

Nippon discovered hydrocarbon in Gulf of Mexico

January 13, 2010

PRESS RELEASE

Nippon Oil Corporation ("Nippon", Mr. Shinji Nishio, Representative Director, President) announces today that Nippon Oil Exploration U.S.A. Limited ("NOEX USA", Mr. Tadashi Ohmura, President and COO), 100% owned by Nippon Oil Exploration Limited ("NOEX", Mr. Makoto Koseki, President and CEO), which is the upstream arm of Nippon Oil Corporation, made a gas discovery on the Davy Jones prospect located on South Marsh Island Block 230 in the Gulf of Mexico.

The Davy Jones prospect is located in approximately 20 feet of water on the shelf of the Gulf of Mexico about 15 miles off Louisiana. NOEX USA and its partners, McMoRan Exploration (Operator), Plains Exploration Production Company, Energy XXI and others have carried out drilling operations since August 2009 and the well has been drilled to a measured depth of 28,263 feet. NOEX USA and its partners plan to appraise this gas find and evaluate its reserves and production rate.

Nippon believes that this is a significant discovery, which verifies the ultra-deep potential of the Gulf of Mexico shelf being left as un-explored. Nippon Oil Group will continue to strengthen our exploration effort in the area.

Working Interest of Javy Jones Prospect

McMoRan (Operator)	32.7%
Plains Exploration & Production Company	27.7%
Energy XXI	15.8%
NOEX USA	12.5%
Moncrief Jr.	8.8%
Others	3.0%

South Marsh Island 230

