



THE PHILODRILL CORPORATION

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13 August 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



13 August 2009

Galoc Field – Back on Production

GPC is pleased to confirm that production at the Galoc Oil Field re-commenced at 08:30hrs today following the reconnection of the Mooring & Riser System (M&RS) to the FPSO Rubicon Intrepid. The original disconnection, which occurred in late June 2009, was due to adverse weather conditions associated with Tropical Storm NANGKA (Feria). Following the disconnection the riser subsequently sustained damage, which required the replacement of one of its 30metre long sections. This work was undertaken on location by the FPSO operator Rubicon Offshore International using their own work class vessel Rubicon Maverick. Completion of the work was delayed due to continuing poor weather experienced in the Galoc Field area over the last two months, which restricted the subsea work activities.

After initial flush production it is anticipated that daily throughput will stabilize at pre-shut down levels of 11,000 b.o.d.

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. ¹ (Operator)	59.84473
Nido Petroleum Philippines Pty Ltd	22.87952
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.78505
The Philodrill Corporation	7.21495
Forum Energy Philippines Corporation	2.27575

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
- via email, at enquiry@galoc.com
- or by contacting
 - o Jax Mariano
 - Tel: +63 918 9109581