INDEX OF DOCUMENTS HELD ON THE PETROLEUM REGISTER FOR PEL 50


3. Gazetted of Grant on the 4/7/91.


5. Surrender of portion of licence reducing the area to 7285 km$^2$ and Variation of year 2 work commitments dated 3/11/92.

6. Variation of years 3 and 4 licence conditions dated 20/1/94.

7. Variation of years 3, 4 and 5 licence conditions dated 12/7/95.

8. Variation of years 3, 4 and 5 licence conditions dated 4/1/96.

9. Agreement dated 28/12/95 between Felstea Pty Ltd (Felstea) and Retained Assets Corporation (Retained assets).
   Modification of Agreement dated 28/6/96 between Felstea and Retained Assets.

10. Deed of Transfer dated 14/11/97 between Felstea Pty Ltd (Felstea) and Hunt Energy and Mineral Co Australia Pty Ltd (Hunt Energy).
    • PEL 49 AND 50 Novation and Variation Agreement dated 14/11/97 between Felstea, Retained Assets Corporation and Hunt Energy.
    • Royalty Agreement between Felstea and Hunt Energy dated 14/11/97.

    Licensee: Felstea Pty Ltd – 100%.
MEMORANDUM

FIRST RENEWAL OF PETROLEUM EXPLORATION LICENCE NO. 50

1. This renewed licence granted on 31st January 2000 is hereby entered on the Petroleum Register.

2. A security of a $4,000.00 Bank Guarantee is being held with respect to this licence.

3. Interests in the licence are:

   Felstea Pty Ltd  %
                      100

Dennis Mutton
CHIEF EXECUTIVE
Delegate of the Minister for Minerals and Energy
PETROLEUM ACT 1940

FIRST RENEWAL OF PETROLEUM EXPLORATION LICENCE NO 50

I, DENNIS RAY MUTTON, Chief Executive, Department of Primary Industries and Resources, (CE) in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 and all other enabling powers, for and on behalf of Robert Gerard Korin, the Minister for Minerals and Energy, in the State of South Australia, (Minister), pursuant to delegation dated 20 November 1997, (refer Government Gazette dated 4 December 1997 page 1526), HEREBY GRANT to:

Felstea Pty Ltd (ACN 006 028 322) of Number 4, 1510 Wazee Street,
Denver Colorado 80202 USA

(hereinafter referred to as the Licensee) a Petroleum Exploration Licence in respect of the area set out below, to have effect for a period of five years and to expire on 30 June 2001 but carrying the rights of renewal under the Petroleum Act 1940.

DESCRIPTION OF AREA

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto.

CONDITIONS

1. The Licensee shall at all times comply with:-

   a) the provisions of the Petroleum Act, 1940 and of any regulations for the time being and from time to time in force under the Act; and

   b) all directions given to it under the Act or the regulations for the time being and from time to time in force under that Act.

2. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programs as are approved by the Minister from time to time. These exploratory operations shall include but not necessary be limited to:-

   a) in the first, second, third and fourth year of the term of the licence, geochemical/telluric survey, review results of Lake Kool No. 1 well and 200 kilometres of seismic surveying or the drilling of one well at a total estimated cost of $950,000 (nine hundred and fifty thousand dollars).
b) in the fifth year of the term of the licence, the drilling of one well at a total estimated cost of $850,000 (eight hundred and fifty thousand dollars).

3. Within sixty days after the end of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee shall submit to the Minister a full and complete written statement of expenditure actually made or caused to be made by the Licensee during that year upon approved exploratory operations. This statement of expenditures shall be accompanied by a written opinion on the veracity of the statement from an auditor whose qualifications and independence from the Licensee are acceptable to the Minister.

4. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which the licence comes into force) fails to comply with the exploratory operations requirements of this licence, it is an express term of this licence that the Minister then may at his discretion either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.

5. An application to drill a well within the area comprised in the licence shall include written proposals of the Licensee, in relation to the bringing under control of the well, in the event that effective control of the well is lost, and to the clean-up of oil spills, including financial proposals such as well control insurance, public liability insurance or other means to cover the costs involved in such operations.

6. Not less than thirty days before the commencement of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensees must arrange to meet, in person, with the CE or his representative to review the progress of the programme of exploration for the current licence year, and to present a proposal for the programme of exploration for the forthcoming year.

7. If at any time the work being carried out or intended to be carried out by, or at the cause of, the Licensee is in the opinion of the CE not in accordance with the sound principles and practices of petroleum exploration, he may give the Licensee written directions as to the work carried out or intended to be carried out, and the Licensee shall comply with those directions.
8. In addition to the reports specified in the Petroleum Regulations, 1989, the Licensee shall promptly prepare and submit to the CE in a form acceptable to him, detailed reports on all exploratory operations done or caused to be done by or on behalf of the Licensee within and in relation to the licence area.

