



**THE PHILODRILL CORPORATION**

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01 July 2009

**THE DISCLOSURE DEPARTMENT**

4/F The Philippine Stock Exchange, Inc.  
PSE Centre, Exchange Road, Ortigas Center  
Pasig City

Attention: **MS. JANET A. ENCARNACION**  
Head – Disclosure Department

Gentlemen:

Please find attached press release from Galoc Production Company in connection with the Galoc Field Development Project in which our Company is involved.

This formal written advise is submitted in compliance with the rules and regulations of the Philippine Stock Exchange.

Very truly yours,

**ADRIAN S. ARIAS**  
Corporate Secretary

01 July 2009

**Galoc Field – Interruption to Production**

GPC advises that there continues to be a delay in reconnection of the FPSO Rubicon Intrepid following the disconnection that was undertaken last week due to adverse weather in the Galoc Field. The delay is due to mis-orientation and deformation of the mooring and riser system that connects the FPSO to the seabed and subsea wells. An underwater survey was undertaken to establish the extent of the problem and an offshore construction vessel has been mobilised to the field to undertake remedial work. At this time the scope of the necessary remedial work is being established along with the likely duration.

The mooring and riser system is a key component of the overall FPSO system which is provided by Rubicon Offshore International under the provisions of an operated lease / service contract.

## Additional Notes

### General Information

The Galoc field is located in Service Contract SC14-C (Galoc Sub Block) in 290m of water approximately 65km north west of Palawan in the Republic of the Philippines. The development involved the construction of two subsea completed horizontal production wells, with extended reservoir contacts, tied back to a Floating Production Storage and Offloading ("FPSO") facility via a short seabed pipeline and mid water riser system. Most likely oil reserves as estimated at time of commitment to the development in 2006, is approximately 10 million barrels. The reserves estimate and requirement for additional wells and facility capacity will be reassessed following an analysis of results from initial field production performance.

The participating interests in the Galoc Field are as follows:

Participant	Participating Interest %
Galoc Production Company W.L.L. <sup>1</sup> (Operator)	58.29
Nido Petroleum Philippines Pty Ltd (a subsidiary of Nido Petroleum Limited)	22.28
The Philodrill Corporation	7.03
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.57
Forum Energy Philippines Corporation	2.27
Alcorn Gold Resources Corporation	1.53
PetroEnergy Resources Corporation	1.03

Galoc Production Company is owned by;

Vitol Group	68.6%
Otto Energy Limited	31.4%

Further information on GPC and the Galoc Field can be obtained from:

- GPC's website [www.galoc.com](http://www.galoc.com)
- via email, at [enquiry@galoc.com](mailto:enquiry@galoc.com)
- or by contacting
  - Jax Mariano  
Tel: +63 918 9109581