



18th May 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 18th May 2004 was:

Location: PEL 90 Candra Block/PPL 194, 1.5 km west of Reg Sprigg # 3
Total Depth: 2425 metres
Current depth: 522 metres
Operations: Running 9-5/8" surface casing
Spud: 2100 hrs, 16th May 2004

Participants in the Reg Sprigg West Block Joint Venture are:

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

Yours faithfully,

Tino Guglielmo
Chief Executive Officer