Signed by the Chief Executive,
Department of Primary Industries and Resources at Adelaide

this 31st day of January 2000

[Signature]

Chief Executive
Department of Primary Industries and Resources
Delegate of the Minister for Primary Industries,
Natural Resources and Regional Development
Minerals and Energy

Signed sealed and delivered
by the said LICENSEE at Denver, Colorado

this 3rd day of January 2000

[Signature]
The Common Seal of Felstea Pty Ltd was hereeto affixed by

SECRETARY

DIRECTOR
NOTE: There is no warranty that the boundary of this licence is correct in relation to other features on the map. The boundary is to be ascertained by reference to the Australian Geodetic Datum and the schedule.

THE PLAN HEREIN BEFORE REFERRED TO
FELSTEA PTY. LTD.

PETROLEUM EXPLORATION LICENCE NO. 50
1ST RENEWAL OF PEL 50

DESCRIPTION OF AREA

All that part of the State of South Australia, bounded as follows:

Commencing at a point being the intersection of latitude 27° 30' S
and longitude 137° 25' E, thence east to longitude 138° 00' E,
south to latitude 28° 15' S, west to longitude 137° 25' E,
north to latitude 28° 10' S, west to longitude 137° 20' E,
north to latitude 28° 05' S, east to longitude 137° 25' E,
and north to the point of commencement, all the within latitudes and longitudes are
geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.
4984 of Commonwealth Gazette number 84 dated 6 October 1966.

AREA: 4847 square kilometres approximately.
MEMORANDUM

PETROLEUM EXPLORATION LICENCES NOs 49 AND 50

This memorandum will confirm that on 19 November 1997, I approved the assignment and dealing provisions in the following documents pursuant to delegated powers.

- PEL 50 Deed of Transfer dated 14 November 1997 between Felstea Pty Ltd (Felstea) and Hunt Energy and Mineral Co. Australia Pty Ltd (Hunt Energy).

- PEL 49 and 50 Novation and Variation Agreement dated 14 November 1997 between Felstea, Retained Assets Corporation (Retained Assets) and Hunt Energy.


This approval is conditional upon the following issues being adequately addressed:

1. An original of each document, including associated documents, must be sighted at the least if an original is not available to be retained for the Petroleum Register.

2. Evidence must be provided that South Australian stamp duty has been assessed and paid on any document affecting the interest in the licence and the document lodged with this Department within twenty eight days of stamp duty matters being adequately addressed.

This Memorandum is hereby entered on the Petroleum Register.

[Signature]

R A LAWS
DIRECTOR PETROLEUM GROUP
DEPARTMENT OF PRIMARY INDUSTRIES AND RESOURCES
Delegate of the Minister for Primary Industries,
Natural Resources and Regional Development

19/11/97
MEMORANDUM

Petroleum Exploration Licence Nos 49 and 50.

This Memorandum will confirm that on 26th September 1996, I approved the assignment provisions in the following documents pursuant to delegated powers dated 14 June 1995.

- PEL 49 Agreement dated 28 December 1995 between Felstea Pty Ltd (Felstea) and Retained Assets Corporation (Retained Assets).
- PEL 50 Agreement dated 28 December 1995 between Felstea and Retained Assets.

This approval is conditional upon the following issues being adequately addressed.

1. An original of each document must be sighted at the least if an original is not available to be retained for the Petroleum Register.

2. Evidence must be provided that South Australian stamp duty has been assessed and paid on any document or ensuing document (if applicable) and the document lodged with this Department within twenty eight days of stamp duty matters being adequately addressed.

3. Evidence that the proposed transferee is registered under the Corporations Law if a body corporate is to become a licensee.

This Memorandum is hereby entered on the Petroleum Register.

R A Frears
ACTING DIRECTOR, PETROLEUM DIVISION
DEPARTMENT OF MINES AND ENERGY
Delegate of the Minister for Mines and Energy.
In accordance with Section 117 of the *Petroleum Act 2000* (Act) this document forms part of ‘The Commercial Register’.

Section 118 of the Act provides for the following:

**Authority to search register**

(1) A person is entitled to have access to the material included in the commercial register, on payment of the prescribed inspection fee, if the access if authorised by—

   (a) a person who has a legal or equitable interest in the relevant licence or registered dealing; or

   (b) the Minister.

(2) The Minister must not authorise access under subsection (1)(b) unless the Minister has consulted with the licensee to whom the material relates and is satisfied that access should be authorised in the public interest.

**THE FOLLOWING PETROLEUM GROUP OFFICERS CAN BE CONTACTED FOR FURTHER INFORMATION.**

Joe Zabrowarny  
Manager Petroleum Licensing and Royalties  
(08) 8463 3203  
E-mail: zabrowarny.joe@saugov.sa.gov.au

Or

Mario Colella  
Petroleum Licensing and Royalties Officer  
(08) 8463 3209  
E-mail: colella.mario@saugov.sa.gov.au
MEMORANDUM

Petroleum Exploration Licence No 50

A variation of Licence Conditions to take effect from 12/7/95 is hereby entered upon the petroleum register.

