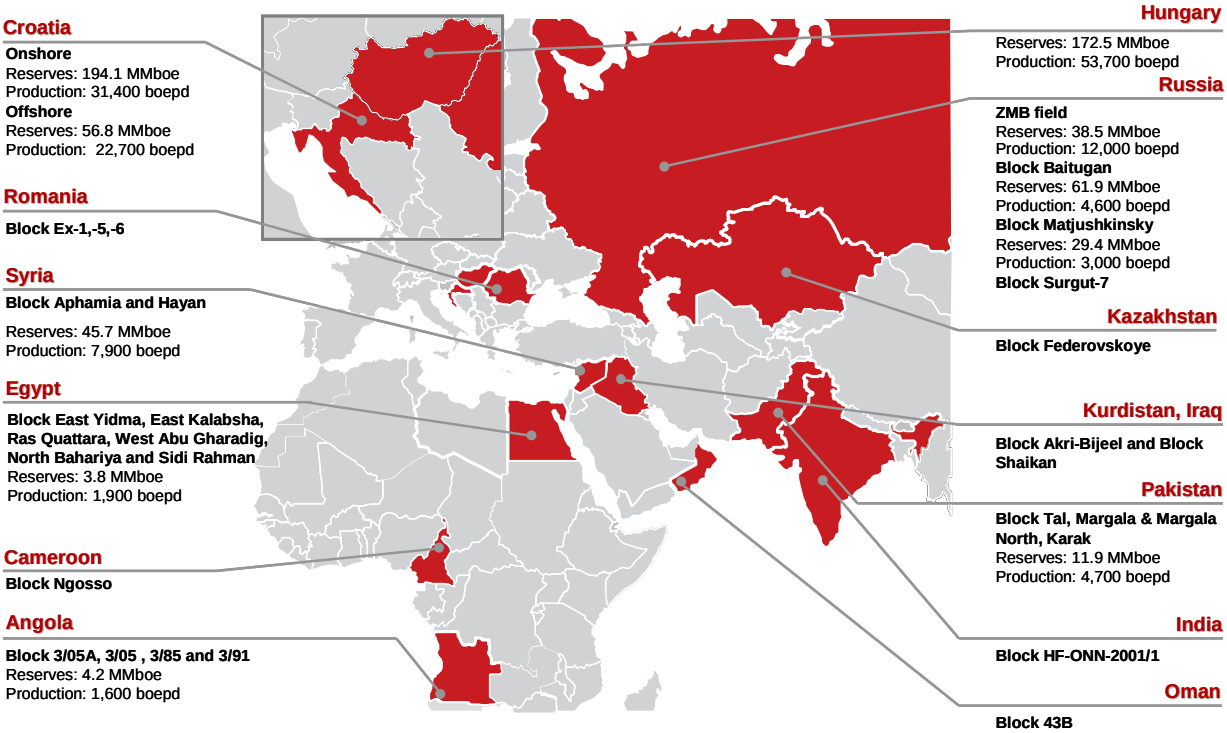
March 2011

MOL Group Upstream
Exploration and Development update



Notes: Production data are average hydrocarbon production in 2010 (boepd); non-consolidated projects and service contracts are not highlighted in the material

In 2010 MOL made significant steps towards an optimized, efficiently operated upstream portfolio and further improved its solid basis for future growth. Production improved to 143,500 boepd on the top of the record-high basis of 2009 mainly as a result of recent years' major developments turning into production in Syria, Pakistan and the Adriatic offshore area while keeping onshore production at a stable level with enhanced and intensified oil and gas recovery technologies. Remarkable exploration successes in the Kurdistan Region of Iraq and Pakistan proved our capabilities and will support the sustainability of an increased production level on the long term.

Our upstream portfolio secures a strong basis for the further increase of production levels in 2011 and the coming years. MOL has been committed to its key investment projects throughout the global crisis which have already turned into production. Furthermore, field development activity is also enhanced in Russia and Pakistan while intensifying efforts are made to minimize production decline on Hungarian and Croatian onshore fields due to their natural depletion.

Upstream growth on the long term will be supported by the increased exploration activity aligned to the capabilities of the Group. The existing balanced exploration portfolio with low risk, medium-sized CEE prospects recently has been extended with Romanian exploration blocks, while our prosperous international perspectives in the Kurdistan region of Iraq, Kazakhstan and Pakistan provide a solid base to further increase our reserves base and future production. In addition, possible beneficial opportunities for portfolio optimization and potential inorganic growth possibilities, depending on market conditions, can further strengthen the upstream portfolio.

Key achievements in 2010

Strong exploration results despite limited exploration CAPEX spending

Despite the tight exploration spending, we had 14 discoveries in the group exploration operations out of total 20 wells) - resulting in an outstanding 70% drilling success ratio. In the CEE region we had 9 discoveries (out of total 12 wells) resulting 75% success ratio. Discoveries from CEE exploration activities will already contribute approximately 4.1 MMboe to our SPE 2P reserves. Successful exploration drilling campaigns in Kurdistan and Pakistan located significant in place volumes of oil, gas and condensate that are expected to increase our reserve base in the coming years after the detailed appraisal of the discoveries. MOL in combined efforts with Expert Petroleum has won the bid for three exploration blocks in Romania.

Strong cash generation on sizeable production and development projects

During 2010, our focus in the CEE region remained on the implementation of early cash generating development projects and on further increasing operating efficiency by enacting a range of cost containment and reduction measures. As a result of intensive field development activities 12.7 MMboe recently discovered reserves were put into production in Hungary, balancing average daily onshore production in CEE region at 85 Mboepd in 2010, which gave a key contribution to Group cash-flow and profitability. In Adriatic offshore due to major developments finished and higher production share the production was significantly increased.

In Syria the completion of Jihar oil and gas station in late 2009 enabled significant production increase in 2010. In Pakistan our production continued to expand, further increasing our profitability and stake in the local gas market. In Russia, field development in operated projects was continued to compensate the natural decline of MOL's largest field in Russia, the ZMB project.

Exploration and development outlook for 2011

As a result of previous years' strategy, which aligned the Group to the tougher business climate, MOL established a strong position for the economic recovery. As a consequence, in 2011 we will be able to implement most of the work programs delayed in recent years, while putting a stronger emphasis on exploration activities in 2011 that can add further impetus to the Group's growth.

We intend to allocate USD 697 mn capital expenditures for exploration and development projects in 2011. CEE region projects account for USD 299 mn and USD 398 mn will be spent on international upstream activities. 57% of the total capex budget is dedicated to development activities but our exploration budget is on a growing trend in the coming years in order to support our long-term organic growth.

In the CEE region, our main goal is to maximize recovery from existing fields, to put into operation still undeveloped reserves and extend our efficiency leadership in the region. We are committed to maintain conventional activities at current level while more emphasis is taken on partner involvements as well. In respect of unconventional exploration activity, in 2011 the focus will be on the prospective and lower-risk Derecske tight gas project, where the presence of gas has already been proved in a multi-layered tight reservoir. In 2011 we are testing for commercial production with the fracturing of the Beru-4 well and increasing the potential with the drilling of a new well.

The international portfolio is optimized on Group level. In 2011 our key development projects include the Syrian Hayan Block and the Pakistani and Russian development projects. All of these projects will have key importance to our upstream performance on the short run, while our 2011 exploration and appraisal drilling activities targeting significant resource potential in Kurdistan, Pakistan, Russia, Kazakhstan, Egypt, Syria and India can add further contributions to our long-term growth. Extended well tests in Kurdistan and Kazakhstan are under preparation with the primary aim of better understanding of reservoirs and also to enable optimised utilisation.

In Russia, the development of our fields will be continued with drilling of numerous new production wells. Exploration capex will be increased compared to previous years. In Surgut, the Jurassic program will be continued, in the Baytugan field deeper layer (Devonian) exploration will commence, and in the case of Matyushkinsky, the wildcat drilling of the prospect inventory elements will be continued.

