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Contact: Tara Lee  
304-380-0141

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## **Highlands Drilling Set To Test Fuel-Blending Options**

Highlands Drilling has concluded a survey of alternative fuel options for powering its drilling rig and support equipment fleet. After an extensive study, Highlands President, Mike Poole, announced today that the Company will experiment with the use of an advanced fuel-blending system provided by a German company, CHM Technologies.

The system uses advanced controllers to measure and apply a blend of propane and diesel fuel to provide the optimum performance of the engine, and to gain the greatest economy in operation. It is estimated that blending the lower cost propane into a steady-state stationary engine running at optimum loads will result in a fuel savings of 20%.

The purpose of this test is to prove the viability of the system and to confirm its cost efficiency. Poole notes that, "Once we have accumulated enough data to confirm the application, we will seek to expand its use across the fleet. The attractive thing about this move is that the engine modification is slight and will allow the engine to continue running on 100% diesel load if that's what our customer wants. This is the greatest solution to provide our customers with options."

It is estimated by the U.S. EIA that nearly two trillion gallons of propane will be extracted from the shales in the northeast United States. Propane is a valuable product extracted from natural gas, and is currently available at wholesale for off-road use at about half the cost of diesel. Using propane in the drilling and completion industry is a logical application of the product we're producing.

Poole notes that this application is consistent with the Company's record of innovation over the past six years, resulting in savings that flow through to Highlands' customers. According to Poole, "Highlands is proud to be a world-class operation, working for some of the leading companies across Appalachia. We respect our clients and will always work diligently to give them the best service in the industry."

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