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

DRILLING REPORT - 27 December 2012

WELL NAME: Taza 1 ST1, Kurdistan Region of Iraq

Oil Search reports that as at 06:00 hours KRI time on 27 December, the Taza 1 ST1 well was at a depth of 3,200 metres and preparing to drill ahead towards the Euphrates Formation.

During the week, testing of the Jeribe and Dhiban Formations continued over the interval from 3,056 to 3,200 metres. A stabilised flow rate of 200-250 bopd, comprising oil, gas and water, was achieved, with the proportion of oil steadily increasing to over 50% of produced liquids prior to a decision to terminate the test. Interpretation of all the test information is ongoing.

The Taza prospect is located approximately 80 kilometres southwest of the city of Sulaymaniyah. The primary objectives are Miocene and Oligocene carbonates of the Jeribe and Euphrates Formations.

The participants in Taza 1 are:

Oil Search (Iraq) Limited *	60%
Total E&P Kurdistan Region of Iraq (Taza) B.V.	20%
Kurdistan Regional Government (KRG)	20%
Total	100%

^{*} Oil Search's funding interest is 75%, with the KRG carried by Oil Search and Total E&P Kurdistan Region of Iraq (Taza) B.V.

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