

Operator

Good day everyone, welcome to Kosmos Energy's Third Quarter 2011 Conference Call. Just a reminder, today's call is being recorded. It is now my pleasure to turn the floor over to Brad Whitmarsh, VP of IR at Kosmos Energy. Thank you sir, you may begin.

Brad Whitmarsh

Thank you, operator, and thanks to all of you for joining us today. Hopefully you have seen the earnings release that we issued this morning. In addition, we will be filling our 10-Q with the SEC shortly. Joining me on the call today are Brian Maxted, President and CEO, Greg Dunlevy, Executive Vice President and CFO, Marvin Garrett, Senior Vice President, Production and Operations, and Paul Dailly, Senior Vice President of Exploration.

Before we get started, I'd like to mention that this conference call includes certain forward-looking statements which are based on our most reasonable expectations. The risks associated with forward-looking statements have been outline in the earnings release, and in our SEC filings.

We may also refer to certain non-GAAP financial measures such as EBITDAX, or Earnings Before Interest, Taxes, DD&A and Exploration. The management believes such measures are important in looking at the company's historical and future performance, and these are commonly referred to metrics in the industry.

Historical non-GAAP performances reconciled to the appropriate GAAP measure in our earnings release. At this time, I'd like to turn the call over to Brian.

Brian Maxted

Thanks, Brad and good morning everyone. I'd like to start off today with some open comments focused on our strategic goals and accomplishments in the third quarter. Greg will then discuss that strong financial results for the period, and Marvin will follow with some context on the progress of Jubilee, to be followed by Paul who will updates on our exploration and appraisal programs.

In the context of the bigger picture, everything we do at Kosmos as an organization is focused on two corporate goals. One, the foundation of this company is exploration. So our priority, is to find and unlock new petroleum systems. We firmly believe and our history has proven that the best way to create value in this business is organic exploration success, the results of executing on a world class portfolio.

Strategically, we focus on frontier on emerging basins, these are the areas that we believe are offer the greatest upside in finding substantial quantities of high value barrels. During the quarter, we made significant progress in continuing to build out our portfolio of new venture opportunities with discipline and diligence, focusing on areas where we can create a competitive advantage and maximize value.

I'm extremely excited about the expansion of our position offshore Morocco, where we entered into a new petroleum agreement for Essaouira block in the Agadir Basin which followed the signing of Fom Assaka last quarter.

We've now captured approximately 12 million gross acres offshore Morocco, about 30 times the size of Ghana position. So this is a very substantial area with multiple prospect tights and huge running rate. We are planning to start a sizeable 3D seismic acquisition survey over these new blocks shortly.

Our new ventures team continue to identify opportunities to grow and diversify our exploration portfolio including a number of place in our existing geography at West Africa, as well as in other adjacent geographic areas and similar geological themes. We are very pleased with the team's progress to date.

Our goal is to increase our exposure to new hydrocarbon systems, and we're pulling together a very attractive lineup of basin in play wells for 2013 and 2014. Our second goal is to grow and mature the value of Hydrocarbon systems we've already opened. Obviously, for us, that is in Ghana, where we continue to have follow-on exploration success.

We're also progressing the appraisal development and production of our existing discoveries. At third quarter we've a number of big accomplishments on that front including a new discovery Akasa on our operated West Cape Three Points Block which had multiple good quality reservoirs.

We also had success at the Enyenra-3 appraisal well, highlighting the significance of that major oil field. An additional appraisal like Enyenra and Teak is currently underway. Exposing our company to meaningful resource upside and helping us to best define the extents of these discoveries.

Paul will talk through these programs in just a bit. Our Jubilee, guidance from the unit operators suggest that we are delayed in ramping up production to full facility capacity. As previously mentioned, we're in the process of sidetracking the J-7 well, and we expect that well to be online early next year.

The FPSO in the reservoir pits would be performing at very high levels, however downhole completion issues have recently impacted production

sample of the wells. We believe that this is a well completion design matter with no impact on the ultimate recovery resources at Jubilee.

