

Annual Report Exploration Licence 93

Commencement Date: 5th November 2001

Regulation 33 (2) (a): Regulated Activities Undertaken

- Record Pando Seismic Survey 247 km

Regulation 33 (2) (b): Compliance with the Act, Regulations, Licence conditions and relevant SEO's

- Stuart has met the requirements of the Act and Regulations in relation to applications to drill the Karbine #1 and Warrior #1 exploration wells.
- The required bond has been lodged with the SA Government prior to undertaking field activities in PEL93.
- The required public liability and well blow-out insurance has been taken out prior to drilling.
- The first year guaranteed program of 250km of seismic has been met by recording 247km in the Pando Seismic Survey.
- Requirements of Statements of Environmental Objectives (SEO's) for drilling and seismic surveying were met.

Regulation 33 (2) (c):

- No non-compliance notices were issued and nothing was required to be rectified.
- The name of the first exploration well, Carbine #1, was changed to Karbine #1 to avoid duplication of an earlier offshore well.

Regulation 33 (2) (d): Reports Generated

Seismic: Pando Seismic Survey Program (Proposal)

- Technical parameters and details
- Code of Environmental Practice
- Environment Impact Report
- Heritage Survey Report

Pando Seismic Survey Report (Results)

- Weekly Operations Report
- Final Operation's Report
- Processing Report – to be completed

Karbine #1 Drilling Program

- Evaluation
- drilling engineering
- Environment Risks and Compliance Report
- Heritage Survey Report (see seismic)

Karbine #1 - Emergency Response Plan

Warrior #1

- Drilling Program
- Evaluation
- drilling engineering
- Environment risks and Compliance Report
- Heritage survey report (see seismic)

Regulation 33 (2) (f):

- No incidents reported to the Minister

Regulation 33 (2) (g)

- No unforeseen threats to facilities as currently no facilities exist on PEL93

Regulation 33 (2) (h): Operations Proposed for 2nd Licence Year of PEL93 are:-

- Drill two exploration wells.
- Complete the processing of the Pando Seismic Survey and incorporate data into new mapping.