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# Sakhalin-1 Project Continues Record Setting Drilling

Completes First Two Extended-Reach Wells at Odoptu

IRVING, Texas--(BUSINESS WIRE)-- [ExxonMobil](#) announced today the successful completion of the first two extended-reach wells at the Odoptu field offshore eastern Russia, employing one of the world's most powerful land-based rigs. ExxonMobil subsidiary Exxon Neftegas Limited (ENL) is operator on behalf of the five-company international Sakhalin-1 Consortium.

The Yastreb rig, which is located onshore Sakhalin, drilled horizontally under the Sea of Okhotsk to a target area in the Odoptu oil reservoir over nine kilometers offshore. The extended-reach wells are the first two of seven which will tap the reservoir at Odoptu. The field is anticipated to begin producing oil in the second half of 2010.

"This is yet another milestone in [Sakhalin-1 Project](#) achievements," said Neil Duffin, president of ExxonMobil Development Company. "The Sakhalin-1 Project is one of the largest energy investments in Russia and is a testament to international cooperation."

"The project has applied industry-leading technology to successfully operate in a safe and environmentally responsible manner in one of the most challenging sub-arctic environments in the world, while providing important economic benefits to Russia," said Duffin.

The continued application of ExxonMobil's leading-edge Fast Drill technology has resulted in record performance at Odoptu, paving the way for lower development costs. Additional ongoing activities at Odoptu include the construction of a new onshore oil and gas treatment facility and flowline to the existing Chayvo onshore processing facility.

The Sakhalin-1 Project includes the phased development of the Chayvo, Odoptu and Arkuntun-Dagi fields, with an estimated total resource of 2.3 billion barrels (307 million tons) of oil and 17 trillion cubic feet (485 billion cubic meters) of natural gas. The Chayvo field, which was the initial phase of the Sakhalin-1 Project, began production in 2006.

Since startup, the Sakhalin-1 Project has produced over 240 million barrels (32 million tons) of oil for export to world markets. It also has been a key supplier of nearly 180 billion cubic feet (over 5 billion cubic meters) of associated natural gas to customers in Khabarovsk Krai, in far eastern Russia, to heat homes and meet growing energy needs. The project will continue to help meet future natural gas demand in this region. Since the start of the Sakhalin-1 Project, the Russian State has received US\$2.6 billion in royalties and its share of oil and gas, and the Sakhalin Oblast has received nearly US\$650 million in production bonuses.

The Sakhalin-1 Consortium includes ENL (30 percent interest); Sakhalin Oil and Gas

Development Co. Ltd., (30 percent); affiliates of Rosneft, the Russian state-owned oil company, RN-Astra (8.5 percent), Sakhalinmorneftegas-Shelf (11.5 percent); and ONGC Videsh Ltd. (20 percent).

More information about the Sakhalin-1 project is available at <http://www.sakhalin1.com>.

CAUTIONARY STATEMENT: Statements in this release regarding future events and conditions are forward-looking statements. Actual future results, including project plans and schedules and resource recoveries, could differ materially due to changes in long-term oil and gas price levels or other market conditions affecting the oil and gas industry; political or regulatory developments; timely completion of development plans; reservoir performance; technical or operating factors; the outcome of commercial negotiations; and other factors discussed under the heading "Factors Affecting Future Results" posted in the "investors" section of our website ([www.exxonmobil.com](http://www.exxonmobil.com)).

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6149056&lang=en>

Source: Exxon Mobil Corporation