



PRESS RELEASE

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PARADIGM ANNOUNCES AGREEMENT TO ACQUIRE EARTH DECISION

Acquisition Enhances Company's Leadership in Next Generation Model-Centric Interpretation for Oil and Gas Industry

AMSTERDAM, NETHERLANDS – (July 6, 2006) – Paradigm (“the Company”), the leading software and consulting provider to the oil and gas industry for Rock and Fluid Interpretation™, announced today a definitive agreement to acquire Earth Decision, a leading provider of fully integrated shared-earth modeling for asset teams. Financial terms of the transaction were not disclosed.

John Gibson, Executive Chairman and CEO of Paradigm, said: “Given our shared vision for model-centric workflows, the acquisition of Earth Decision represents a tremendous strategic advantage for E&P scientists and engineers. For true collaboration and real-time decision making, our customers need an interactive reservoir model at the center of their workflow. By combining our complementary technology portfolios this vision becomes a reality. Asset teams can explore “what if” scenarios on-the-fly and determine the best plan for extracting the full potential from every reservoir safely and economically. We look forward to working together with Earth Decision’s experienced management team and talented employees to accomplish our shared objectives.”

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Jean-Claude Dulac is founder and Chief Architect of Earth Decision and will remain in the role of Chief Architect for Paradigm. Dulac said, "We are excited about joining forces with a proven industry leader and combining our global presence. We are confident that together we will be better able to serve our clients by extending our capabilities. Our goal is to continue to provide products and services using the highest quality methods, people, and results. Our strategic technology platform will be stronger than before with the combined strengths of the new organization."

With the acquisition of Earth Decision, Paradigm will have additional resources and technological strengths to deliver advanced scientific and engineering technologies for the oil and gas industry. Both companies have a long history of successfully commercializing and supporting technology solutions for over 450 exploration and production customers worldwide.

Jorge Machnizh, Chief Operating Officer of Paradigm, said: "From a technology standpoint, Earth Decision is an accomplished E&P innovator and has pioneered some of the most creative and extensive 3D modeling software in the industry. The Earth Decision's Suite is recognized as the industry's leading 3D structural modeling tool. With rig costs escalating and drilling going deeper in more geocomplex regions, our combined technologies give customers a competitive edge."

Paradigm and Earth Decision are announcing this transaction at a time in the industry when both companies' customers worldwide are focused on replacing reserves and dramatically optimizing the use of fixed drilling and production assets to meet growing demand for oil and natural gas. The desire to explore in remote areas and increase recovery from existing assets has driven additional demand for Paradigm advanced E&P applications and reservoir consulting services.

The combined company will be called Paradigm and Mr. John Gibson will remain Executive Chairman and CEO. Paradigm expects to maintain Earth Decision's global office network and does not expect significant workforce reductions.

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About Paradigm

Paradigm™, founded in 1987, is the leading software and consulting provider to the oil and gas industry for Rock and Fluid Interpretation™. Paradigm helps global oil and gas companies safely replace reserves and increase daily well production in complex geological areas. Paradigm's advanced technology provides Seismic Data Processing and Imaging, Prospect Interpretation and Modeling, Reservoir Characterization, Time-to-Depth Conversions, Well Planning, and Drilling. Committed to open standards, Paradigm extends integration to exploration and production data and third-party applications with the Paradigm Epos™ Data Sharing and Application Interoperability Framework. The company has a global network of sales, services and user support, serving major oil and gas producing regions in 22 countries. You can learn more about Paradigm by visiting their website at www.paradigmgeo.com.

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About Earth Decision

Earth Decision creates the most effective and complete, integrated decision support tools for profitable exploration and production. Earth Decision integrated modules provide a powerful shared-earth model that unlocks the potential of collaboration by the entire asset team. From advanced seismic visualization and velocity modeling to well path design and platform position optimization, Earth Decision offers workflow-driven solutions for both the novice and the expert user. The Base Module, powered by GOCAD, is acknowledged as the industry's leading 3D structural modeling tool. With simple inputs, the Earth Decision patented gridding technology, superb property modeling, robust upscaling and innovative well trajectory solutions provide the foundation for creating the most complete shared earth model. Advanced seismic visualization and interpretation modules ensure that accurate decisions and calculated uncertainties are made with all available data. Visit their website at www.earthdecision.com.

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Forward-Looking Statements:

Certain statements in this press release may constitute forward-looking statements. These statements are made on the basis of the views and assumptions of the management of Paradigm and Earth Decision regarding future events and business performance as of the time the statements are made and they do not undertake any obligation to update these statements. Actual results may differ materially from those expressed or implied. Such differences may result from legal or regulatory proceedings or other factors that affect the timing or ability to complete the transactions contemplated herein, actions taken by either of the companies, including restructuring or strategic initiatives (including capital investments or asset acquisitions or dispositions), as well as from developments beyond the companies' control. Such developments may affect assumptions regarding the operations of the businesses of Paradigm and Earth Decision separately or as combined entities including, among other things, the timing of the transaction.

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