



OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)

ARBN – 055 079 868

DRILLING REPORT – 23 February 2012

WELL NAME: P'nyang South 1, PNG

Oil Search reports that as at 0600 PNG time on 23 February, the P'nyang South 1 well was at a depth of 1,788 metres and drilling ahead in an 8 ½" hole. The Toro A sandstone was intersected during the week and elevated gas readings have been observed. The forward plan is to drill ahead prior to cutting an interval of core over the Toro B sandstone. Drilling progress for the week was 583 metres.

P'nyang South 1 is located four kilometres south west of the P'nyang 1x gas discovery and approximately 90 kilometres north west of the Juha gas field. The primary objectives are the Toro, Digimu and P'nyang sandstones.

The participants in P'nyang South 1 are:

Oil Search Limited *	38.5%
ExxonMobil affiliates	49.0%
JX Nippon	12.5%
Total	100 %

* Oil Search is drilling the P'nyang South well under contract with the Operator, Esso PNG P'nyang Limited.

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