Nido Petroleum Limited

ABN 65 086 630 373

17 July 2013

ASX ANNOUNCEMENT

GALOC DRILLING UPDATE

Nido Petroleum Limited (ASX: NDO) ("Nido" or the "Company") is pleased to provide the attached weekly update from the Operator in relation to the drilling at Galoc as part of the Phase II development.

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17 July 2013

Manager of Company Announcements
ASX Limited
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By E-Lodgement

GALOC-5H AND GALOC-6H DRILLING UPDATE

Highlights:

- **Weekly drilling update for Galoc-5H and 6H development wells**

Otto Energy Limited ("Otto") (ASX:OEL), as operator of the producing Galoc oilfield joint venture offshore the Philippines, provides the following update on the Galoc-5H and Galoc-6H drilling campaign in SC14C, part of the Galoc Phase II development approved in 2012.

Progress

During the period from 0600 hours (AWST) on 10 July 2013 to 0600 hours (AWST) on 17 July 2013, drilled the G-6H 12¼" hole section to 2,554 metres. The well has been steered to near horizontal, ready for commencement of drilling the long (approximately 2,000 metres) horizontal productive section through the reservoir. 9⅝" casing operations have commenced. Logs obtained whilst drilling have confirmed that the well has penetrated the oil bearing Galoc reservoir sandstones in line with the pre-drill prognosis.

Forward Plan

The forward plan is to complete setting and cementing the 9⅝" casing on G -6H prior to moving to the G-5H well to drill the 12¼" hole through to reservoir at approx 2,500m MD, then run and cement 9⅝" casing.

--Ends--

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OTTO AT A GLANCE

- ASX-listed oil and gas company with a strategy to grow its integrated oil and gas business across exploration, development and production
- Focused on South East Asia and East Africa
- Operator of the producing Galoc oil field in the Philippines, which provides cashflow
- Opportunity rich with substantial exploration prospects and leads

COMPANY OFFICERS

Rick Crabb	Chairman
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Ian Boserio	Director
Gregor McNab	CEO
Matthew Allen	CFO/Coy Secretary

www.ottoenergy.com

Location and Proposed Depth

The Galoc field is located in Service Contract SC14C (Galoc Sub Block) in 290 metres of water approximately 65km North West of Palawan Island and 350km south of Manila in the Republic of the Philippines. The Galoc-5H and Galoc-6H development wells are being drilled within the existing producing field that has delivered over 10 MMbbls of production since the field was commissioned in 2008.

The wells are being batch drilled in 311 metres of water. It is planned that the Galoc-5H and Galoc-6H development wells will be drilled to a total vertical depth of 2,190 metres with approximately 2,000 metres of horizontal completion. Drilling is expected to take approximately 115 days including the flowing of the wells for clean-up.

After drilling of both Galoc-5H and Galoc-6H is completed, the DOF operated Skandia Hercules construction vessel will be used to install the subsea equipment and complete the hook-up of both wells to the FPSO Rubicon Intrepid.

First oil from the Phase II wells is expected during Q4 2013.

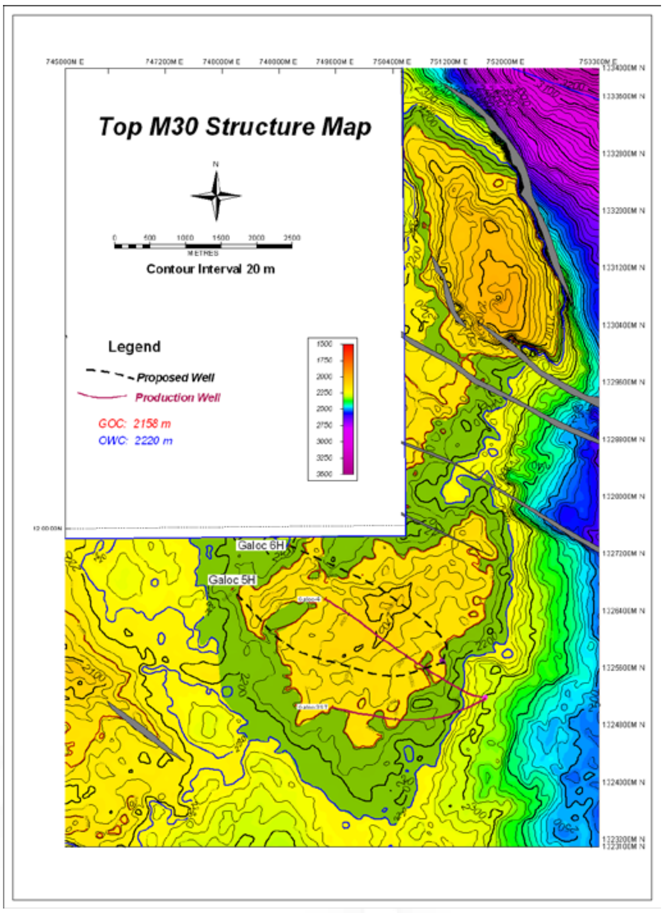

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Figure: FPSO Rubicon Intrepid and MODU Ocean Patriot in operations in the Galoc oil field, June 2013

APPENDIX A: SUMMARY

SC14C Galoc-5H and Galoc-6H Development Wells	
Location	Palawan Basin, Philippines
Permit	SC14C
Well Type	Horizontal development wells
Target	Turbiditic sandstone in Miocene Galoc Classic Unit
Water Depth	Approximately 311 metres
Planned total depth	Approximately 2,190 metres vertical Total drilled length approximately 5,000 metres for each well
Duration	115 days (including well clean-up flow)

Note: Depth is measured in metres below the rig rotary table or drilling floor

Joint Venture Partners:

Participant	Participating Interest %
Galoc Production Company W.L.L. (Operator) (Wholly owned subsidiary of Otto Energy Ltd (ASX: OEL))	33.00000
Galoc Production Company No. 2 Pte Ltd (Wholly owned subsidiary of Kuwait Foreign Petroleum Exploration Company)	26.84473
Nido Production (Galoc) Pty Ltd (ASX: NDO)	22.87952
Oriental Petroleum & Minerals Corporation and Linapacan Oil Gas & Power Corporation	7.78505
The Philodrill Corporation	7.21495
Forum Energy Philippines Corporation	2.27575