

PT Medco Energi Internasional Tbk. Monthly Newsletter



STOCK DATA*

Market Cap. (bn Rp)	:	8,081.2
Highest (12mth)	:	3,500
Lowest (12mth)	:	1,870
Last Price	:	2,425
Free Float	:	37.56%

*as of 1 January 2012

MedcoEnergi's realized utilization of Proceeds from Shelf-registration Public Offering. In July 14, 2011, the Company received the proceeds of the Medco USD Bonds I Phase I public offering totaling USD50 million. After taking into account the public offering costs in the amount of USD0.65 million, the Company booked the total net proceeds of USD49.35 million.

As stated in the Prospectus, the Company plans to utilize the net proceeds of Medco USD Bonds I Phase I for:

- (a) the repayment of the Company's debt obligations in whole or in part totaling 60% of the net proceeds or equivalent to USD29.61 million and
- (b) capital expenditures (capex) totaling 40% of net proceeds or equivalent to USD19.74 million.

As of January 12, 2012, the Company has utilized the net proceeds in the total amount of USD14.89 million for capital expenditures. Therefore, the remaining balance of net proceeds from the Medco USD Bonds I Phase I public offering is USD34.47 million.

In November 11, 2011, the Company received the proceeds of the Medco USD Bonds I Phase II public offering totaling USD30 million. After taking into account the public offering costs in the amount of USD0.20 million, the Company booked the total net proceeds of USD29.80 million.

As stated in the Prospectus, the Company plans to utilize the net proceeds of Medco USD Bonds I Phase II for repayment of the Company's debt obligations in whole or in part totaling 100% of the net proceeds or equivalent to USD29.80 million of net proceeds.

As of January 12, 2012, the Company has utilized the net proceeds in the total amount of USD20.60 million for repayment of debt obligations. Therefore, the remaining balance of net proceeds from the Medco USD Bonds I Phase II public offering is therefore USD9.40 million.

PT Medco Energi Internasional Tbk
Investor Relations Department
The Energy 52nd Floor
SCBD Lot 11A
Jl. Jendral Sudirman, Jakarta 12190
Tel: (62-21) 2995 3000, Fax: (62-21) 2995 3001,
Email: investor.relations@medcoenergi.com
Website: www.medcoenergi.com

Exploration Report

Senoro Toili Block PSC, Central Sulawesi

Background The Senoro-Toili Block is located in the Central Sulawesi Province, which is operated by JOB Pertamina Medco Tomori Sulawesi (JOB P-MTS). The working interests are 50% Pertamina, 30% PT Medco E&P Tomori Sulawesi and Tomori E&P Limited 20%. This block was taken over from JOB Pertamina - ARCO - UTII in 2000. This block has 1 (one) oil producer of Tiaka field, 1 (one) oil & gas discovery field of Cendanapura and 1 (one) gas field of Senoro. Kolo (Tiara) and Pandauke (Grupa) fields are Prospect areas. Senoro and Cendanapura fields are located in the island of Sulawesi, whilst others are offshore.

Seismic Activities Survey 3D seismic including transition zone (TZ) and 2D marine covering the land and transition area of 95 sqkm and marine of 400 km. Total full fold area 128 sq km. Seismic survey started on 29th December 2011 with no result as of yet.

Next Plan Preparation and parameter test. Continued to conduct seismic survey in marine, transition and land areas.

South & Central Sumatra Block PSC

Exploration Activities The Company spudded North Temelat-2 well in November 20th 2011 and planned to drill a total depth of 2,530 feet MD. As of the end of December 2011, the Company drilled to a final total depth of 2,219 feet MD and has no result so far.

- Results**
- Test on 1,820 – 1,830' MD (Telisa Formation) the result is very small amount of gas due to the low reservoir permeability.
 - From interval 2,104' – 2,114' MD (Baturaja Formation) flowed of average rate at 350 BOPD, 17o API with zero % of water cut thru 16/64" choke.

Rimau Block PSC, South Sumatra

Seismic Activities 2D Land Seismic acquisition are located in 2 districts, Kabupaten Banyuasin and Kabupaten Musi Banyuasin, with total track 400 km. Work sequences are divided into 3 areas survey, Iliran High, Elkap and Karamba. Topography Survey activities starts on 27 July 2011 and Parameter Test on 12 and 13 August 2011. Until the end of December 2011, the progress status are:

Results Bench Mark Seismic : 26 point from 28 point (93%)
Survey Topography : 319.19 km from 400 km (79%)
Drilling : 10,967 holes from 17,400 holes (63%)
Recording : 2,803 profiles / 89 km (16.1%)

Next Plan Continue topography survey, drilling and recording.

