



DRILLING FLUID SUMMARY

FOR : CENTRAL PETROLEUM

WELL : BLAMORE # 1

PEDIRKA BASIN

NORTHERN TERRITORY

Prepared by : Peter Burke
Andre Skujins

Date : August 2008

Operator : Central Petroleum
Well : Blamore # 1
Rig : Hunt Rig 2
Spud : 5th July 2008



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1. SUMMARY OF OPERATIONS

Blamore #1 was spudded at 04:00 hrs on the 5th July, 2008 using Hunt Rig #2 and reached a depth of 2128 m. The conductor was set at 9.5 m. The 9 5/8" casing was set at 965 m.

The pipe became stuck at 2128 m and was backed-off at this point. An attempt to log was made but tight hole around 1300 m prevented any success. A cement plug was spotted which did not set in place, however this plug was drilled through and the 7" casing was run to 1494 m so that logs could be run. Then the well was plugged and abandoned on the 8th August, 2008.

The drill water was sourced from the local bore and had the following properties:-

pH	8.0
Chlorides	3800 mg/l
Hardness	400 mg/l

HOLE SIZE : 12¹/₄"
MUD TYPE : Aus Gel – KCl Spud Mud
INTERVAL : 0-975 m
CASING : 9 5/8" @ 965 m

Aus Gel bentonite was mixed in drill water to obtain a viscosity of approx 50 sec/qt and this fluid was used to drill out the rat hole, mouse hole and then to start the 12¹/₄" hole section. KCl was pre mixed and ready to add at the first sign of sticky clays at the shaker. The addition of the KCl brine started at 90 m and continued to the section TD of 975 m. The K⁺ ion was run between 2 and 4% by weight.

The drilling of this section was finished in 3 days without hole or drilling problems encountered. The cuttings at the shaker were firm and competent.

At casing point, a wiper trip back to the stabiliser was made and the stabiliser was laid out. The bit was run back to bottom encountering little resistance getting to bottom at 975 m.

The hole was circulated until clean. The bit was pulled out of the hole ready to run casing. The first few joints of casing were difficult to run because of tight hole. The 960 m point was reached and the casing hung up and the jet was blocked so circulation was not impossible. Two joints were pulled back and laid down then the jet became unblocked and circulation was established. The

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casing was then run back to 960 m where it became stuck and was worked for about 12 hours.

A hi-vis pill was pumped but there was no change. A diesel pill was mixed with 3,000 litres diesel, 20 bbls polymer mud and 100 litres Rod Free surfactant. This was spotted down hole leaving 100 meters inside the casing and 100 meters in the annulus. The pipe was worked and came free within 15 minutes.

Then the casing was worked down to 965 m and cemented with full returns to surface and the plug was bumped.

All mud tanks were dumped and cleaned and made ready to drill out the casing for the next section.

HOLE SIZE	:	8½"	
MUD TYPE	:	KCI/PHPA	KCI/PHPA/ Pac-R
INTERVAL	:	975 m - 2128 m	1200 m - 2128 m
CASING	:	P & A	

The BOP's were nipped up and tested. At the same time, the fresh 2% KCl brine was mixed into the surface system for the drilling out of the 9 5/8" casing.

A new BHA with bit #2, a tricone and 3 x 12 jets was made up and run to the top of the cement at approximately 940 m. The cement, shoe track and 3 m of new formation were drilled to 978 m.

The new fluid was blended into the water from the casing as drilling cement continued. After the hole was circulated clean and the mud balanced, an FIT was conducted to 16.6 ppg equivalent mud weight. The mud weight was 8.6 ppg.

Drilling commenced with steady additions of pre-mixed mud from the pill tank. The sand trap was dumped occasionally and the Desilter was run throughout this section. From 1000 m Pac-R was added to reduce the filtrate to below 8.0 cc's. Xanthan Gum was also added to further help increase the yield point to around 20 lbs/100 ft², and was maintained at 20 – 25 lbs/100 ft² throughout the remainder of the well. The mud weight remained constant at 9.0 - 9.1 ppg.

The pH was maintained at approximately 9.0 with Caustic Soda. Sodium Sulphite was added to maintain an excess of 100 – 200 mg/l of sulphite ion, to reduce dissolved oxygen and therefore corrosion of tubulars.

At 1405 m a drilling break was circulated up and coring point was announced. However it was noticed that the crossover for the core barrel was not on location.

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The same bit and bottom hole assembly were run back in the hole and drilling recommenced.

Fresh premix pre-treated with biocide was added to maintain constant properties and the mud weight was kept as low as possible between 8.9 and 9.2 ppg.

At 1776 m the air compressor failed and a wiper trip was made to the shoe for mechanical repairs. One tight spot was encountered around 1525 m and the pipe was worked. The rest of the trip was uneventful. At 1899 m the clutch burnt out and a trip was made to the shoe to await repairs. The hole was in good condition when pulling out.

As drilling continued, the mud weight rose to 9.3 ppg and more premixes were added continually whilst the sand trap was dumped more often. There were no reserve pits available so excess mud was dumped. Large amounts of coal were seen at the shakers all the way down to nearly 2100 m.

At 2128 m it was decided to change the bit. When the kelly was pulled up to lay out a single the pipe became stuck. After several hours it was decided to mix a diesel/Rod Free pill and spot around the bottom hole assembly. This was done with 20 bbls diesel, 4 drums of Rod Free and 15 bbls of polymer mud, the same recipe which freed the casing in the previous section. The mix was displaced leaving 9 bbls inside the pipe which was pumped at a rate of half a barrel every 10 minutes for 3 hours until it was all out of the pipe. Then circulation resumed. The pipe was worked but only moved a few inches.

Carbide was run which came up very early suggesting the presence of a wash out around 750 m. The logging company were called to run a free point so that a back-off could be instigated.

The pipe was backed off at 900 m. The string was pulled wet and no wash-out was observed. The Kelly cock was added to the lower stand of drill pipe and the string was run back into the hole. Every ten stands the pipe was pressured up and still the washout was not found. It was decided to pull out of the hole. The Kelly cock was removed and the pipe ran back into the hole to screw into the fish at 900 m.

Circulation was established and a slight treatment made to the mud which by then was 9.0 ppg. More caustic, biocide and sodium sulphite was added and a premix made for volume as seepage losses were at 1 - 1.5 bbls/hr.

Carbide was run again which came up at around the same depth of 750 – 850 m. The wire line company ran a free point tool to establish a lower back-off point. The explosives were run and the pipe was backed off at 2064 m.