It's a timing issue on the ramp up of Jubilee and the operators are taking the necessary steps to identify and implement appropriate remediation measures. With two – liftings and strong Brent pricing we generated over \$190 million of EDITDAX in the quarter. Combined with great progress in our exploration programs, it was a great quarter for Kosmos.

Now I'd like to hand over the call to Greg for financial review.

Greg Dunlevy

Thank you, Brian. I'll begin by commenting on the further improvement of our balance sheet in the third quarter. At the end of September, we had over \$650 million in cash after paying down \$300 million on our credit facility during this quarter. Our long-term debt balance at the end of the quarter was \$1 billion.

Available liquidity grew to almost \$1.1 billion consisting of cash on-hand and available borrowings under our facility. This is an improvement of \$115 million from the end of last quarter.

Strong earnings and cash flow certainly benefited our overall financial position, and we feel very good about our ability to fund our development appraisal and exploration programs through 2014 with currently available resources.

We reported net income of \$52 million or \$0.13 per basic and diluted common share for the quarter. With our IPO in May of this year, there are no equivalent per share numbers for 2010, last year.

Total revenues in the quarter were \$233 million led by our two Jubilee field liftings which totaled nearly 2 million barrels of oil sold. The crude at Jubilee continues to trade well on the market were the last several cargos trading at about \$2 above Brent. Both operating expense and DDA on a per barrel basis were lower than the second quarter, this year as we had two liftings in the third quarter versus one in the second quarter.

Oil and gas production cost was approximately \$12 per barrel sold, down 15% from the second quarter, depletion and depreciation was about \$21 per barrel. General administrative cost were \$39 million in the quarter with over 50% of this G&A number being non-cash and associated with our long-term equity incentive compensation program.

Our interest expense was \$17 million down from the second quarter as a result of the lower debt balance. With our exploration and appraisal drilling success in the quarter, exploration expense was only \$11 million this included certain seismic costs, but we also had some carryover cost from the second quarter drilling of the Makore and the Ghana wells.

Our pre-tax net income was over \$102 million which should line up well versus most of the analyst models. Our effective tax rate for the third quarter was 49% with virtually all of the taxes deferred. In Ghana, we accrue taxes at 35% statutory rate. In our non-Ghana locations, we did not accrue any taxes either because we have a full valuation allowance in that jurisdiction, or we are operating in a jurisdiction that does not have an income tax. So we expect going forward, at least for the near terms, to be above the 35% range.

I'll wrap up with comments on our expectations for the remainder of the year. We anticipate two Jubilee oil liftings in the fourth quarter, on the cost side of things, based on our performance to date, an outlook for the fourth quarter, operating expense should come in slightly under \$100 million on a full-year outlook. G&A looks to be a little bit above our earlier expectations which was 95 million for the full year.

On interest expense, we are still expecting about \$75 million for the year. Our effective tax rate for the quarter is anticipated to be up a bit for the fourth quarter versus the third quarter rate primarily as a result of the 3D seismic program in Morocco, for which we do not accrue tax benefit.

We are on track with our 2011 capital program of \$500 million, unchanged from earlier in the year. We are now in the process of working through our 2012 budgets, and we expect to finalize that over the next couple of months.

We plan to give an update on the 2012 plan in the early part of next year. During the quarter, the first Jubilee unit tract redetermination was completed resulting in increased of our interest from 23.5% to 24.1%. The original tract participations in the Jubilee unit were 50% for both West Cape Three Points and the Deep Water Tano Blocks. After expert analysis the unit interest have been changed to 54.3% for the West Cape Three Points Block and 45.63% for the Deep Water Tano Block.

Let me now turn the call over to Marvin.

Marvin Garrett

Thanks Greg. Focusing in on Jubilee, we have produced over 22 million barrels of oil safely exported 21 cargos. The FPSO is performing at a very

high efficiency level, with over 98% uptime during the quarter. The reservoir is performing as expected, we've seen good pressure support across the producing reservoirs. As a reminder, we are only in the first year of production from the field, and we've only partially developed two of the five reservoirs.

Since the field has been on production, we've been acquiring valuable, dynamic reservoir information which will allow us to optimize future phases and maximize recovery. All of the Phase 1 wells, have been drilling completed and we are currently in the process of sidetracking the J-7 well.