A. J. Andrejewskis
Chief Executive Officer
DEPARTMENT OF MINES AND ENERGY
Delegate of the Minister for Mines and Energy
12/7/95

SR 27/2/109 Vol. 2
PETROLEUM ACT, 1940

I, Andrew Andrejewski, Chief Executive Officer, Department of Mines and Energy, pursuant to delegated powers dated 14 June 1995, Gazetted 15 June 1995 page 2845, for and on behalf of Dale Sperh Baker, the Minister for Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

Felstea Pty Ltd of Suite 1550, 1801 Broadway, Denver Colorado 80202, United States of America.

Varied Conditions

The licensee shall comply with all the conditions specified in Petroleum Exploration Licence No. 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(c), (d) and (e) are hereby deleted and replaced by:

(c) in the third, fourth and fifth year of the term of the licence, the drilling of one exploration well to be commenced by the 31 December 1995 at a total estimated cost of $600,000 (six hundred thousand dollars)

(d) Nil

(e) Nil

Signed this __________ day of ______ 199__

[Signature]

AJ Andrejewski
Chief Executive Officer,
Department of Mines and Energy
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 50

A Variation of Licence Conditions to take effect immediately upon the lodgement with the Department of Mines and Energy of a suitable agreement with Kirriemuir Oil and Gas Ltd for confirmation of financial arrangements. Such agreements to be lodged by no later than 31 August 1994.

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY

20/7/94
PETROLEUM ACT 1940

I, Ross Fardon, Director-General, Department of Mines and Energy in the State of South Australia pursuant to powers delegated by the Minister for Mines and Energy dated 3 December 1993, Gazetted 9 December 1993 page 2916, pursuant to the provisions of the Petroleum Act, 1940, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

Felstea Pty Ltd, the registered office is situated at 1801 Broadway, Suite 1550 Denver Colorado 80202 USA.

VARIED CONDITIONS

The licensees shall comply with all the conditions specified in Petroleum Exploration Licence No 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940, subject to the lodgement with this Department of a suitable agreement with Kirriemuir Oil and Gas Ltd for confirmation of financial arrangements by 31 August 1994, condition 2(c) and 2(d) is hereby cancelled and replaced by:

(c) in the third and fourth year of the term of the licence the drilling of one exploration well at a total estimated cost of $600,000 (six hundred thousand dollars).

(d) Nil.

Signed this ................. day of ................. 1994

Ross Fardon
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
MEMORANDUM

Petroleum Exploration Licence No 50

A variation of Licence Conditions to take effect from 12/7/95 is hereby entered upon the petroleum register.

A.J. Andrejewskis
Chief Executive Officer
DEPARTMENT OF MINES AND ENERGY
Delegate of the Minister for Mines and Energy

12/7/95

SR 27/2/109 Vol. 2
PETROLEUM ACT, 1940

I, Andrew Andrejewskis, Chief Executive Officer, Department of Mines and Energy, pursuant to delegated powers dated 14 June 1995, Gazetted 15 June 1995 page 2845, for and on behalf of Dale Spehr Baker, the Minister for Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

Felstea Pty Ltd of Suite 1550, 1801 Broadway, Denver Colorado 80202, United States of America.

Varied Conditions

The licensee shall comply with all the conditions specified in Petroleum Exploration Licence No. 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(c), (d) and (e) are hereby deleted and replaced by:

(c) In the third, fourth and fifth year of the term of the licence, the drilling of one exploration well to be commenced by the 31 December 1995 at a total estimated cost of $600,000 (six hundred thousand dollars)

(d) Nil

(e) Nil

Signed this .................................. day of ................................ 1998

[Signature]

A J Andrejewskis
Chief Executive Officer,
Department of Mines and Energy

F08138.MC
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO. 50

This memorandum will certify that on 3 November 1992, I gave my consent to surrender portion of the PEL 50 licence area reducing the licence area to 7285 km², to take effect from the abovementioned date.

A Variation of Licence Conditions to take effect from the above mentioned date is hereby entered upon the Petroleum Register.

[Signature]

FRANK BLEVINS MP
MINISTER OF MINERAL RESOURCES

3/11/92
PETROLEUM ACT 1940

1, Frank Trevor Blevins, Minister of Mineral Resources in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

FELSTEA PTY LTD OF SUITE 1550, 1801 BROADWAY, DENVER, COLORADO USA 80202

PEL 50 - VARIED CONDITIONS

The Licensees shall comply with all the conditions specified in Petroleum Exploration Licence No 50 dated 1/7/91, except that in accordance with Section 17(3) of the Petroleum Act, 1940 Condition 2(b) is hereby cancelled and is replaced by:

b) in the second year of the term of the licence, the appraisal of year 1 studies and data review at an estimated cost of $75,000 (seventy five thousand dollars)

SIGNED SEALED AND DELIVERED
by the said MINISTER OF MINERAL RESOURCES
at ADELAIDE this
THIRTY FIRST day of NOVEMBER 1992

MINISTER OF MINERAL RESOURCES
DESCRIPTION OF AREA

All that part of the state of South Australia bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°15'S, west to longitude 137°13'E, north to latitude 28°00'S, west to longitude 137°05'E, north to latitude 27°40'S, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.4984 of Commonwealth Gazette number 84 dated October 6, 1966.