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The string was pulled and the wash out was observed at 937 m. The washed out single was laid out. On surface the BOP's were tested and some more singles were laid down prior to running in the hole for a clean-up trip. A new bit without jets and a slick bottom whole assembly were picked up and run into the hole.

Around 1300 m during the clean-up trip tight hole was experienced. A high viscosity sweep was circulated. Reaming commenced and whenever possible stands were run to get the string to tag the fish at 2064 m. The bit was pulled to 1300 m prior to running back to the fish. This wiper trip was good, on the way out and running back to bottom. Another high viscosity sweep was pumped then a slug was made and the bit pulled prior to logging.

The logging tool would not pass 1302 m. This was the area where tight hole was observed. It was theorised that an unconsolidated siltstone was collapsing all the time. The logging tools were laid down and a wiper trip made. The area from 1290 – 1400 m was very tight, the mud weight was raised with KCl which gave a concentration of 5% by weight KCl. More reaming was required to 1500 m and then 1600 m before the hole was good enough to allow stands to be run.

Another high viscosity sweep was pumped which did not bring any noticeable extra cavings. The bit was pulled above 1300 m and run in to experience tighter hole. More reaming continued. A low viscosity high turbulent water sweep was circulated but no change was observed at the shakers.

Open ended drill pipe was run into the hole to set a cement plug at around 1350 m. The old bottom hole assembly was run back into the hole and the cement was not tagged. Reaming was then necessary to progress further and the same cave-in problems occurred. It was decided to lay down the stabiliser and increase the KCl% by wt to 6.5 - 7%. This raised the mud weight to 9.7 ppg. Reaming continued through the tight spot, some cement was tagged 1336 m and drilled through. Then, the hole was in good shape so the remaining stands were run to bottom at 2064 m to tag the fish and a high viscosity sweep was pumped.

The pipe was pulled and an attempt was made to run the logs. The logging tool again got hung up at around 1319 m and was worked to 1324 m before efforts were terminated.

It was decided to run 7" casing as a liner to aid in obtaining logs. The casing was run to a depth of 1810 m. It was washed and worked through the difficult zone around 1320 m. The casing was to act as a conduit for the logging tools to get through the tight zones and continue to bottom to log the zones of interest. After running the casing to 1810 m, circulation was established, and then the casing was pulled up to 1494 m. Meanwhile more volume was mixed as pre-mixes and added when convenient. The weight dropped a little to 9.5 ppg but was sufficient for hole stability.

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The logs were then run. It was decided to plug and abandon the well on the 7th August, 2008. The casing was pulled out and open ended drill pipe was run and the cement plugs set.

The rig was released on the 9th August, 2008.

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2. OBSERVATIONS, RECOMMENDATIONS AND WELL ANALYSIS

Blamore #1 was drilled by Hunt Energy #2 rig and completed to a Total Depth of 2128 m on the 7th August, 2008, for a total mud cost of \$83,967.41 or \$39.46 per metre.

The total well mud cost was a lot higher than the programmed cost due to the various problems encountered, mainly the 8½" section

12¼" Surface Hole

This 965 m section was drilled for a mud cost of \$ 13,171.45 or \$13.51 per metre. The extra costs incurred for the section were primarily due to the casing becoming stuck and sweeps being pumped to free the casing prior to cementing.

The section was spudded with a Gel based spud mud, its primary function at that stage being hole cleaning. While drilling at around 90 m, sticky clays were encountered and KCl additions commenced. From that point until section TD, the KCl was maintained at 2 – 4%.

The mud weight rose to a maximum of 9.2 ppg and was at 9.0 ppg at casing point. The yield point was maintained in excess of 22 lbs/100 ft² throughout. The maintenance of good hole cleaning properties in this section is a crucial requirement for the minimisation of tight hole while tripping and running casing.

Fluid loss control was not a requirement in this section as significant sections of sand were not expected.

There were some problems when running the casing. It hung up in various areas but was worked through. This is a typical occurrence while running casing in relatively deep surface holes and is often related to incomplete hole cleaning.

At 960 m it was attempted to circulate the casing but cavings had presumably blocked the shoe. The casing was pulled back two joints and circulation was regained, and the casing was run back to 960 m, where it then became stuck. Working the casing for 12 hours was unsuccessful. After pumping a stuck pipe surfactant (Rod Free), the casing came free after 15 minutes. This would tend to indicate that the casing was differentially stuck, a very rare occurrence in this section of hole.

Changing the mud program to incorporate tight fluid loss control would require the addition of copious amounts of starch – Pac-R would be very much

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recommended against due to its deleterious effects on hole cleaning. In our opinion, the substantial increase in mud cost that this would imply is probably unwarranted given the unlikely chance of differential sticking on surface hole.

8½" Production Hole

This section length was 1066 m and the mud cost was \$70,795.96 or \$61.40 per metre. Many problems including stuck-pipe, washouts, hole caving and logging delays caused the associated drilling fluid costs to be higher than were expected or predicted.

Drilling commenced with a low viscosity KCl PHPA fluid, with polymer additions being made soon after drilling out. Pac-R was added to lower the fluid loss to 7 – 8 cc's and Xanthan Gum was added to increase the yield point to a minimum of 20 lbs/100 ft² for the entire section of hole. KCl levels were maintained at 2.5 – 3.0%, until increased at TD for extra mud weight. PHPA was also added for improved inhibition. After starting at 8.6 ppg, the mud weight increased gradually and was maintained at 9.0 – 9.3 from 1500 m to TD.

Hole conditions were good while drilling and tripping. It was only when tripping for a bit at the eventual TD of 2128 m that hole problems started with the pipe becoming stuck just off bottom while laying out a joint of pipe. Apart from problems with washouts in the drill string, the section of hole between 1300 m to approximately 1500 m also started showing signs of instability. Eventually, 7" casing was run in to 1810 m before being pulled back to 1494 m. It was not cemented – rather it was simply there to successfully allow logging tools to pass through the unstable zone.

The reason/s for the instability in this section of hole are unclear. The inhibitive levels of the mud system were adequate for the area, although for future wells it would be prudent to increase levels of both KCl and PHPA. Often another recommendation would be to increase the yield point, yet it was run at very good levels throughout.

However, the problem could well have been mechanical in nature. It was thought that an unconsolidated siltstone was collapsing. Additionally, large amounts of coal cavings had been seen while drilling through all the way to TD. Ledges may have formed, where cuttings and cavings can accumulate.

Solids Control

The rigs solids control equipment worked well. The 2 DFE linear motion shakers were fitted with 110 mesh screens for the main hole and worked efficiently and the De-silter was used on a permanent basis, to reduce the solids in the mud.



