

**STUART
PETROLEUM
LIMITED**
ABN 58 059 146 226

AUSTRALIAN STOCK EXCHANGE



STU000267

9 December 2002

The Manager
Company Announcements
Australian Stock Exchange Limited
Level 19, 91 King William Street
Adelaide SA 5000

By Facsimile: 1300 300 021

Dear Sir

STOCK EXCHANGE RELEASE MONDAY 9 DECEMBER 2002

Please find attached a copy of the Stock Exchange Release which Stuart Petroleum plans to release later today.

Yours faithfully
STUART PETROLEUM LIMITED

A handwritten signature in black ink, appearing to read 'R. S. Hollingsworth'.

**RJS Hollingsworth
DIRECTOR OF OPERATIONS**

As Operator for the Stuart Petroleum/Beach Petroleum Joint Venture (Candra Block PEL90, Cooper Basin South Australia – Stuart Petroleum 75 percent interest) Stuart advises the following:

- **Current Operations**

- (i) **Drilling**

Stuart Petroleum completed its 2002 3-well programme on the Acrasia Oilfield with the release of OD&E Rig 30 from the Acrasia #3 wellsite at midnight, 5 December 2002.

The last operation completed on Acrasia #3 was Cased Hole Test #2, which flowed **456 barrels of 42.2 API oil per day through a 1/4" choke**, on cleanup flow from the interval 2,086 to 2,106 metres.

The last flow is from the **basal Jurassic Poolowanna Formation and is the first oil flowed from this formation** on the Acrasia field. Oil shows were recorded from the Poolowanna during the drilling of Acrasia #1 but hole conditions were not conducive to open hole testing at the time. A cased hole test of the Poolowanna Formation shows in Acrasia #1 will now be scheduled to follow production of the stratigraphically lower Tinchoo Formation, currently on Extended Production Test.

- (ii) **Production**

Oil production from Acrasia #1 and Acrasia #2 is now steady at approximately **1200 barrels a day**. 100% of production is sold to Santos Limited and partners at the wellheads.

The Joint Venture proposes to increase oil production to approximately **1500 barrels / day** over the next month or so as the Acrasia #3 well is also placed on Extended Production Test.

Permanent tanks have been fabricated and installed on site to replace temporary tankage at the Acrasia #1 and #2 wellheads, together with requisite piping and loading facilities. Two further tanks are due to arrive onsite during the coming week, one for Acrasia #3 and one for Acrasia #2.

- **Acrasia Oilfield Review**

Acrasia #1 was completed on 14 June 2002 and was placed on Extended Production Test on 29 July 2002. Oil production was begun at a rate of 500 barrels / day and has been incrementally increased to 800 barrels / day. 100% of production has so far been from the upper of two oil sands in the Upper Tinchoo formation. The nearby sand will be opened for production within the next few days and a further sand in the lower Tinchoo will also be brought on stream during the New Year.

Ultimately Acrasia #1 is expected to produce from the Tinchoo, Hutton and Birkhead Formations and possibly also from Poolowanna and basal Hutton sands.

Acrasia #2 was completed on 25 August 2002 and was placed on Extended Production Test on 22 September 2002. Oil production began at a rate of 18 barrels / day and has been incrementally increased to 400 barrels / day. 100% of production so far has been from the Lower Tinchoo Formation.

Ultimately Acrasia #2 is expected to produce from the Lower Tinchoo and Paning Formations.

Acrasia #3 was completed on 5 December 2002 and is scheduled to go on Extended production Test from early January 2003, at an initial rate of around 300 barrels / day from the Poolowanna Formation.

Ultimately Acrasia #3 is expected to produce from the Tinchoo, Poolowanna and Birkhead / Hutton Formations.

Extended Production Test work will, when complete, provide a basis for planning the long term scheduling of production from the field. In the meantime production levels are scheduled to be increased to around 1500 barrels a day with the commencement of Acrasia #3 Extended Production Testing.

As Operator for the Stuart Petroleum/Cooper Energy Joint Venture (PEL93, Cooper Basin South Australia – Stuart petroleum 100% reducing to 70% interest) Stuart advises the following:

- **Imminent Operations**

- **Wildcat well Karbine #1**

OD&E Rig #30 is rigging down at the site of Acrasia #3 and is scheduled to spud oil and gas exploration well Karbine #1 on 12 December 2002.