Fuel production is currently about 80,000 barrels a day from eight producers, and we anticipate the J-7 sidetrack to come online around the end of the year or very early next year. In a number of the producing wells, we've seen a recent reduction in productivity.

The operator in Jubilee partners, have undertaken a range of studies and technical valuations to help identify the issue. In the information we have today, we believe the lower productivity is attributed to less than optimal well completion design, and we are confident that this issue will not have an impact on ultimate recoverable resources.

As we are sidetracking the J-7 well, we will be implementing new completion design and anticipate seeing the results of this remediation after a couple of months of collection history. This will help us in assessing any other remediation needs and the timing of such activities.

Planning for the next phase of development of Jubilee has been completed and the Phase 1A plan has been submitted to the government for approval. The plan includes the drilling and completion of five additional producers and three additional water injectors. We anticipate commencing Phase 1 operations in the first half of 2012. Jubilee is a world-class field, it's in its early life.

We are continuing to learn about the field while working to ramp up to production capacity. We have plans to – once we achieve plateau, to maintain that plateau for multiple years into the future.

Now let me turn over to Paul who will comment on the exploration of the pricing programs.

Paul Dailly

Thanks, Marvin. I'm going to wrap up our prepared comments by highlighting our ongoing appraisal and exploration programs. In Ghana, for our operated block at West Cape Three Points, we recently announced the

Akasa exploration well find over 100 feet of net oil base in multiple good quarter reservoirs. This is a great result for Kosmos, and adds to our growing discovered resource base.

Operations that Teak 3 are currently ongoing and we anticipate results by the end of the month. With Teak 3, we're testing with strategic extension of the field beyond the discovered structure in Teak 1. There's a large range of potential resources on the Teak and the results will help us better define and reduce uncertainty on that range.

We're also planning additional appraisal work in 2012 on Teak, the extent on that work will depend on the success of the Teak 3 well and the Teak 4 well which is scheduled to be drilled beginning late first quarter next year. Our strategy for the West Gate Three Points Block, is to fully appraise the resources in our discoveries to determine the optimal development plan.

We anticipate being in position, nine to 12 months from now to determine the best development plan going forward for the discoveries on this block. On deep water tunnel the other Ghana block, Brian mentioned the successful Enyenra-3 appraisal well which confirmed a continuous oil core for almost 1200 feet in the field. We also confirmed static communication over a distance of about 8 miles between Enyenra-3 the updip well and Enyenra-2, the downdip well.

We are currently redrilling the original discovery well. We will be performing a fluid test, and that will allow us to test further – the communication between the other wells where we set pressure gauges.

We will then drill Enyenra-4 which is 4 miles further down depth from Enyenra-2. The deep water tunnel block partners anticipates submitting the field plan of development in the first half of 2012 as a high volume FPSO project. The Enyenra development will likely include a pilot project for the gas condensate discoveries at Tweneboa and in Ntomme to provide early information that will assist in facilitating optimal design for the fuel field development.

Overall, things are moving forward very importantly on both kind of blocks I mean on the midst of very impactful appraisal programs. Between now and the end of 2012, we will drill something between eight to 16 explorations and appraisal wells, but as part of that program, we anticipate our own senior exploration prospects being tested on the deep water tunnel block next year.

So it's a very active and significant program over the next 15 months at Ghana. And we also anticipate beginning drilling of our first operated

prospect in Cameroon around year-end 2012. In Morocco, we're very excited about the wells potential we now have access to.

We have expanded our Agadir basin position with a new Essaouira license which awaiting signoff from the Moroccan government, consistent with our positions Foun Assaka we will operate Essaouira 37.5% working interest. Both Foun Assaka and Essaouira have multiple play types including the company's core late Cretaceous play and addition to that, also a significant pre-sold Atlantic margin plate.

Our near-term plan is to shoot something close to 5,000 square kilometers of 3D seismic staffing in the next few weeks. This is the first step towards a well decision with the potential for fast drilling in 2013. The exploration team, including our new ventures program, we are focusing on identifying, capturing and ultimately opening multiple new hydrocarbon basins.