3. INTERVAL COSTS

Product			12-1/4" Surface Hole			8-1/2" Production Hole			Total Well Consumption		
	Interval :		0 - 975 m			975 m - 2128 m			0 - 2128 m (TD)		
	Cost	Unit Size	Used	Cost	%Cost	Used	Cost	%Cost	Used	Cost	%Cost
AMC Biocide G	\$ 185.35	25 kg				14	\$2,594.90	3.7%	14	\$2,594.90	3.1%
AMC Pac R	\$ 162.50	25 kg				86	\$13,975.00	19.7%	86	\$13,975.00	16.6%
Aus-Gel	\$ 14.25	25 kg	84	\$1,197.00	9.1%	5	\$71.25	0.1%	89	\$1,268.25	1.5%
Baryte	\$ 8.45	25 kg	1	\$8.45	0.1%	489	\$4,132.05	5.8%	490	\$4,140.50	4.9%
Caustic Soda	\$ 56.00	25 kg	11	\$616.00	4.7%	46	\$2,576.00	3.6%	57	\$3,192.00	3.8%
PHPA	\$ 127.00	25 kg				21	\$2,667.00	3.8%	21	\$2,667.00	3.2%
Potassium Chloride (Tech)	\$ 26.75	25 kg	378	\$10,111.50	76.8%	798	\$21,346.50	30.2%	1176	\$31,458.00	37.5%
Rod-Free	\$ 130.00	25 kg	4	\$520.00	3.9%	4	\$520.00	0.7%	8	\$1,040.00	1.2%
SAPP	\$ 72.76	25 kg				1	\$72.76	0.1%	1	\$72.76	0.1%
Sodium Sulphite	\$ 33.40	25 kg				60	\$2,004.00	2.8%	60	\$2,004.00	2.4%
Xan-Bore	\$ 359.25	25 kg	2	\$718.50	5.5%	58	\$20,836.50	29.4%	60	\$21,555.00	25.7%
Totals :				\$13,171.45	100.0%		\$70,795.96	100.0%		\$83,967.41	100.0%
Cost per Metre :				\$13.51			\$61.40			\$39.46	



4. MATERIALS RECONCILIATION

Previous Well : Ex Adelaide Stores
Well : Blamore # 1
Transferred to : CBM 93-1

PRODUCT	UNIT	TOTAL RECEIVED	TOTAL USED	TRANSFER BALANCE
AMC Biocide	25 kg	32	14	18
AMC Defoamer	25 lt	12		12
AMC Pac R	25 kg	140	86	54
Aus-Gel (Aust)	25 kg	338	89	249
Baryte	25 kg	1280	490	790
Calcium Chloride	25 kg	6	4	2
Caustic Soda	25 kg	96	57	39
Cement	25 kg	348	58	290
Cement	20 kg	36	36	
Lime	20 kg	10		10
PHPA	25 kg	120	21	99
Potassium Chloride (Tech)	25 kg	1638	1176	462
Quickseal Coarse	18.7 kg	60		60
Quikseal F	18.7 kg	60		60
Quikseal M	18.7 kg	60		60
Rod-Free	25 kg	12	8	4
SAPP	25 kg	20	1	19
Soda Ash	25 kg	48		48
Sodium Sulphite	25 kg	90	60	30
Xanthan Gum	25 kg	120	60	60
Xtra-Sweep	5.5 kg	8		8