AREA: 7285 square kilometres approximately.
NOTE: There is no warranty that the boundary of this Licence is correct in relation to other features on the map. The boundary is to be ascertained by reference to the Australian Geodetic Datum and the schedule.

THE PLAN HEREINBEFORE REFERRED TO

FELSTEA PTY. LTD.

PETROLEUM EXPLORATION LICENCE NO. 50

DEPARTMENT OF MINES AND ENERGY - S.A.  SR 27/2/109  AREA 9744 km² (approx)
MEMORANDUM

Petroleum Exploration Licence No 50

This memorandum will certify that on ............... 1992, I gave my consent to a Variation of Licence Conditions.

This memorandum is hereby entered on the Petroleum Register.

JOHN KLUNDER
MINISTER OF MINES AND ENERGY

\( \frac{1}{15} \, 1992 \)
Petroleum Act 1940

I, John Heinz Cornelis Klunder, Minister of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 which the licensee is:

Felseta Pty Ltd of 1801 Broadway, Suite 1550, Denver, Colorado 80202 USA.

Varied Conditions

The licensee shall comply with all the conditions specified in Petroleum Exploration licence No 50 dated 1/7/91, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(a) and 2(b) is hereby cancelled and is replaced by:

a) in the first year of the term of the licence, Geological and Geophysical studies at an estimated total cost of $50 000 (fifty thousand dollars).

b) in the second year of the term of the licence, the drilling of one exploration well to be spudded by 30 September 1992 and appraisal of year 1 studies and well results at an estimated cost of $575 000 (five hundred and seventy five thousand dollars).

Signed, sealed and Delivered by the said Minister of Mines and Energy at Adelaide this.

11 day of May 1992

MINISTER OF MINES AND ENERGY
MEMORANDUM

Petroleum Exploration Licence No. 50

1. This Licence granted on .......J............ 1991 is hereby entered on the Petroleum Register.

2. A security in the sum of a $4,000 bank guarantee has been lodged with respect to this licence.

3. Interests in the licence are:-

   . Felsta Pty Ltd 100%

\ / 7/91
SR 27/2/109

JOHN KLUNDER
MINISTER OF MINES & ENERGY
PETROLEUM ACT, 1940

Petroleum Exploration Licence No. 50

I, JOHN HEINZ CORNELIS KLUNDER, Minister of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY GRANT to:

Felstea Pty Ltd, the registered office of which is situated at 1801 Broadway, Suite 1550, Denver, Colorado 80202 USA, (hereinafter referred to as the "Licensee") a Petroleum Exploration Licence in respect of the area set out below, to have effect for a period of five years and to expire on 30th June 1992, but carrying the rights of renewal conferred by the Petroleum Act, 1940.

Description of Area

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto.

Conditions

1. The Licensee shall at all times comply with:-

   (a) the provisions of the Petroleum Act, 1940 and of any regulations for the time being and from time to time in force under the Act; and

   (b) all directions given to it under the Act or the regulations for the time being and from time to time in force under that Act.

2. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programmes as are approved by the Minister from time to time. These exploratory operations shall include but not necessarily be limited to:-

   (a) in the first year of the term of the licence, Geological and Geophysical studies and the drilling of one exploration well at an estimated total cost of $550,000 (five hundred and fifty thousand dollars)

   (b) in the second year of the term of the licence, the appraisal of Year 1 results at an estimated cost of $75,000 (seventy five thousand dollars)
(c) in the third year of the term of the licence, the acquisition, processing and interpretation of 200 kilometres of seismic surveying or the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars)

(d) in the fourth year of the term of the licence, the acquisition, processing and interpretation of 200 kilometres of seismic surveying or the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars)

(e) in the fifth year of the term of the licence, the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars).

3. Within sixty days after the end of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee shall submit to the Minister a full and complete written statement of expenditures actually made or caused to be made by the Licensee during that year upon approved exploratory operations. This statement of expenditures shall be accompanied by a written opinion on the veracity of the statement from an auditor whose qualifications and independence from the Licensee are acceptable to the Minister.

4. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force) fails to comply with the exploratory operations requirements of this licence, it is an express term of this licence that the Minister then may at his discretion either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.

5. An application to drill a well within the area comprised in the licence shall include written proposals of the Licensee in relation to the bringing under control of the well, in the event that effective control of the well is lost, and to the clean-up of oil spills, including financial proposals such as well control insurance or other means to cover the costs involved in such operations.

6. (a) Not less than thirty days before the commencement of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee or a representative must arrange to meet, in person, with the Director-General or his representative to review the progress of the programme of exploration for the
current licence year, and to present a proposal for the programme of exploration for the forthcoming year.

(b) If at any time the work being carried out or intended to be carried out by, or at the cause of, the Licensee is in the opinion of the Director-General not in accordance with the sound principles and practices of petroleum exploration, he may give the Licensee written directions as to the work being carried out or intended to be carried out, and the Licensee shall comply with those directions.

