



News Release

2008 January 08

For Immediate Release

Xtreme Coil and STV Fund 1 launch Coil-X with purchase of first COTD™ drilling rig

Calgary, Alberta – (TSX - XDC) - Xtreme Coil Drilling Corp. ("Xtreme Coil") and Shell Technology Ventures Fund 1 BV ("STV Fund 1"), as joint venture partners in Coil-X Drilling Systems Corporation ("Coil-X"), announce the purchase of Coil-X's first Coil Over Top Drive® ("COTD™") drilling rig, an XTC 200DT^{Plus}.

Coil-X purchased the XTC 200DT^{Plus} drilling rig from Xtreme Coil for anticipated deployment in the 2008 first quarter to a project in the Permian Basin in west Texas. This rig is the newest COTD™ model designed and built by Xtreme Coil. STV Fund 1 provided Coil-X with financing to assist in the purchase of its first rig. This initial Coil-X project, using the first XTC 200DT^{Plus}, will allow Xtreme Coil and Coil-X to evaluate drilling market opportunities for large coiled tubing within the United States and for other international projects. This rig features a 200,000 pound injector capable of drilling with 3-1/2 inch coil to 10,000 feet (3,000 meters). It can smoothly interface to drilling with conventional pipe which can reach depths up to 8,200 feet (2,500 meters). The XTC 200DT^{Plus} also features Xtreme Coil's innovative and proprietary transportation technology for fast, cost efficient, moves between drilling locations.

Forward-looking Statements

The information in this news release may include certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward-looking statements including the anticipated timing for deployment of the XTC 200DT^{Plus}.

Assumptions which are subject to significant risks and uncertainties are the basis for these forward-looking statements. Risks and uncertainties result from of a variety of factors including, but not limited to, the rig's final commissioning and transportation to the location, as well as project location, timing and parameters. Thus, actual results, expectations, achievements or performance may differ materially from those anticipated. Although Xtreme Coil and STV Fund 1 believe expectations reflected in these forward-looking statements are reasonable, we can give no assurances that expectations of any forward-looking statements will prove to be correct. Readers are cautioned that actual timing and results may vary materially from these forward-looking statements. Except as required pursuant to applicable securities laws, Xtreme Coil and STV Fund 1 disclaim any intention and assume no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting these forward-looking statements or otherwise.

Corporate Profiles

Xtreme Coil Drilling Corp.

Xtreme Coil develops and applies leading edge patented and patent-pending technology and designs to build and transport new Coil Over Top Drive® ("COTD™") drilling rigs. These innovative and efficient drilling rigs, developed for operation in both the United States and Canada, use larger coil to drill for hydrocarbons in deeper horizons. Xtreme Coil's proprietary technology also features modular transportation units, larger injectors, larger drilling rigs and new methodologies to achieve deeper, faster and safer drilling. Xtreme Coil's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "XDC".

Shell Technology Ventures Fund 1 B.V.

STV Fund 1, managed by Kenda Capital B.V., is an investment fund focused on accelerating the development and deployment of new technologies across the energy sector. Kenda Capital and STV Fund 1 maintain a unique technology relationship with the Shell Group. Major investors in STV Fund 1 are the Shell Group, Collier Capital and the Abu Dhabi Investment Authority.

Coil-X Drilling Systems Corporation

Coil-X, a joint venture partnership between Xtreme Coil and STV Fund 1, has an office in Houston, Texas. Coil-X operates and exports Coil Over Top Drive® (COTD™) innovative drilling and transportation technologies into new markets and resource frontiers within, and beyond, North America.

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For further information please contact

Tom Wood, Chairman and Chief Executive Officer
Xtreme Coil Drilling Corp.
1402, 500 Fourth Avenue SW
Calgary, Alberta T2P 2V6

tel: (403) 262-9500
fax: (403) 262-9522
email: ir@xtremecoil.com
www.xtremecoil.com