5. FLUID PROPERTIES SUMMARY

Date	Mud Type	Temp	Depth	Weight	Vis	PV	YP	Gels		Filtrate		Solids				pH	Pf	Mf	Cl-	Ca++	SO3=	K+	KCl
								10 sec	10 min	API	Cake	Solids	Water	Sand	MBT								
5-Jul-08	Spud Mud		110	8.80	31	10	24	4	8			3.1	96.9	0.3		9.0			3,500	400			
			370	9.10	34	10	26	6	10	nc		4.0	96.0	0.2	15.0	9.5			19,000	480		18,914	3.5
6-Jul-08	Spud mud/KCl	35	505	9.20	45	12	26	8	15	nc		5.0	95.0	0.2		9.0			16,000	480		16,212	3.0
	Spud mud/KCl	44	800	9.10	38	12	24	8	14	nc		5.0	95.0	0.2	15.0	9.0	0.20		18,000	480		17,293	3.2
7-Jul-08	Spud mud/KCl	42	975	9.00	37	12	22	6	10	nc		5.0	95.0	0.2	12.5	9.0	0.15	0.20	16,000	400		16,212	3.0
8-Jul-08	Spud mud/KCl	36	975	9.00	36	11	23	5	8	nc		4.0	96.0	tr	10.0	8.5	0.05	0.10	15,000	400		15,131	2.8
9-Jul-08	Spud mud/KCl	34	975	8.70	35	11	22	5	8	nc		3.0	97.0	tr	5.0	8.0	0.01	0.05	12,000	400		10,808	2.0
10-Jul-08	Spud mud/KCl	33	975	8.85	35	9	25	5	9				100.0										
11-Jul-08	Spud mud/KCl		965	8.60	42	12	16	4	8	9.0	1	0.9	99.1			9.0	0.10	1.00	23,000	440	150	18,914	3.5
12-Jul-08	KCL/Polymer		965	8.60	42	12	16	4	7	9.0	1	1.0	99.0			9.0	0.10	1.00	23,000	400	150	18,914	3.5
13-Jul-08	KCL/Polymer	31	980	8.60	36	11	14	4	8	8.8	1	2.0	98.0		5.0	9.0	0.10	1.00	21,000	400	120	17,293	3.2
	KCL/Polymer	33	1190	8.80	38	12	20	6	9	8.0		2.5	97.5		5.0	9.0	0.10	1.00	20,000	400	120	16,212	3.0
14-Jul-08	KCL/Polymer	35	1283	8.80	38	10	23	6	9	8.0	1	4.0	96.0	0.2	5.0	9.2	0.15	1.10	19,000	400	100	16,212	3.0
	KCL/Polymer	40	1390	8.90	37	11	20	5	8	7.8	1	4.0	96.0	0.2	5.0	9.0	0.10	1.00	17,000	400	100	13,510	2.5
15-Jul-08	KCL/Polymer	37	1480	8.90	38	11	22	6	9	8.0	1	4.5	95.5	0.3	5.0	9.2	0.15	1.20	19,500	400	120	16,212	3.0
16-Jul-08	KCL/Polymer	40	1605	9.10	41	11	23	6	10	8.2	1	4.5	95.5	0.3	5.0	8.8	0.05		19,000	360	150	12,970	2.4
	KCL/Polymer	43	1710	9.10	38	10	23	6	11	8.0	1	4.4	95.6	0.2	5.0	8.7	0.05	1.00	19,300	360	150	14,050	2.6
17-Jul-08	KCL/Polymer	37	1776	9.20	42	10	26	6	12	8.5	1	5.0	95.0	0.3	7.5	8.7	0.04	0.08	20,000	400	150	13,510	2.5
	KCL/Polymer	38	1776	9.10	42	9	27	6	12	8.0		4.6	95.4	0.3	7.5	8.8	0.05	0.08	20,000	400	150	13,510	2.5
18-Jul-08	KCL/Polymer	44	1810	9.10	44	14	20	6	14	7.6	1	4.5	95.5	0.3	7.5	8.7	0.05	0.08	20,000	400	150	13,510	2.5
	KCL/Polymer	45	1899	9.10	40	9	25	6	14	8.0	1	4.5	95.5	0.3	7.5	8.8	0.05	0.09	19,000	360	200	14,050	2.6
19-Jul-08	KCL/Polymer		1899	9.10	38	9	25	6	9	8.4	1	4.5	95.5	0.2	5.0	8.7	0.05	0.08	19,000	360	200	14,050	2.6
20-Jul-08	KCL/Polymer		1899	9.00	36	11	14	4	8	8.5	1	3.9	96.1	0.2	5.0	8.7	0.05	0.08	19,000	360	200	14,050	2.6
21-Jul-08	KCL/Polymer	36	1965	9.20	41	11	23	6	9	8.0	1	5.0	95.0	0.3	5.0	9.0	0.10	0.16	17,000	360	200	12,970	2.4
	KCL/Polymer	41	2081	9.10	39	10	23	6	10	7.6	1	4.5	95.5	0.20	5.00	9.0	0.10	0.15	17,000	360	150	12,970	2.4
22-Jul-08	KCL/Polymer	42	2128	9.15	40	10	24	6	12	7.2	1	5.1	93.9	0.2	5.0	8.8	0.08	0.12	19,000	360	150	14,050	2.6
23-Jul-08	KCL/Polymer		2128	9.10	38	9	24	6	10	7.0	1	4.8	94.2	0.2	5.0	8.8	0.07	0.10	19,000	360	150	14,050	2.6
24-Jul-08	KCL/Polymer		2128	9.10	37	8	24	5	9	7.0	1	4.8	94.2	0.2	5.0	8.7	0.05	0.10	19,000	360	150	14,050	2.6
25-Jul-08	KCL/Polymer	34	2128	9.00	37	11	19	5	9	7.2	1	4.0	95.0	tr	5.0	8.9	0.08	0.12	20,000	400	200	14,591	2.7
26-Jul-08	KCL/Polymer		2128	9.00	39	11	22	6	10	7.0	1	4.0	95.0	tr	5.0	8.9	0.10	0.13	20,000	400	150	14,591	2.7
27-Jul-08	KCL/Polymer	37	2128	9.10	41	13	19	6	12	6.8	1	4.7	94.3	0.3	5.0	9.0	0.15	0.20	18,000	360	150	13,510	2.5
28-Jul-08	KCL/Polymer	34	2128	9.20	43	12	22	7	14	7.0	1	5.4	93.6	0.3	5.0	8.8	0.10	0.15	18,500	360	120	13,510	2.5
29-Jul-08	KCL/Polymer	43	2128	9.50	41	11	21	6	12	7.2	1	6.9	92.1	0.3	5.0	8.8	0.08	0.14	31,000	440	150	27,020	5.0
30-Jul-08	KCL/Polymer	39	2128	9.60	42	9	24	7	14	6.8	1	7.2	92.8	0.3	5.0	8.9	0.10	0.15	32,000	440	200	28,641	5.3
31-Jul-08	KCL/Polymer	40	2128	9.55	44	11	23	7	14	6.8	1	6.9	93.1	0.3	5.0	9.0	0.10	0.15	31,000	400	200	28,101	5.2
1-Aug-08	KCL/Polymer	37	2128	9.50	41	11	20	6	11	7.0	1	6.6	93.4	0.2	5.0	8.5	0.02	0.05	30,000	440	150	27,560	5.1
2-Aug-08	KCL/Polymer	41	2128	9.35	39	10	21	7	15	7.0	1	5.2	94.8	0.3	5.0	8.3	0.12	0.25	26,500	1000	120	25,939	4.8
	KCL/Polymer	42	2128	9.70	38	10	20	7	14	7.0	1	7.4	92.6	0.3	5.0	9.0	0.10	0.20	37,000	900	100	34,045	6.3
3-Aug-08	KCL/Polymer	42	2128	9.70	41	11	21	7	12	6.6	1	7.5	92.5	0.2	5.0	9.0	0.10	0.20	38,000	800	100	34,586	6.4
4-Aug-08	KCL/Polymer		2128	9.70	40	10	22	7	11	7.0	1	7.3	92.7	0.2	5.0	8.8	0.05	0.10	37,000	800	100	34,045	6.3
5-Aug-08	KCL/Polymer	38	2128	9.50	41	12	20	7	13	7.2	1	6.0	94.0	0.2	5.0	8.6	0.05	0.10	33,000	720	100	29,722	5.5
6-Aug-08	KCL/Polymer	39	2128	9.50	40	11	20	6	11	7.4	1	6.1	93.9	0.2	5.0	8.5	0.05	0.10	32,000	720	100	29,722	5.5
7-Aug-08	KCL/Polymer		2128	9.50	40	11	20	6	11	7.4	1	6.1	93.9	0.2	5.0	8.5	0.05	0.10	32,000	720	100	29,722	5.5

