

INDEX OF DOCUMENTS HELD ON THE PETROLEUM REGISTER FOR PEL 59

1. Bond paid by cheque 25/3/93, receipt No: 14290.
2. Licence Document and Memorandum dated 31st March 1993.

Interests:

Wagner (Australia) Ltd	50%
Brown (Australia) Ltd	50%
3. Gazettal of PEL 59 on the 8th April 1993.
4. Deed of Assignment dated 25/9/96 between Wagner (Australia) Ltd (Wagner), Brown (Australia) Ltd (Brown) and Forcenergy International Inc (Forcenergy).
 - Operating Agreement dated 25/9/96 between Canyon (Australia) Pty Ltd, Wagner, Brown and Forcenergy.
 - Letter Agreement dated 25/9/97 between Forcenergy, Wagner and Brown.
 - Certificate of Registration of a Foreign Company dated 23/7/97 for Forcenergy.
5. Variation of Years 4 and 5 licence conditions dated 20 March 1998.
6.
 - Letter Agreement dated 25 February 1998 between Wagner (Australia) Ltd (Wagner), Brown (Australia) Ltd (Brown) and BET Australia, LLC (BET).
 - Assignment of Interest dated 25 February 1998 between Wagner, Brown and BET in respect of each of PELs 53 and 59.
 - Accession Agreement dated 25 February 1998 between Canyon (Australia) Pty Ltd, Wagner, Brown, Forcenergy and BET.
 - Certificate of Registration of a Foreign Company dated 24 March 1998 for BET (ARBN 082 045 289).

SR 27/2/105 V15
SR 27/2/117 V2

MEMORANDUM

PETROLEUM EXPLORATION LICENCE NOS 53 AND 59

This Memorandum will confirm that on *22nd June* 1998, pursuant to delegated powers dated 20 November 1997, Gazetted 4 December 1997, page 1526, I approved the transfer provisions as contained in the following documents subject to overriding royalty interests detailed therein.

- Letter Agreement dated 25 February 1998 between Wagner (Australia) Ltd (Wagner), Brown (Australia) Ltd (Brown) and BET Australia, LLC (BET).
- Assignment of Interest dated 25 February 1998 between Wagner, Brown and BET in respect to each of PELs 53 and 59.

A copy of the following document is also retained on the Petroleum Register.

- Accession Agreement dated 25 February 1998 between Canyon (Australia) Pty Ltd, Wagner, Brown, Forcenergy and BET.
- Certificate of Registration of a Foreign Company dated 24 March 1998 for BET Australia, LLC (ARBN 082 045 289).

Interests in the Licences effective 17 March 1997 are as follows:

	%
Wagner	35
Brown	35
Forcenergy	25
BET	5

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A/DIRECTOR PETROLEUM GROUP
PRIMARY INDUSTRIES AND RESOURCES SA
Delegate of the Minister for Primary Industries,
Natural Resources and Regional Development

In accordance with Section 117 of the *Petroleum Act 2000* (Act) this document forms part of 'The Commercial Register'.

Section 118 of the Act provides for the following:

Authority to search register

(1) A person is entitled to have access to the material included in the commercial register, on payment of the prescribed inspection fee, if the access is authorised by—

(a) a person who has a legal or equitable interest in the relevant licence or registered dealing; or

(b) the Minister.

(2) The Minister must not authorise access under subsection (1)(b) unless the Minister has consulted with the licensee to whom the material relates and is satisfied that access should be authorised in the public interest.

THE FOLLOWING PETROLEUM GROUP OFFICERS CAN BE CONTACTED FOR FURTHER INFORMATION.

Joe Zabrowarny
Manager Petroleum Licensing and Royalties
(08) 8463 3203
E-mail: zabrowarny.joe@saugov.sa.gov.au

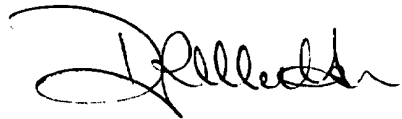
Or

Mario Colella
Petroleum Licensing and Royalties Officer
(08) 8463 3209
E-mail: colella.mario@saugov.sa.gov.au

MEMORANDUM

Petroleum Exploration Licence No. 59

A variation of Licence Conditions is hereby entered upon the petroleum register.



