



October 16, 2006

FOR IMMEDIATE RELEASE

For more information, contact:
Scott Milliren, President, MD Cowan
(432) 366-6261

ODESSA, TX – MD Cowan, Inc., is pleased to announce the receipt of a letter of intent from Terra Rig Co. AS for the purchase of five Super Single® drilling rigs, with an option to purchase five more.

NorAm Drilling Co., based in Plano, Texas, will serve as the drilling company for the rigs. Terra Rig Co. AS will utilize the rigs to drill the Terra Oil & Gas properties in the Barnett Shale.

“We’re pleased that NorAm and Terra have made the Super Single® their rig of choice,” said Scott Milliren, President, MD Cowan, Inc. “The Norwegians are known for their commitment to top-quality oil and gas equipment. This bodes well for the ongoing growth of the Super Single®.”

Since 1973, MD Cowan, Inc. has provided new and refurbished equipment to the oil and gas industry, from single components such as mud pumps and masts to complete rigs. In 2005, Cowan predicted there would be great demand for new, highly mobile drilling rigs. Seizing the opportunity, the company began constructing its 1,000 horsepower Super Single® rigs. This highly successful rig is ideally suited for the unconventional gas plays and sub-12,000-ft. drilling projects.

MD Cowan, Inc. is a privately held rig construction and refurbishment company based in Odessa, TX. For more information about the Super Single® rig, visit www.mdcowan.com.

- 30 -