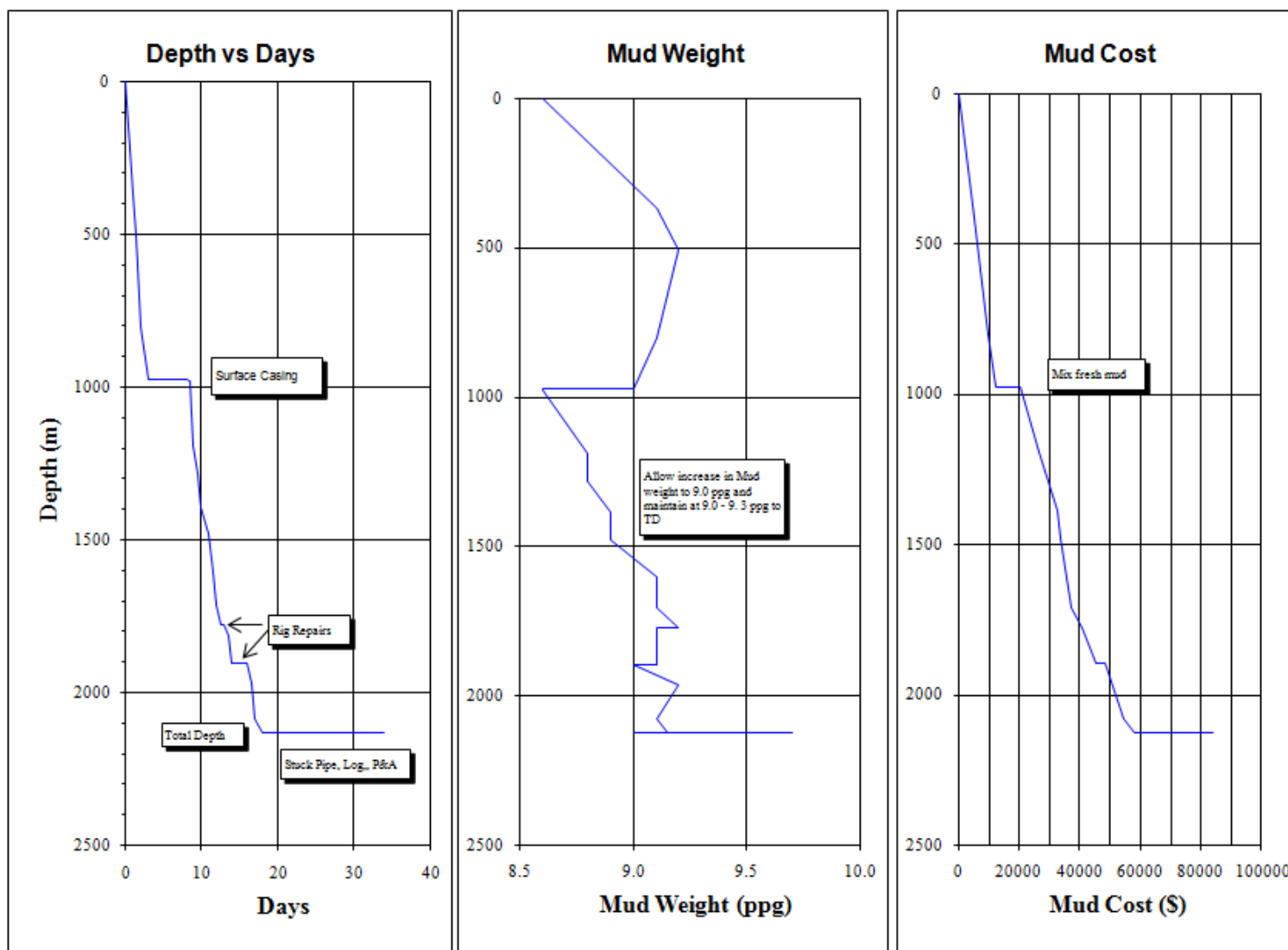


6. Mud Volume Analysis

Date	Hole Size	Interval		Mud Type	Fluid Built & Received					Fluid Disposed						Summary			
		From	To		Fresh Premix	Sump Premix	Direct Recirc	Water	Other	De-sander	De-silter	Centrifuge	Down-hole	Dumped	Other	Initial	Received	Disposed	Final
5-Jul-08	12-1/4"	0 m	408 m	Spud Mud				440		17	31		7			0	440	55	385
6-Jul-08	12-1/4"	408 m	879 m	Spud Mud				450		16	40		17	120		385	450	193	642
7-Jul-08	12-1/4"	879 m	975 m	Spud Mud				245		7	21		75	65		642	245	167	720
8-Jul-08	12-1/4"	975 m	975 m	Spud Mud				120					98	80		720	120	178	662
9-Jul-08	12-1/4"	975 m	975 m	Spud Mud				100					76	20		662	100	96	666
10-Jul-08	12-1/4"	975 m	975 m	Spud Mud									34	350		642	0	384	259
Sub Total					0	0	0	1355	0	40	91	0	306	635	0	1355	1072		
11-Jul-08	8-1/2"	975 m	975 m	KCl Polymer				310					8			259	310	8	561
12-Jul-08	8-1/2"	975 m	975 m	KCl Polymer									0			561	0	0	561
13-Jul-08	8-1/2"	975 m	1215 m	KCl Polymer				150		1	22		35	20	55	561	150	133	578
14-Jul-08	8-1/2"	1215 m	1402 m	KCl Polymer				175			45		23	32	21	578	175	120	633
15-Jul-08	8-1/2"	1402 m	1530 m	KCl Polymer				80			7		34	22	20	633	80	83	630
16-Jul-08	8-1/2"	1530 m	1729 m	KCl Polymer				160			69		18	36		630	160	123	667
17-Jul-08	8-1/2"	1729 m	1766 m	KCl Polymer	90								27	25	10	667	90	62	695
18-Jul-08	8-1/2"	1766 m	1899 m	KCl Polymer	125						51		14	35	6	695	125	107	713
19-Jul-08	8-1/2"	1899 m	1899 m	KCl Polymer									15		5	713	0	20	693
20-Jul-08	8-1/2"	1899 m	1920 m	KCl Polymer	50			15					6	15		693	65	21	738
21-Jul-08	8-1/2"	1920 m	2099 m	KCl Polymer	200						48		5	88	35	738	200	176	762
22-Jul-08	8-1/2"	2099 m	2128 m	KCl Polymer	150			10			21		31	82	35	762	160	170	752
23-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	50								30	25	10	752	50	65	736
24-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer				33					26		12	736	33	38	731
25-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40								22		4	731	40	26	746
26-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer				20					18		22	746	20	40	726
27-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			20			17		20		12	726	60	49	736
28-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40								24	12	25	736	40	61	716
29-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			45			19		20	20	31	716	85	90	711
30-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			35			17		21	15		711	75	53	733
31-Jul-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			33			23		42			733	73	65	741
1-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer				65					33	35		741	65	68	738
2-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer	30						3		34	30		738	30	67	701
3-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			45					51		22	701	85	73	713
4-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer	40								42			713	40	42	711
5-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer	40			30					40		60	711	70	100	681
6-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer				40					33		25	681	40	58	662
7-Aug-08	8-1/2"	2128 m	2128 m	KCl Polymer									220			662	0	220	442
Sub Total					1055	0	0	1266	0	1	343	0	892	492	410		2321	2138	
Well Total					1055	0	0	2621	0	41	434	0	1198	1127	410		3676	3210	