7. In addition to the quarterly reports specified in the Petroleum Regulations, 1989, the Licensee shall promptly prepare and submit to the Director-General in a form acceptable to him, detailed reports on all exploratory operations done or caused to be done by or on behalf of the Licensee within and in relation to the licence area.

SIGNED SEALED AND DELIVERED
by the said MINISTER OF MINES
AND ENERGY at ADELAIDE this

1st day of July 1996.

MINISTER OF MINES AND ENERGY

SIGNED SEALED AND DELIVERED
by the said LICENSEE at ADELAIDE the

22nd day of July 1997.

The Common Seal of Felsstea Pty Ltd
Was hereto affixed by authority of the Board of Directors in the presence of:

(Director) (Director)
PEL 50

The Schedule

DESCRIPTION OF AREA

All that part of the State of South Australia bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°30'S, west to longitude 137°13'E, north to latitude 28°00'S, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.4984 of Commonwealth Gazette number 84 dated October 6, 1966.

AREA: 9714 square kilometres approximately.
NOTE: There is no warranty that the boundary of this Licence is correct in relation to other features on the map. The boundary is to be ascertained by reference to the Australian Geodetic Datum and the schedule.

THE PLAN HEREBEFORE REFERRED TO

PETROLEUM EXPLORATION LICENCE NO. 50
MEMORANDUM

Petroleum Exploration Licence No. 50

A variation of Licence Conditions is hereby entered upon the petroleum register.

SR 27/2/109 vol. 2
4/11/96

A J Andrejewskis
Chief Executive Officer
Department of Mines and Energy
Delegate of the Minister for Mines and Energy
PETROLEUM ACT 1940

I, ANDREW JOSEPH ANDREJEWSKIS, Chief Executive Officer, Department of Mines and Energy, pursuant to delegated powers dated 14 June 1995, Gazetted 15 June 1995, page 2845, for and on behalf of Stephen John Baker, the Minister for Mines and Energy in the state of South Australia pursuant to the provisions of the Petroleum Act, 1940, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No. 50 of which the licensee is:

Felstea Pty Ltd of 1510 Wazee Street, Number 4, Denver, Colorado 80202

VARIED CONDITIONS

The licensees shall comply with all the conditions specified in Petroleum Exploration Licence No. 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(c) is hereby deleted and replaced by:

(c) in the third, fourth and fifth year of the term of the licence, the drilling of one exploration well to be commenced by the 30 June 1996 at a total estimated cost of $600 000 (six hundred thousand dollars).

Signed this ........................................ day of .................................... 1996.

[Signature]

A J Andrejewski
Chief Executive Officer
DEPARTMENT OF MINES AND ENERGY
MEMORANDUM

Petroleum Exploration Licence No 50

A variation of Licence Conditions to take effect from 12/7/195 is hereby entered upon the petroleum register.

A. J. Andrejewski
Chief Executive Officer
DEPARTMENT OF MINES AND ENERGY
Delegate of the Minister for Mines and Energy

12/7/195

SR 27/2/109 Vol. 2
PETROLEUM ACT, 1940

I, Andrew Andrejewskis, Chief Executive Officer, Department of Mines and Energy, pursuant to delegated powers dated 14 June 1995, Gazetted 15 June 1995 page 2845, for and on behalf of Dale Spehr Baker, the Minister for Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

Folstea Pty Ltd of Suite 1550, 1801 Broadway, Denver Colorado 80202, United States of America.

Varied Conditions

The licensee shall comply with all the conditions specified in Petroleum Exploration Licence No. 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(c), (d) and (e) are hereby deleted and replaced by:

(c) in the third, fourth and fifth year of the term of the licence, the drilling of one exploration well to be commenced by the 31 December 1995 at a total estimated cost of $600,000 (six hundred thousand dollars)

(d) Nil

(e) Nil

Signed this 12th day of July 1998

A J Andrejewskis
Chief Executive Officer,
Department of Mines and Energy

F08138.MC
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 50

A Variation of Licence Conditions to take effect immediately upon the lodgement with the Department of Mines and Energy of a suitable agreement with Kirriemuir Oil and Gas Ltd for confirmation of financial arrangements. Such agreements to be lodged by no later than 31 August 1994.

Ron Fardon
ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY

20/7/94
PETROLEUM ACT 1940

I, Ross Fardon, Director-General, Department of Mines and Energy in the State of South Australia pursuant to powers delegated by the Minister for Mines and Energy dated 3 December 1993, Gazetted 9 December 1993 page 2916, pursuant to the provisions of the Petroleum Act, 1940, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

Festna Pty Ltd, the registered office is situated at 1801 Broadway, Suite 1550 Denver Colorado 80202 USA.