CEE onshore projects

Field development and improved recovery projects

- In 2010 we increased our investments in Hungarian field development projects from the 2009 level and spent USD 69 mn on development of Gomba, Ócsa, Kardoskút, Tóalmás, Kunágota fields and on EOR projects taking 12.7 MMboe reserves into production. In Croatia USD 44 mn was allocated on onshore development projects in 2010. The field development activity will be further increased in 2011 in order to accelerate production and income realisation. The work program of Hungarian development portfolio for 2011 consists of 8 new field development projects with several projects in progress with a planned budget of USD 105 mn targeting 16.7 MMboe from our undeveloped reserve base. The Croatian onshore development portfolio aims to unlock undeveloped reserves with a budget of USD 93 mn. High returns are expected on these projects, as transportation infrastructure and gathering systems are available in their proximity.
- In 2010 the implementation of the most significant recovery enhancement programs were started in Algyő, Endrőd, Ásotthalom-É and Kardoskút fields. Due to more favourable environment expectations additional project implementations are to be accelerated both in Hungary and in Croatia with potential partner involvements. Altogether 30 Hungarian fields posses noticeable recovery factor upsides, representing a combined 20-25 MMboe additional reserve potential.
- Development of the low calorific value gas fields (Biharkeresztes, Csombárd, Zaláta and several others) are under evaluation with multiple utilisation options such as energy generation or other alternatives. Production from the first pilot project in the Görgeteg-Babócsa field is expected to start in second half of 2011.
- Successful co-operation with our partners was continued, placing strong emphasis on ongoing co-operation projects while new partner involvements are planned as well.

Maintaining a strong emphasis on exploration: new concepts, new partners

- In the CEE region we have an outstanding 3-years' average drilling success ratio of 76% (19 discoveries out of a total of 25 completed wells), which represents sustained high value investments in the Pannonian Basin where MOL Group has the strongest position, knowledge base and infrastructure. This exceptional success rate proves our strategic decision to extend our exploration activity towards smaller geologic prospects with lower technical risks, close to known petroleum accumulations, as well as to extend partnerships with other industry players.
- USD 51.4 mn capital expenditures were spent on Hungarian conventional (and USD 22.5 mn for unconventional) exploration projects in 2010 and we maintained an impressive track record in exploration success in the country. 4 wells were classified as producers out of the total 6 exploration wells tested in 2010 (all these discoveries were operated and 100% financed by MOL). Additional 2 wells were tested in cooperation with INA; one of them proved to be successful. There were three wells classified in 2010 as successful in the frame of our cooperation with Hungarian Horizon Energy (HHE).
- In Drava-Basin, there were two wells tested in 2010: Dravica-1 drilled on the Croatian side was successfully tested and became a commercial gas producing well, while Potony-1 drilled on Hungarian side was non-commercial gas producer and was abandoned. The test result of Dravica-1 well was 1,610 boepd gas and condensate on choke 12.7 mm. Together, MOL and INA finished the Zalata-Dravica East 3D acquisition and processing in 2010. The aim of the new 3D was to cover the Zaláta-Dravica gas field and continue the exploration activities on the neighbouring area. Interpretation of the seismic will follow in 2011. No field operation is planned in Drava-Basin for 2011.
- In 2010 we continued our co-operation with Hungarian Horizon Energy on the Darvas-Komádi and Vésztő license areas by drilling the Kótpuszta-1 and Kőrös-7 exploration wells. Both wells were successful and are completed for gas production.
- Partnerships with Ascent and RAG Hungary continued in 2010. Within the cooperation with Ascent, the second phase of the Lovászi-Petisovci 3D acquisition was completed in Hungary and Slovenia. Based on the interpretation of the merged 3D cube, an exploration well is planned in 2011 targeting a potential satellite field of the Lovászi Újfalu area. With RAG Hungary we initiated a joint technical study in order to evaluate the HC potential of Inke exploration license (owned by RAG). Within the framework of the Barlahida project, some new gas prospects have been identified in SW Hungary where we are planning an intensive drilling campaign in 2011-2012.
- Early 2010, after the evaluation of test data and potential re-evaluation in Makó trough, our partnership was terminated with ExxonMobil. In 2010 MOL fulfilled its obligations and submitted final geological reports for two exploratory licenses. MOL provided potential estimations to the Authority to secure the licenses for further activity.

- In 2010 at Békés basin (where the play is similar to Makó) data of Gyula-1 well drilled and fractured by Exxon was compared to Szabadkígyós-1 well data. The chance for success has higher probability compared to Makó trough. In 2010 MOL submitted a final report to the Authority for Block 101 with calculations on unconventional potential, which report was approved.
- The unconventional gas potential evaluation of the Dráva-Zala basin has been partly completed; the more detailed evaluation was started on the most promising parts of the area, in the Croatian part of the Dráva and Mura basins.
- In 2010 the Derecske tight gas project was started by drilling of two wells. Beru-4 well proved the presence of gas and is ready for the fracturing of the reservoir for commercial production. The second well, Beru-3 explored the reservoir in a more risky part of the play, the well data currently is under evaluation and the proposed 2011 testing is subject to the result of evaluation.
- MOL and CEOC (Central European Oil Company) signed Heads of Terms in 2010 for rehabilitation and re-development works on 6 oil and gas fields in Hungary. CEOC undertook to prepare studies for the fields with work program proposals, execution of the programs will be made by CEOC.
- MOL and Expert Petroleum signed a Participation Agreement in 2010 to re-develop and rehabilitate the gas and condensate reservoir across the border, namely the Sarkadkeresztúr (Hungary) and Salonta (Romania) fields in joint efforts. Expert Petroleum presented MOL the Preliminary Field Study with work program proposals.
- In 2010 MOL and Expert Petroleum have won the bid for three blocks (Ex-1,-5,-6) in the 10th Romanian Bidding Round. Negotiations with the Romanian Authority (NAMR) about the Concession Agreements are ongoing.

Adriatic offshore projects

Continued development activities to increase production

- With the aim of further exploiting the potential of the Northern Adriatic offshore area, the investigation of thin-layer-type reservoirs on Ivana Block was carried out during 2010 and resulted in Ivana SW Thin-Layer Study. Two locations of exploratory wells were proposed; furthermore, the technical program has already been prepared for the first one. Taking into consideration the attractive results of the study, a new G&G interpretation of thin-layer-type reservoirs on Irina SW, Ika A Deep & Ika B Deep area was started. During 2010 the post-drilling activities connected with IKA SW2 Dir were finished, while two regional studies (geochemical and mineralogical) were initiated. Exploration activities in 2011 are mainly connected to the above-mentioned studies, with pre-drilling activities as well as with drilling of one NFW. Future development activities, targeting the stabilisation of production at the current levels for the next few years, can be financed from the fields' operating cash flow.
- After the discovery of Izabela gas field, development activity commenced in 2008, and was finished in July 2010. Development of Izabela gas fields included the installation of two platforms and the drilling and dual completion of 5 production wells. USD 21.0 mn was invested in 2010, production is expected to start in near future.
- As part of the development activities in the North Adriatic Contract Area, some necessary equipment (metering system, slug catcher on Ivana A/K platforms and slug catcher for Ida C) were installed for accepting Izabela gas field production. USD 12.0 mn was invested for these activities.
- In the Central and South Adriatic offshore areas an intensive G&G activity was executed with the reinterpretation of existing data and the calculation of the potential of these areas. Partner involvement was initiated for sharing the geological risk and the relatively high cost of offshore exploration.

