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Contact: Tara Lee
304-380-0141

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**Highlands Drilling Announces Expansion Plans
Targeting 2014 Drilling Demand**

Charleston, WV

President Mike Poole rolled out plans today for a scheduled expansion of the Highlands fleet of rigs designed to address projected growth in drilling demand in the northeastern United States. Poole notes that, "We've been studying trends in rig utilization in the Appalachian Basin over the past 18 months and have consulted with our core customer base to project rig demand in 2014 and beyond. While we do this routinely as a part of operations planning, this is the most comprehensive and forward looking survey that Highlands has ever conducted."

Poole recognizes that, "Rig demand is derived from a number of factors, but most important of them is the expectation that operators have about future demand for natural gas. The outlook for growing demand in the northeast continues to be very strong, even though a surplus of supply exists today. That's why we're confident in taking the steps that we've outlined today."

While most exploration and production companies have yet to publicly announce drilling plans, Poole sees a gradual recovery of optimism across the Basin and an increase in activity. Most importantly is recognition that the upset in drilling programs caused by changes in the regulatory environment in 2012 is unlikely to derail the long-term growth pattern for the industry. As most operators have addressed these changes in the regulatory environment, the growing numbers of drilling permits applications, pipeline expansion plans, and processing plants, all tend to support the momentum. Poole says that, "All of these factors lead us to believe that a strong demand for service company contracts is likely to follow the trend. And Highlands is well positioned to be a strong provider of drilling services to meet this demand."

The privately owned Highlands Drilling, has been a leader provider of under-balanced drilling services in the northeastern U.S. since 2006. The company has drilled over 1,200 horizontal wells in the shales as well as hundreds of vertical wells across the Marcellus. Highlands maintains its commitment to excellence recognized by its certification under the international standards, ISO-14001 and OHSAS 18001.

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