



INTEQ's AutoTrak® X-treme® System Surpasses 1-Million-Foot Drilled Milestone

HOUSTON – January 02, 2007 – INTEQ's AutoTrak X-treme drilling system drilled its one millionth foot of hole on December 11.

This system, formally launched in April 2006, integrates the third generation AutoTrak Rotary Closed Loop System with INTEQ's powerful X-treme motor technology. It was designed to lower drilling costs by increasing drilling rates of penetration and to expand drilling envelopes to enhance production and field recovery.

"We are delighted with the rate at which clients are recognizing the value of the AutoTrak X-treme system from multiple perspectives," said Martin Craighead, INTEQ President. "It is breaking drilling records on a regular basis in some of the world's most challenging wells and allowing operators to access reserves which would previously have been considered impossible to reach. This is a tremendous milestone to pass at such an early stage of this product's introduction."

Uniquely having full two-way communication with the steering unit at the drill bit, the system is designed to deliver precise wellbore positioning control in the reservoir, resulting in improved well performance.

To date, the system has been operating in 16 countries and performed over 200 jobs. Examples of recent performance include: saving over 28 days drilling time in a horizontal well onshore Italy; reducing drillstring and casing wear by over 40% offshore India; accessing trapped reserves in mature North Sea fields; and dramatically improving drilling performance in various locations, including Saudi Arabia and Indonesia.

INTEQ, a division of Baker Hughes, is a provider of advanced While-Drilling technologies and services. Major capabilities include directional drilling, Measurement-While-Drilling (MWD), Logging-While-Drilling (LWD), and wellsite information management services.

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

###

CONTACT:

Baker Hughes Incorporated
Stephen Scheffer, 713/625-4465
Steve.Scheffer@INTEQ.com
www.bakerhughes.com/inteq