



OIL SEARCH LIMITED

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

DRILLING REPORT – 21 January 2010

WELL NAME: Wasuma 1, PNG

Oil Search reports that Rig 103 commenced drilling the Wasuma 1 well in PNG on 18 January 2010. As at 06:00 PNG time on 21 January, the well was at a depth of 920 metres and drilling ahead in a 17-1/2" hole.

Wasuma 1 is an oil prospect located in PPL 219, approximately seven kilometres north east of the SE Gobe oil field. The well is targeting both the lagifu and Toro sandstones in a seismically defined conventional hanging wall target analogous to the Gobe field. The mean potential recoverable reserves are estimated at 25 million barrels.

The planned total depth of the well is approximately 2,400 metres and the well is expected to take 40 to 45 days to drill. Subject to results in the hanging wall, the well may be deepened to test a footwall target.

The participants in Wasuma 1 are:

Oil Search Limited	71.25%
Nippon Oil Exploration Company	28.75%
Total	100.00%

AUSTRALIAN REGISTERED OFFICE

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GPO Box 2442, Sydney NSW 2001 Australia.
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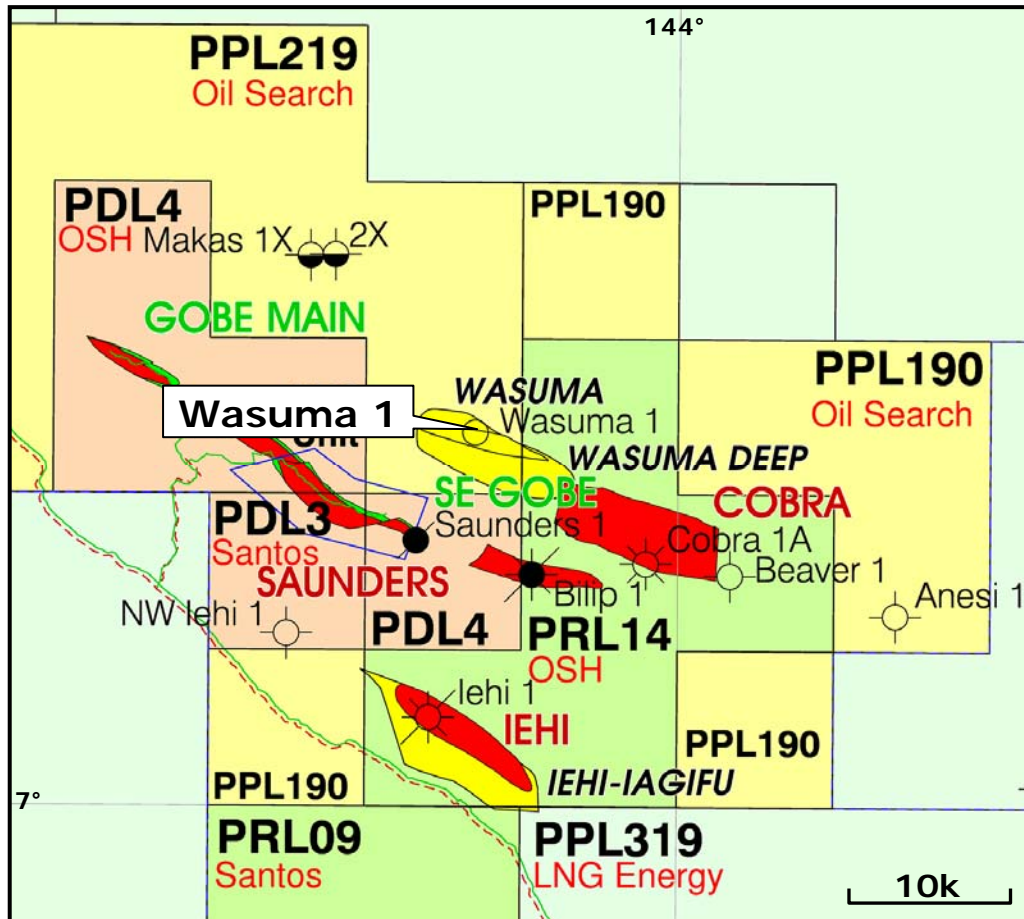


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WASUMA LOCATION MAP



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DRILLING REPORT – 21 January 2010

WELL NAME: AI Meashar-1, Block 7, Yemen

Oil Search reports that as at 06:00 Yemen time on 20 January (-7 hrs AEST), the AI Meashar-1 well in Block 7, Yemen was at a depth of 2,594 metres and drilling ahead in 12-¼" hole. Progress for the week was 200 metres.

AI Meashar-1 is targeting fractured basement rock in a structure defined by a 3D survey acquired in 2008. The well has a predicted total depth of approximately 3,400 metres and is expected to take 70-75 days to drill.

The participants in Block 7 are:

Oil Search (ROY) Ltd	34%, Operator
Kuwait Foreign Petroleum Exploration Co. (Aden) Ltd	21.25%
ARC Energy Holdings Ltd*	21.25%
Mitsui Exploration & Production Middle East B.V	8.5%
Yemen General Corporation for Oil and Gas	15%
Total	100%

* A wholly owned subsidiary of AWE Limited

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