

Stuart Petroleum



Annual Report

Licence Year 2
(Renewal)

5th November 2007 - 4th November 2008

Petroleum Exploration Licence 93

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1 Introduction

Renewal of Petroleum Exploration Licence (PEL) 93 was granted, effective from 5th November 2006. The licence is located in the Cooper/Eromanga Basin area of South Australia. This report details the work conducted during Licence Year 2 (Renewal) of the licence (5th November 2007 - 4th November 2008 inclusive), in accordance with Regulation 33 of the Petroleum Act 2000.

2 Permit Summary

Petroleum Exploration Licence (PEL) 93 (1st Renewal) was awarded to:

- Stuart Petroleum Limited 70%
- Cooper Energy Limited 30%

The original work commitments associated with the awarding of PEL 93 can be seen in Table 1.

Table 1 Original work commitments by licence year

Licence Year	Licence dates	Minimum Work Program
Year 1	5 th November 2006 – 4 th November 2007	Geological and Geophysical studies
Year 2	5 th November 2007 – 4 th November 2008	Geological and Geophysical studies
Year 3	5 th November 2008 – 4 th November 2009	Geological and Geophysical studies
Year 4	5 th November 2009 – 4 th November 2010	Geological and Geophysical studies
Year 5	5 th November 2010 – 4 th November 2011	Drill one exploration well

Table 2 Final work program commitments by licence year

Licence Year	Licence dates	Minimum Work Program
Year 1	5 th November 2006 – 4 th November 2007	Geological and Geophysical studies
Year 2	5 th November 2007 – 4 th November 2008	Geological and Geophysical studies
Year 3	5 th November 2008 – 4 th November 2009	Geological and Geophysical studies
Year 4	5 th November 2009 – 4 th November 2010	Geological and Geophysical studies
Year 5	5 th November 2010 – 4 th November 2011	Drill one exploration well

Renewal Licence Year 2 concluded 4th November 2008. The following table displays the minimum work program (after all variations) and the actual work completed up until the end of the current licence period.

Table 3 Final work program and work completed (as of end of current reporting period) by licence year

Licence Year	Minimum Work Program	Actual Work
Year 1	Geological and Geophysical studies	Drilled two exploration wells.
Year 2	Geological and Geophysical studies	Worrior 3D inversion processing.
Year 3	Geological and Geophysical studies	-
Year 4	Geological and Geophysical studies	-
Year 5	Drill one exploration well	-

3 Regulated Activities

Regulation 33(2)(a)

Drilling and Related Activities

No drilling conducted during the licence reporting period.

Seismic Data Acquisition

No regulated activities undertaken in the licence reporting period.

Seismic Data Processing and Reprocessing

Worrior 3D Inversion

Processing Contractor – DownUnder Geosolutions

Area – 52km²

Geochemical, Gravity, Magnetic and other surveys

No regulated activities undertaken in the licence reporting period

4 Compliance Issues

Licence and Regulatory Compliance

Regulations 33(2) (b) & (c)

No licence non-compliances identified for PEL 93.

Regulatory non-compliances identified were:

- 1) Submission of Work Program Report.

Details of this are reported in Table 5.

NO SEO non-compliances identified for PEL 93.

Licence Non-Compliance

Table 4 List of licence non-compliances for current reporting year

No.	Stated Commitment	Reason for Non-Compliance	Rectification of Non-Compliance
-	-	-	-

Regulatory Non-Compliance

Table 5 List of regulatory non-compliances for current reporting year

No.	Date	Activity	Details of Non-Compliance	Rectification of Non-Compliance
1	23/01/2008	Submission of PEL 93 Work Program Report	Work Program report was not submitted by the due date.	Work Program Reports now included in Annual Reports.

Compliance with Statement of Environmental Objectives

NO SEO non-compliances identified for PEL 93.

Management System Audits

Regulation 33(2) (d)

No Management System Audits undertaken.

Report and Data Submissions

Regulation 33(2) (e)

Table 7 List of report and data submissions during current licence reporting year

Description of Report/Data	Date Due	Date Submitted	Compliant / Non-Compliant
Final Well Report – Rainbird 1	21/02/2008	20/02/2008	Compliant
Annual Report	30/05/2008	28/02/2008 23/05/2008	Compliant
PEL 93/PEL 113 2008 2D Seismic Reprocessing & Inversion Report	15/12/2008	06/08/2008	Compliant
Work Program Report	04/01/2008	23/01/2008	Non-Compliant
Final Well Report – Patron 1	02/04/2008	01/04/2008	Compliant

Incidents

Regulation 33(2) (f)

Table 8 List of incidents during current licence reporting year

Date of Incident	Activity	Incident Description	Type of Loss	Action to Rectify & Effectiveness of Action	Date Reported / Reported to Whom
-	-	-	-	-	-

Threat Prevention

Regulation 33(2) (g)

No threats to facilities or activities have been identified which are not already covered in the relevant Environmental Risks and Compliance Reports.

Future Work Program

Regulation 33(2) (h)

Table 9 Current Licence Period (Year 2) planned

Area of Activity	Minimum Work Program	Actual Work	Commencement Date
Drilling and related activities	-	-	-
Seismic data and acquisition	-	-	-
Seismic data processing and reprocessing	-	-	-
Production and Processing	-	-	-
Geochemical, Gravity, Magnetic and other surveys	-	-	-
Pipeline Construction and Operation	-	-	-
Geological and Geophysical studies	Geological and Geophysical studies	Well results incorporated into seismic mapping and prospect inventory	

Expenditure Statement

Pursuant to Regulation 33(3)

Please refer to Appendix 1 for the expenditure statement for the current reporting period.

APPENDIX 1 Expenditure Statement

Commercial in Confidence