



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

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Acquisition of Interest
in Exploration Licence, UK North Sea and Establishment of New Subsidiary

Japan Petroleum Exploration Co., Ltd. (“JAPEX”) is pleased to announce that, through its newly established wholly owned subsidiary, JAPEX UK E&P LIMITED, it has signed an agreement to acquire participating interests in four licences located in the UK North Sea from Apache North Sea Limited (“Apache”) in return for the payment of certain well and other costs. The four licences are P1621/P1622 (the Seagull prospect), P1998 (the Val D’Isere prospect), and P2001 (the Les Arcs prospect). Apache holds a 50% interest in the Seagull prospect and 60% interests in the Val D’Isere and Les Arcs prospects at the date of signing the agreement. Apache remains the designated operator of the Val D’Isere and Les Arcs prospects. Talisman Sinopec Energy UK Limited remains the designated operator of the Seagull prospect.

Apache Corporation, the parent company of Apache North Sea Limited, is an independent energy company that explores for, develops, and produces natural gas, crude oil and natural gas liquids. Apache Corporation and its subsidiaries currently have exploration and production interests in five countries: the U.S., Canada, Egypt, Australia and offshore the U.K. in the North Sea.

The Seagull prospect, the Val D’Isere prospect, and the Les Arcs prospect licences are located approximately 300km east of Aberdeen, in the North Sea, covering a total area of 306km² with a water depth of around 100m. On the Seagull prospect, 3D seismic was acquired and one well has been drilling since January 2014. At the Val D’Isere and Les Arcs prospects, a 3D seismic survey is being reprocessed and one well is planned on each prospect in the future.

These transfers of interest in the UK North Sea are subject to United Kingdom Government and co-venturer approvals.

【Outline of New JAPEX Subsidiary】

Attachment

Establishment : March 19, 2014
 Registered Company Name : JAPEX UK E&P LIMITED
 Capital : 1 Pound Sterling (at the date of the establishment)
 Director : Kazuo Nakayama (Managing Executive Director of JAPEX)
 Location : London, UK
 Shareholder : JAPEX 100%
 Accounting Closing Month : December

【Outline of Four Licences】

Number of Block : P1621, P1622, P1998, P2001
 Location : UK North Sea, approximately 300km east from Aberdeen
 Total acreage : 306km²

Participating Interest (pre-transaction)		Participating Interest (post-transaction)	
P1621/P1622 (Seagull prospect)			
Talisman Sinopec Energy UK Limited(*)	50%	Talisman Sinopec Energy UK Limited(*)	50%
Apache North Sea Limited	50%	Apache North Sea Limited	35%
		JAPEX UK E&P LIMITED	15%
P1998 (Val D'Isere prospect)			
Apache North Sea Limited(*)	60%	Apache North Sea Limited(*)	55%
Premier Oil UK Limited	40%	Premier Oil UK Limited	40%
		JAPEX UK E&P LIMITED	5%
P2001 (Les Arcs prospect)			
Apache North Sea Limited(*)	60%	Apache North Sea Limited(*)	50%
Premier Oil UK Limited	40%	Premier Oil UK Limited	40%
		JAPEX UK E&P LIMITED	10%

(*) : Operator

【Location Map】

