

Thailand Drilling Report – NSE-B2ST1

29 Nov 2012



Carnarvon Petroleum Limited (“Carnarvon”) (ASX:CVN) provides shareholders with the following update on the drilling operations at the NSE-B2ST1 well as at 06:00hrs, 29th November 2012.

The NSE-B2ST1 well had commenced sidetrack drilling operations on 22nd November 2012. Initial operations involve milling 7” casing in the NSE-B2 well bore prior to starting sidetrack drilling. During these milling operations the Bottom Hole Assembly (BHA) parted from the drill string and fishing operations were undertaken in an attempt to retrieve the BHA. Ultimately the fishing operations were unable to recover the BHA and the decision has now been made to continue milling 7” casing prior to commencing drilling of sidetrack.

The well will be drilled to a total depth of 1095m MD and is expected to take around 10 days to complete following the commencement of sidetrack drilling.

The well is targeting the NSE main volcanic in a structural high position with interpreted pay zone of around 106 m thickness based on new interpreted analysis of the 3D seismic data.

It is expected that, if successful, the well will be placed on production within 5-7 days following the completion of the well and production from this well is planned to be restricted to preserve flow rates and maximise recovery rates.

This is an infill well into the NSE Central reservoir which has produced around 5 million barrels of oil to date and based on December 2011 Gaffney Cline Reserve Report has around 2 million barrels of 2P reserves (gross).

Dependent on the results of this well, one further infill well into the NSE reservoir based on revised seismic interpretation of fracture analysis is considered for the 2012 drill program.

For all enquiries please contact:

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Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook", is positioned above the printed name.

Adrian Cook
Managing Director
Carnarvon Petroleum

NSE-B2ST1

Permit	L44/43
Location	Easting: 734,727.49 m E Northing: 1,722,945.70 m N
CVN Interest	40%
Target Formation	NSE Main Volcanic Reservoirs
Commencement Date	22 nd November 2012
Days on Location	7
Planned Total Depth	1095.22 mMD (900.00 mTVD)
Current Status	Milling 7" tubing
Forward Operations	Continue milling 7" tubing to 170m

