

Queiroz Galvão Óleo e Gás Announces Arrival of Three New Helicopter-Transportable Onshore Rigs in Brazil

- Deep Drilling Capability and Transportability of the Rigs Strengthens QGOG's Position as the Leading Drilling and Production Services Provider in Remote Regions -

Rio de Janeiro, April 11, 2011 – Queiroz Galvão Óleo e Gás (QGOG), the largest privately held provider of drilling and production services in Brazil, announced today the arrival of three new helicopter-transportable onshore drilling rigs, including the QG-V rig leased to Petrobras, and the QG-VIII and QG-IX rigs leased to HRT Participações em Petróleo S.A. (HRT), a new client for QGOG.

The new drilling rigs are uniquely designed to meet the challenging requirements for projects in remote regions of the Amazon, and include deep-drilling capacity and ease of transportability. The rigs, are able to drill wells of up to 4,500 meters and can be moved in modules of up to 2,500 Kg, enabling them to be transported by helicopter to remote, difficult-to-access locations. The rigs are also equipped with advanced technologies to increase safety and operational efficiency. The rigs are expected to be operational in May 2011.

"With six onshore rigs in operation, the arrival of these new state-of-the-art rigs increases QGOG's onshore activity by 50% and strengthens its position in Brazil as the leading provider of onshore oil and gas drilling and production services," stated Leduvy Gouvea, Chief Executive Officer. "We look forward to having these rigs come on-line in the near term."

"Although there was industry demand for helicopter-transportable rigs, there were no manufacturers anywhere in the world that had developed them to the specifications required for operations in remote areas of the Amazon," commented Luiz Alberto Andrés, Operations Officer. "We collaborated to design and produce these unique new rigs specifically for our customers' Amazon projects."

QGOG currently operates six onshore and five offshore drilling rigs and has an interest in one FPSO. Two additional drillships and one FPSO, in which QGOG also has a participating interest, are under construction, all have been contracted. Additionally, the Company has an offshore drilling rig, "Alpha Star", which is sailing now from Singapore to Brazil.

About QGOG

Queiroz Galvão Óleo e Gás (QGOG) is the largest Brazilian privately-held provider of drilling and production services contractor. Over the last 30 years of continuous operations, QGOG has built an unparalleled reputation for excellence in onshore and offshore drilling services, achieving ISO 9001, 14001 and OHSAS 18001 certifications for its quality management, environmental and safety records and systems. As part of one of Brazil's largest industrial groups, Queiroz Galvão, QGOG enjoys synergies with group companies such as Queiroz Galvão Exploração e Produção (QGEP), the oil and gas exploration and production arm, as well as with one of Brazil's leading construction and engineering firms, Construtora Queiroz Galvão S.A., one of the shareholders and the operator of the largest shipyard in the Americas.

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