

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

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## Successful Production of Natural Gas in Niigata Prefecture

Japan Petroleum Exploration Co., Ltd. (hereafter, "JAPEX") announces that it has succeeded in the production test of approx.200 thousand cubic meters (m³) of natural gas and approx. 13 kl of condensate (crude oil) per day as a result of production test of an extention well, in the Katakai Gas Field located in Ojiya City, Niigata Prefecture. JAPEX began drilling this well of Katakai SK-30D-1 in December 2012.

JAPEX has drilled the well for confirming the expansion of natural gas reservoir in the southern areas of the Gas Field. In the areas, the additional gas reserves are to be expected since the latest production test confirmed presence of a certain amount of gas.

Based on the test results, while JAPEX will further evaluate expansion on the area of the gas field, it strives to grasp more accurate reserves and prepare for the start of production of this well.

JAPEX intends to continue exploration work in the surrounding areas of the Gas Field, and to further organize and boost the long-term, stable supply of natural gas.

Outline of Katakai SK-30D-1 extension well

1. Location : 1834-6 Aza Sotodeyama, Konosu-cho, Ojiya City, Niigata Prefecture

(refer to attached Katakai Gas Field location map)

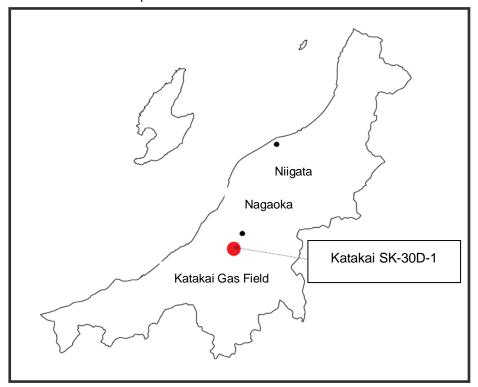
2. Scope : Green tuff formation

3. Test depth : 4,785-5,268 m

4. Test results : Natural gas Approx. 200 thousand m³/day

Condensate (crude oil) Approx. 13 kl/day

## Katakai Gas Field location map



Katakai SK-30D-1 Production test scene

