INDEX OF DOCUMENTS HELD ON THE PETROLEUM REGISTER FOR PEL 49


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

4. Surrender of portion of licence area and Variation of the second year licence conditions dated 11/2/94.

5. Variation of years 3 and 4 licence conditions dated 20/7/94.

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

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

8. 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.

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 November 1997
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 Nos 49 and 50.

This Memorandum will confirm that on 6th 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.
MEMORANDUM

Petroleum Exploration Licence No. 49

1. This Licence granted on ..........JULY........ 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:

   . Felstea Pty Ltd 100%

1/7/91
SR 27/2/111

MINISTER OF MINES & ENERGY

[Signature]
PETROLEUM ACT, 1940

Petroleum Exploration Licence No. 49

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 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 1996, 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 in force under the Act; and

   (b) all directions given to it under the Act or the regulations for the time being 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 at a total estimated cost of $100,000 (one hundred thousand dollars).

   (b) in the second 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).
(c) in the third year of the term of the licence, the acquisition, procession and interpretation of 200 kilometres of seismic surveying at a total estimated cost of $600,000 (six hundred thousand dollars).

(d) in the fourth year of the term of the licence, the acquisition, procession and interpretation of 200 kilometres of seismic surveying or the drilling of one exploration well at a total estimated 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 a total estimated 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 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 authorize 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 Licensees 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

.................................. day of ................................ 19...6...

MINISTER OF MINES AND ENERGY

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

.................................. day of ................................ 19...1...

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

...............................................................

(Director)

...............................................................

(Director)

FELSTEA PTY. LTD.
A.C.N. 008 028 822
PEL 49

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 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°10′E, south to latitude 27°30′S, west to longitude 137°30′E, north to latitude 27°15′S, west to longitude 137°25′E, north to latitude 27°10′S, west to longitude 137°20′E, north to latitude 26°30′S, 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 October 6, 1966.

AREA: 9213 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

PETROLEUM EXPLORATION LICENCE NO. 49
PETROLEUM ACT, 1940

MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 49

This memorandum will certify that on \(\text{\underline{11 January}}\) 1994, I gave my consent, pursuant to delegated powers dated 3 December 1993, gazetted 9 December 1993, page 2916, to surrender portion of the PEL 49 licence area reducing the licence area to 6873 km².

A Variation of Licence Conditions is hereby also entered upon the Petroleum Register.

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
PETROLEUM ACT 1940

VARIATION OF LICENCE CONDITIONS

PETROLEUM EXPLORATION LICENCE NO. 49

I, Ross Stuart Harpur Fardon, Director General, Department of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940, and pursuant to delegated powers dated 3 December 1993, Gazetted 9 December 1993, page 2916, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 49 of which the licensee is:

Felseta Pty Ltd of 1801 Broadway, Suite 1550, DENVER COLORADO 80202 USA

PEL 49 VARIED CONDITIONS

The Licensee shall comply with all the conditions specified in Petroleum Exploration Licence No.49 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, data review at a total estimated cost of $100,000 (one hundred thousand dollars).

Signed by the
Director General, Department of
Mines and Energy at ADELAIDE this

................. day of.......................... 1994

Ross Fardon
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
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. 49
PETROLEUM EXPLORATION LICENCE NO. 49

DESCRIPTION OF AREA

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

Commencing at a point being the intersection of latitude 26°30'S and longitude 137°20'E, thence east to longitude 138°30'E,
south to latitude 26°35'S, west to longitude 136°10'E,
south to latitude 26°45'S, west to longitude 137°55'E,
south to latitude 27°30'S, west to longitude 137°30'E,
north to latitude 27°15'S, west to longitude 137°25'E,
north to latitude 27°10'S, west to longitude 137°20'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: 6873 square kilometres approximately.
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 49

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 1994
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 49 of which the licensee is:

Felsite 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 49 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 49

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 27/2/111 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 49 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. 49 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 1995

[Signature]

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

Petroleum Exploration Licence No. 49

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

SR 27/2/111 vol. 2
4 / 1 /96

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

F84673.MC (2 January 1996)
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. 49 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. 49 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.

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

Petroleum Exploration Licence No 49

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

[Signature]

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

12/7/95

SR 27/2/111 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 49 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. 49 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 ............... 1995

[A. Andrejewskis]
Chief Executive Officer,
Department of Mines and Energy
MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 49

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 49 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 49 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

[Signature]

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
NOTICE OF SURRENDER OF PORTION OF PETROLEUM EXPLORATION LICENCE

Department of Mines and Energy, Parkside, 11 February 1994

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, pursuant to delegated powers dated 3 December 1993, published in the Government Gazette 9 December 1993, page 2916.

R. FAROD, Director-General, Department of Mines and Energy

<table>
<thead>
<tr>
<th>No. of Licence</th>
<th>Licensee</th>
<th>Locality</th>
<th>Date of Surrender</th>
<th>Area Surrendered in km²</th>
<th>Remaining Area in km²</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>Felesla Pty Ltd</td>
<td>Eromanga Basin area of South Australia</td>
<td>30.6.94</td>
<td>2 340</td>
<td>6 873</td>
<td>SR 27/2/111</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 26°30’S and longitude 137°20’E, thence east to longitude 138°30’E, south to latitude 26°35’S, west to longitude 138°10’E, south to latitude 26°45’S, west to longitude 137°55’E, south to latitude 27°30’S, west to longitude 137°30’E, north to latitude 27°15’S, west to longitude 137°25’E, north to latitude 27°10’S, west to longitude 137°20’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 6 October 1966.

Department of Environment and Natural Resources, Adelaide, 22 February 1994

NOTICE is hereby given that the undermentioned leases and agreements have been amended and that the amended area is now shown in the last column of this notice.

