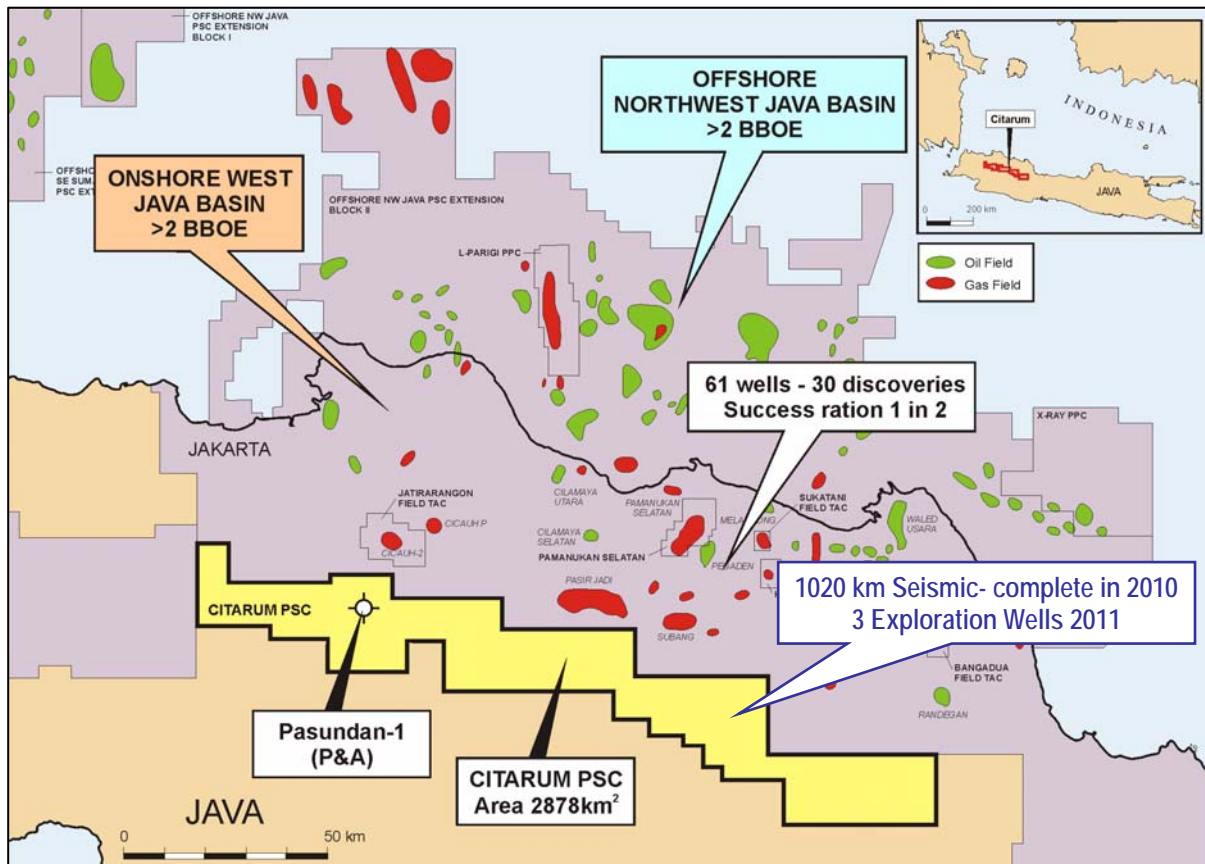


CITARUM PSC



Licence Details

Area: 2878 km²

Effective date: 07.10.2005.

Term: 30 years.

First Period Work Commitment: 4 Exploration wells + 750 km 2D seismic.

Partners:

Pan Orient Energy Citarum (Operator):	69.00%.
Mitra Energia Citarum (Sound):	20.00%.
Bumi Parahyangan Energi:	11.00%.

