

October 23, 2001

The Successful Result of Drilling of Kashagan East-2 Well.

INPEX CORPORATION (INPEX) today announced the successful drilling and testing of the Kashagan East-2 well.

The well, located on the Kashagan structure 75 kilometres south of Atyrau in the Northeast Caspian Sea, is the third well drilled on the structure and the first appraisal well following last year's discovery of hydrocarbons at the Kashagan East-1 location (8 km away from the current location). The well was drilled to a depth of 4,142 m.

Following the drilling, a logging program which confirmed the presence of hydrocarbons. Conventional cores also detected good porosity and high permeability zones. During testing the well flowed at a rate of 7,400 barrels of oil per day.

This productivity was somewhat limited by the current well completion, the limited interval of perforations and the environmental regulations related to testing activities.

The positive results of the well constitute an important step in the appraisal programme for the Kashagan structure. Further appraisal drilling will be necessary to fully assess the potential of the reservoir. Therefore, following the completion of the Kashagan East-2 well in the fourth quarter, the Sunkar drilling rig will continue the appraisal drilling campaign on Kashagan East.

INPEX is a partner in the North Caspian Sea Consortium which is operated by Agip KCO (a subsidiary of Eni) . The consortium includes nine international companies; BG, BP, Eni, ExxonMobil, INPEX, Phillips, Shell, Statoil and TOTALFINAELF.

INPEX, through its subsidiary, INPEX North Caspian Sea, Ltd., acquired a one-fourteenth (1/14) participating interest under the Production Sharing Agreement in September 1998 and joined the Consortium.

INPEX North Caspian Sea, Ltd., established in August 1998, was funded by INPEX, Japan National Oil Corporation, Japan Petroleum Exploration Co., Ltd and Mitsubishi Corporation.

