

Tapao Kaew Drilling Update

15 February 2011



Thailand L20/50 Concession

Carnarvon Petroleum provides the following update on the Tapao Kaew exploration well, onshore Thailand.

Location / Proposed depth

Tapao Kaew is located onshore central Thailand in the Phitsanulok basin, around 350 km North West of Bangkok and 50km south of the Sirikit oil field. The proposed depth for this well was around 1,715 meters

Progress

Tapao Kaew has completed the setting of intermediate casing and is drilling ahead in 8 ½" hole as planned. As at 6:00 am on 15 February the well had drilled to 1,600 m on the way to total depth ("TD") of 1,715m.

Forward Plan

Operations for the next 2-3 days will be to complete drilling of the well, and running and evaluating wireline logs.

Upon analysis of logs the well will either be completed for production testing or plugged and abandoned.

Further updates will be issued as the well progresses.

Results

The primary formation marker target is interpreted to have been intersected as proposed at a depth of around 800m.

No significant reservoir sections have been intersected to date in this well, resulting in a slower than anticipated drilling through claystone formation and also a lack of hydrocarbon shows.

Reservoir quality fluvial deltaic sands, as interpreted from a nearby well analogue, are still anticipated to be intersected deeper in the section.

SUMMARY

Tapao Kaew exploration well onshore Thailand spudded late January 2011

Current operations drilling the 8 ½" hole section to TD

Anticipated time to completion around one week

Resource potential 21 million bbls of oil net to Carnarvon

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L20/50 Concession Permit Holders

Carnarvon Petroleum Ltd (Operator)

Sun Resources NL
Peak Oil & Gas Limited

50%

42.5%

7.5%

