



Attn: Manager P&S Dept./Traders/Cashier/Manager Reorganization/Manager Dividends
UNIFORM PRACTICE ADVISORY (UPC # 020-2001) March 7, 2001

Petsec Energy, Inc. - 9 1/2% Series B Senior Sub. Notes due 6/15/2007 (PRGY.GA)

Pursuant to their indenture, the above company announced that they made a \$650.39 payment of principal on March 6, 2001 to holders of record on January 16, 2001.

Members are advised that, effective March 8, 2001, trades executed in the notes should be on a ***“reduced principal basis”*** of \$349.61 in lieu of \$1,000 principal amount and “ex” the pay-down of \$650.39 per \$1,000 note. Comparisons and/or confirmations should be marked to indicate the reduction in principal.

Members are further advised that deliveries in the above notes on or **after January 16, 2001** should have been evidenced by ***due-bills***. Since the distribution has been made all due bills should be **redeemed on March 9, 2001**.

Members should take immediate steps to adjust their records and bookkeeping systems to reflect the reduction in principal.

Questions regarding this notice should be directed to: Market Data Integrity Department, (203) 385-6243.

Dorothy L. Kennedy
Director