VARIED CONDITIONS

The licensees shall comply with all the conditions specified in Petroleum Exploration Licence No 50 dated 1 July 1991, except that in accordance with Section 17(3) of the Petroleum Act, 1940, subject to the lodgement with this Department of a suitable agreement with Kerriemuir Oil and Gas Ltd for confirmation of financial arrangements by 31 August 1994, condition 2(c) and 2(d) is hereby cancelled and replaced by:

(c) in the third and fourth year of the term of the licence the drilling of one exploration well at a total estimated cost of $600,000 (six hundred thousand dollars).

(d) Nil.

Signed this ________________________ day of ________________________ 1994

Ross Fardon

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY

F07175.MC
NOTICE OF SURRENDER OF PORTION OF PETROLEUM EXPLORATION LICENCE

Department of Mines and Energy, Parkside, 3 November 1992

NOTICE is hereby given that portion of the undermentioned petroleum exploration licence has been surrendered in accordance with the provisions of the Petroleum Act, 1940.

F. T. BLEIVINS, Minister of Mineral Resources

<table>
<thead>
<tr>
<th>No. of Licence</th>
<th>Licensee</th>
<th>Locality</th>
<th>Date of Surrender</th>
<th>Area in km²</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>Pelsea Pty Ltd</td>
<td>Eromanga Basin area of South Australia</td>
<td>3 November 1992</td>
<td>2.429</td>
<td>SR.27.2.109</td>
</tr>
</tbody>
</table>

Description of Area

The licence area being retained is that portion of the State bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°15'S, west to longitude 137°13'E, north to latitude 28°00'S, west to longitude 137°00'E, north to latitude 27°40'S, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.4984 of Commonwealth Gazette No. 84 dated 6 October 1966.

Area: 7,285 square kilometres approximately.

REPRINTED

GRANT OF EXPLORATION PERMIT FOR PETROLEUM

Department of Mines and Energy, Parkside, 2 November 1992

NOTICE is hereby given that the undermentioned exploration permit has been granted under the provisions of the Petroleum (Submerged Lands) Act, 1962.

F. T. BLEIVINS, Minister of Mineral Resources

<table>
<thead>
<tr>
<th>No. of Licence</th>
<th>Licensee</th>
<th>Locality</th>
<th>Date of Expiry</th>
<th>Area</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA-2</td>
<td>Lakes Oil Limited</td>
<td>Otway Basin area of South Australia</td>
<td>2 November 1998</td>
<td>12 blocks</td>
<td>SR.27.1.43</td>
</tr>
</tbody>
</table>

The land comprised in the licence is to the name of a map sheet of the 1:100 000 series and to the number of grid section shown as follows:

Area SA-2 Map sheet SJ-54-Hamilton: part blocks numbered 1687, 1759, 1760, 1761, 1762, 1763, 1764, 1832, 1833, 1834, 1835 and 1836.
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO. 50

This memorandum will certify that on 3 November 1992, I gave my consent to surrender portion of the PEL 50 licence area reducing the licence area to 7285 km², to take effect from the abovementioned date.

A Variation of Licence Conditions to take effect from the above mentioned date is hereby entered upon the Petroleum Register.

FRANK BLEVINS MP
MINISTER OF MINERAL RESOURCES

3/11/92
PETROLEUM ACT 1940

I, Frank Trevor Blevins, Minister of Mineral Resources in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 of which the licensee is:

FELSTEA PTY LTD OF SUITE 1550, 1801 BROADWAY, DENVER, COLORADO USA 80202

PEL 50 - VARIED CONDITIONS

The Licensees shall comply with all the conditions specified in Petroleum Exploration Licence No 50 dated 1/7/91, except that in accordance with Section 17(3) of the Petroleum Act, 1940 Condition 2(b) is hereby cancelled and is replaced by:

b) in the second year of the term of the licence, the appraisal of year 1 studies and data review at an estimated cost of $75,000 (seventy five thousand dollars)

SIGNED SEALED AND DELIVERED
by the said MINISTER OF MINERAL RESOURCES
at ADELAIDE this
.................day of..............................................19...................................

MINISTER OF MINERAL RESOURCES
NOTE: There is no warranty that the boundary of this Licence is correct in relation to other features on the map. The boundary is to be ascertained by reference to the Australian Geodetic Datum and the schedule.

THE PLAN HEREBEFOREREFERRED TO

FELSTEA PTY. LTD.

PETROLEUM EXPLORATION LICENCE NO. 50
DESCRIPTION OF AREA

All that part of the state of South Australia bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°15'S, west to longitude 137°13'E, north to latitude 28°00'S, west to longitude 137°05'E, north to latitude 27°40'S, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.4984 of Commonwealth Gazette number 84 dated October 6, 1966.

AREA: 7285 square kilometres approximately.
MEMORANDUM

Petroleum Exploration Licence No 50

This memorandum will certify that on .......... May .......... 1992, I gave my consent to a Variation of Licence Conditions.

This memorandum is hereby entered on the Petroleum Register.

[Signature]

JOHN KLUNDER
MINISTER OF MINES AND ENERGY

10/5/92
Petroleum Act 1940

I, John Heinz Cornelis Klunder, Minister of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 50 which the licensee is:

Felstea Pty Ltd of 1801 Broadway, Suite 1550, Denver, Colorado 80202 USA.

