



# SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Tuesday, 15 July 2003

Announcements  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY, NSW 2000

Dear Sir/Ms,

## **RE: KILAUEA 1 UPDATE, WA-257-P, OFFSHORE CARNARVON BASIN, WA.**

Following a drilling update this morning from the WA-257-P Operator Apache Energy ("Apache"), Sun Resources NL ("Sun Resources") advises Shareholders that Kilauea 1 at 0600 hours WST, on Tuesday, 15 July, was at final total depth of 3,426 metres RT and the Operator was undertaking logging operations before plugging and abandoning the well within the next 48 hours.

Contrary to expectations, no significant gas peaks were noted in logs of the sandstones encountered in the targeted Lower Jurassic to Triassic, North Rankin Formation and Mungaroo Formation, though both target formations showed evidence of migration of hydrocarbons into the trap by the presence of elevated gas readings with up to C<sub>4</sub> components and fluorescence. Some 106 metres of shows reported yesterday and today below as fluorescence in sandstones over the following intervals; 3,150 to 3,165 metres RT (15 metres @ tr-5% shows), 3,185 to 3,200 metres RT (15 metres @ 5-10% shows), 3,210 to 3,250 metres RT (40 metres @ tr-10% shows), 3,255 to 3,270 metres RT (15 metres @ tr-5% shows), 3,285 to 3,310 metres RT (25 metres @ tr% shows), 3,395 to 3,400 metres RT (5 metres @ tr% shows) and 3,415 to 3,426 metres RT (11 metres @ tr% shows) were dominantly from the Mungaroo Formation. Unexpectedly the North Rankin Formation was both poorly developed and thinner in Kilauea 1. This is in sharp contrast to Corvus 1, some 12 kilometres northeast of Kilauea 1 on the same regional structure in eastern adjacent permit WA-246-P, where 430 metres of gas bearing sandstones were encountered in the North Rankin Formation.

The shorter well final depth was due to the targeted North Rankin Formation and Mungaroo Formation being encountered shallower than the original prognosis (ie North Rankin by 131 metres at 3,139 metres RT and Mungaroo by 238.5 metres at 3,182 metres RT). This mismatch of actual to calculated depth could be due to a number of reasons (one being local seismic velocity variations affecting depth conversion to target formation tops) and will only be known once a full suite of electric logs and check shot data is interpreted as part of the prospect post mortem.

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Notwithstanding the disappointing outcome of Kilauea, the prospect is only one of a number of significant, high impact volume prospects, delineated by 3D seismic coverage over the south-eastern portion of this sparsely explored permit area that remains to be evaluated by drilling in the next few years.

Participants in Kilauea 1 are:

* <b>Sun Resources NL</b>	<b>7.50%</b>
Apache Northwest Pty Ltd	40.25% (Operator)
Kufpec Australia Pty Ltd	30.00%
Wandoo Petroleum Pty Ltd	<u>22.25%</u>
	100.00%

\* ASX listed

Yours sincerely  
**SUN RESOURCES NL**



Dr Brad L Farrell  
**MANAGING DIRECTOR**

This report is lodged on the Company's website, [www.sunres.com.au](http://www.sunres.com.au)