We're in a great position to do exactly that with strong financial bandwidth and excellent technical capabilities. When we open a new basin, we are focused on growing, maturing that basin to follow on success in development and production. Operator, we like to open the call for questions at this time.

Question-and-Answer Session

Operator

Thank you, we will now be conducting a question and answer session. (Operator instructions). Our first question comes from the line of Edward Westlake from Credit Suisse. Please proceed with your question.

Edward Westlake – Credit Suisse

Good morning everyone. A quick question I guess coming on Jubilee. I've seen estimates of you know, \$200 million, I've seen estimates of \$500 million to basically remediate the completion and perhaps do some additional sidetracks, I mean where within that range and why or what do we have to look for to understand where that CapEx might come in? Thanks.

Brian Maxted

Hi Edward, it's Brian, let me take that question, make some generic comments and then if there's any follow-ups, specifically, I'll hand over to Marvin. You know, I think the big picture on Jubilee is, it is a phase development. We phased it for two reasons. First is to create value through that acceleration of that development and we clearly have done that. By the end of this year, we will have lifted and – up to six cargos net to the company which is obviously significant for us.

And the second reason is because we're facing the field to learn in the early part of its development. And what we are seeing right now is very much a learning process as we fully anticipated.

And you need to remember that only two of the five reservoirs of Jubilee and with the first 300 million barrels of resource there is being – is actually being developed as part of that first phase. But it is a learning exercise where we are focused on learning how the reservoir and the wells perform with respect to designing the optimal full field development plan.

So this is exactly the reason why we phased that development. The second point to note is that from the learning today in terms of reservoir surveillance from the wells, suggest that there is good communication between the water injectors and the producers. And so we are very confident that ultimately the recovery reserves of this field, may indeed be even greater than we currently carry.

There's really no reason to understand why we shouldn't see higher recovery rate in the longer term than we currently got in our base case. The challenge is on Jubilee at this point are very much related, the delay has previously been related to rig maintenance delays with the route and beyond that was commissioning of the FPSO, and the water injection and the injections size, and then most recently, as you – I think I've heard with the wells, the completions issues around some of the wells.

At this point in time, we are not certain to the extent of the issue, it is a near wellbore plugging issue of pore spaces related to possibly define migration. And as you know, we talked about the J-7 well which we are sidetracking, and we'll incorporate what we believe will be a resolution of the issue which we hope to be a resolution of the issue.

Beyond that to actually answer your question in terms of will be 200 or 500 million, it's just too early to tell at this point how much remediation work will be required on this first phase wells.

Marvin do you want to add anything to it?

Marvin Garrett

I think that's exactly right. Brian. J-7 is important to get that completion design change done and the partnership is continuing to work together to understand what the various options are and what the impact might be in – to continue to solve this wellbore issue.

Edward Westlake – Credit Suisse

And maybe just one follow-on for just kind of – is there any risk of this sort of 18,000 sort of depth – in terms of production before – and stops to be resolved and pushed back up to design capacity?

Marvin Garrett

Well what we've been doing right now is we've – one of the things that we have been doing is the wells that have been affected more severely, we've been doing some bull-heading, we've been regaining some of the productivity and we will continue to cycle and do that, and I think we've been maintaining where we are right now for a few months.

Edward Westlake – Credit Suisse

Okay, thanks very much.

Operator

Our next question comes from the line of Doug Leggate from Bank of America. Please proceed with your question.

Doug Leggate – Bank of America

Thanks, good morning fellows, thanks for taking my questions. A couple of quick ones if I may, I wonder if I could ask you just to go a little deeper into the actual nature of the completion problem. I mean are we talking about sanding or mash issues or what exactly is the nature of – from a mechanical standpoint, what you see is actually the issue. And how will the – I guess the sidetrack and the subsequent wells of Phase 1A change in terms of completion design?

I got a quick follow up.

Brian Maxted

Hi Doug, Brian, hopefully we'll see you next week.

Doug Leggate – Bank of America

Looking forward to it, thanks Brian.

Brian Maxted

Yes, let me ask Marvin to answer that for you.

Marvin Garrett

Okay, just very simply, with the work that we have done, the bull-heading, we've confirmed that it is near wellbore region, we believe that we need to change the size of the pore spaces, very near wellbore which means that the design chains that we're doing in implementing on J-7 sidetrack.

