



News Release

2009 September 01

For Immediate Release

Xtreme Coil Secures México Long-Term Drilling Contracts

Calgary, Alberta - (TSX - XDC) - Xtreme Coil Drilling Corp. ("Xtreme Coil", the "Company") announces the signing of new eighteen-month contracts for eight drilling rigs located in México replacing existing one-year contracts.

Mexico Rig Fleet Fully Contracted into 2011

Xtreme Coil's wholly-owned subsidiary, Xtreme Coil Drilling México, S.A. de C.V., has entered into eight new long-term day rate contracts for Coil Over Top Drive® ("COTD™") drilling rigs with a global integrated oilfield services company. The long-term contracts cover a term of 18 months of 100 percent utilization at day rates substantially similar to expiring contracts and include options for three six-month extension periods.

Xtreme Coil now has all ten rigs in México contracted into the 2011 fiscal year. This includes the two previously announced 18 month contracts for drilling rigs signed in July 2009. Under these contracts, the ten drilling rigs in México will continue to operate in the Chicontepec oil development project near Poza Rica in the state of Veracruz.

Other Operations

We continue to pursue and evaluate opportunities for drilling projects inside and outside North America. As announced in August 2009, we are customizing an existing XTC 200 series rig as a fit-for-purpose re-entry rig for drilling in international markets. This rig's design, based on a patent recently issued to Xtreme Coil, features an alternating current ("AC") injector with a capacity of up to 200,000 lbs., the ability to handle and pressure-deploy, in one piece, a bottom hole assembly up to 120 feet long, and a built-for-purpose jack up substructure to access the tall wellheads in the Middle East and North Africa regions.

Currently, 81 percent of Xtreme Coil's rig fleet is under long-term contract.

Corporate Profile

Xtreme Coil develops and applies leading edge patented and related patent-pending technology and designs to build, transport, and operate new COTD™ drilling rigs. Currently contracted in the United States and México and marketed to other international regions, Xtreme Coil's innovative, dual-purpose and efficient rigs drill with larger coil to reach hydrocarbons in deeper horizons. Xtreme Coil's proprietary technology also features modular transportation systems, larger coil injectors and new methods for achieving deeper, faster and safer drilling. Xtreme Coil's common shares trade on the TSX under the symbol "XDC".

Reader Advisory

This news release contains forwarding looking statements. More particularly, this news release contains statements concerning contracts as well as the anticipated deployment, operation, utilization and performance of the Company's fleet of drilling rigs. Although Xtreme Coil believes the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Xtreme Coil can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties.

The forward-looking statements contained in this news release are made as of the date hereof and Xtreme Coil undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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