International exploration and production projects

Iraq Kurdistan region: significant new discovery in 2010

- In Kurdistan Region of Iraq we continued our exploration activity in the two blocks acquired in 2007. In November 2010 Kalegran Ltd, our 100 % subsidiary, operating Akri-Bijeel Block announced a discovery on the Bijell-1 exploration well, which reached a depth of 4,377 m. Several successful tests were made in the Jurassic (and earliest Cretaceous) part of the penetrated sequence, with 3,700 boepd heavy oil and 0.6 MMcfpd (100 boepd) sour gas inflow in DST #9 through choke 48/64". As per Discovery Report prepared, the P50 petroleum initially in place volume is 2,419 MMboe. The appraisal program was submitted to Ministry of Natural Resources of the Kurdistani Regional Government, including an appraisal well for 2011 and the start of surface facility construction for an extended well test of Bijeel-1 that may provide first oil in late 2011 or early 2012. Based on previous successful exploration efforts the second exploration phase of Akri-Bijeel

Block with a one-well commitment was entered. Drilling of Bekhme-1 exploration well will be started in March 2011 targeting prospective Jurassic reservoirs. Civil works and spud of an additional exploration well are planned for the second half of 2011.

- In Shaikan Block (operated by Gulf Keystone Petroleum, MOL share 20%), the Shaikan-3 appraisal well was drilled successfully. The well encountered heavy oil, in Jurassic reservoir zones and had successful tests with commercial volumes. The Shaikan-2 appraisal well was spud in late 2010. To utilise the remarkable discovery of extended well tests facilities were constructed and are ready for trial production in 2011. Four additional appraisal wells are planned to be deepened in the block in 2011.

Syria: continued development of Hayan Block with significant production increase

- In Syrian Hayan Block the completion of Jihar oil and gas station - with a capacity of 6,300 boepd of oil and 3,900 boepd of gas - in late 2009 enabled significant production increase in 2010. Construction of the third stage of the development plan, the Jihar Gas Treatment Plant (GTP) was finished and the project is already in the commissioning phase. The capacity of the Jihar GTP is 11,300 boepd of oil and condensate, 23,500 boepd of gas and 2,000 boepd of LPG. Complete infrastructure, production and transportation system for 6 fields have been finished. GTP put into production at full capacity is scheduled for Q1 2011. 2011 program includes drilling of 3 production wells, completion of one well, one workover and completion of the gas treatment facility with a planned budget of USD 69.5 mn
- In Syrian Aphamia Block two exploration wells, Beer As Sib -1 and Mudawara -3 were drilled and confirmed HC saturation of the structures in 2010. Based on the positive test results of Beer As Sib -1 well further exploration activities are planned therefore the second extension of the initial exploration phase was made. A subhorizontal pilot well (Beer As Sib -2H) is designed to increase the production rate and to achieve commercial production.

Russia: development in focus to maintain production

- In Zapadno-Malobalik (ZMB) field – MOL has 50% share – the extended drilling program approved in 2009 was executed aiming to slow down natural production decline. 11 wells (including 2 horizontals) were drilled in 2010. Besides the drilling program, a gas utilisation program commenced also in 2009 aiming 95% utilisation of produced associated gas in the field in order to comply with government regulations. The construction of the gas turbine power station is in progress. Five generators were put into operation by the end of 2010 and installation of further 3 blocks will be executed in first half of 2011. The produced electricity is utilised in crude production process.
- In Baitugan field the development program was continued with a focus on new drilling technology and water injection applications in order to increase production level. 39 production wells were drilled in 2010. Production was increased by 51% to 1.7 MMbbl in 2010. On the basis of the interpretation of 3D seismic acquired in 2008, a new Field Development Plan will be prepared in first half of 2011. 2011 work program is inclusive of drilling 16 new wells, from which an additional 13% production increase is expected on a year-on-year basis.
- In order to further develop our recently discovered fields in the West-Siberian Matyushkinsky Block, in 2010 the development of Severo-Ledovoye field was continued by 5 new production wells, increasing production by 48% over 2009 to 1.1 MMbbl annually. Currently, there are 11 producing and 6 injection wells in the Matyushkinsky field and 12 producing and 2 injection wells in Severo-Ledovoye field. In 2010 one appraisal well was drilled and tested on Kvartovoye structure (Kvartovaya-12 well). In 2011 we will continue the field development program of the Severo-Ledovoye field with the drilling of 11 producing wells. Concerning exploration in the block we plan to drill 1 exploration well on the Verkhne-Laryegan structure in the vicinity of Severo -Ledovoye field in 2011. The gas program will be continued by the extension of existing power plant with the installation of a new generator unit in 2011.
- In Surgut-7 Block a stimulation program was commenced in 2010 on the drilled 2 wells (Ayskaya-1 in 2008 and Atayskaya-2 in 2009). At the first stage of this program one of the Cretaceous Achimov layers was hydrofractured in Q1 2010. The well gave 151 boepd fluid after hydrofracturing with 51% water cut (72.7 boepd oil rate). Atayskaya2 proved oil in Jurassic layers. In 2011 the hydrofracturing and following long-term testing of these Jurassic layers are planned.

Pakistan: further production increase in 2011, utilising new discoveries

- For MOL Pakistan, after more than 10 years of successful operation year turn 2010/2011 brought new successes: our fifth and sixth discoveries were made in Tal Block (Makori-East and Tolanj), proving our capabilities in exploring in a difficult geological environment and setting up new targets for our competitors in Pakistan. After its commissioning the Central Processing Facility (CPF) in the Manzalai Field is currently producing 285 MM scfpd (53,300 boepd) gas and 7,000 boepd condensate from 7 producing wells (total

partners share). The total production of TAL Block is 335 MM scfpd (62,630 boepd) gas and 9,000 boepd condensate from 11 producing wells. With the commissioning of further development wells the production would grow to 360 MM scfpd (67,300 boepd) gas and 10,000-12,000 boepd condensate in 2011, amounting to 8 % of total gas supply of Pakistan.

- In 2011 we will continue our exploration and appraisal activities in order to increase the reserve base of Tal Block. 1 exploration, 2 appraisal and 1 development wells are planned to be drilled in 2011 on the structures. Early production is continued on Mamikhel-1 and Maramzai-1 wells. Construction of necessary facilities for extended well tests of new discoveries is implemented.
- Based on the results of seismic interpretation an exploration well (Margala-1) was deepened in Margala Block (MOL share 70%) until early 2011. To reveal potential of the region another exploration well is planned in Margala North Block, but its spud is pending on the analysis of results of the Margala-1 well.
- After a detailed analysis and careful preparations, Karak-1 exploration well was spud in Karak Block (MOL share 40%) at the beginning of 2011.

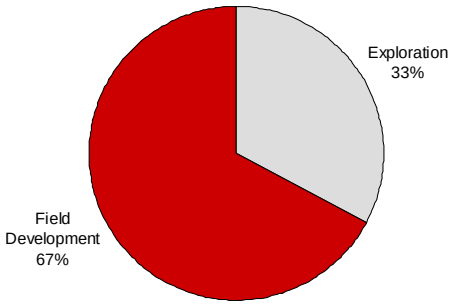
Extended exploration portfolio with further significant potential in coming years from MESA region and Africa

- In Kazakhstan, in order to assess the discovery made by the Rozhkovsky-U-10 well in 2008, the Rozh-U-21 well was spud in October 2010 and reached its total depth in 2011, showing good hydrocarbon log saturation. Drilling and testing of two further appraisal wells (Rozh-U-22, -23) are planned for 2011, while starting surface facilities construction for an extended well test.
- In Oman, after entering into the second exploration phase, 2D seismic acquisition was performed in 2010 with partner Mari Gas, the processing and interpretation of which is expected in early 2011. Based on the integrated analysis of seismic and magnetotelluric data, options for drilling an exploration well will be examined.
- In Egypt, a new development lease Rizk, which includes two oil discoveries from 2009, was approved by Egyptian authorities in October 2010. The initial development plan is prepared and the start of production is expected in May 2011. In 2011 two exploratory wells will be drilled in other blocks operated by partners.
- In India, in Block HF-ONN-2001-1, a Joint Operating Agreement was signed at the end of 2010. Drilling of the Kasauli-1 exploration well commenced in March 2010. The well is expected to reach the target depth of 5,300 metres by mid-2011.
- In Angola, in the 3/05A Concession exploratory well DDK-1 was spud in October 2010. The DDK-1 well encountered gas reservoirs at two levels and was plugged and abandoned. Declarations of a commercial discovery for the Punja & Caco/Gazela fields have been received respectively. The Field Development Plan for Punja is finished and it is in progress for Caco/Gazela.
- In Cameroon, after the reinterpretation of NaNar transitional 3D, a decision was made to transfer exploration focus to the North-Eastern part of the block, to possible Cretaceous reservoirs, where a 2D seismic survey was completed at the end of January, 2011. Its processing and interpretation is expected in H1 2011.
- In the Namibian Zaris Block, the exploration license expired on November 23rd, 2010.
- In Yemen, Block 48 license was terminated in 2010.