It's going to be to increase the gravel size and also change the screen design that will increase the flow area and the pore spaces very near wellbore and within the completion.

Doug Leggate – Bank of America

Is there any reason why you can't pull the existing completions? Or is it just not cost effective to do that?

Marvin Garrett

Well we want to get away from the very near wellbore region, that's why we're sidetracking it. It's a conservative approach, we want to have good clean reservoir and then put in what we believe is the optimal completion.

Doug Leggate – Bank of America

Got it, thanks a lot. My follow-up is really to post question about exploration plans on the West Cape Three Points Block specifically, I wonder if you could give us an update in any change to the lease extension or the status of the lease [ph] generally?

A little more specific where are we with (inaudible) in terms of getting back to that one at some point? And I'll leave it at that, thank you.

Brian Maxted

Brian here, Doug, yes thanks. Yes, as you know, there's a provision within the existing petroleum agreement for the government of Ghana to market the relinquished part of the block in west cape three point. You may be aware that we actually retained almost half of the original block containing all of the discoveries that we've made and that's a significant part of the prospect there.

That process that the government has the right to conduct is underway. They have given us guidance that it would be the end of the year beginning of the next year when they would come back to us at which point as you know, we have a first right refusal on whatever proposal they may have engaged.

So that process is ongoing and we continue to have discussions with the government vis-à-vis the force majeure on Cedrela. You may be aware that

we're drilling the Teak 3 well with the Marianas and the partnership made a decision that that was – at this point in time are far more impactful well for us to drill, given the timing of the Teak Appraisal Program. And so rather than drill Cedrela with the Marianas, we took the opportunity to drill Teak-3, and in the meantime we continue to have discussions with the government on that well.

Doug Leggate – Bank of America

Thanks, Brian. Would you mind if I just threw in a quick final one here. Given Cedrela seemingly it looks, I think, my recollection is it kind of overlaps into the Southern Block where Hashi has a bit of interest. What I'm understanding is Hashi is looking to farm some of that down now. Are you guys – have any interest in taking off that? And I will leave it at that. Thank you.

Brian Maxted

Yeah, I (inaudible) not comment on that, Doug.

Doug Leggate – Bank of America

All right. I understand. Thank you.

Operator

Our next question comes from the line of Al Stanton from RBC. Please proceed with your question.

Al Stanton – RBC Capital Markets

Yes, good morning, guys. Two questions; sticking to the same project, I'm afraid. In terms of the spending for 2012, you do you clearly say there's eight wells on Jubilee, but would you now consider that to be a minimum? And should we add remedial costs and perhaps additional wells on top of that?

Greg Dunlevy

This is Greg. For 2012 and beyond, I do expect there will be cost related to remediation activities over and above what normally would be presumed for the maintenance of a large, very productive oil field. We don't know the details yet. We are working closely with operator and partners and their technical staff; so what's required. And then once we know what's required, we'll cost it.

At this point I'm assuming there will be a sizeable amount of cost in 2012 and beyond. This is not just a one-year spend, it will be spread over more likely in not one or two years. And, in fact, if you really think about it, the J-7 Sidetrack is the first element of cost under that spending.

Al Stanton – RBC Capital Markets

And sticking with costs for next year, should we assume the acquisition of the FPSO, well, where do we stand with that now?

Greg Dunlevy

We're trying to resolve that issue next year. We continue to have negotiations led by a total of the unit operator with MODEC. We have progressed but we have not concluded. I think at this point, it's likely to go either way but I don't want to – to get negotiating if you will on the phone in a public context. We need to work through the partnership. But I believe it will be resolved before year end 2011.

Al Stanton – RBC Capital Markets

Okay. And then, finally, from me, at the back of my envelope, I think you need 90,000 barrels a day in the fourth quarter to get to cargos. Are you considering changing away from doing cargos and negotiating some other deal with your partners so that you can get a more regular cash flow?

Brian Maxted

We expect two cargos in the fourth quarter and I think regularity from week-to-week to month-to-month isn't that big of an issue in our overall business. We tend to think of years, not whether a given month has a revenue or not.