Contract Area History

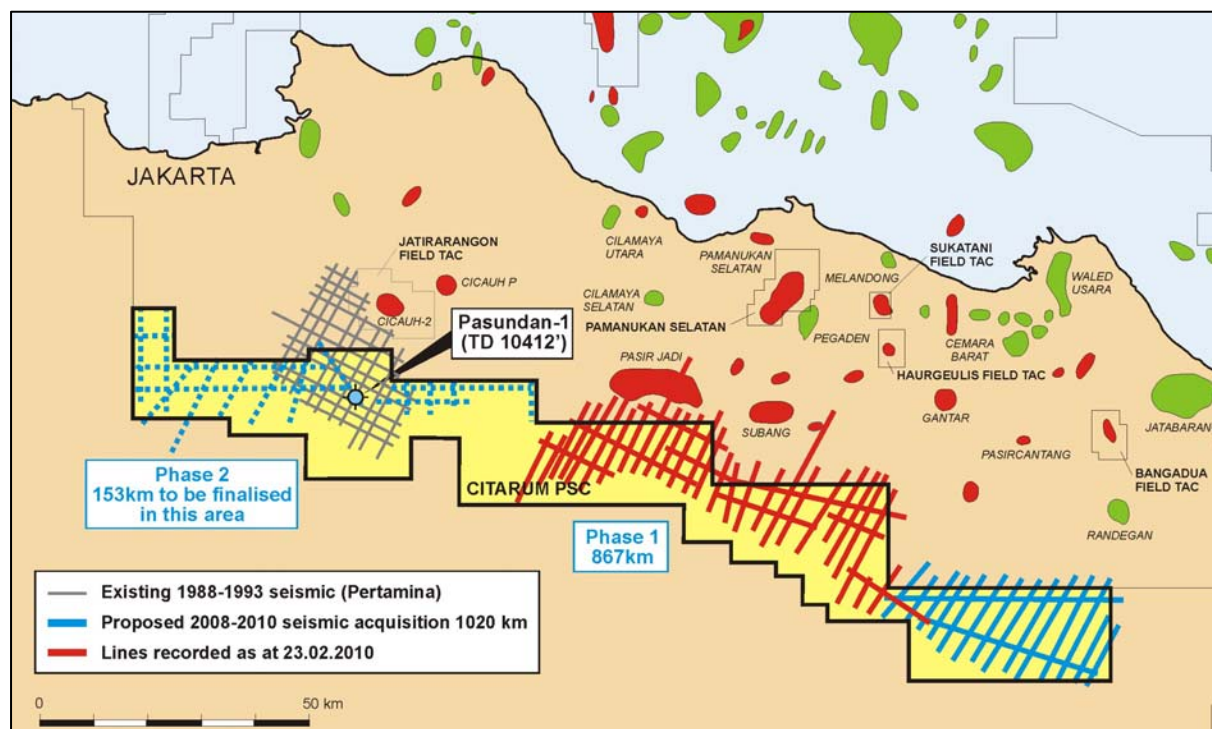
The Citarum PSC is located onshore West Java at the southern margin of the Northwest Java Basin. The basin hosts a series of oil and gas fields extending over a 400 km NW-SE trend and some 50 km into the offshore area. Several producing oil and gas fields are located immediately north of the block, including Jatinegara, Jatirarangon, Pasirjadi, Subang and Randegan. The block was undrilled prior to award of the current PSC.

Exploration

Exploration targets are identified in Miocene Parigi, Cibulakan and Baturaja, dominantly carbonate formations and Oligocene Talang Akar clastic and Jatibarang volcanoclastic formations. From existing seismic data a number of wrench fault-controlled structures have been identified in the Jonggol area. The Pasundan-1 well has tested one of these prospects.

A new 1020 km seismic survey will be acquired over other areas of the PSC in 2008-2010. Initially an 867 km survey will focus on identified prospective areas extending over much of the eastern part of the licence (designated as Subang-Purwakarta, Sumedang and Majalengka areas). A second phase survey will focus on the western part of the block. The new seismic data will provide a full prospect inventory to determine locations for the three outstanding exploration commitment wells.

In conjunction with the seismic acquisition it is proposed to undertake a field geology programme of mapping and sampling.



Proposed seismic surveys for 2008-2010

Drilling Results

Pasundan-1 (TD 10,412 ft; Suspended, 27.09.2007; P&A 09.12.2008) was drilled as the first exploration commitment well on the block. The well tested two zones in the lower part of the Baturaja Formation carbonates. DST 2 (8024-8069 ft) flowed formation water to surface at a rate of 3000 barrels per day with traces of hydrocarbon gas. In November 2008 the well was re-entered in order to test an upper cavernous interval in the Baturaja Formation. The test (DST 3, 6778-6788 ft) flowed formation water at an average rate of 2900 barrels per day, with no indication of hydrocarbons. The deeper Talang Akar and Jatibarang formations were tight and not tested.



Great Wall Rig 93 drilling Pasundan-1 exploration well