberty rig's ultra-extended-reach wells, guided by 3-D seismic imagery, will extend nearly two miles deep and as far as eight miles out, some with measured depths exceeding the current record of over seven and a half miles.

Robert L. Parker Jr., Parker Drilling's chairman and chief executive officer, said: "In circumstances such as the Liberty project, in which our customer requires a unique, customized drilling package, Parker draws on our 75 years of drilling expertise, technology development and record-setting performances to create advanced solutions through our Project Management and Engineering Services segment including Front-End Engineering and Design (FEED); Engineering, Procurement, Construction and Installation (EPCI); and Operations and Maintenance of customer-owned rigs.

"The Liberty contract is the latest addition to our Project Management portfolio, which currently includes the FEED study for the Arkutun-Dagi offshore platform, the O&M contracts for the Orlan platform and the Yastreb extended-reach drilling rig (also designed and constructed by Parker), all for the Sakhalin-1 consortium; and the supply of technical services to 18 rigs owned by Kuwait Drilling Company.

"Because of our efficient, innovative solutions and industry-leading safety performance, we are a trusted partner for some of the world's largest exploration companies. In accordance with our strategic plan, we expect to grow this segment in the long term," Parker concluded.

Parker Drilling (NYSE: PKD) provides high-performance contract drilling solutions, rental tools and project management services to the worldwide energy industry. Parker operates 29 land rigs in strategic international markets and 17 offshore barge rigs, primarily in the coastal waters of the U.S. Gulf of Mexico. The Company's Rental Tools business rents premium equipment to operators in active land and offshore markets in North America. Founded in 1934, Parker has set numerous world records for deep and extended-reach drilling and is an industry leader in safety performance. More information about Parker Drilling can be found at <http://www.parkerdrilling.com>.

SOURCE Parker Drilling