Dilution Factors			
	Interval Length	Dilution Vol	Dilution Factor
12 1/4" Surface Hole	975 m	1305 bbls	1.3 bbls/m
8 1/2" Hole	2128 m	2011 bbls	0.9 bbls/m

7. Graphs





8. DAILY DRILLING FLUIDS REPORTS



Report #	1	Date :	5-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	to	408	Metres

OPERATOR	Central Petroleum Limited	CONTRACTOR	Hunt Energy	
REPORT FOR	Juris Ozolins	REPORT FOR	Brian Yates	
WELL NAME AND No		FIELD	LOCATION	STATE
	Blamore #1	EP93	Pedirka Basin	Northern Territory

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA											
BIT SIZE		TYPE								HOLE		PITS		PUMP SIZE					CIRCULATION						
12.25		JST11XC		16	16	16	SURFACE			ft		195		16 x 5.5					PRESS (PSI)						
				14			SET @			M				Inches					650 psi						
DRILL PIPE		TYPE		Length			INTERMEDIATE			ft		TOTAL CIRCULATING VOL.		PUMP MODEL			ASSUMED EFF			BOTTOMS					
SIZE 4.5		#		239 Mtrs			SET @			M		385		EMSCO/TSM			97 %			UP (min)					
DRILL PIPE		TYPE		Length			PRODUCTION. or			ft		IN STORAGE		BBL/STK			STK / MIN			TOTAL CIRC.					
SIZE 4.5		HW		54 Mtrs			LINER Set @			M				0.1335			111			TIME (min)					
DRILL COLLAR SIZE (")		Length						MUD TYPE					BBL/MIN			GAL / MIN			ANN VEL.		DP		114		Lam
6.25		8.00			93 22 Mtrs			Spud Mud					14.37			604			(ft/min)		DCs		133 172		Lam
																									Lam
																									Lam

		MUD PROPERTIES				MUD PROPERTY SPECIFICATIONS				
SAMPLE FROM		pit		pit		Mud Weight	alap	API Filtrate	n/c	HPHT Filtrate
TIME SAMPLE TAKEN		0800		2100		Plastic Vis		Yield Point		pH
DEPTH (ft) - (m)		Metres				KCl	2-4%	PHPA		Sulphites
FLOWLINE TEMPERATURE		°C °F				OBSERVATIONS				
WEIGHT		ppg / SG		8.80	1.056	9.10	1.092	Fill pits with water from bore.		
FUNNEL VISCOSITY (sec/qt) API @		°C		31	34					
PLASTIC VISCOSITY cP @		°C		10	10					
YIELD POINT (lb/100ft²)				24	26					
GEL STRENGTHS (lb/100ft²) 10 sec/10 min				4 8	6 10					
RHEOLOGY θ 600 / θ 300		44	34	46	36	Chlorides 3800mg/l				
RHEOLOGY θ 200 / θ 100		26	22	28	26	Calcium 450 mg/l				
RHEOLOGY θ 6 / θ 3		8	4	10	6	pH 8.0 Spud at 04.00am				
FILTRATE API (cc's/30 min)				nc		Mixed 50 bbls hi vis gel Mixed 150 bbls KCl 4%by wt. Used 3 CaCl2 and 32x40kg, 24x20kg sx cement.				
HPHT FILTRATE (cc's/30 min) @		°F								
CAKE THICKNESS API : HPHT (32nd in)										
SOLIDS CONTENT (% by Volume)		3.1		4.0						
LIQUID CONTENT (% by Volume) OIL/WATER		96.9		96.0						
SAND CONTENT (% by Vol.)		0.25		0.20		OPERATIONS SUMMARY				
METHYLENE BLUE CAPACITY (ppb equiv.)				15.0		Drill conductor with 20"auger				
pH		9.0		9.5		Cement conductor				
ALKALINITY MUD (Pm)						Drill mouse/rat hole with hi-vis gel Use short system via pill tank.				
ALKALINITY FILTRATE (Pf / Mf)										
CHLORIDE (mg/L)		3,500		19,000						
TOTAL HARDNESS AS CALCIUM (mg/L)		400		480						
SULPHITE (mg/L)										
K+ (mg/L)				18,375		Spud well at 04.00am.				
KCl (% by Wt.)				3.5		Dress shakers with 3 old and 3 new 84 mesh screens.				
PHPA (ppb)						Change to long system with KCL when hit clays.				
ECD (ppg)				9.20						

Mud Accounting (bbbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)		Desander	17	INITIAL VOLUME	0	Centrifuge			Desander	2	12	Shaker #1	3 x 84	20
Premix (recirc from sump)		Desilter	31			Degasser			Desilter	12	12	Shaker #2	3 x 84	20
Drill Water	440	Downhole	7	+ FLUID RECEIVED	440									
Direct Recirc Sump		Dumped		- FLUID LOST	55									
Other (eg Diesel)		Other		+ FLUID IN STORAGE										
TOTAL RECEIVED	440	TOTAL LOST	55	FINAL VOLUME	385	Desander	10.5		8.6		1.00			
						Desilter	9.9		8.6		1.80			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Aus-Gel (Aust)	\$ 14.25	254		84	170	\$ 1,197.00		%	PPB	Jet Velocity	
Calcium Chloride	\$ 19.55	6		3	3	\$ 58.65	High Grav solids			Impact force	
Caustic Soda	\$ 56.00	64		3	61	\$ 168.00	Total LGS	4.4	41.4	HHP 197	
Cement	\$ -	108		24	84		Bentonite	1.3	12.1	HSI 1.7	
Cement	\$ -	36		36			Drilled Solids	3.0	27.7	Bit Press Loss 559	
Potassium Chloride (Tel)	\$ 26.75	756		126	630	\$ 3,370.50	Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 2100 Hrs	0.35		Equiv. Mud Wt.	
							K @ 2100 Hrs	20.30		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$4,794.15			\$4,794.15	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE	08 8338 7266			

Any opinion and/or recommendation, expressed orally or written herein, has been prepared carefully and may be used if the user so elects, however, no representation or warranty is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same.