Drilling Activities Summary

	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	Actual 2011 YTD
Exploration Wells	0	0	0	0	0	1	2	1	3	1	3	0	11
Development Wells	3	6	3	4	4	5	0	0	0	0	0	0	25

Major Projects Reports

- Senoro Upstream**
- Four (4) bidders passed the technical stage of the EPC tendering process as announced on Dec 21st 2011. Pre-Bid Meeting for commercial stage was held on Dec 27th 2011 with a plan for receiving proposal on Jan 20th 2012. The target for contract award is in February 2012.
 - The CPP and Jetty land acquisition is finalized at the end of Dec 2011. The negotiation for the remaining 13 HA has been concluded and Land documents have been verified.
 - On the issue of site preparation, clearing and grubbing at CPP is still ongoing with 84% progress, and stripping with 79%.
 - Clearing on Temporary Access Road to quarry source /Sinorang River has been progressing at 87%.
 - Drilling and completion services will be done integrated, with the additional contract on General Services for operational support.
 - Seismic activity for marine survey is to be started by Dec 28th 2011.

- DSLNG/ Senoro Downstream**
- DSLNG Project is relatively ahead of schedule (33.5% in actual vs 25% plan) and safely executed.
 - On Dec 8th 2011, Extraordinary General Meeting of Shareholder (EGMOS) have been conducted and unanimously agreed to approve the restated Development Plan and Budget (DPB), DPB Update and DPB management. The contingency release procedure on budget monitoring will be presented to BOD in January 2012.

- Block A**
- Current progress dictate that FID target is now defer to Q2 2012 due to by FSA agreement, CPP tender progress, rig availability, and land acquirement.
 - Matang-1 Exploration drilling which is still under internal discussion on the stimulation plan, the construction progress is 80% complete, can be started as soon as the rig available.

- Rimau EOR**
- The EOR pilot starts injecting pre-flush on the first injector at end of December 2011. The second and third injector will be starting pre-flush injection on 2nd week January 2012 and the rest remaining 3 injectors will completely inject on February 2012. The next step tasks in month of January 2012 is run tracer survey to understand direction path of injection and running PNN log to understand base reservoir saturation map respectively at the following month.

- Libya Area 47**
- This project has got the commercialization approval in Dec 14 2011 after being frozen due to the political issues. Team is being formed to continue the confirmation study for this asset development.

Production Report

Oil Production (mbbls)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY11
Rimau	521.7	451.2	512.9	491.1	510.9	494.9	502.7	507.1	492.8	503.6	506.9	527.6	6,023.2
South & Central Sumatra	234.9	215.6	254.7	244.6	250.8	229.5	238.5	238.3	219.2	203.7	188.1	210.9	2,728.9
Tarakan	54.5	52.3	69.9	66.1	80.6	67.6	72.5	76.3	78.6	86.0	82.1	83.7	870.3
Sembakung	58.8	51.8	57.4	56.0	56.1	60.0	74.9	70.9	68.5	88.9	87.0	82.3	812.8
Bawean	1.7	0.0	21.3	38.7	42.1	37.8	37.7	34.8	38.0	43.7	41.8	44.5	382.2
Tiaka	18.0	15.8	17.3	15.9	15.3	15.0	15.3	9.5	15.0	15.0	14.3	14.3	180.8
USA	11.2	7.0	10.6	15.1	18.2	15.4	16.4	16.1	12.9	13.2	9.4	11.8	157.3
TOTAL OIL	900.8	793.6	944.1	927.5	974.0	920.2	958.1	953.0	925.1	954.2	929.6	975.2	11,155.5
Gas Sales (bbtu)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY11
South & Central Sumatra	4,345.0	3,819.8	3,943.8	3,927.5	4,014.1	4,197.6	4,513.0	4,365.6	4,139.2	4,181.3	4,054.5	3,932.7	49,434.2
Lematang	404.5	404.6	461.5	439.2	857.7	560.6	615.1	778.0	775.9	788.4	715.1	762.0	7,562.7
Tarakan	144.2	142.2	167.7	159.7	146.0	144.0	136.6	134.7	139.2	141.0	121.7	161.3	1,738.4
USA	160.7	116.9	130.4	91.4	97.6	80.5	79.9	45.1	21.2	22.5	29.5	50.8	926.5
TOTAL GAS	5,054.5	4,483.6	4,703.4	4,617.7	5,115.5	4,982.7	5,344.6	5,323.5	5,075.5	5,133.2	4,920.9	4,906.8	59,661.7
Electricity (GWH)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY11
Power Production - IPP	105	99	106	106	103	107	107	110	105	109	107	99	1,263
Power Production - O&M	829	819	856	840	533	895	907	785	646	746	877	799	9,532
Downstream	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY11
Fuel Distribution / KL	11,636	13,516	17,031	35,119	25,532	29,220	15,753	21,295	22,342	29,560	15,796	31,668	268,468
Ethanol Production / KL	1,139	736	844	1,536	2,819	2,984	1,801	901	268	401	925	1,744	16,098
LPG Production / MT	1,366	1,161	1,330	1,243	1,288	1,272	1,142	1,330	1,304	1,364	1,181	1,323	15,304

Monthly Newsletter



MEDCOENERGI



WTI, Brent and ICP Oil Price