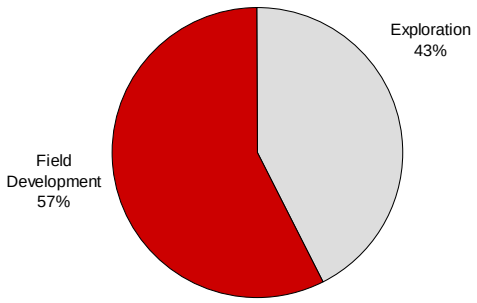
Appendix

CAPEX distribution by investment categories

2010 Actual

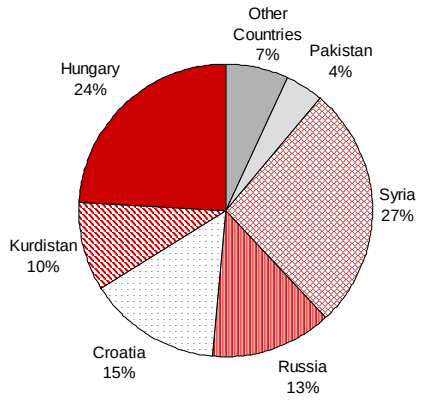


2011 Plan

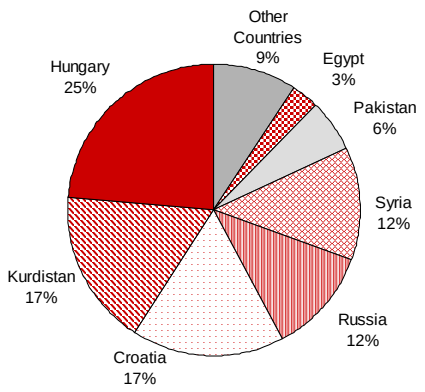


Geographical CAPEX distribution

CAPEX by Countries 2010 Actual



CAPEX by Countries 2011 Plan

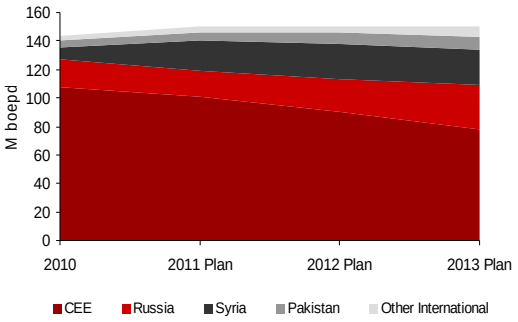


Schedule of planned exploration and appraisal activities in 2011

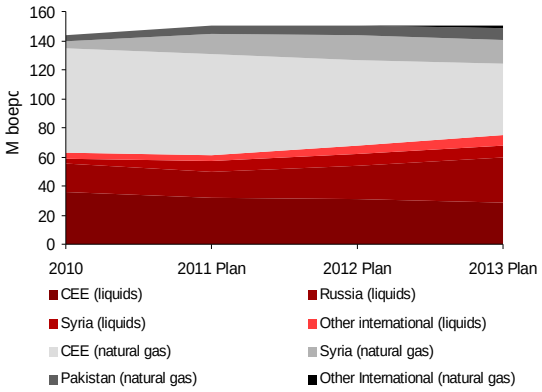
	Schedule of planned exploration and appraisal activities in 2011			
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Hungarian activities				
Croatian activities				
Russia, Matyushkinsky				
Kazakhstan, Fedorovsky				
Iraq, Akri-Bijeel				
Iraq, Shaikan				
India, Himalayan Foothills				
Oman, Block 43B				
Pakistan, Tal				
Pakistan, Margala and Margala North				
Pakistan, Karak				
Syria, Aphamia				

Daily production based on the existing portfolio until 2013 (M boepd)

Total hydrocarbon production by countries

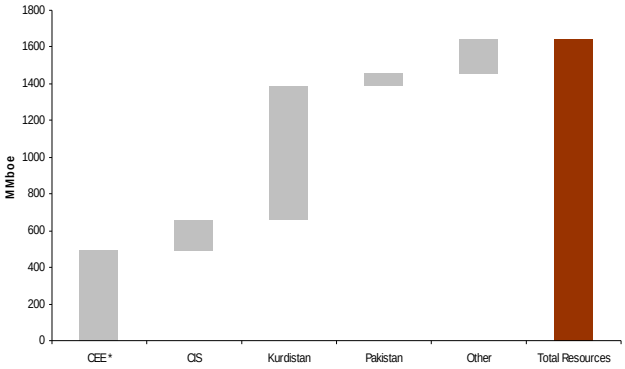


Total hydrocarbon production by products



Further annual production increase of 3-4% is expected beyond 2013 from the resource base targeted in the current work programs of the existing exploration portfolio.

Working Interest based resources



CEE*: Hungarian conventional and unconventional, Croatia onshore and offshore, Romania

Detailed regional data of recoverable resource base to be drilled in 2011-13 are also presented in the material. There are further upsides from unconventional and non-consolidated projects.

Summary of tested wells in 2010

Country	Hungary	Croatia (onshore)	Croatia (offshore)	Kurdistan	Syria	Russia	Pakistan	Egypt	Angola	Total
Wells tested	15	2	6	2	5	60	3	8	2	**103**
o/w exploration/appraisal wells	10	2	0	2	1	0	1	3	1	**20**
oil producer	1	1	0	2	1	0	1	1	0	**7**
natural gas producer	6	1	0	0	0	0	0	0	0	**7**
dry/non-commercial	3	0	0	0	0	0	0	2	1	**6**
o/w development wells	5	0	6	0	4	60	2	5	1	**83**
oil producer	5	0	0	0	0	59	0	5	1	**70**
natural gas producer	0	0	5	0	3	0	2	0	0	**10**
dry/non-commercial	0	0	1	0	1	1	0	0	0	**3**

Further 12 exploration wells (4 - 2 conventional and 2 unconventional - in Hungary, 8 International - 2 in Russia, 2 in Pakistan, 1-1 in Kurdistan, India, Kazakhstan and Syria) and 5 development wells (1 well in Hungary, and 4 international wells – 2 in Syria, 1 in Egypt and 1 in Angola) were in progress (ie. under drilling or waiting for test) at the end of 2010.

