



OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)
ARBN 055 079 868

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14 May 2004

THE AUSTRALIAN STOCK EXCHANGE
(SYDNEY) LIMITED
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Attention: Company Announcements Officer

Dear Sir/Madam

**Re: Oil Search Limited
Drilling Report (Neheb-1) 14 May 2004**

Please find attached.

Yours sincerely

MICHAEL SULLIVAN
General Counsel/Group Secretary

Encl.



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DRILLING REPORT – 14 May 2004

WELL NAME: Neheb-1 (Block 43, Yemen)

Oil Search reports that logging of the Neheb-1 well has been completed. The data received has indicated the presence of hydrocarbons in the Qishn S2 Sandstone. The Joint Venture has decided to production test these sands to confirm whether the hydrocarbons are moveable. The test will take place over the next week.

The Neheb-1 well is the first of two additional exploration wells the Block 43 Joint Venture agreed to drill following the oil discovery at Nabrajah-1 in March 2004. The well is approximately 17 kilometres ESE from the Nabrajah-1 location and is testing a four-way dip closed structure in the hanging wall immediately south of the Nabrajah fault block.

The participants in this well are:

DNO ASA	50%, operator
Oil Search (Yemen) Limited	25%
First Calgary Petroleum Limited	10%
The Yemen Company	15%, carried
Total	100%

PETER BOTTEN
Managing Director
14 May 2004

For further information please contact:

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