



OIL SEARCH LIMITED

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

DRILLING REPORT – 15 March 2012

WELL NAME: P'nyang South 1, PNG

Oil Search reports that as at 06:00 hrs PNG time on 15 March, the P'nyang South 1 well was at a depth of 2,508 metres and preparations were underway to plug the well prior to initiating a side track.

During the week, a 6" hole was drilled through the Koi-lange sandstone and a formation evaluation programme completed. The preliminary interpretation of data indicates the Koi-lange sandstone is water wet. Drilling progress for the week was 81 metres.

The forward plan is to drill a side track to further constrain the down dip extent of the gas zone intersected in the Toro to P'nyang reservoir interval.

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 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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