



**THE PHILODRILL CORPORATION**

QUAD ALPHA CENTRUM, 125 PIONEER, MANDALUYONG CITY, PHILIPPINES  
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July 30, 2013

**THE DISCLOSURE DEPARTMENT**

3/F Philippine Stock Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City

Attention: **MS. JANET A. ENCARNACION**  
Head, Disclosure Department

Gentlemen:

Further to our disclosure to the Philippine Stock Exchange on December 13, 2011, please find the attached letter from the Department of Energy disapproving the applications for the transfer of interests and transfer of operatorship by the Service Contract 6B - Bonita Block consortium in favor of Peak Oil & Gas Philippines Limited, Blade Petroleum Philippines Limited, and VenturOil Philippines, Inc.

This formal written advice is submitted in compliance with the rules and regulations of the Philippine Stock Exchange.

Very truly yours,

**ADRIAN S. ARIAS**  
Corporate Secretary



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

22 July 2013

**MR. FRANCISCO A. NAVARRO**

Executive Vice President  
The Philodrill Corporation  
6/F Quad Alpha Centrum Bldg.  
125 Pioneer St., Mandaluyong City

Subject: **Service Contract (SC) No. 6B (Bonita Block) Transfer of Interests and Appointment of Operator**

Dear Mr. Navarro:

This refers to your letter dated 4 July 2013 on the subject.

After thorough review, we would like to inform you that the submitted documents for the application of Peak Oil & Gas Philippines Ltd. (Peak Oil), Blade Petroleum Limited (Blade), and Venturoil Philippines, Inc. for the transfer of interests in SC No. 6B and Peak Oil's submitted documents for the application for transfer of operatorship do not suffice for the DOE to completely evaluate the said applications.

Further, Philodrill failed to comply and submit additional updated documents as requested in our letter of 12 April 2012. Since then and up to now, all the farminees have been unable to comply with the DOE's directive to submit additional documents which are supposed to aid the DOE in properly determining whether the farminees and applicant for operatorship are qualified to perform the work obligations in SC No. 6B.

In view of the foregoing, we are DISAPPROVING the above-mentioned applications.

For your guidance.

Very truly yours,

A handwritten signature in dark ink, appearing to read "R. M. - a", is written above the printed name of the Undersecretary.

**RAMON ALLAN V. OCA**  
Undersecretary