



OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)

ARBN – 055 079 868

DRILLING REPORT – 27 December 2007

WELL NAME: NW Paua 1, PNG

Oil Search reports that as at 0600 hrs on 27 December, the NW Paua 1 exploration well was at a depth of 1,293 metres and drilling ahead in a 17-1/2" hole. Progress for the week was 1,190 metres.

NW Paua 1 is located in PDL 5, five kilometres north east of the Moran oil field and six kilometres north west of Paua 1x. Paua 1x was drilled on the steeply dipping and faulted fore limb of the Paua anticline in the mid 1990s and encountered oil shows in the Toro Sandstone and recovered oil from the Iagifu Sandstone. NW Paua 1 is targeting the Toro and Digimu sandstones in a more optimal location on the known hanging-wall structure. The planned total depth of the well is 3,377 metres.

The participants in NW Paua 1 are:

Oil Search Limited	52.5%
ExxonMobil	47.5%
Total	100%

AUSTRALIAN REGISTERED OFFICE

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DRILLING REPORT –27 December 2007

WELL NAME: **Salma-1, Egypt**

Oil Search reports that as at 0600 hrs Egyptian time (+2 hrs GMT) on 26 December, the Salma-1 well was at a depth of 2,433 metres and drilling ahead in an 8-1/2" hole. During the week the 9-5/8" casing was run and cemented in place. Progress for the week was 88 metres.

The Salma prospect is a high risk/high reward stratigraphic trap located in the East Ras Qattara concession, Western Desert, Egypt. The well is targeting the Bahariya, Kharita and, for the first time in the East Ras Qattara drilling programme, the Alam el Boueib formation, which is a prolific reservoir elsewhere in the Western Desert of Egypt. The planned total depth of the well is 3,681 metres.

The participants in Salma-1 are:

Sipetrol International S.A.	50.5%, operator
Oil Search (Egypt) Limited	49.5%
Total	100%

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DRILLING REPORT – 27 December 2007

WELL NAME: South Gharib-X1, Egypt

Oil Search reports that as at 0600 hrs Egyptian time (+2 hrs GMT) on 26 December, the South Gharib-X1 exploration well was at a depth of 1,510 metres and drilling ahead in a 12-1/4" hole. Progress for the week was 685 metres.

The South Gharib prospect is located in the Umm El Yusr Exploration area in the Area A concession, Eastern Desert, Egypt. The well is targeting the Cretaceous Nubia sandstones. The planned total depth of the well is 3,490 metres.

The participants in South Gharib-X1 are:

Oil Search (Eastern Desert) S.A.E.	100%*
Total	100%

* Petrogas E&P LLC is earning a 30% interest in Area A under a farm in agreement announced on 15 November 2007.

PETER BOTTEN
Managing Director

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