Summary of exploration wells (2010)

Country	Expl. wells	Status as of end-2010	Test production	Paying/part. int. %	Partner
Hungary	Domb-DNy-8	Drilled, tested - successful	completed for gas production, result of test: 491 boepd gas via 8 mm choke.	100 / 100	-
Hungary	Domb-DNy-9	Drilled, tested - successful	well is completed for gas production, 6 mm choke: 184 boepd gas beside 57 well head pressure.	100 / 100	-
Hungary	Mbh-D-1	Drilled, tested - successful	well completed for gas production, results of well test: 8 mm choke: 369 boepd gas, 55 bar	100 / 100	-
Hungary	Mh-DK-1	Drilled, tested - successful	well completed for gas production, lower reservoir: 7 mm choke: 299 boepd gas, 65 bar, upper reservoir: 5.5 mm choke: 157 boepd gas, 56 bar.	100 / 100	-
Hungary	Okány-3	Drilled, tested - successful	oil production	40/ 50	HHE
Hungary	Körös-7	Drilled, tested - successful	well is completed for gas production, 10 mm choke: 755 boepd gas beside 82 well head pressure.	40/ 50	HHE
Hungary	Kótpuszta-1	Drilled, tested - successful	well is completed for gas production, 2,123-2,143 m reservoir: 8 mm choke: 571 boepd gas and cond., 100 bar, 2,083.5-2,109 m reservoirs: 5 mm choke: 155 boepd gas and cond., 67 bar, 2,057-2,071 m reservoir: 8 mm choke: 830 boepd gas and cond., 139 bar	40/ 50	HHE
Hungary	Potony-1	Drilled, tested - dry	non commercial gas producer, dry, temporarily abandoned	100 / 100	-
Hungary	Mh-DK-2	Drilled, tested - dry	reserves were considered to be un-commercial, well technically abandoned.	100/ 100	-
Hungary	Sülysáp-É-2	Drilled, tested - dry	well is dry due to the absence of HC migration.	100/ 100	-
Hungary	Kom-Ny-2	Drilling is in progress		100 / 100	-
Hungary	Mpi-K-1	Drilling is in progress		100 / 100	-
Hungary	Beru-4	Drilled, waiting for test	drilling phase completed the evaluation of the data and test data preparation is under progress	100 / 100	-
Hungary	Beru-3	Drilled, waiting for test	drilling phase completed, the evaluation of the data has been started	100 / 100	-
Croatia	Dravica-1	Drilled, tested - successful	commercial gas producer with condensate, result of test No. 3 is 1,610 boepd gas and condensate on choke 12.7 mm	100 / 100	-
Croatia	Selec-1	Drilling is done, - successful (total depth: 2,120 m, casing: 2,075.5 m). Testing finished on 30.12.2010 well equipped with production Tubing.	Testing of three intervals was finished in late 2010. The first interval flowed 189 boepd oil and 177 boepd gas. The third interval flowed 23 boepd condensate and 265 boepd gas.	100 / 100	-
Kurdistan	Bijeel-1	Drilling started on 14 december 2009, discovery report prepared in December, - successful	It encountered oil and some gas in the Jurassic section with a maximum production rate of 3,700 boepd of oil (13°API) and 100 boepd of gas.	80 / 80	GKPI
Kurdistan	Shaikan-2	Appraisal drilling, started in October, well test in Q1 2011		20 / 20	GKPI
Kurdistan	Shaikan-3	Appraisal drilling, started in September 2010, well test performed in December, - successful	After acid treatment test with 9,800 boepd oil and 25 boepd gas was performed in February 2011	20 / 20	GKPI
Syria	Beer As Sib-1	Well testing finished in Q4, - successful	Tested successfully with results of 126 - 314 boepd oil and 177 - 412 boepd gas.	100 / 100	-
Syria	Mudawara-3	Testing predicted for 2012		100 / 100	-
Russia	Ayskaya 1	Currently in waiting status, test will continue in 2012 with hydrofracturing of Jurassic layer in new appraisal well of the same structure.		100 / 100	-
Russia	Atayskaya 2	Currently in waiting status, test will continue in 2011 with hydrofracturing of Jurassic layer.		100 / 100	-
Pakistan	Makori-East-1	Drilling started on 30 August 2010, tested, - successful	Makori East-1 reached the top of the uppermost reservoir at 3,393 m. In the Lockhart Formation, the upper 50 metres of the drilled section produced around 3,209 boepd of 37°API oil a nd 1,900 boepd of gas.	10,5 / 10	OGDCL, PPL, POL
Pakistan	Margala-1	Drilling started on 17 July 2010, well test expected Q1 2011		70 / 70	POL
Pakistan	Tolanj-X-1	Drilling started on 22 June 2010, well test expected in Q1 2011	Test resulted in 2,900 boepd gas, in February 2011	10,5 / 10	OGDCL, PPL, POL
Kazakhstan	Roshkovsky U-21	Appraisal drilling, started on 19. October 2010, well test expected in 2011 Q1		27,5 / 27,5	FIOC, EVL
Egypt	El Neamaa-1	The well did not encounter commercial quantities of oil, thus decision was made to plug and abandon the well.		50 / 50 (29 in production)	RWE Dea
Egypt	Rawda East-1	Oil discovery (Qo=760 boepd), in production from October 2010.	Oil discovery (Qo=760 boepd).	20 / 20 (9.015 in production)	Sahara O&G, IPR
Egypt	Rawda North-1	Dry, plugged and abandoned.		20 / 20 (9.015 in production)	Sahara O&G, IPR
India	Kasauli-1	Drilling started on 24. March 2010, expected to be finshed in 2011		35 / 35	ONGC
Angola	DDK-1	Tested with MDT (Modular Dynamic Test) and logging. The well proved gas existence, but was not commercial due to lack of Angolan offshore gas infrastructure, thus partners agreed to plug and abandon the well.		4 / 4	Sonangol P&P, Somoil, China Sonangol, Ajoco, Eni, Naftagas

CEE onshore - Hungary

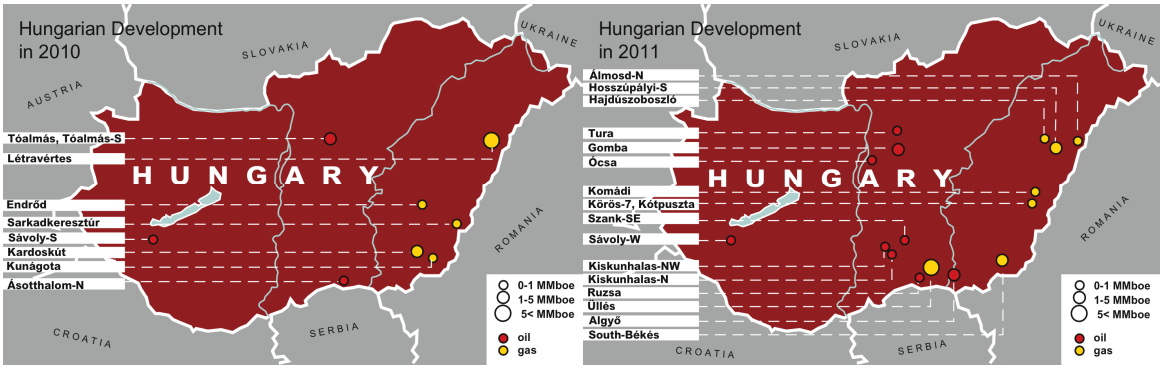
Key facts 2010:

Oil		Gas		Condensate	
Reserve in 2010 (MMboe)	47.0	Reserve in 2010 (MMboe)	104.5	Reserve in 2010 (MMboe)	21.0
Production in 2010 (boepd)	13,400	Production in 2010 (boepd)	34,300	Production in 2010 (boepd)	6,000
Recoverable resource potential					
Rec. resource working interest (MMboe) excluding unconventional exploration	49.6				

Location of 2010 fact and the 2011 planned exploration activities in Hungary

Exploration	
Expl. expenditure for 2010 (USD mn)	73.9
Expl. program in 2010	• Conventional and unconventional activities included drilling of 15 exploratory wells • Three 3D seismic measurements
Expl. expenditure for 2011 (USD mn)	69.2
Expl. program in 2011	• 10 conventional and 2 tight gas (unconventional) drillings • 1 optional seismic acquisition

Location of the main completed in 2010 projects and in progress and new field developments in 2011



