INTEQ Enters Into Services Agreement for Intelliserv® Wired Drill Pipe Telemetry System

HOUSTON – July 25, 2007 – INTEQ, a division of Baker Hughes, has announced that it has entered into a Services Agreement with IntelliServ Inc. (a Grant Prideco company) for the joint operation and marketing of services around the IntelliServ® Network, a wired drill pipe telemetry system. INTEQ has been involved with the development and testing of technology around the IntelliServ Network since 2003. INTEQ equipment and services have been provided on 88% of commercial wells where the IntelliServ Network was used to deliver real-time data.

Currently, INTEQ has more than 3000 operating hours on the IntelliServ Network both offshore and onshore at depths up to 15,000 feet. Deployments with the IntelliServ Network have included OnTrak™, AutoTrak®, LithoTrak™ and CoPilot® services offshore Norway and land-based Wyoming; managed pressure drilling offshore S.E. Asia; and probe-based MWD tools in Canada.

INTEQ has also run systems with the IntelliServ Network at the Baker Hughes' BETA test facility. These runs deployed the industry's most advanced bottom hole assemblies including AutoTrak, StarTrak™, MagTrak™, SoundTrak™, and TesTrak® services.

The link between INTEQ and IntelliServ Inc. allows INTEQ to deliver exceptional quality drilling, LWD and MWD data. It enhances INTEQ's industry leading drilling dynamics, reservoir navigation and wellbore stability services. The IntelliServ Network's drillstring telemetry facilitates the delivery of a clearer picture of downhole conditions and allows for rapid response to drilling changes so the wellbore can be safely placed in the optimal position in the reservoir.

INTEQ is an integrated drilling and evaluation company providing Answers While Drilling℠ services to the while-drilling market.

Baker Hughes is a leading provider of drilling, formation evaluation, completion and production products and services to the worldwide oil and gas industry.

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