



Note: The following press release is an English translation of the Japanese-language original

August 3, 2012

Company Name: Japan Petroleum Exploration Co., Ltd. (JAPEX)  
Securities Code: 1662 Tokyo Stock Exchange, First Section  
President: Osamu Watanabe  
Inquiries: Shoji Mihara, General Manager, Media & Investor Relations Department  
TEL.: +81-3-6268-7110

### **Successful Production of Crude Oil from Extension Well in Hokkaido**

On June 1, 2012, Japan Petroleum Exploration Co., Ltd. (the “Company”) began drilling the Numanohata (T1) Higashi SK-3DH extension well in the Numanohata Higashi structure located in the east of the Yufutsu oil and gas field in Hokkaido. More recently, as a result of a production test conducted after drilling was stopped at the depth of 2,275m, the Company was successfully producing 250kl of crude oil per day.

#### Overview of the Numanohata (T1) Higashi SK-3DH extension Well

1. Location : Numanohata area, Tomakomai-shi, Hokkaido (please refer to the attached location map (Appendix))
2. Scope : The Takinoue Formation
3. Test depth : 2,078m to 2,221m (total depth)
4. Results (daily production): Crude oil 250kl /d(1,500 barrels/d); natural gas 5,000m<sup>3</sup>/d

With the aim of exploring the shallow layer of the Yufutsu oil and gas field (Takinoue Formation), the Company was planning to drill two wells – the Numanohata (T1) Higashi SK-3DH extension well and the Akebono (T1) extension well – in fiscal 2012. In light of the successful results of the production test at the Numanohata (T1) Higashi SK-3DH extension well, it is likely that new crude oil reserves will be added to the Yufutsu oil and gas field. Moving forward, the Company will seek the Takinoue Formation’s development and production potential based on the results at the Numanohata (T1) Higashi SK-3DH extension well and on the results of drilling of the Akebono (T1) extension well, which is planned for the coming winter.

Numanohata (T1) Higashi SK-3DH Extension Well Location Map

