

Ref No: 2003/00062

9 July 2005

Mr Tino Guglielmo
Chief Executive Officer
Stuart Petroleum Ltd
PO Box 8148
Station Arcade
ADELAIDE SA 5000

Dear Tino,

LOW LEVEL OFFICIAL SUPERVISION CLASSIFICATION: FACILITY CONSTRUCTION ACTIVITIES

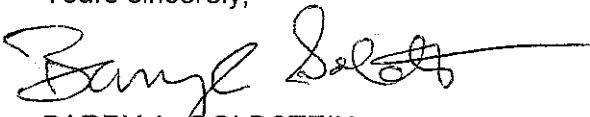
Further to discussions between senior officers from my Group and senior management within your organisation, under delegated powers, I hereby classify pursuant to Section 74(4) of the *Petroleum Act 2000* the following activities undertaken by Stuart Petroleum Ltd in its licence areas within South Australia as low level official supervision:

- The design, construction, and commissioning of gathering lines, such as well flow lines from a well head up to the connection into the inlet manifold of a production facility. This does not include licensed pipelines.
- The design, construction, and commissioning of production facilities including associated infrastructure such as roads and camp facilities.

Under this classification, please be aware of your activity notification obligations pursuant to Regulation 18 of the *Petroleum Regulations 2000*.

Please note that under PIRSA's existing policy, until such time that this low level official classification is extended to cover operation of such facilities in addition to the construction and commissioning activities, pursuant to Section 74(5) your licence fees for production licences will not be reduced by 50% of the prescribed fee.

Yours sincerely,



BARRY A. GOLDSTEIN

**Director Petroleum
Minerals and Energy Division
Primary Industries and Resources SA
Delegate of the Minister for Mineral Resources Development**