

12 November 2002

Santos confirms significance of offshore WA oil field

Santos Limited has confirmed the significance of the Mutineer oil field in Western Australia's North West Shelf.

Results released today from the Mutineer 3 appraisal well in WA-191-P have resulted in the reserves range for the Mutineer field increasing to 50-120 million barrels of recoverable oil. Preliminary estimates of most likely reserves for the field are around 80 million barrels of oil.

"This is one of the more important discoveries for Santos and has the potential to significantly grow our North West Shelf oil production," Santos' Managing Director, Mr John Ellice-Flint said.

"The results are at the higher end of our reserves expectations for the Mutineer field," Mr Ellice-Flint said.

The Mutineer 3 well flowed at a rate of 1,049 kilolitres (6,600 barrels) of 42.7° API oil per day with less than 3% water cut and minimal associated gas through a 15.9 mm (40/64 inch) choke. The perforated test interval was 3,146 metres to 3,149 metres.

Mutineer 3 encountered eight metres of high quality oil pay in good quality Angel Formation sandstones between 3,146 and 3,154 metres.

It is located in 160 metres of water, 150 kilometres north of Dampier, off the West Australian Coast. The Wanaea, Cossack and Lambert oil fields 45 kilometres southwest of the Mutineer field are highly productive from the same age reservoirs appraised by Mutineer 3.

The Mutineer field is the first major offshore commercial oil success for Santos as Operator.

Santos has drilled three wells plus a sidetrack well on the Mutineer complex this year.

Mutineer 3 is part of an accelerated drilling program for the WA-191-P Joint Venture. It will be followed immediately by the Exeter 3 appraisal well in the nearby Exeter oil field, which was discovered by Santos earlier in the year. This well is due to spud next week. The Exeter discovery currently has a

reserve range of between 25 million and 50 million barrels of oil, additional to the Mutineer reserves.

Work on the development concept for Mutineer and Exeter will now be completed, with concept selection scheduled in the first quarter of 2003.

Santos' other producing interests in the Carnarvon Basin include East Spar, Barrow Island, Thevenard, Stag and Legendre.

Santos is a major Australian oil and gas explorer and producer with interests in all Australian hydrocarbon provinces. The Santos Group also operates in the USA, Indonesia and PNG.

All reported depths are referenced to the rig rotary table.

Interests in the Mutineer 3 well (WA-191-P) are:

Santos	33.3977% Operator
Kufpec	33.4023%
Nippon Oil	25.0000%
Woodside	8.2000%

FOR FURTHER INFORMATION: Please contact:

Media enquiries:

Kathryn Mitchell

Santos Limited

(08) 8218 5260 / 0407 979 982

Investor enquiries:

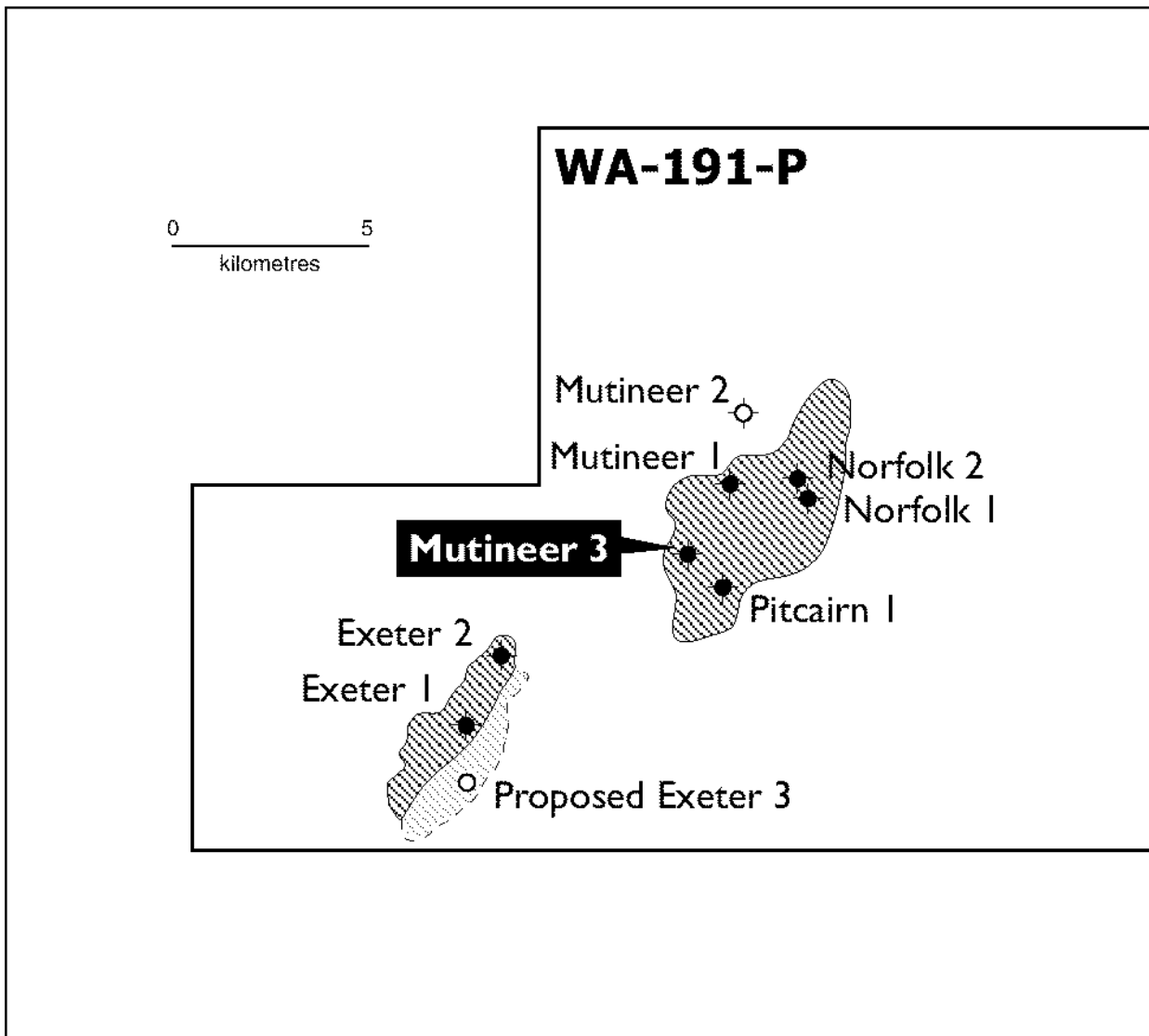
Mark Kozned

Santos Limited

(08) 8218 5939 / 0407 747 908

Santos stock symbols: STO (Australian Stock Exchange), STOSY (NASDAQ ADR)

Mutineer 3



-  Santos acreage
-  Oil field
-  Potential oil field

