



4 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 4 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:	Preparing to open tool for DST 4 over the interval 2281 to 2288 metres to retest the Wimma formation.
Spud:	2100 hrs, 16 th May 2004

DST 3 run over the interval 2279 to 2286.5 metres in the Wimma formation was a misrun 10 minutes after opening the tool. The test recorded gas to surface after 8 minutes at 40 psi on a ½ inch choke. The recovery was 7.4 barrels of mud cut oil 18.7 barrels of gas cut mud and 1.3 barrels of water.

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