

9 October 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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*Join our electronic mailing list and find more information about Nido Petroleum at:*  
[www.nido.com.au](http://www.nido.com.au)

9 October 2013

Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
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## By E-Lodgement

### GALOC-5H AND GALOC-6H DRILLING UPDATE # 18

#### 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 project approved in 2012.

#### Progress

During the period from 0600 hours (AWST) on 2<sup>nd</sup> October 2013 to 0600 hours (AWST) on 9<sup>th</sup> October 2013, the Galoc JV successfully completed running of the G-6H upper completion. The well is now suspended pending subsea tree installation, clean-up and flow testing. The marine riser and blowout preventer are currently being de-mobilised.

#### Forward Plan

The forward plan is to move to G-5H, install the subsea tree and commence clean-up & flow testing, followed by the same procedure on G-6H.

#### 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 |

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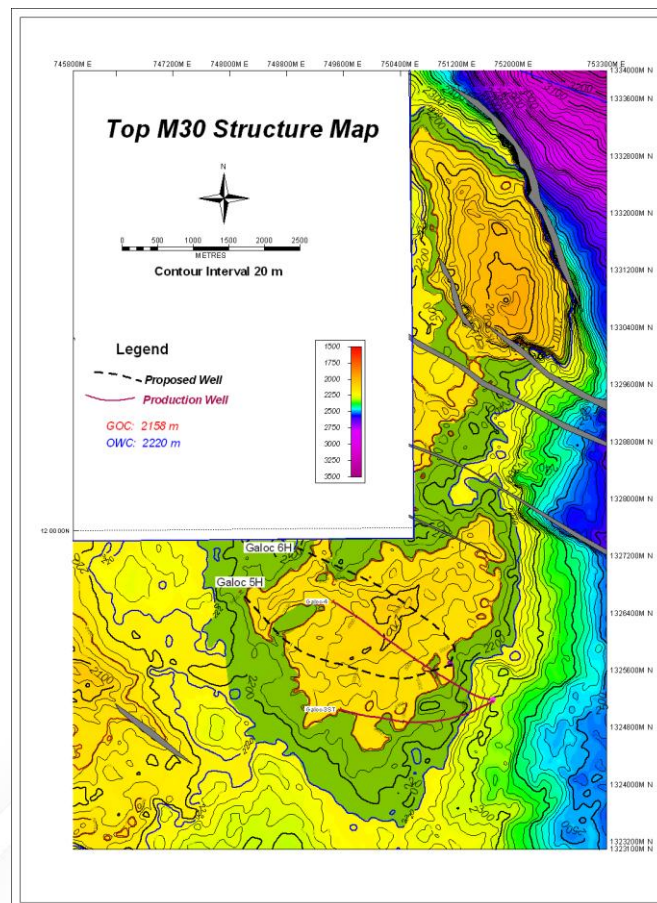
### Location and Proposed Depth

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 Galoc-5H and Galoc-6H development wells will be drilled to a total vertical depth of 2,190 metres with 1,777 metres of horizontal completion in the G-5H well and 1,389 metres of horizontal completion in the G-6H well. 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 Skansen 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 in November 2013.



## **APPENDIX A: SUMMARY**

| <b>SC14C Galoc-5H and Galoc-6H Development Wells</b> |                                                                                                                                                         |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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<br>Total drilled length of 4,497 metres for the G-5H well<br>Total drilled length of 3,958 metres for the G-6H well |
| Duration                                             | 115 days (including well clean-up flow)                                                                                                                 |

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

### **Joint Venture Partners:**

| <b><u>Participant</u></b>                                                                                           | <b><u>Participating Interest %</u></b> |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Galoc Production Company W.L.L. (Operator)<br>(Wholly owned subsidiary of Otto Energy Ltd (ASX: OEL))               | 33.00000                               |
| Galoc Production Company No. 2 Pte Ltd<br>(Wholly owned subsidiary of Kuwait Foreign Petroleum Exploration Company) | 26.84473                               |
| Nido Production (Galoc) Pty Ltd<br>(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                                |