Field development	
Development expenditure for 2010 (USD mn)	69.4
Development program in 2010	• Development of Létavértes, Tóalmás, Tóalmás Phase 2, Kunágota, Kardoskút, Endrőd, Ásotthalom-North, Sarkadkeresztúr, Sávoly-South fields
Development expenditure for 2011 (USD mn)	105.4
Development program in 2011	• 9 field developments in progress, 8 new field development projects

CEE onshore - Croatia

Oil	
Reserve in 2010 (MMboe)	76.5
Production in 2010 (boepd)	9,700
Gas	
Reserve in 2010 (MMboe)	99.8
Production in 2010(boepd)	14,900
Condensate	
Reserve in 2010 (MMboe)	17.8
Production in 2010 (boepd)	6,800
Recoverable resource potential	
Rec. resource working interest (MMboe)	37.3

Exploration	
Expl. expenditure for 2010 (USD mn)	4.3
Expl. program in 2010	Zalata – Podravska Slatina • Testing of Dravica-1 well - finished • 3D seismic - finished Novi Gradac – Potony • Testing of Potony-1 well (in Hungary) - finished • Extending exploration period for 1 year, effective until August 31, 2011. Selec-1 • Drilling and Well test completed and finished
Expl. expenditure for 2011 (USD mn)	12.0
Expl. program in 2011	Đeletovci-1 zapad • Well drilling, extension of Đeletovci oil field with an individual smaller object Hrastilnica-3 • Well drilling expecting to start on the 1st of June, 2011 Međimurje Surface Geochemical Survey • SGS Survey in NW Croatia with the purpose of ranking the three best prospects in the area Dinaridi Source Rock Study • G&G study, with the purpose to evaluate source rock potential Selec-1 • Workover operations, restoration of the location

Field development	
Development expenditure for 2010 (USD mn)	44.3
Development program in 2010	• Capital workover operations, including hydraulic fracturing, gravel pack and chemical stimulation • Regular workover operations • Well equipment overhauls • Compressor station at Molve filed • Continued implementation of EOR project on Ivanić and Žutica fields
Development expenditure for 2011 (USD mn)	93.2
Development program in 2011	• 3 new wells (one new and two re-entry wells) • Well workover operations (well equipment repair, matrix acidizing, hydraulic fracturing, gravel pack, etc.) • Regular equipment workover operations and sustain projects • Continued implementation of EOR project on Ivanić and Žutica fields • Implementation of production optimisation

CEE onshore - Romania

Block Ex-1,-5,-6	
Owners	MOL (70%) - operator; Expert (30%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	38.8
Production in 2010 (boepd)	-

Exploration	
Expl. expenditure for 2010 (USD mn)	-
Expl. program in 2010	• None, acquisition of 3 blocks (Ex-1,-5,-6)
Expl. expenditure for 2011 (USD mn)	9.4
Expl. program in 2011	• 700 km^2 3D seismic acquiring

CEE offshore - Croatia, North Adriatic

Block Ivana	
Owners	INA (50%), (Eni 50%)
Block Aiza Laura	
Owners	INA (50%), Eni (50%)
Block Izabela	
Owners	INA (30%), Edison (70%)
North Adriatic offshore total	
Reserve in 2010 (MMboe)	56.8
Production in 2010 (boepd)	22,700

Exploration	
Expl. expenditure for 2010 (USD mn)	1.3
Expl. program in 2010	**Block Ivana** • G&G studies for further gas potential on areas Irina SW, IKA A Deep & IKA B Deep, Ivana C SW • Regional geochemical and mineralogical studies • Geological program for next NFW on Ivana SW area • Post appraisal studies for IKA SW 2Dir (TLA and RM analyses, reports, HIIP revision)
Expl. expenditure for 2011(USD mn)	3.1
Expl. program in 2011	**Block Ivana** • Operational program for the first NFW on Ivana SW area • Geological program for second NFW on Ivana SW area and for two NFW on IRINA SW/IKA A Deep/IKA B Deep area • Drilling one NFW on Ivana SW area (Ivana SW A1) • Post appraisal studies for Ivana SW A1 (TLA and RM analyses, reports, HIIP revision) • Regional geochemical and mineralogical studies

Field development	
Development expenditure for 2010 (USD mn)	36.2
Development program in 2010	**Annamaria** • Activities and preparation of all relevant technical documentation necessary for obtaining operating licence **Ivana A/K optimization** • Installation necessary equipment for accepting Izabela gas field production (metering system, slug catcher) • Installation slug catcher for Ida C and Ivana A incoming pipeline direction **Katarina** • Sea bottom survey **Izabela** • Installation of two platforms (Isabella South and North) • Connecting of South and North platforms as well as Izabela South platform by sealine with Ivana K platform • Drilling and dual completion of 5 production wells
Development expenditure for 2011 (USD mn)	6.8
Development program in 2011	**Ika SW** • Preparation of feasibility study, bottom survey **Ivana SW** • Preparation of feasibility study, bottom survey **Ivana A/K Optimisation** • Engineering (design, supervision) • Construction & Installation of Booster unit **Božica** • Preparation of feasibility study, bottom survey

Iraq (Kurdistan region)

Akri-Bijeel and Shaikan	
Owners	**Akri-Bijeel Block: MOL** (80%) - operator; GKPI (20%) **Shaikan Block:** GKPI (75%) - operator; **MOL** (20%); TKI (5%)
Reserve in 2010 (MMboe)	
Rec. resource working interest (MMboe)	727.1
Production in 2010 (boepd)	-

Exploration & Early Dev.	
Expl. expenditure for 2010 (USD mn)	45.7
Expl program in 2010	• Drilling of Bijell-1 exploration well in Akri-Bijeel Block • Drilling of Shaikan-3 and spud Shakan-2 appraisal wells in Shaikan Block
Expl.&Dev. expenditure for 2011 (USD mn)	95.7
Expl.&Dev. program in 2011	• Drilling of Bekhme-1 exploration, spud Aqra-1 appraisal and 1 additional exploration wells, • 297 km^2 3D seismic acquisition and • Surface facilities for extended well test of Bijell-1 in Akri Bijeel Block • Drilling of 4 appraisal well and extended well test of Shaikan-1 in Shaikan Block

Syria

Hayan Block	
Owners	INA (50%), SPC (50%)
Reserve in 2010 (MMboe)	45.7
Production in 2010 (boepd)	7,900
Aphamia Block	
Owners	INA (100%)
Reserve in 2010 (MM boe)	
Rec. resource working interest (MMboe)	2.2
Production in 2010 (boepd)	-

Exploration	Aphamia
Expl. expenditure for 2010 (USD mn)	20.9
Expl. program in 2010	• Drilling Beer As Sib -1, Mudawara -3, well testing Beer As Sib -1
Expl. expenditure for 2011 (USD mn)	15.5
Expl. program in 2011	• Drilling Beer As Sib-2H

Field development	Hayan
Development expenditure for 2010(USD mn)	141.6
Development program in 2010	• Construction of Gas-Treatment Plant • Drilling of 3 wells • Workover of 3 wells

Development expenditure for 2011(USD mn)	69.5
Development program in 2011	• Completion of Gas-Treatment Plant and associated facilities • Drilling of 3 wells , completion of one well and workover of one well

Russia

Baitugan	
Owners	MOL (100%)
Reserve in 2010 (MMboe)	61.9
Production in 2010 (boepd)	4,600
Rec. resource working interest (MMboe)	16.8
ZMB	
Owners	MOL (50%) Russneft (50%)
Reserve in 2010 (MMboe)	38.5
Production in 2010 (boepd)	12,000 (MOL's share)
Matyushkinsky	
Owners	MOL (100%)
Reserve in 2010 (MMboe)	29.4
Rec. resource working interest (MMboe)	54.5
Production in 2010 (boepd)	3,000
Surgut 7	
Owners	MOL (100%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	49.0
Production in 2010 (boepd)	-