Varied Conditions

The licensee shall comply with all the conditions specified in Petroleum Exploration licence No 50 dated 1/7/91, except that in accordance with Section 17(3) of the Petroleum Act, 1940 condition 2(a) and 2(b) is hereby cancelled and is replaced by:

a) in the first year of the term of the licence, Geological and Geophysical studies at an estimated total cost of $50,000 (fifty thousand dollars).

b) in the second year of the term of the licence, the drilling of one exploration well to be spudded by 30 September 1992 and appraisal of year 1 studies and well results at an estimated cost of $575,000 (five hundred and seventy five thousand dollars).

Signed, sealed and Delivered
by the said Minister of Mines
and Energy at Adelaide this

[Signature]

11th day of May 1992

MINISTER OF MINES AND ENERGY
MEMORANDUM

Petroleum Exploration Licence No. 50

1. This Licence granted on ............ 1991
   is hereby entered on the Petroleum Register.

2. A security in the sum of a $4,000 bank guarantee has
   been lodged with respect to this licence.

3. Interests in the licence are:-
   . Pelstea Pty Ltd 100%

1/7/91
SR 27/2/109

JOHN KLUENDER
MINISTER OF MINES & ENERGY
PETROLEUM ACT, 1940

Petroleum Exploration Licence No. 50

I, JOHN HEINZ CORNELIS KLUNDER, Minister of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940 HEREBY GRANT to:-

Relstea Pty Ltd, the registered office of which is situated at 1801 Broadway, Suite 1550, Denver, Colorado 80202 USA, (hereinafter referred to as the "Licensee") a Petroleum Exploration Licence in respect of the area set out below, to have effect for a period of five years and to expire on ........... 1976. but carrying the rights of renewal conferred by the Petroleum Act, 1940.

COMMISSIONER OF STAMPS
S.A. STAMP DUTY
27/05/91 244870 12:05
$4.00

Description of Area

The land comprised in this licence is that part of the State of South Australia described in the Schedule hereto.

Conditions

1. The Licensee shall at all times comply with:-

   (a) the provisions of the Petroleum Act, 1940 and of any regulations for the time being and from time to time in force under the Act; and

   (b) all directions given to it under the Act or the regulations for the time being and from time to time in force under that Act.

2. During the term of the licence, the Licensee shall carry out or cause to be carried out exploratory operations on the area comprised in the licence in accordance with such work programmes as are approved by the Minister from time to time. These exploratory operations shall include but not necessarily be limited to:-

   (a) in the first year of the term of the licence, Geological and Geophysical studies and the drilling of one exploration well at an estimated total cost of $550,000 (five hundred and fifty thousand dollars)

   (b) in the second year of the term of the licence, the appraisal of Year 1 results at an estimated cost of $75,000 (seventy five thousand dollars)
(c) in the third year of the term of the licence, the acquisition, processing and interpretation of 200 kilometres of seismic surveying or the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars)

(d) in the fourth year of the term of the licence, the acquisition, processing and interpretation of 200 kilometres of seismic surveying or the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars)

(e) in the fifth year of the term of the licence, the drilling of one exploration well at an estimated total cost of $600,000 (six hundred thousand dollars).

3. Within sixty days after the end of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee shall submit to the Minister a full and complete written statement of expenditures actually made or caused to be made by the Licensee during that year upon approved exploratory operations. This statement of expenditures shall be accompanied by a written opinion on the veracity of the statement from an auditor whose qualifications and independence from the Licensee are acceptable to the Minister.

4. In the event that the Licensee during any year of the term of this licence (a year being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force) fails to comply with the exploratory operations requirements of this licence, it is an express term of this licence that the Minister may at his discretion either cancel this licence or authorise such variation to these requirements as the Minister thinks fit.

5. An application to drill a well within the area comprised in the licence shall include written proposals of the Licensee in relation to the bringing under control of the well, in the event that effective control of the well is lost, and to the clean-up of oil spills, including financial proposals such as well control insurance or other means to cover the costs involved in such operations.

6. (a) Not less than thirty days before the commencement of each year (being the period of twelve calendar months ending on the anniversary of the date upon which this licence comes into force), the Licensee or a representative must arrange to meet, in person, with the Director-General or his representative to review the progress of the programme of exploration for the
current licence year, and to present a proposal for the programme of exploration for the forthcoming year.

(b) If at any time the work being carried out or intended to be carried out by, or at the cause of, the Licensee is in the opinion of the Director-General not in accordance with the sound principles and practices of petroleum exploration, he may give the Licensee written directions as to the work being carried out or intended to be carried out, and the Licensee shall comply with those directions.

7. In addition to the quarterly reports specified in the Petroleum Regulations, 1989, the Licensee shall promptly prepare and submit to the Director-General in a form acceptable to him, detailed reports on all exploratory operations done or caused to be done by or on behalf of the Licensee within and in relation to the licence area.

