



OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)

ARBN – 055 079 868

DRILLING REPORT – 15 September 2011

WELL NAME: Hedinia 10 ST2, PNG

Oil Search reports that as at 0600 PNG time on 15 September, the Hedinia 10 ST2 well was at a total depth of 3,850 metres and undertaking a logging programme to evaluate the Toro sandstone. Drilling progress for the week was 420 metres.

During the week, the well drilled through the Toro sandstone, the primary target, and reached total depth. Elevated gas readings and oil shows were observed and the preliminary log interpretation indicates that an oil column of approximately 20 metres is developed in the upper Toro sandstone.

The forward plan is to complete the acquisition of pressure data and logs, to confirm fluid content in the Toro sandstone. Subject to results, a sidetrack will be drilled to establish the up-dip potential of the Hedinia forelimb.

The participants in Hedinia 10 ST2 are:

Oil Search (PNG) Limited	60.05%
Ampolex (PNG Petroleum), Inc.	11.61%
Merlin Pacific Oil Company Limited	2.91%
Merlin Petroleum Company	18.69%
Petroleum Resources Kutubu Limited	6.75%
Total	100%

PETER BOTTEN, CBE
Managing Director

For further information please contact:
Ann Diamant
Investor Relations Manager

Tel: +61 (0)2 8207 8440
Mob: + 61 (0)407 483 128

AUSTRALIAN REGISTERED OFFICE

Level 27 Angel Place, 123 Pitt Street, Sydney NSW 2000 Australia.
GPO Box 2442, Sydney NSW 2001 Australia.
Telephone: (61) 2 8207 8400 Facsimile: (61) 2 8207 8500