

## Field Development Approval for West Don Field

May 29, 2008

### PRESS RELEASE

Nippon Oil Corporation is pleased to announce that the Field Development Programme ("FDP") for the West Don field has been approved by the UK Government's Department for Business, Enterprise and Regulatory Reform ("BERR"). Our equity in West Don is held by Nippon Oil Exploration and Production U.K. Limited, a wholly owned subsidiary of Nippon Oil Exploration Limited (Mr. Makoto Koseki, President and CEO). Nippon Oil Exploration Limited is itself a wholly owned subsidiary of Nippon Oil Corporation (Mr. Shinji Nishio, Representative Director, President).

As a consequence of the official approval from BERR, Petrofac Energy Developments Limited (the West Don operator) and the other equity holders will now press ahead and execute the substantial development activities described within the FDP.

West Don field is located at ca. 150km-north-east off-shore of the Shetland Islands. Gross capital cost is estimated about 42 billion yen. We expect that first oil from West Don will flow around the second quarter of 2009 with peak rates of approximately 25,000 bbls per day gross production.

Nippon Oil Group regards the North Sea as one of our core areas in the oil & gas exploration & production activity and sees many potential future opportunities in the area. We will consider options to expand our investment in the North Sea, as well as other core areas, so that we can steadily expand our exploration & production business throughout the world.

End

#### 1. Participation in the West Don Field

Equity Holder	Interest
Petrofac Energy Developments Ltd.	27.700%
First Oil Expro Ltd	19.275%
Nippon Oil Exploration and Production U.K. Ltd.	18.500%
Valiant North Sea Ltd.	17.275%
Stratic Energy (UK) Ltd.	17.250%

#### 2. Nippon Oil Exploration and Production U.K. Limited

1. President and CEO: Makoto Koseki
2. Shareholders: Nippon Oil Exploration Limited 100%
3. Paid-in capital: £ 49.5 million
4. Established: December 2, 1996

### 3. Map

