



PAN ORIENT ENERGY CORP.

## Pan Orient Energy Corp.

### Press Release

### Operations Update

**CALGARY, JUNE 17, 2013**

#### **Thailand - Concession L53 (Pan Orient Operator and 100% Working Interest)**

##### L53-DC4ST1 Appraisal Well

Pan Orient Energy Corp. ("Pan Orient" or the "Corporation") (POE – TSXV) is pleased to announce that the L53-DC4ST1 appraisal well encountered approximately 40 meters (true vertical thickness) of gross wire line log interpreted oil pay in the "A1" and shallower "HO" sands. The well will be placed on test shortly with the top and base of perforations between 473 and 504 meters true vertical depth respectively. Porosities in all these shallow sands average approximately 25%.

The L53-DC4ST1 well was drilled to a total measured depth of 937 meters (678 meters true vertical depth) from the L53-DC well pad targeting the structurally highest position within the structurally highest fault compartment in the L53-D East field which had been previously untested.

##### L53-DC4 Pilot Well

The L53-DC4 pilot well was drilled to test and evaluate the deeper "A5" to "A3" sands prior to sidetracking and targeting of the shallower "HO" to "A2" sands in the L53-DC4ST1 appraisal well detailed above. The well was drilled to a total measured depth of 873 meters (846 meters true vertical depth) and encountered approximately 40 meters (true vertical thickness) of gross oil pay within the "A3" and "A4" sands between 577 and 651 meters true vertical depth. The "A3" and "A4" sands encountered in this well will be targeted in a position approximately 15 meters structurally higher by the L53-DCEXT1 well which is expected to commence drilling immediately after the currently drilling L53-DCEXT exploration well.

##### L53-DCEXT Exploration Well

The L53-DCEXT exploration well is currently setting casing just above target at approximately 500 meters drilling towards "HO" to "A5" sandstone objectives between a depth of approximately 520 to 742 meters. This well is within an untested fault compartment northwest of the compartment containing the L53-DC4ST1 well which is interpreted as being oil bearing as noted above. Upon the completion of drilling the L53-DCEXT well, the rig will skid to the L53-DCEXT1 cellar and commence drilling from the last available slot in the L53-DC/DCEXT well pad.

The results L53-DC3 well which were announced on May 21<sup>st</sup> have demonstrated the ability to test production of relatively heavy oil from very shallow depths at commercial rates. Where earlier exploration and appraisal drilling in the L53-D East field had focused almost exclusively on the deeper "A5-A8" and "C" sands, recent drilling has highlighted the potential of the "HO" and "A1-A4" shallow sands resulting in the recognition of the significant remaining potential in at least four undrilled fault compartments that form part of the L53-D East cluster.

##### L53-G3ST1 Appraisal Wells

The L53-G3ST1 well is currently producing 23 degree API oil at a rate of approximately 120 barrels of oil per day with a 14% water cut, which is interpreted to be mainly completion brine based on the salinity and early stage of the test. Production is from two meters of perforations within the K40-D sands.

The L53-G3ST1 well, the second appraisal well to the L53-G2 oil discovery, was drilled to a measured depth of 1,500 meters (1,250 meters true vertical depth) with a subsurface target approximately 350 meters south of the L53-G2 oil discovery and encountered approximately three meters of net oil pay within the upper portion of the "K40-D" sand target at a true vertical depth of 1,111 meters.

##### Thailand Production

Thailand oil production has averaged 819 in the first quarter of 2013 and 939 BOPD for April and May 2013. Thailand production on June 15 was 1,115 BOPD. On June 16 the L53-DC2 well sanded off shutting in approximately 175 BOPD which is expected to be back on production within the next 7 days.

A workover at the L53-DC well successfully isolated a shallow HO sand interval with cement but the oil produced was too viscous for the electrical submersible pump. A progressive cavity pump is expected to rectify the situation when it arrives in early July. An additional workover at the L53-DST3 well is expected to be completed in the next two weeks.

## **Indonesia – Citarum PSC L53 (Pan Orient Operator and 97% Working Interest)**

### Cataka-1A Exploration Well

The Cataka-1A well is targeting the Parigi formation at a depth of approximately 2,300 meters. The Cataka-1A exploration well is currently drilling out cement at the last pre re-entry casing shoe at 550 meters. The drilling rig has been on location since late May, but was not accepted until early June due to a number of equipment modifications that were required prior to the commencement of drilling operations. Approximately the last seven days have been spent cementing off a washout zone just below the casing shoe from which drilling operations recommenced. It is expected that the well will be drilling ahead immediately after the cement retainer is drilled out within the next day.

An updated corporate presentation will be found on the Pan Orient website ([www.panorient.ca](http://www.panorient.ca)) at approximately 1:00 PM Mountain Standard Time on June 17, 2013.

*Pan Orient is a Calgary, Alberta based oil and gas exploration and production company with operations located onshore Thailand, Indonesia and in Western Canada.*

*Readers are cautioned that well test results are not necessarily indicative of long-term performance or of ultimate recovery.*

*This news release contains forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this news release includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of reserves and potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this news release require Pan Orient and its management to make assumptions that may not materialize or that may not be accurate. The forward-looking information contained in this news release is subject to known and unknown risks and uncertainties and other factors, which could cause actual results, expectations, achievements or performance to differ materially, including without limitation: imprecision of reserve estimates and estimates of recoverable quantities of oil, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling and related activities, demand for oil and gas, commercial negotiations, other technical and economic factors or revisions and other factors, many of which are beyond the control of Pan Orient. Although Pan Orient believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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