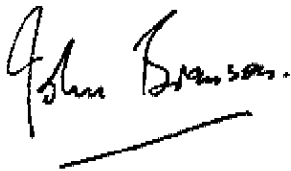
The Karbine locality is prospective for the discovery of hydrocarbons at the following levels:

Eromanga Basin Succession		
Murta Formation	-	oil
Namur Formation	-	oil
Cooper Basin Succession		
Epsilon Formation	-	gas
Patchawarra Formation	-	oil

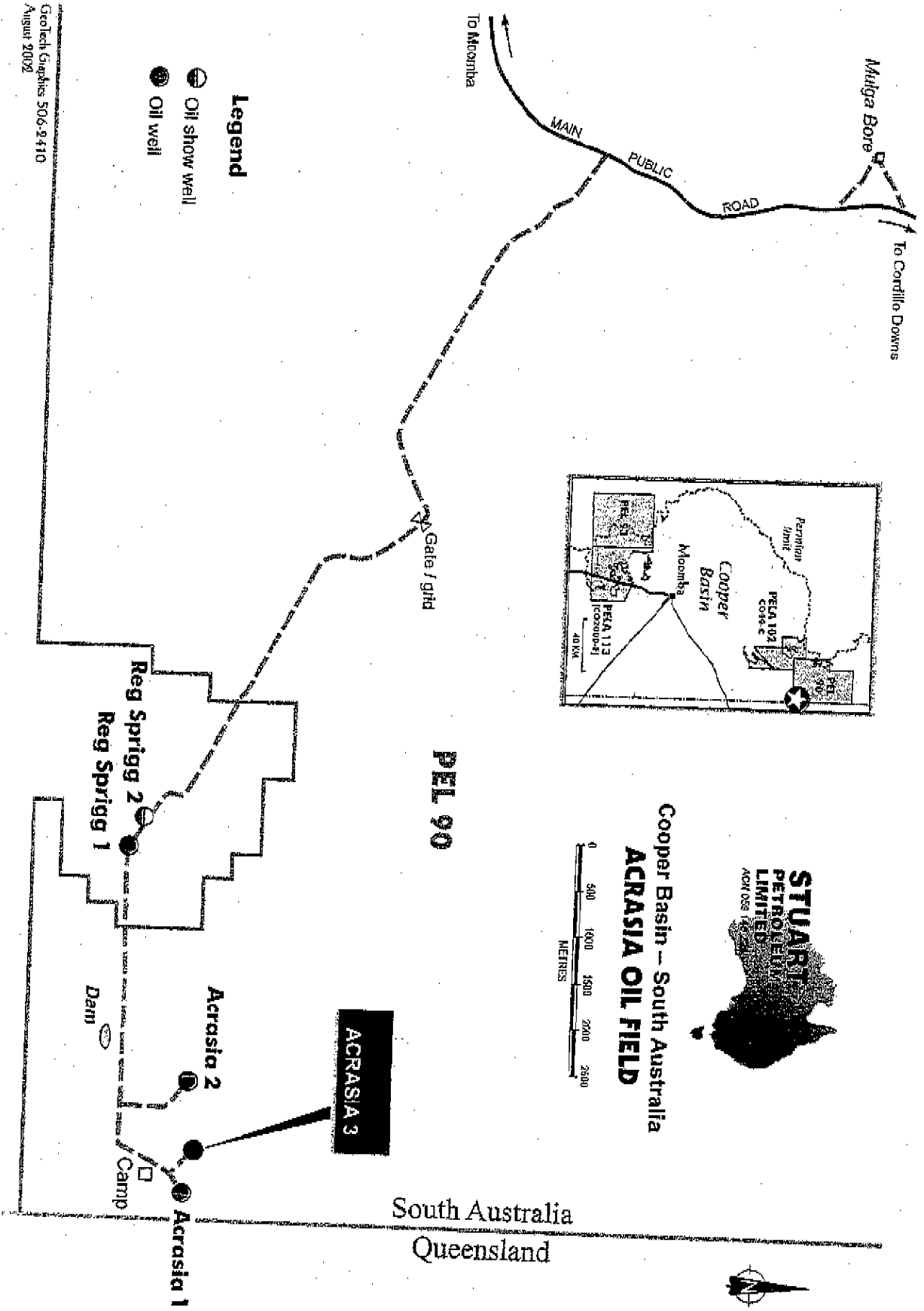
Karbine is a four way dip structure draped over a basement high with minor faulting non-critical to closure on its southern margin.

Drilling is scheduled to take 22 days with 4 days allowed for open hole testing.

The cost of the well is being borne 100% by Cooper Energy NL and Cooper will thereby earn a 30% participating interest in PEL93 and in the Stuart Petroleum/Cooper Energy PEL93 Joint Venture.



John G. Branson – Chairman
9 December 2002



GeoTech Graphics 506-9410
August 2002

Legend

- Oil show well
- Oil well

Cooper Basin - South Australia
ACRASIA OIL FIELD



South Australia
Queensland

PEL 90

ACRASIA 3

Acrasia 2

Acrasia 1

Dam

Camp

Reg Sprigg 2
Reg Sprigg 1

Gale / ghd

MAIN PUBLIC ROAD

Malya Bore

To Corralle Downs

To Moolooka

