



OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)
ARBN – 055 079 868

DRILLING REPORT – 12 January 2011

WELL NAME: Al Meashar-2, Block 7, Yemen

Oil Search reports that as at 06:00 Yemen time on 11 January (-8 hrs AEST), the Al Meashar-2 well in Block 7, Yemen, was being drill stem tested using a jet pump over the basement target interval. Oil was produced at an estimated average of 145 barrels of oil per day. The well is currently shut in for further build-up tests and will then be suspended.

Al Meashar-2 is an appraisal well of the Al Meashar-1 oil discovery made in early 2010. The well has been drilled from the existing Al Meashar-1 well pad using Managed Pressure Drilling to minimise damage from drilling fluids in the reservoir. The planned total measured depth of the well is approximately 3,740 metres.

The participants in Block 7 are:

Oil Search (ROY) Ltd	34%, Operator.
Kuwait Foreign Petroleum Exploration Co. (Aden) Ltd	21.25%
ARC Energy Holdings Ltd*	21.25%
Mitsui Exploration & Production Middle East B.V	8.5%
Yemen General Corporation for Oil and Gas	15%
Total	100%

* A wholly owned subsidiary of AWE Limited

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