D Mutton
Chief Executive
Department of Primary Industries and Resources
Delegate of the Minister for Primary Industries
Natural Resources and Regional Development

30 / 3 / 98

PETROLEUM ACT 1940

I Dennis Ray Mutton, Chief Executive, Department of Primary Industries and Resources, pursuant to delegated powers dated 20 November 1997, gazetted 4 December 1997, page 1526 for and on behalf of Robert Gerard Kerin, the Minister for Primary Industries, Natural Resources and Regional Development in the state of South Australia, pursuant to the provisions of the Petroleum Act, 1940, HERBY VARY THE CONDITIONS of Petroleum Exploration Licence No. 59 of which the licensees are:

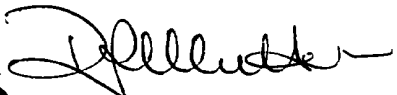
Wagner (Australia) Ltd (ARBN 056 617 648), Brown (Australia) Ltd (ARBN 056 617 666) and Forcenergy International Inc (ARBN 079 423 457).

VARIED CONDITIONS

The licensees shall comply with all the conditions specified in Petroleum Exploration Licence No. 59 dated 30 March 1993, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(b) is hereby deleted and replaced by:

- (b) in the fourth and fifth year of the term of the licence, the processing of seismic data at a total estimated cost of \$100,000 (one hundred thousand dollars).

Signed this 30th day of March 1998



D Mutton
Chief Executive
Department of Primary Industries and Resources

MEMORANDUM

Petroleum Exploration Licence Nos. 53 and 59

This Memorandum will confirm that on *25 September*, 1997, pursuant to delegated powers dated 14 June 1995, Gazetted 15 June 1995, page 2845, I approved the transfer provisions as contained in the following documents subject to overriding royalty interests detailed therein:

- Two Deeds of Assignments both dated 25 September 1996 between Wagner (Australia) Ltd (Wagner), Brown (Australia) Ltd (Brown) and Forcenergy International Inc (Forcenergy).

A copy of the following documents are also retained on the Petroleum Register.

- Operating Agreement dated 25 September 1996 between Canyon (Australia) Pty Ltd, Wagner, Brown and Forcenergy.
- Letter Agreement dated 25 September 1996 between Forcenergy, Wagner and Brown.
- Certificate of Registration of a Foreign Company dated 23 July 1997 for Forcenergy International Inc (ARBN 079 423 457).

Interests in the licence are as follows:

	%
Wagner	37.5
Brown	37.5
Forcenergy	<u>25.0</u>
	100



R A LAWS
DIRECTOR, PETROLEUM DIVISION
Delegate of the Minister for Mines



COOPERS & LYBRAND
ATTN: MICHAEL BROWNE
G P O BOX 418
ADELAIDE SA 5001

Brian Patterson

www.this.gov.au if desired before printing

Certificate of Registration of a Foreign Company

Corporations Law Sub-section 360 (1)

This is to certify that

FORCENERGY INTERNATIONAL INC

Australian Registered Body Number 079 423 457

which was formed or incorporated in

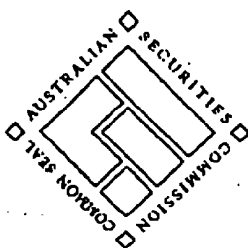
USA

was registered as a foreign company under
Division 2 of Part 4.1 of the Corporations Law
on the twenty-fourth day of July 1997.



AUSTRALIAN
SECURITIES
COMMISSION

Given under the seal of the
Australian Securities Commission
on this twenty-fourth day of July, 1997.



Alan Cameron

Alan Cameron
Chairman

NOTICE OF SURRENDER OF PETROLEUM EXPLORATION LICENCE

Department of Mines and Energy, Parkside, 31 March 1993

NOTICE is hereby given that the undermentioned petroleum exploration licence has been surrendered in accordance with the provisions of the Petroleum Act, 1940.

F. T. BLEVINS, Minister of Mineral Resources

No. of Licence	Licenseses	Locality	Date of Surrender	Area in km ²	Reference
47	Anzoil (NZ) NL Fossil Cliff Oil Pty Ltd	Arrowie Basin of South Australia	17 June 1993	11 933	SR.27.2.95

Description of Area

All that part of the State of South Australia bounded as follows: Commencing at a point being the intersection of latitude 30°00'S and longitude 139°35'E, thence east to longitude 140°15'E, south to latitude 30°25'S, west to longitude 140°05'E, south to latitude 30°35'S, west to longitude 140°00'E, south to latitude 31°30'S, west to longitude 139°15'E, north to latitude 30°40'S, east to longitude 139°20'E, north to latitude 30°25'S, east to longitude 139°25'E, north to latitude 30°15'S, east to longitude 139°30'E, north to latitude 30°05'S, east to longitude 139°35'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p. 4984 of the *Commonwealth Gazette* No. 84, dated 6 October 1966.