Report #	2	Date :	6-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	408	to	879 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Caustic Soda	\$ 56.00	61		5	56	\$ 280.00		%	PPB	Jet Velocity	259
Potassium Chloride (Tel)	\$ 26.75	630		168	462	\$ 4,494.00	High Grav solids			Impact force	730
							Total LGS	4.5	42.5	HHP	191
							Bentonite	1.3	12.0	HSI	1.6
							Drilled Solids	3.2	28.8	Bit Press Loss	549
							Salt	1.1	10.4	CSG Seat Frac Press	
							n @ 2000 Hrs	0.41		Equiv. Mud Wt.	
							K @ 2000 Hrs	13.85		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$4,774.00			\$9,568.15	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE	08 8338 7266			

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Report #	3	Date :	7-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	879	to	975 Metres

DRILLING ASSEMBLY				JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA						
BIT SIZE	TYPE		16	16	16	SURFACE	ft	HOLE	PITS	PUMP SIZE			CIRCULATION			
12.25	JSTHXC		14			SET @	M	440	280	16	X	5.5	Inches	PRESS (PSI)	950	psi
DRILL PIPE SIZE 4.5	#	Length				INTERMEDIATE SET @	ft M	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF		BOTTOMS			
DRILL PIPE SIZE 4.5	TYPE HW	Length	828 Mtrs			PRODUCTION or LINER Set @	ft M	IN STORAGE		BBL/STK	STK / MIN		UP (min) 31 min			
DRILL COLLAR SIZE 6.25	COLLAR SIZE (") 8.00	Length	54 Mtrs			MUD TYPE				0.1335	104		TOTAL CIRC. TIME (min) 53 min			
										BBL/MIN	GAL / MIN		ANN VEL. (ft/min)	DP DCs	107 125	Lam 161 Lam
										13.47	566					

		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS				
SAMPLE FROM		pit	pit	Mud Weight	alap	API Filtrate	n/c	HPHT Filtrate
TIME SAMPLE TAKEN			0900	Plastic Vis		Yield Point		pH
DEPTH (ft) - (m)		Metres	975	KCl	2-4%	PHPA		Sulphites
FLOWLINE TEMPERATURE		⁰ C ⁰ F	42	<u>OBSERVATIONS</u> Dump and Dilute to maintain volume and properties.				
WEIGHT		ppg / SG	9.00 1.080					
FUNNEL VISCOSITY (sec/qt) API @		⁰ C	37					
PLASTIC VISCOSITY cP @		⁰ C	12					
YIELD POINT (lb/100ft ²)			22					
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			6 10					
RHEOLOGY ̸ 600 / ̸ 300			46 34					
RHEOLOGY ̸ 200 / ̸ 100			24 20					
RHEOLOGY ̸ 6 / ̸ 3			8 5					
FILTRATE API (cc's/30 min)			nc					
HPHT FILTRATE (cc's/30 min) @		⁰ F		<u>OPERATIONS SUMMARY</u> Drill ahead taking surveys. Casing depth reached at 975m. Circulate hole clean. Wipert trip. Hole Good. First 5 stands little sticky. L/D 8" DC. RIH and circulate clean 20 stds from btm. RIH an ream to btm and circulate clean.				
CAKE THICKNESS API : HPHT (32nd in)								
SOLIDS CONTENT (% by Volume)			5.0					
LIQUID CONTENT (% by Volume) OIL/WATER			95.0					
SAND CONTENT (% by Vol.)			0.20					
METHYLENE BLUE CAPACITY (ppb equiv.)			12.5					
pH			9.0					
ALKALINITY MUD (Pm)			0					
ALKALINITY FILTRATE (Pf / Mf)			0.15 0.20					
CHLORIDE (mg/L)			16,000					
TOTAL HARDNESS AS CALCIUM (mg/L)			400					
SULPHITE (mg/L)								
K+ (mg/L)			15,750					
KCl (% by Wt.)			3.0					
PHPA (ppb)								
ECD (ppg)			9.20					

Mud Accounting (bbls)						Solids Control Equipment									
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs	
Premix (drill water)		Desander	7	INITIAL VOLUME	642	Centrifuge				Desander	2	12	Shaker #1	3 x 84	14
Premix (recirc from sump)		Desilter	21			Degasser				Desilter	12	12	Shaker #2	2 x 84, 1x110	14
Drill Water	245	Downhole	75	+ FLUID RECEIVED	245										
Direct Recirc Sump		Dumped	65	- FLUID LOST	167										
Other (eg Diesel)		Other		+ FLUID IN STORAGE											
TOTAL RECEIVED	245	TOTAL LOST	167	FINAL VOLUME	720	Desander	9.3		8.6		0.40				
						Desilter	11.2		8.7		1.20				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Baryte	\$ 8.45	800		1	799	\$ 8.45		%	PPB	Jet Velocity	245
Caustic Soda	\$ 56.00	56		3	53	\$ 168.00	High Grav solids			Impact force	646
Potassium Chloride (Tel)	\$ 26.75	462		84	378	\$ 2,247.00	Total LGS	3.8	36.0	HHP	160
							Bentonite	1.1	9.9	HSI	1.4
							Drilled Solids	2.7	24.7	Bit Press Loss	485
							Salt	1.0	9.3	CSG Seat Frac Press	
							n @ 0900 Hrs	0.44		Equiv. Mud Wt.	
							K @ 0900 Hrs	11.47		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$2,423.45			\$11,991.60	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office			TELEPHONE		08 8338 7266	

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Report #	4	Date :	8-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	975 Metres

DRILLING ASSEMBLY				JET SIZE			CASING		MUD VOLUME (BBL)		CIRCULATION DATA										
BIT SIZE		TYPE		16	16	16	SURFACE		ft	HOLE		PITS		PUMP SIZE			CIRCULATION				
12.25		JST11XC		14			SET @		M	440		222		16 x 5.5			Inches				
DRILL PIPE		TYPE		Length			INTERMEDIATE		ft	TOTAL CIRCULATING VOL.		PUMP MODEL			ASSUMED EFF		BOTTOMS				
SIZE 4.5		#		828			SET @		M	662		EMSCO/TSM			97 %		UP (min)				
DRILL PIPE		TYPE		Length			PRODUCTION. or		ft	IN STORAGE		BBL/STK			STK / MIN		TOTAL CIRC.				
SIZE 4.50		HW		54			LINER Set @		M			0.1335			102		TIME (min)				
DRILL COLLAR SIZE (")				Length			MUD TYPE				BBL/MIN			GAL / MIN		ANN VEL.		DP	105	Lam	
6.25		8.00		93			Spud mud/KCl				13.21			555		(ft/min)		DCs	122	158	Lam

