



**OIL SEARCH LIMITED**

(Incorporated in Papua New Guinea)

ARBN – 055 079 868

31 January 2008

Mr Vincent Ivosa  
Market Controller  
PORT MORESBY STOCK EXCHANGE  
Level 4  
Defens Haus  
Cnr Champion Pde/Hunter Street  
Port Moresby  
PAPUA NEW GUINEA

Dear Mr Ivosa

**Re: Oil Search Limited**

**Drilling Report (NW Paua 1, Cobra 1, Salma-1, South Gharib-X1,  
Dahgah-1). 31 January 2008**

The attached announcement, released to the Australian Securities Exchange today, is for release to the market.

Upon release of the information, please advise the undersigned on facsimile number 02 8207 8500 or on telephone number 02 8207 8400.

Yours sincerely

PETER BOTTEN  
Managing Director

**AUSTRALIAN REGISTERED OFFICE**

Level 27 Angel Place, 123 Pitt Street, Sydney NSW 2000 Australia.

GPO Box 2442, Sydney NSW 2001 Australia.

Telephone: (61) 2 8207 8400 Facsimile: (61) 2 8207 8500



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### DRILLING REPORT – 31 January 2008

#### WELL NAME: NW Paua 1, PNG

Oil Search reports that as at 0600 hrs on 31 January, the NW Paua 1 well was cleaning out cement at 2,100 metres beneath the 11-3/4" liner, prior to drilling ahead in a 10-5/8" hole from the current depth of 2,334 metres. During the week, cementing operations were conducted to improve hole integrity, in what appears to be a heavily fractured section.

NW Paua 1 is located in PDL 5, five kilometres northeast of the Moran oil field and six kilometres northwest of Paua 1x. Paua 1x was drilled on the steeply dipping and faulted forelimb 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 3,400 metres.

The participants in NW Paua 1 are:

Oil Search Limited	52.5%
ExxonMobil	47.5%
<b>Total</b>	<b>100%</b>

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### **DRILLING REPORT – 31 January 2008**

#### **WELL NAME: Cobra 1, PNG**

Oil Search reports that the Cobra 1 well in PNG commenced drilling on 25 January. During the week, the hole was drilled to 167 metres in the Darai Limestone, but some subsidence has been observed at the well site and investigations are underway to allow this issue to be addressed before drilling ahead.

Cobra 1 is located in PPL 190 and lies 13 kilometres east of the SE Gobe oil field and 7 kilometres east of the Bilip oil discovery. The well is targeting the Iagifu Sandstone, which is the principal reservoir in the Gobe and SE Gobe fields, in a seismically-defined sub-thrust prospect. Cobra 1 is the first in PNG to target a sub-thrust play as the primary target.

The planned total depth of the well is 3,100 metres.

The participants in Cobra 1 are:

Oil Search Limited	62.556%
Murray Petroleum Co. Ltd	26.497%
Cue PNG Oil Company	10.947%

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### DRILLING REPORT – 31 January 2008

#### WELL NAME: Salma-1 ST, Egypt

Oil Search reports that as at 0600 hrs Egyptian time (+2 hrs GMT) on 30 January, the Salma-1ST well was at a depth of 2,296 metres and drilling ahead in an 8-1/2" hole. Progress for the week was 298 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 3,700 metres.

The participants in Salma-1 are:

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

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### **DRILLING REPORT – 31 January 2008**

**WELL NAME: South Gharib-X1, Egypt**

Oil Search reports that as at 0600 hrs Egyptian time (+2 hrs GMT) on 30 January, the South Gharib-X1 exploration well was at a depth of 3,246 metres and reaming the wellbore. During the week, parts of the open hole section experienced instability, resulting in cavings that have to be reamed out of the hole prior to drilling ahead.

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 3,500 metres.

The participants in South Gharib-X1 are:

Oil Search (Eastern Desert) S.A.E.	70%
Petrogas E&P LLC	30%
<b>Total</b>	<b>100%</b>

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### DRILLING REPORT – 31 January 2008

**WELL NAME: Dahgah-1, Yemen**

Oil Search reports that as at 0600 hrs Yemen time (+2 hrs GMT) on 30 January, the Dahgah-1 well was at a depth of 2,056 metres and drilling ahead in an 8-1/2" hole. Progress for the week was 874 metres.

Dahgah-1 is located in Block 43, approximately five kilometres east of the Nabrajah Oil Field. The primary objective of the well is the Qishn clastics, being produced at Nabrajah. The planned total depth of the well is 2,500 metres.

The current participants in Block 43 are:

DNO ASA	56.67%
Oil Search (Yemen) Limited	28.33%
The Yemen Company	15.00%
<b>Total</b>	<b>100%</b>

PETER BOTTEN  
Managing Director

For further information please contact:

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