GRANT OF PETROLEUM EXPLORATION LICENCE

Department of Mines and Energy, Parkside, 31 March 1993

NOTICE is hereby given that the undermentioned petroleum exploration licence has been granted in accordance with the provisions of the Petroleum Act, 1940.

F. T. BLEVINS, Minister of Mineral Resources

No. of Licence	Licensee	Locality	Date of Expiry	Area in km ²	Reference
59	Wagner (Australia) Ltd Brown (Australia) Ltd	Stansbury Basin of South Australia	30 March 1998	4 129	SR.27.2.117

Description of Area

The land comprised in the licence is all that part of the State of South Australia bounded as follows: Commencing at a point being the intersection of latitude 35°30'S and longitude 137°30'E, thence east to longitude 137°40'E, south to latitude 35°40'S, east to longitude 138°05'E, north to latitude 35°30'S, east to longitude 138°10'E, north to latitude 35°25'S, east to longitude 138°15'E, north to latitude 35°20'S, east to longitude 138°20'E, north to latitude 34°50'S, east to longitude 138°30'E, south to the Territorial Sea Baseline at low water mark, Southern Ocean, thence generally south-westerly along the said Baseline to longitude 137°30'E and north to the point of commencement. All the within latitudes and longitudes are geodetic and expressed in terms of the Australian Geodetic Datum as defined on p. 4984, *Commonwealth Gazette* No. 84, dated 6 October 1966.

SOUTH AUSTRALIAN HERITAGE ACT, 1978

Notice that Items not to be entered in Register

Preamble

1. On 9 March 1993, I gave notice of intention to enter the items described in the schedule in the Register of State Heritage Items under the South Australian Heritage Act, 1978, (the Act).

2. I am now of the opinion that the items should not be entered in the Register.

Notice

The items listed in the Schedule below are not to be entered in the Register and have been struck out of the interim list under the Act.

The Conservation Order placed on the items on 9 March 1993, ceases to operate.

Dated 30 March 1993.

K. MAYES, Minister for Environment and Planning

SCHEDULE

Name	Address
Corporation of the City of Kensington and Norwood Three River Red Gums (<i>Eucalyptus camaldulensis</i>)	51 Bridge Street, Kensington, CT 5109/42, lot 1 Hundred of Adelaide.

MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO. 59

1. This Licence granted on ...31 MARCH... 1993.. is hereby entered on the Petroleum Register.
2. A security in the sum of \$15,000 has been lodged with respect to this licence.
3. Interests in the licence are:-
 - Wagner (Australia) Ltd 50%
 - Brown (Australia) Ltd 50%



FRANK BLEVINS MP
MINISTER OF MINERAL RESOURCES

31 / 3 /93

PETROLEUM ACT 1940

PETROLEUM EXPLORATION LICENCE NO. 59

COMMISSIONER OF STAMPS

S.A. STAMP DUTY PAID \$10.00
ORIGINAL STAMPED (COPY 2 OF 2)
26/03/93 09:36:33 03714*1
DEED

I, FRANK TREVOR BLEVINS, Minister of Mineral Resources in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940, HEREBY GRANT to:-

Wagner (Australia) Ltd (A.R.B.N. 056 617 648) and Brown (Australia) Ltd (A.R.B.N. 056 617 666) the registered office which is situated at Suite 1100, 300 North Marienfeld, Midland, Texas, 79701, USA (hereinafter) referred to as the "Licensee" a Petroleum Exploration Licence in respect of the area set out below, to have effect for a period of five years and to expire on *30 MARCH* 1998 but carrying the rights of renewal conferred by the Petroleum Act, 1940. *Frank Blevins*

DESCRIPTION OF AREA

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto.

CONDITIONS

1. The licensee shall at all times comply with:-
 - a) the provisions of the Petroleum Act, 1940 and of any regulations for the time being and from time to time in force under the Act; and
 - b) all directions given to it under the Act or the regulations for the time being and from time to time in force under that Act.

2. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programmes as are approved by the Minister from time to time. These exploratory operations shall include but not necessarily be limited to:-

- a) in the first second and third year of the term of the licence, 160 km seismic (previously recorded including SADME line #92-1), Reimbursement to SADME of the \$15,000 contribution to SADME line # 92-1, Contribution of an estimated \$24,000 towards two stratigraphic bore holes on Kangaroo Island and additional geochemical outcrop studies; and The acquisition, processing and interpretation of 15 km of shallow water seismic data, at a total estimated cost of \$264,000 (two hundred and sixty four thousand dollars).
- b) in the fourth and fifth year of the term of the licence, The acquisition, processing and interpretation of sufficient seismic data to locate a drilling location and the drilling of one well in the event of the discovery of significant quantities of petroleum during drilling within adjacent PEL 53, at a total estimated cost of \$5,200,000 (five million two hundred thousand dollars).
3. Within sixty days after the end of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee shall submit to the Minister a full and complete written statement of expenditure actually made or caused to be made by the Licensee during that year upon approved exploratory operations. This statement of expenditures shall be accompanied by a written opinion on the veracity of the statement from an auditor whose qualifications and independence from the Licensee are acceptable to the Minister.
4. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which the licence comes into force) fails to comply with the exploratory operations requirements of this licence, it is an express term of this licence that the Minister then may at his discretion either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.
5. An application to drill a well within the area comprised in the licence shall include written proposals of the Licensee ,in relation to the bringing under control of the well, in the event that effective control of the well is lost, and to the clean-up of oil spills, including financial proposals such as well control insurance, public liability insurance or other means to cover the costs involved in such operations.

- 6. Not less than thirty days before the commencement of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensees must arrange to meet, in person, with the Director-General or his representative to review the progress of the programme of exploration for the current licence year, and to present a proposal for the programme of exploration for the forthcoming year.
- 7. If at any time the work being carried out or intended to be carried out by, or at the cause of, the Licensee is in the opinion of the Director-General not in accordance with the sound principles and practices of petroleum exploration, he may give the Licensee written directions as to the work carried out or intended to be carried out, and the Licensee shall comply with those directions.
- 8. In addition to the reports specified in the Petroleum Regulations, 1989, the Licensee shall promptly prepare and submit to the Director-General in a form acceptable to him, detailed reports on all exploratory operations done or caused to be done by or on behalf of the Licensee within and in relation to the licence area.

SIGNED SEALED AND DELIVERED

by the said MINISTER OF MINERAL RESOURCES at ADELAIDE this

..... 31ST day of MARCH 1993

Gayle Blawie
MINISTER OF MINERAL RESOURCES

SIGNED SEALED AND DELIVERED

by the said LICENSEES at Midland, Texas


the 18th day of March 1993

The Common Seal of Wagner (Australia) Ltd

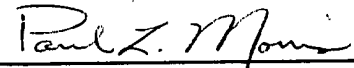
Was hereto affixed by



WAGNER (AUSTRALIA), LTD.
BY CY-63, INC., General Partner



Gary D. Douglas, Secretary

By: 

