BEACH PETROLEUM

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Australian Stock Exchange Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

2004 DRILLING PROGRAM

Beach Petroleum is pleased to advise that its 2004 drilling program is scheduled to begin during the week commencing 14 March 2004, with the spudding of Galilee-1, near the Acrasia and Reg Sprigg Oil Fields.

The program is expected to continue throughout the rest of 2004. It consists of 8 exploration wells and up to 7 development or appraisal wells. Its principal focus remains on the Cooper Basin in South Australia and Queensland, but also includes a well in Western Australia's offshore Carnarvon Basin. Details as set out below:

Tenement	Beach Equity	Well	Timing	Potential Highside Recoverable Reserves	Comments
PEL 90	25%	Galilee-1	March	1.5 mmb	
PEL 107	40%	Goolwa-1	April	1mmb or >10 BCF	
PEL 94	50%	Myponga-1	June	10 mmb	
PEL 95	50%	Noarlunga-1	June	6 mmb	Subject to Joint Venture approval
PEL 92	75%	Christies-2	July	n/a	Subject to seismic mapping
PEL 92	75%	Christies-3	July	n/a	Subject to seismic mapping
PEL 92	75%	1-2 Exploration Wells	August	2 mmb	Subject to seismic mapping
WA-264-P	16.7%	1 well in vicinity of Corowa-1 oil discovery	3rd Quarter	30 mmb **OIP**	
PEL 92	75%	Sellicks-2	October	n/a	Contingent on results of 3D seismic
ATP 269P	93.9%	Coolum-1	October	5 mmb	
PLs 31-32	100%	2-4 Appraisal Wells	Nov-Dec	1-2 mmb	

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<u>Comments on Program:</u>

- Galilee-1 will address a structural target located about 10 km northwest of the Acrasia Oil Field and of a size potentially similar to the Acrasia field. The present planned date of spudding is 18 March 2004.

- Goolwa-1 will test a structural/stratigraphic trap located about 10km south of the Raven gas field. Although potential reserves in the structural closure alone are modest, the well will test a high risk/reward upside associated with possible stratigraphic trapping. The well will be an important first step for Beach in a longer-term program aimed at discovering significant volumes of stratigraphically trapped gas on the western flank of the Patchawarra Trough.

- Myponga-1 and Noarlunga-1 will test two relatively large structures on the southern flank of the Cooper Basin, with potential recoverable reserves of 10 million barrels (mmb) and 6mmb respectively. The wells will be located about 10-20 km from the Aldinga oil field, discovered by Beach in 2002. Drilling Noarlunga-1 is subject to final approval by the PEL 95 Joint Venture.

- Subject to final mapping of 3D seismic acquired late 2003, two appraisal well wells will be drilled to further delineate the Christies oil field. Drilling of one or two exploration wells in the near vicinity of Christies is also planned, subject to final seismic mapping.

- 3D seismic is planned for acquisition over the Sellicks oilfield in May, which is likely to lead to the drilling of a Sellicks-2 appraisal well later in the year.