Exploration	Surgut-7
Expl. expenditure for 2010 (USD mm)	2.4
Expl. program in 2010	• Hydrofracturing of Achimov of Ayskaya1 completed, which 151 boepd fluid rate with 51% water cut (72.7 boepd oil rate)
Expl. expenditure for 2011 (USD mn)	3.3
Expl. program in 2011	• Hydrofracturing of Jurassic in Atayskaya-2 well • Preparation work of drilling activities in 2012

Exploration	Matyushkinsky
Expl. expenditure for 2010 (USD mn)	1.5
Expl. program in 2010	• Preparation works for exploration drilling on Verkhne-Laryegan structure
Expl. expenditure for 2011 (USD mn)	7.2
Expl. program in 2011	• Drilling of 1 exploration well on Verkhne-Laryegan structure

Exploration	Baytugan
Expl. expenditure for 2010 (USD mn)	0.0
Expl. program in 2010	• No work program in 2010
Expl. expenditure for 2011 (USD mn)	2.2
Expl. program in 2011	• Preparation of exploration programme

Field development	ZMB (Zapadno-Malobalik)
Development expenditure for 2010 (USD mn) (MOL share)	26.2
Development program in 2010	• Drilling of 11 new wells • Construction of gas power plant, to utilize associated gas, is in progress. 5 of 8 blocks have been put into operation
Development expenditure for 2011 (USD mn) (MOL share)	3.8
Development program in 2011	• Completion of gas power plant construction

Field development	Baitugan
Development expenditure for 2010 (USD mn)	36.5
Development program in 2010	• Drilling of 39 new producing wells • Reconstruction and extension of gathering system, water injection, power supply system and the Central Processing Station continued • Preparation of new Field Development Plan on the basis of new 3D seismic
Development expenditure for 2011 (USD mn)	26.9
Development program in 2011	• Drilling of 16 wells aiming to increase the production level • Extension of water injection system • Finalizing Reconstruction of Central Processing Station • Extension of gathering system and power supply system • Complete the new Field Development Plan on the basis of new 3D seismic • Completion of power generation plant for the utilization of associated gas • Capacity extension of Transneft pipeline

Field Development	Matyushkinsky
Development expenditure for 2010 (USD mn)	12.5
Development program in 2010	• Drilling of 5 producing wells on Severo-Ledovoye field, all of them were put on stream • Drilling of 1 appraisal well on Kvartovoye • Construction of surface facilities on Ledovoye and Matyushkinskoye fields, including: extension of oil treatment facility, water treatment and injection system
Development expenditure for 2011 (USD m)	37.2
Development program in 2011	• Drilling 11 production wells on Ledovoye field • Building surface facilities on Ledovoye field for the treatment of increased production: extension of oil treatment, power supply, water treating facilities, utilization of associated gas

Pakistan

Tal	
Owners	MOL (10%) - operator; PPL (30%); OGDCL (30%); POL (25%); GHPL (5%)
Reserve in 2010 (MMboe)	11.9
Rec. resource working interest (MMboe)	22.8
Production in 2010 (boepd)	4,700
Margala, Margala North	
Owners	MOL (70%) – operator; POL (30%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	22.6
Production in 2010 (boepd)	-
Karak	
Owners	Mari Gas (60%) – operator; MOL (40%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	20.8
Production in 2010 (boepd)	-

Exploration	Tal, Margala, Margala North, Karak Blocks
Expl. expenditure for 2010 (USD mn)	21.0
Expl. program in 2010	**Tal** • Drilling of TolanjX-1 well test in February 2011 resulted in discovery, sidetracking and further testing in 2011 • Drilling of Makori-East-1 well: discovery from the uppermost reservoir, further drilling in 2011 • Processing of 630 sqkm 3D seismic covering MamiKhel and Maramzai structures **Margala and Margala North** • Drilling of Margala-1 well **Karak Block** • Processing and interpretation of 212 km 2D seismic
Expl. expenditure for 2011 (USD mn)	31.9
Expl. program in 2011	**Tal** • Acquisition of additional 279 km 2D seismic and starting the EWT Makori-East-1 well • Construction of necessary surface facilities and pipeline for EWT of Makori-East-1 well • Continuation of early production of Mamikhel-1 and Maramzai-1 wells and drilling of two appraisal wells • Drilling of one new exploration well **Margala and Margala North** • Continue drilling of one exploration well in Margala Block and start drilling of one exploration well in Margala North Block **Karak** • Drilling of one exploration well

Field development	Tal Block
Development expenditure for 2010 (USD mn)	3.3
Development program in 2010	• Drilling, testing and completion of Manzalai-8 gas and condensate producer well • Continuous development of Central Processing Facility increasing the daily production volumes by end year 2010 to 56,100 boepd gas and 5,500 boepd condensate
Development expenditure for 2011 (USD mn)	8.2
Development program in 2011	• Continue production via existing Processing Facilities with planned total daily production capacity of 67,300 boepd gas and 10,000–12,000 boepd condensate • Drilling of a new production well (Manzalai-9), implementation of tie-in facilities and additional components related to the Central Processing Facility • Award of Engineering, Procurement, Construction and Commissioning (EPCC) contract in order to construct 28,000 boepd gas capacity Plant having suitable technology to process Makori gas

Kazakhstan

Federovskoye	
Owners	MOL (27.5%), EVL (50%), FIOC (22.5%) UOG is the Operator MOL is Operating Shareholder
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	49.2
Production in 2010 (boepd)	-

Exploration & Field Dev.	
Expl. expenditure for 2010 (USD mn)	4.3
Expl. program in 2010	• Drilling of one appraisal well (RZK U-21) • Civil works for another two appraisal wells (RZK U-22 and RZK U-23) • Geological data interpretation • Reserve Calculation and Trial Production Planning for Rozhkovsky field
Expl.&Dev expenditure for 2011 (USD mn)	16.2 + 2.1
Expl.&Dev program in 2011	• Finish drilling of Rozh-U-21 appraisal well • Drilling of 2 additional appraisal wells (Rozh-U-22, Rozh-U-23) • Testing of 3 appraisal wells (Rozh-U-21, Rozh-U-22 and Rozh-U-23) • 3D Seismic reprocessing and reinterpretation • G&G studies • FEED study and extended well test related studies • EPCC detailed engineering work

Oman

Block 43 B	
Owners	MOL (75%) - operator; Mari Gas (25%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	79.0
Production in 2010 (boepd)	-

Exploration	
Expl. expenditure for 2010 (USD mn)	3.1
Expl. program in 2010	• Acquire 70 km 2D seismic data in Hawasina area
Expl. expenditure for 2011 (USD mn)	8.4
Expl. program in 2011	• Processing and interpretation of 2D seismic acquired in 2010 • Preparation works for drilling • Spud one exploratory well

Egypt

East Yidma	
Owners Exploration licence expires on 23.03.2011	INA 50%, RWE Dea 50%
East Kalabsha	
Owners Exploration licence expired on 25.05.2010	IEOC 50%, INA 25%, RWE Dea 25%
Ras Qattara	
Owners	IEOC 75%, INA 25%
West Abu Gharadig	
Owners	IEOC 45%, INA 25%, Dana 30%
North Bahariya	
Owners	Sahara O&G 50%, INA 20%, IPR 30%
Sidi Rahman	
Owners	INA 50%, RWE Dea 50%
Egypt total	
Reserves in 2010 (MMboe)	3.8
Production in 2010 (boepd)	1,900

Exploration	East Yidma, East Kalabsha, North Bahariya, Ras Qattara
Expl. expenditure for 2010 (USD mn)	2.9
Expl. program in 2010	• Exploratory well El Neamaa-1 was drilled in East Yidma • Exploratory wells Rawda East-1 and Rawda North-1 were drilled in North Bahariya
Expl. expenditure for 2011 (USD mn)	0.6
Expl. program in 2011	• No activities, East Kalabsha licence expired on 25.05.2010 while East Yidma licence expires on 23.03.2011 • Two exploration wells will be drilled: Rawda Southeast-1 on North Bahariya and Zarif deep-1 on Ras Qattara