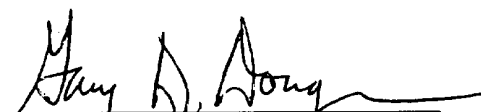
Paul L. Morris, Vice President

The Common Seal of Brown (Australia) Ltd

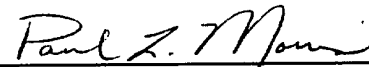
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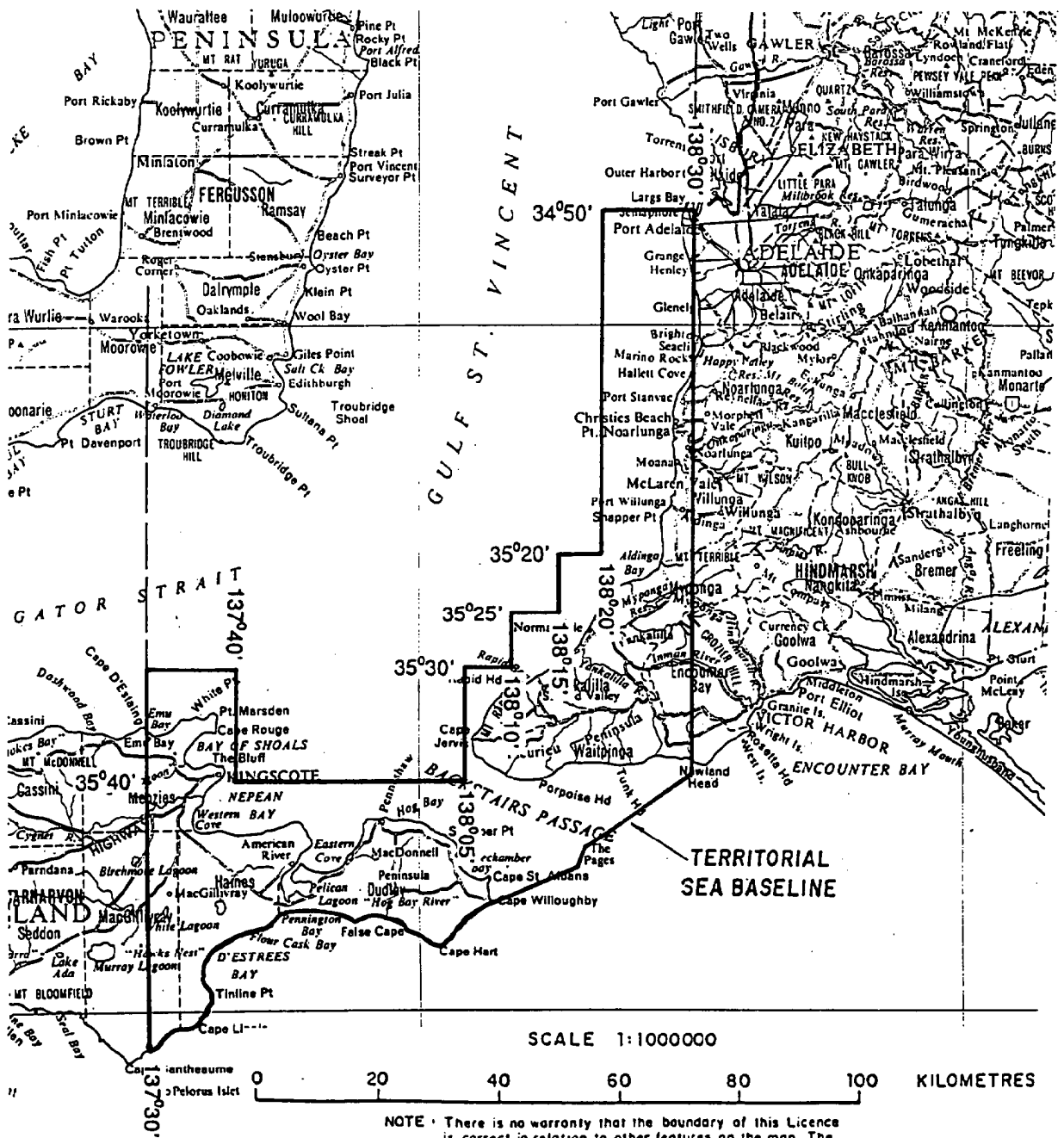
BROWN (AUSTRALIA), LTD.
BY JACK-63, INC., General Partner



Gary D. Douglas, Secretary

By: 

Paul L. Morris, Vice President



THE PLAN HEREINBEFORE REFERRED TO

WAGNER (AUSTRALIA) LTD. & BROWN (AUSTRALIA) LTD.

PETROLEUM EXPLORATION LICENCE NO. 59

PEL 59
THE SCHEDULE
DESCRIPTION OF AREA

All that part of the State of South Australia bounded as follows:

Commencing at a point being the intersection of latitude 35°30'S and longitude 137°30'E, thence east to longitude 137°40'E, south to latitude 35°40'S, east to longitude 138°05'E, north to latitude 35°30'S, east to longitude 138°10'E, north to latitude 35°25'S, east to longitude 138°15'E, north to latitude 35°20'S, east to longitude 138°20'E, north to latitude 34°50'S, east to longitude 138°30'E, south to the Territorial Sea Baseline at low water mark, Southern Ocean, thence generally southwesterly along the said Baseline to longitude 137°30'E and north to the point of commencement.

All the within latitudes and longitudes are geodetic and expressed in terms of the Australian Geodetic Datum as defined on p. 4984, Commonwealth Gazette No. 84, dated 6 October 1966.

AREA: 4,129 square kilometres (approximately).