Al Stanton – RBC Capital Markets

Thank you.

Operator

(Operator instructions) Our next question comes from the line of Anish Kapadia from TPH. Please proceed with your question.

Anish Kapadia – Tudor, Pickering, Holt & Co.

Hi. First question is just on related to Jubilee again. The reduced cash flow and incremental CapEx that will be potential require to rectify the Jubilee problems. I was just wondering how that affects your funds and thinking about investments in new ventures?

Marvin Garrett

As you'd expect, we've modeled a number of scenarios not knowing what the final one will be. We're very comfortable that within the range of scenarios we've modeled, that we have adequate liquidity for the next several years. Do keep in mind that as – and this may be something that people aren't thinking about, as new fields are sanctioned and have a plan of development, those reserves become available to us under borrowing base facility. And as you may recall, we have \$2 billion of commitments while the facility currently only has \$1 billion of utilization.

Anish Kapadia – Tudor, Pickering, Holt & Co.

Okay. And just a second question, just kind of put context...

Brian Maxted

Okay, let me just follow up on that. This is Brian here. Just to make it very, very clear. The company continues – we expect the company to continue to be funded through 2013 on current projections. And most importantly, new ventures program will not be constrained in any way we believe though any reduced cash flows from Jubilee.

Anish Kapadia – Tudor, Pickering, Holt & Co.

Okay. And just my second question was in looking at the issues with Jubilee, I was just wondering how much of an analogy you can draw from the K.K. Fields with Murphy in Malaysia since they have kind of similar problems over those. Is that something that you can – kind of looking at as an analogy?

Brian Maxted

Yeah, I mean – it's Brian. I mean, it's part of the technical and operational process that we're undergoing as a partnership and in support of the Tullow the operator. Now, we're looking at all aspects of both the specific aspects of what we're seeing in the field, but by analogy what has been experienced by other operators around the world including offshore Malaysia which are some of us around here are very familiar with.

Anish Kapadia – Tudor, Pickering, Holt & Co.

And just a final thing. Can you give – just some idea of the range of production you would expect from Jubilee for next year?

Brian Maxted

We'd really not comment on that as this point.

Anish Kapadia – Tudor, Pickering, Holt & Co.

Okay. Thanks all. Thanks.

Operator

Our last question comes from the line of Nathan Churchill from Societe Generale. Please proceed with your question.

Nathan Churchill – Societe Generale

How are you doing? Just two things. What would be your over-under if we would have tried to pin down when you think you could get the Jubilee field back up to the 20,000 barrel rates, one. And two, could you give us an update on the NOLs that you guys had? We're expecting to see some continued benefit from those and it didn't come through in the quarter.

Brian Maxted

Let me ask Marvin to answer the first part of that question and Greg can take the NOL.

Marvin Garrett

Okay, just where we are, again, J-7 and the design change of the completion is very important. We get an early solution with that well. We will continue to ramp up to the year and we could achieve a plateau production towards the end of next year is a possibility, and that's what we're shooting for, but it remains to be seen exactly when that will happen.

Greg Dunlevy

On the NOL front, we do have a significant NOL in Ghana. We currently anticipate within a broad range depending on oil prices, production and other factors that that NOL would most likely be utilized over 2012 and into 2013.

Nathan Churchill – Societe Generale

Do you expect any additional benefit from that this year and how much is left on that NOL?

Greg Dunlevy

I don't have exact number in front of me, but as you may have noted, we are booking taxes as deferred taxes in regards to Ghana that's because of our NOL position. So, we are using NOL this year. We'll be using it next year. As such, we will not be making cash income tax payments and that NOL

should extend into next year, again, subject to those qualifications about oil prices and exact levels of production that we're not sure about it at this point in time obviously.

Nathan Churchill – Societe Generale

Okay. And, lastly, the additional CapEx that you're having to put into Jubilee, are you going to be able to run that through the PSEs? Can you expense that?

Greg Dunlevy

All spending in regard to the oil field, whether its capital, expense, operating expense, would be expense that is applicable to petroleum operations under petroleum agreement. It will be subject to the terms of petroleum agreement and subject to the normal income tax regime in Ghana. So the second part of your question, it is tax deductible as well.