SIGNED SEAL AND DELIVERED
by the said MINISTER OF MINES
AND ENERGY at ADELAIDE this

...................................... day of ........................................ 1992.

MINISTER OF MINES AND ENERGY

SIGNED SEAL AND DELIVERED
by the said LICENSEE at ........................................ the

...................................... day of ........................................

The Common Seal of Felstea Pty Ltd
Was hereto affixed by authority of the Board of Directors
in the presence of:

(Director)                                      (Director)

F02312
PEL 50

The Schedule

DESCRIPTION OF AREA

All that part of the State of South Australia bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°30'S, west to longitude 137°13'E, north to latitude 28°00'S, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p.4984 of Commonwealth Gazette number 84 dated October 6, 1966.

AREA: 9714 square kilometres approximately.
NOTE: There is no warranty that the boundary of this Licence is correct in relation to other features on the map. The boundary is to be ascertained by reference to the Australian Geodetic Datum and the schedule.

THE PLAN HEREIN BEFORE REFERRED TO

PETROLEUM EXPLORATION LICENCE NO. 50

DEPARTMENT OF MINES AND ENERGY - S.A.  SR 27/2/109  AREA 9,714 km² (approx)
NOTICE is hereby given that pursuant to sections 63, 64 and 65 of the Irrigation Act, 1930, rates for the supply of water for the land within the irrigation area mentioned, have been declared and are payable upon all sections which are rateable.

THE SCHEDULE

<table>
<thead>
<tr>
<th>Irrigation Area</th>
<th>Water Rate per kilolitre</th>
<th>Quantity of Water to be Supplied in Respect of Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Low Pressure Irrigation</td>
</tr>
<tr>
<td>Loxton</td>
<td>3.47</td>
<td>Up to normal water allocation for each holding</td>
</tr>
<tr>
<td></td>
<td>3.47</td>
<td>Additional allocation from surplus flow—above normal allocation for a period</td>
</tr>
<tr>
<td></td>
<td>6.94</td>
<td>For the next 20 per cent above the normal and additional allocations</td>
</tr>
<tr>
<td></td>
<td>13.88</td>
<td>For water usage additional to the above</td>
</tr>
<tr>
<td>Irrigation Area</td>
<td>Power Rate Cost of Supplying Spray Irrigation</td>
<td></td>
</tr>
<tr>
<td>Loxton</td>
<td>1.25</td>
<td>High Pressure Irrigation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost of supplying spray irrigation</td>
</tr>
</tbody>
</table>

All sections having a water allocation are charged a minimum rate equal to 50 per cent of that allocation unless consumption exceeds 50 per cent of allocation.

E.W.S. 2297/88

SUSAN M. LENEHAN, Minister of Water Resources

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**GRANT OF PETROLEUM EXPLORATION LICENCE**

Department of Mines and Energy, Parkside, 1 July 1991

NOTICE is hereby given that the undermentioned petroleum exploration licence has been granted under the Petroleum Act, 1940.

J. KLUINER, Minister of Mines and Energy

<table>
<thead>
<tr>
<th>No. of Licence</th>
<th>Licensee</th>
<th>Locality</th>
<th>Date of Expiry</th>
<th>Area in km²</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>Feltesa Pty Ltd</td>
<td>Eromanga Basin of South Australia</td>
<td>30.6.96</td>
<td>9 213</td>
<td>SR 27/2/111</td>
</tr>
</tbody>
</table>

The land comprised in the licence is all that part of the State of South Australia, bounded as follows:

Commencing at a point being the intersection of latitude 26°22'S and longitude 138°30'E, thence east to longitude 138°32'E, south to latitude 26°38'S, west to longitude 138°19'E, south to latitude 27°13'S, west to longitude 137°30'E, north to longitude 27°13'E, west to longitude 137°25'E, north to latitude 27°10'E, west to longitude 137°20'E, north to latitude 26°30'E, east to longitude 138°30'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p. 4984 of Commonwealth Gazette number 84, dated 5 October 1966.

---

**GRANT OF PETROLEUM EXPLORATION LICENCE**

Department of Mines and Energy, Parkside, 1 July 1991

NOTICE is hereby given that the undermentioned petroleum exploration licence has been granted under the provisions of the Petroleum Act, 1940.

J. KLUINER, Minister of Mines and Energy

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<tr>
<td>50</td>
<td>Feltesa Pty Ltd</td>
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<td>30.6.96</td>
<td>9 714</td>
<td>SR 27/2/109</td>
</tr>
</tbody>
</table>

The land comprised in the licence is all that part of the State of South Australia, bounded as follows:

Commencing at a point being the intersection of latitude 27°30'S and longitude 137°00'E, thence east to longitude 138°00'E, south to latitude 28°30'S, west to longitude 137°15'E, north to latitude 28°00'E, west to longitude 137°00'E, and north to the point of commencement, all the within latitudes and longitudes being geodetic and expressed in terms of the Australian Geodetic Datum as defined on p. 4984 of Commonwealth Gazette number 84, dated 5 October 1966.