

Stuart Petroleum



Annual Report

Term 2 Licence Year 3

5th November 2008 - 4th November 2009

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 Term 2, Licence Year 3 of the licence (5th November 2008 - 4th November 2009 inclusive), in accordance with Regulation 33 of the Petroleum Act 2000.

2 Permit Summary

Petroleum Exploration Licence (PEL) 93 was awarded to:

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

The original work commitments associated with the awarding of PEL 93, Term 2 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

Licence Year 3 (Term 2) concluded on 4th November 2009. 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	Geological and Geophysical studies
Year 4	Geological and Geophysical studies	-
Year 5	Drill one exploration well	-

* The guaranteed year 5 exploration well was drilled in year 1.

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

No regulated activities undertaken in the licence reporting period.

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.

No regulatory non-compliances identified for PEL 93.

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
Annual Report	04/01/2009	17/12/2008	Compliant
Annual Report Resubmission	04/01/2009	23/12/2008	Compliant

Incidents

Regulation 33(2) (f)

No reportable incidents during the current licence reporting year.

Threat Prevention

Regulation 33(2) (g)

No threats to facilities or activities have been identified.

Future Work Program

Regulation 33(2) (h)

Table 9 Current Licence Period (Year 4) planned

Area of Activity	Minimum Work Program	Proposed work for Year 4	Commencement Date
Drilling and related activities	-	-	-
Seismic data and acquisition	-	-	-
Seismic data processing and reprocessing	-	-	-
Geochemical, Gravity, Magnetic and other surveys	-	-	-
Geological and Geophysical studies	Geological and Geophysical studies	Geological and Geophysical studies	Ongoing

5 Expenditure Statement

Regulation 33(3)

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