Nathan Churchill – Societe Generale

Got it. Okay. Thank you.

Operator

Our next question comes from the line of Bachmann, Joseph from Howard Weil.

Joseph Bachmann – Howard Weil Inc.

Good morning. I just had a quick question just wondering if you guys could identify the wells that you plan to drill in the 18 to 16 program next year and if that's changed at all from earlier guidance.

Brian Maxted

Yeah, sure. Let me ask Paul to explain that to you.

Paul Dailly

The program for next year is divided between West Cape Three Points, Deepwater Tano for the most part in West Cape Three Points we expect to be drilling further appraisal wells on Teak. The exact number of them depends on the results of the Teak-3 well and then the subsequent Teak-4 well with two or three additional wells after that depending on the earlier results.

Similarly in Deepwater Tano a large chunk of the drilling activity is associated with continued appraisal of the Enyenra, we've had a very successful year with Enyenra with the two wells that we have drilled thus far. And we probably have another two to three wells to drill there to evaluate the size of the entire field. Beyond that in Deepwater Tano, Tullow is planning to drill a number of exploration wells, the exact number is yet to be agreed by the partnership but that will probably be two to three wells.

And then the other activity is going to be in Cameroon where we hope to spread our first operated well late in 2012.

Joseph Bachmann – Howard Weil Inc.

Is that the Liwenyi well that you're referring to?

Paul Dailly

Yes. That's right, yeah. We're currently doing similar works for that well. The exact timing of it is contingent on the rainy seasons and just kind of the operational issues around building a well site.

Joseph Bachmann – Howard Weil Inc.

All right. Thank you for the answers.

Operator

Our next question comes from the line of Edward Westlake from Credit Suisse. Please proceed with your question.

Edward Westlake – Credit Suisse

Hey, everyone. Just thanks for the follow on. Just on our reserve sides, we're down with Anadarko this week and they were talking about Teak being an assertive step out which could substantially increase Teak, but they're also talking about Enyenra. Obviously, we haven't come to the extent to that and we've got Akasa where they saw some upside. So, in a success case from say mainly in Enyenra and Teak, where would you see those reserves potentially getting to?

Brian Maxted

Yeah, it's Brian. As we've recently been telling people on our non-deal road show there's a great deal of uncertainty around – upside uncertainty around the size of these fields. Hence the extensive appraisal program from now with Teak-3 through the end of next year. Teak is particularly significant in terms of its uncertainty. We drilled the original, structure originally and the

step out is a major walk away to the north to test the potential stratigraphic extension and if it's successful could well step change the size of that field. It was originally considered to be in the 100 million to 200 million barrel range just on the base of the structure itself and I think we'll be seeing significant upside in the event the Teak is successful.

Enyenra is still in appraisal as you know. We carry a significant range on that from 200 to 500 or even possibly more and with Teak-3 now drilled and Enyenra-4 planned and possibly Enyenra-5 into next year, ahead of the plan of development being submitted late in the first half of next year, we expect more clarity on how big that field is, and is it 200 or is it 500.

And Akasa has gone upside as well and we would hope to delineate that as well in the coming 15 and 18 months or so. So the good news is there's a lot of upside around these discoveries and that the challenge here is to minimize the uncertainty range and figure out what the optimal development plan is, particularly for the discoveries in West Cape Three Points, and in Enyenra it's much clearer to us at this point.

Edward Westlake – Credit Suisse

Just as follow-on. Is there going to be quite a lot of work or testing that you need to do when you hit TD [ph] at Teak or will you be able to make a relatively quick announcement there?

Brian Maxted

No. Typically, as we saw in the original Teak wells, if it's successful we would anticipate stack pays, which normally takes us a while to evaluate, so we anticipate that.

Edward Westlake – Credit Suisse

Thank you.

Operator

Mr. Whitmarsh, there are no further questions at this time. I would now like to turn the floor back over to you for any closing comments.

Brad Whitmarsh

All right. Thank you and thank you all for joining us today. If you have any further comments or questions, please don't hesitate to give me a call. Thanks.

