



27 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 27 May 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:	2359 metres
Operations:	Continuing logging operations
Spud:	2100 hrs, 16 th May 2004

Wireline logs indicate hydrocarbon pay in multiple formations. The need for DST evaluation will be determined following completion of logging operations. The well will then be cased and suspended prior to being completed as oil producer.

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