

7 June 2004

Australian Stock Exchange Limited  
Companies Announcement Office  
Electronic Lodgement System

Dear Sir,

**ANNOUNCEMENT TO ASX**

**DRILLING REPORT: REG SPRIGG WEST # 1  
PEL 90/PPL 194, COOPER/EROMANGA BASIN, SA**

Stuart Petroleum advises that the status of Reg Sprigg West # 1 at 0600 hours (CST) on 7 June 2004 was:

Location:	PEL 90 Candra Block/PPL 194, 1.5 km west of Reg Sprigg # 3
Planned Total Depth:	2412 metres
Actual Total Depth:	2380.4 metres
Operations:	Running 7 inch production casing
Spud:	2100 hrs, 16 <sup>th</sup> May 2004

DST 4 run over the interval 2281 to 2288 metres to retest the Wimma formation recorded gas to surface after 16 minutes at 10 psi on a ½ inch choke decreasing to 1 psi by the end of the 3 hour flow period. The recovery was 18 barrels of 32.7 API oil and 41 barrels of formation water.

This well will be completed as a future oil and gas producer from the Tinchoo, Wimma and Paning formations. No further reports will be issued on this well.

Participants in the Reg Sprigg West Block Joint Venture are:

Santos Group (Operator)	52.0142%
Stuart Petroleum Limited	18.75%
Delhi Petroleum	12.8572%
Origin Energy Resources	7.902%
Beach Petroleum Limited	6.25%
Novus Australia Resources	2.2266%

Yours faithfully,



**Tino Guglielmo**  
**Chief Executive Officer**