<table>
<thead>
<tr>
<th>Licensee</th>
<th>Leases</th>
<th>Section or Allotment</th>
<th>Hundred or Irrigation Area</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palena, R. and M.</td>
<td>Irrigation perpetual soldiers No. 1367</td>
<td>278 and 287</td>
<td>Cobdoga irrigation area</td>
<td>2.225 ha</td>
</tr>
<tr>
<td>Powardy, R. M.</td>
<td>Irrigation perpetual No. 171D</td>
<td>Allotment 4 of section 331 (deposited plan 38826)</td>
<td>Waikerie irrigation area</td>
<td>2 389 m²</td>
</tr>
<tr>
<td>Buckleboo Nominees Pty Ltd</td>
<td>Pastoral No. 2496</td>
<td>1, 2, 3, 4, 5, 224, 226, 227, 228, 311, 312, 25</td>
<td>Castine and Copley</td>
<td>284 km²</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Block 679</td>
<td>Hardyside (Port Augusta) Districts, Ola of Hundreds</td>
<td></td>
</tr>
</tbody>
</table>

D. R. MUTTON, Director, Environment and Natural Resources
PETROLEUM ACT, 1940

MEMORANDUM

PETROLEUM EXPLORATION LICENCE NO 49

This memorandum will certify that on 11th February 1994, I gave my consent, pursuant to delegated powers dated 3 December 1993, gazetted 9 December 1993, page 2916, to surrender portion of the PEL 49 licence area reducing the licence area to 6873 km².

A Variation of Licence Conditions is hereby also entered upon the Petroleum Register.

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
PETROLEUM ACT 1940

VARIATION OF LICENCE CONDITIONS

PETROLEUM EXPLORATION LICENCE NO. 49

I, Ross Stuart Harpur Fardon, Director General, Department of Mines and Energy in the State of South Australia pursuant to the provisions of the Petroleum Act, 1940, and pursuant to delegated powers dated 3 December 1993, Gazetted 9 December 1993, page 2916, HEREBY VARY THE CONDITIONS of Petroleum Exploration Licence No 49 of which the licensee is:

Felstea Pty Ltd of 1801 Broadway, Suite 1550, DENVER COLORADO 80202 USA

PEL 49 VARIED CONDITIONS

The Licensee shall comply with all the conditions specified in Petroleum Exploration Licence No.49 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, data review at a total estimated cost of $100,000 (one hundred thousand dollars).

Signed by the
Director General, Department of
Mines and Energy at ADELAIDE this

eleventh day of February 1994

Ross Fardon

ROSS FARDON
DIRECTOR GENERAL
DEPARTMENT OF MINES AND ENERGY
DELEGATE OF THE MINISTER FOR MINES AND ENERGY
SIMPSON DESERT CONSERVATION PARK

AREAS SURRENDERED

SIMPSON DESERT
REGIONAL RESERVE

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. 49

DEPARTMENT OF MINES AND ENERGY - S.A.  SR 27/2/111  AREA 9243  km² (approx)
PETROLEUM EXPLORATION LICENCE NO. 49

DESCRIPTION OF AREA

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

Commencing at a point being the intersection of latitude 26°30'S and longitude 137°20'E, thence east to longitude 138°30'E, south to latitude 26°35'S, west to longitude 138°10'E, south to latitude 26°45'S, west to longitude 137°55'E, south to latitude 27°30'S, west to longitude 137°30'E, north to latitude 27°15'S, west to longitude 137°25'E, north to latitude 27°10'S, west to longitude 137°20'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: 6873 square kilometres approximately.
MEMORANDUM

Petroleum Exploration Licence No. 49

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:-

   . Felstea Pty Ltd 100%

F02733
PETROLEUM ACT, 1940

Petroleum Exploration Licence No. 49

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 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 .3#....Jru<........ 1994.... 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 at a total estimated cost of $100,000 (one hundred thousand dollars).

(b) in the second 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).
(c) in the third year of the term of the licence, the acquisition, procession and interpretation of 200 kilometres of seismic surveying at a total estimated 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 a total estimated 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 a total estimated 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 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 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 Licensees 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

..................... day of .................. 19.....

MINISTER OF MINES AND ENERGY

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

........................ day of .................. 19.....

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

(Director)

(Director)
DESCRIPTION OF AREA

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°10'E, south to latitude 27°30'S, west to longitude 137°30'E, north to latitude 27°15'S, west to longitude 137°25'E, north to latitude 27°10'S, west to longitude 137°20'E, north to latitude 26°30'S, 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 October 6, 1966.

AREA: 9213 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. 49

DEPARTMENT OF MINES AND ENERGY - S.A.  SR 27/2/111  AREA 9213 km$^2$ (approx)
IRRIGATION ACT, 1930

Notice of Annual Rate for the Supply of Water

Office of the Minister of Water Resources, Adelaide, 4 July 1991

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 year ended 30 April 1991 as set out in the schedule hereunder, have been declared and are payable upon all sections which are ratable land within the irrigation area mentioned.

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>C</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>
</tbody>
</table>

Irrigation Area | Power Rate | Cost of Supplying Spray Irrigation
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loxton</td>
<td>1.25</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. LENHAN, Minister of Water Resources

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. KLUNDER, 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>Felstea 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:
Comencing 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°30'S, west to longitude 138°10'E, south to latitude 27°30'S, west to longitude 137°15'E, north to latitude 137°25'E, north to latitude 137°20'E, north to latitude 26°30'S, 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. KLUNDER, 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>50</td>
<td>Felstea Pty Ltd</td>
<td>Eromanga Basin of South Australia</td>
<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:
Comencing 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°30'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 5 October 1966.