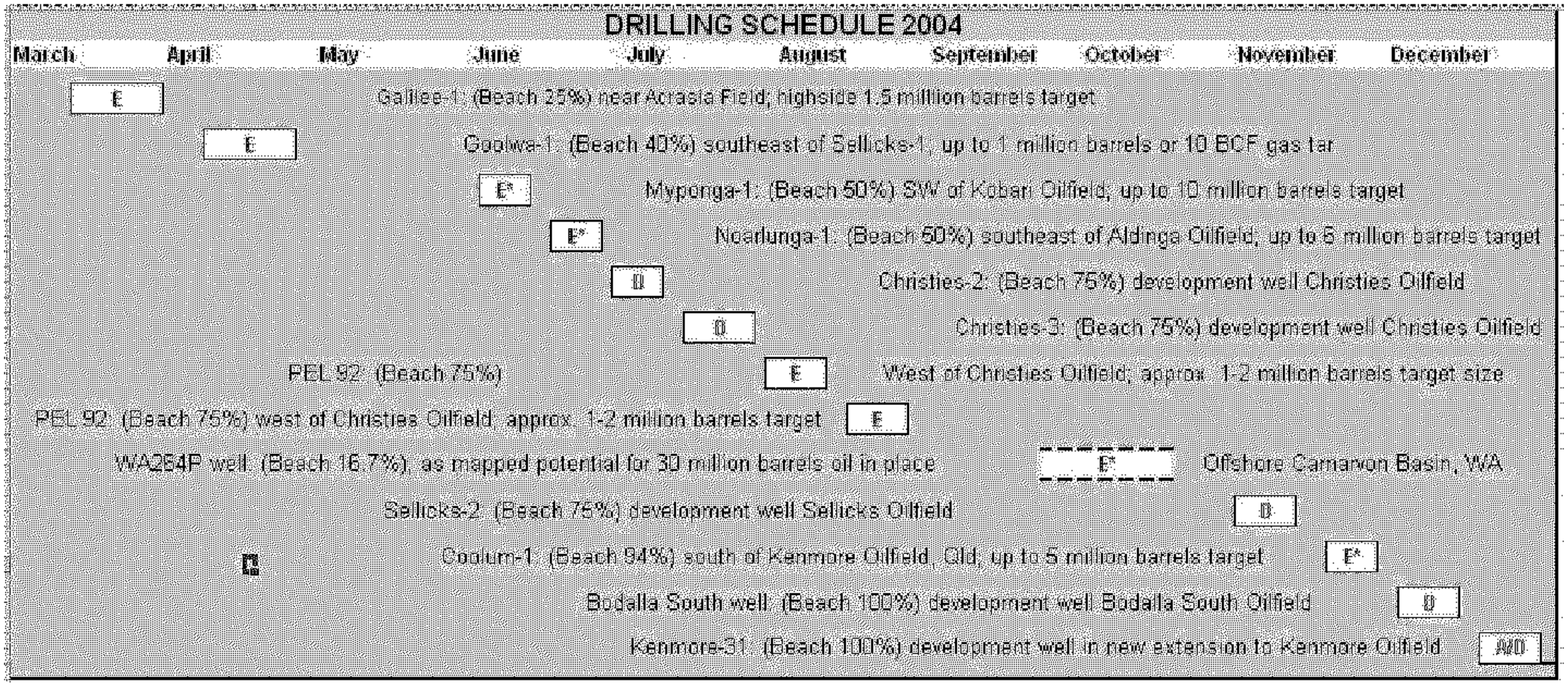
- One well will be drilled in the vicinity of the Corowa-1 oil discovery (Carnarvon Basin permit, WA-264-P), most likely in the 3rd quarter of 2004. This well is likely to address a target with potential **<u>Oil in Place</u>** of up to 30 mmb.

- Subject to final mapping and Joint Venture approval, Coolum-1 will be drilled in ATP 269P, about 7 km southwest of the Kenmore Field. Current mapping indicates the potential for up to 5 mmb of recoverable reserves in the Coolum structure.

- Further appraisal drilling, based on 3D seismic, is planned for the Bodalla South and Kenmore Fields, most likely in the 4th quarter of 2004.

Yours faithfully,

Reg Nelson
Managing Director, FAusIMM


DRILLING SCHEDULE 2004
March
April
May
June
July
August
September
October
November
December
E
Galilee-1: (Beach 25%) near Acrasia Field; highside 1.5 million barrels target
E
Goolwa-1: (Beach 40%) southeast of Sellicks-1, up to 1 million barrels or 10 BCF gas tar
E*
Myponga-1: (Beach 50%) SW of Kobari Oilfield; up to 10 million barrels target
E*
Noarlunga-1: (Beach 50%) southeast of Aldinga Oilfield; up to 6 million barrels target
D
Christies-2: (Beach 75%) development well Christies Oilfield
D
Christies-3: (Beach 75%) development well Christies Oilfield
PEL 92: (Beach 75%)
E
West of Christies Oilfield; approx. 1-2 million barrels target size
PEL 92: (Beach 75%) west of Christies Oilfield; approx. 1-2 million barrels target
E
WA264P well: (Beach 16.7%), as mapped potential for 30 million barrels oil in place
E*
Offshore Carnarvon Basin, WA
Sellicks-2: (Beach 75%) development well Sellicks Oilfield
D
Coolum-1: (Beach 94%) south of Kenmore Oilfield, Qld; up to 5 million barrels target
E*
Bodalla South well: (Beach 100%) development well Bodalla South Oilfield
D
Kenmore-31: (Beach 100%) development well in new extension to Kenmore Oilfield
A/D