Field development	Ras Qattara, West Abu Gharadig, North Bahariya, Sidi Rahman
Development expenditure for 2010 (USD mn)	9.3
Development program in 2010	• Drilling of 2 wells in Ras Qattara • Drilling of 2 wells in West Abu Gharadig • Drilling of 1 well in North Bahariya • Hydraulic fracturing on 2 wells in North Bahariya • Water injection project started on Ferdaus field in North Bahariya • Gas power generation project on West Abu Gharadig • New development lease, Rizk, on East Yidma concession approved on 12.10.2010
Development expenditure for 2011 (USD mn)	21.2
Development program in 2011	• Commencement of Gas power generation project in Ras Qattara • Drilling of 1 well in West Abu Gharadig • Drilling of 3 wells in North Bahariya • Drilling of 1 well in Sidi Rahman • Start of initial production on Rizk development lease

India

HF-ONN-2001/1 Himalayan Foothills	
Owners	ONGC (65% - operator) MOL (35%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	41.7
Production in 2010 (boepd)	-

Exploration	
Expl. expenditure for 2010 (USD mn)	8.9
Expl. program in 2010	• Spud Kasauli-1 well
Expl. expenditure for 2011 (USD mn)	3.5
Expl. program in 2011	• Continue drilling of Kasauli-1 well • Re-evaluation of seismic

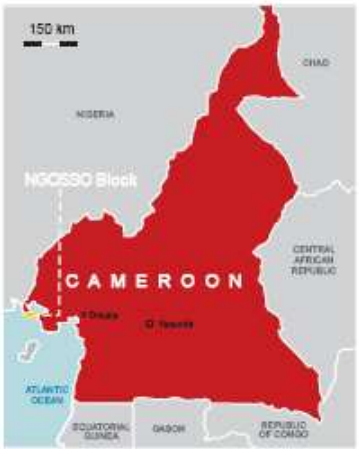
Angola

Angola 3/05 and 3/05A	
Owners	Sonangol P&P 25%, Somoil 10%, China Sonangol 25%, Ajoco 20%, Eni 12 %, Naftagas 4%, INA 4%
Angola 3/85 and 3/91	
Owners After field licenses expire (3/85 in July 2011,Block 3/91 in December 2012) fields will be integrated into PSA terms of Block 3/05	Total 50% ; Ajex.12,5%; Eni 15%; Sonangol 6.25%, Svenska 6.25%; Naftagas 5%, INA 5%
Angola total	
Reserve in 2010 (MMboe)	4.2
Production in 2010 (boepd)	1,600

Exploration	Angola 3/05A
Expl. expenditure for 2010 (USD mn)	2.8
Expl. program in 2010	• Exploratory well DDK-1 was spudded (encountered gas reservoirs at two levels and was plugged and abandoned) • Declarations of commercial discovery received for Punja & Caco/Gazela fields respectively • Field Development Plan for Punja finished and in progress for Caco/Gazela
Expl. expenditure for 2011 (USD mn)	1.1
Expl. program in 2011	• Post-Drilling Evaluation of DDK-1 well (prospect MS 2-3-4) • Block Prospectivity Review • Pre development activities (Punja & Caco/Gazela fields)

Field development	Angola 3/05,3/85 & 3/91
Development expenditure for 2010 (USD mn)	6.0
Development program in 2010	• Two Infill wells on Pacassa field were drilled and perforated • Pipeline PACF4-PACF1 project is in progress • Maintenance and inspection program
Development expenditure for 2011 (USD mn)	7.3
Development program in 2011	• Floating Storage Hull Repair on Terminal • Topside Structure Overhaul & Inspection on Palanca & Pacassa producing platforms • Air Compressor Replacement on Palanca & Pacassa producing platforms

Cameroon



Ngosso Permit	
Owners	Addax Petroleum (60% - operator), MOL (40%)
Reserve in 2010 (MMboe)	-
Rec. resource working interest (MMboe)	72.0
Production in 2010 (boepd)	-

Exploration	
Expl. expenditure for 2010 (USD mn)	2.9
Expl. program in 2010	• Interpretation of the Nanar 3D and new 2D seismic acquisition started in December 2010
Expl. expenditure for 2011 (USD mn)	5.1
Expl. program in 2011	• Finish 2D seismic acquisition; its processing and interpretation

Glossary

CAPEX:	Capital Expenditures
Choke:	A device that is used to control fluid flow rate or downstream system pressure.
Depth conversion:	The process of transforming seismic data from a scale of time (the domain in which they are acquired) to a scale of depth to provide a picture of the structure of the subsurface independent of velocity.
Dry well:	An investigated borehole which does not confirm the existence of a hydrocarbon site or is not able to profitably produce crude oil or natural gas.
EGR:	Enhanced Gas Recovery
EOR:	Enhanced Oil Recovery. The third stage of hydrocarbon production during which sophisticated techniques that alter the original properties of the oil are used. Its purpose is not only to restore formation pressure, but also to improve oil displacement or fluid flow in the reservoir.
EWT:	Extended Well Test
Field development:	Process of implementing surface and sub-surface facilities necessary for the recovery of hydrocarbon reserves.
IOR:	Increased Oil Recovery
Magneto telluric test:	An electromagnetic method used to map the spatial variation of the Earth's resistively by measuring naturally occurring electric and magnetic fields at the Earth's surface.
NFW:	New Field Wildcat. Well far from other producing fields and on a structure that has not previously produced hydrocarbon.
Proved reserves:	Those quantities of petroleum, which by analysis of geosciences' and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.
Probable reserves:	Those additional reserves which analysis of geosciences' and engineering data indicate are less likely to be recovered than Proved reserves but more certain to be recovered than Possible Reserves.
Resources:	Or recoverable resource potential. Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
Risked resources:	Product of the estimated resources quantity and the associated chance of discovery.
SPE:	Society of Petroleum Engineers
Unconventional gas	Unconventional gas is any gas resource discovered in non-traditional geological structures, where the reservoir is also the source rock. This category includes tight gas, basin centred gas accumulations, gas hydrates, coalbed methane and shale gas. These resources share a common characteristic, namely they typically represent huge volumes of gas-in-place (significantly more than in traditional reservoirs), but production is more capital intensive and flow rates are significantly lower than those of conventional reservoirs
Unrisked resources:	Resources without taking into consideration the exploration risk (probability of success)

boe:	Barrel of crude oil equivalent
boepd:	Boe per day
Mboepd	Thousand boe per day
ktoe	Thousand tonnes oil equivalent
MMbbl	Million barrel
MMboe:	Million boe
MM scf:	Million standard cubic feet
MM scfpd:	Million standard cubic feet per day

Disclaimer

"This drilling update contains forward-looking statements. These statements are naturally subject to uncertainty and changes in circumstances. Those forward-looking statements may include, but are not limited to, those regarding capital employed, capital expenditure, cash flows, costs, savings, debt, demand, depreciation, disposals, dividends, earnings, efficiency, gearing, growth, improvements, investments, margins, performance, prices, production, productivity, profits, reserves, returns, sales, share buy backs, special and exceptional items, strategy, synergies, tax rates, trends, value, volumes, and the effects of MOL merger and acquisition activities. These forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, but are not limited to developments in government regulations, foreign exchange rates, crude oil and gas prices, crack spreads, political stability, economic growth and the completion of ongoing transactions. Many of these factors are beyond the Company's ability to control or predict. Given these and other uncertainties, you are cautioned not to place undue reliance on any of the forward-looking statements contained herein or otherwise. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements (which speak only as of the date hereof) to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as maybe required under applicable securities laws.

Statements and data contained in this material, which relate to the performance of MOL in this and future years, represent plans, targets or projections."