FLOWLINE TEMPERATURE	⁰ C ⁰ F		36		OBSERVATIONS
WEIGHT	ppg / SG		9.00	1.080	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		36		
PLASTIC VISCOSITY cP @	⁰ C		11		
YIELD POINT (lb/100ft ²)			23		Maintain KCl above 2%by wt.
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			5	8	Circulate and wait.
RHEOLOGY Ø 600 / Ø 300			45	34	
RHEOLOGY Ø 200 / Ø 100			25	20	Losses downhole 2-10bbls/hr.
RHEOLOGY Ø 6 / Ø 3			8	4	
FILTRATE API (cc's/30 min)			nc		
HPHT FILTRATE (cc's/30 min) @	⁰ F				
CAKE THICKNESS API : HPHT (32nd in)					
SOLIDS CONTENT (% by Volume)			4.0		

LIQUID CONTENT (% by Volume) OIL/WATER			96.0	<u>OPERATIONS SUMMARY</u> Ream to TD Circulate and condition wait on casing. Rig up to run casing. Run casing Casing hanging up early stages.
SAND CONTENT (% by Vol.)			tr	
METHYLENE BLUE CAPACITY (ppb equiv.)			10.0	
pH			8.5	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.05 0.10	
CHLORIDE (mg/L)			15,000	
TOTAL HARDNESS AS CALCIUM (mg/L)			400	
SULPHITE (mg/L)				
K+ (mg/L)			14,700	
KCl (% by Wt.)			2.8	
PHPA (ppb)				
ECD (ppg)			9.10	

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	720	Centrifuge			Desander	2		Shaker #1	3 x 84	18
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	2 x 84, 1x110	24
Drill Water	120	Downhole	98	+ FLUID RECEIVED	120									
Direct Recirc Sump		Dumped	80	- FLUID LOST	178									
Other (eg Diesel)		Other		+ FLUID IN STORAGE										
TOTAL RECEIVED	120	TOTAL LOST	178	FINAL VOLUME	662	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	240
							High Grav solids			Impact force	621
							Total LGS	3.9	36.6	HHP	151
							Bentonite	0.8	7.0	HSI	1.3
							Drilled Solids	3.1	28.2	Bit Press Loss	466
							Salt	0.9	8.7	CSG Seat Frac Press	
							n @ 0800 Hrs	0.40		Equiv. Mud Wt.	
							K @ 0800 Hrs	13.97		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$11,991.60	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	5	Date :	9-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	975 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Rod-Free	\$ 130.00	8		4	4	\$ 520.00		%	PPB	Jet Velocity	
Xanthan Gum	\$ 359.25	60		2	58	\$ 718.50	High Grav solids			Impact force	#VALUE!
							Total LGS	2.0	19.1	HHP	
							Bentonite	0.4	3.4	HSI	
							Drilled Solids	1.6	14.9	Bit Press Loss	
							Salt	0.7	6.9	CSG Seat Frac Press	
							n @ 1200 Hrs	0.41		Equiv. Mud Wt.	
							K @ 1200 Hrs	12.69		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,238.50			\$13,230.10	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	6	Date :	10-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	975 Metres

DRILLING ASSEMBLY					JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA						
BIT SIZE	TYPE					SURFACE SET @	ft M	HOLE 233	PITS	PUMP SIZE			CIRCULATION				
										16 x 5.5	Inches	PRESS (PSI)	psi				
DRILL PIPE SIZE 4.5	TYPE #	Length			Mtrs	INTERMEDIATE SET @	ft M	TOTAL CIRCULATING VOL. 283		PUMP MODEL EMSCO/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min)			min
DRILL PIPE SIZE 4.50	TYPE HW	Length			Mtrs	PRODUCTION. or LINER Set @	ft M	IN STORAGE 50		BBL/STK 0.1335		STK / MIN		TOTAL CIRC. TIME (min)			min
DRILL COLLAR SIZE (") 6.25		Length			Mtrs	MUD TYPE Spud mud/KCl				BBL/MIN		GAL / MIN		ANN VEL. (ft/min)	DP DCs	#####	

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids			Impact force	
							Total LGS			HHP	
							Bentonite			HSI	
							Drilled Solids			Bit Press Loss	
							Salt			CSG Seat Frac Press	
							n @ 0900 Hrs	0.34		Equiv. Mud Wt.	
							K @ 0900 Hrs	21.03		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$13,230.10	



Report #	7	Date :	11-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	975 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	120		10	110	\$ 1,625.00		%	PPB	Jet Velocity	
Caustic Soda	\$ 56.00	53		2	51	\$ 112.00	High Grav solids			Impact force	
PHPA	\$ 127.00	90		4	86	\$ 508.00	Total LGS	0.9	8.4	HHP	
Potassium Chloride (Tel)	\$ 26.75	378		120	258	\$ 3,210.00	Bentonite	-0.1	-1.0	HSI	
Sodium Sulphite	\$ 33.40	80		10	70	\$ 334.00	Drilled Solids	1.0	9.1	Bit Press Loss	
Xanthan Gum	\$ 359.25	58		4	54	\$ 1,437.00	Salt	1.4	13.3	CSG Seat Frac Press	
							n @ 2000 Hrs	0.51	Equiv. Mud Wt.		
							K @ 2000 Hrs	5.79	Max Pressure @ Shoe :		
							DAILY COST			CUMULATIVE COST	
							\$7,226.00			\$20,456.10	
RMN ENGINEER	Peter Burke		CITY	Adelaide Office			TELEPHONE	08 8338 7266			

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Report #	8	Date :	12-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	975 Metres

RMN ENGINEER	Peter Burke	CITY	Adelaide Office	TELEPHONE	08 8338 7266
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Report #	9	Date :	13-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	975	to	1215 Metres



Report #	10	Date :	14-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1215	to	1402 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	32		1	31	\$ 185.35		%	PPB	Jet Velocity	326
AMC Pac R	\$ 162.50	107		10	97	\$ 1,625.00	High Grav solids			Impact force	506
Caustic Soda	\$ 56.00	46		3	43	\$ 168.00	Total LGS	3.3	31.4	HHP	167
PHPA	\$ 127.00	84		3	81	\$ 381.00	Bentonite	0.2	1.9	HSI	2.9
Potassium Chloride (Te	\$ 26.75	228		50	178	\$ 1,337.50	Drilled Solids	3.1	28.2	Bit Press Loss	849
Sodium Sulphite	\$ 33.40	65		5	60	\$ 167.00	Salt	1.0	9.8	CSG Seat Frac Press	
Xanthan Gum	\$ 359.25	43		6	37	\$ 2,155.50	n @ 2100 Hrs	0.44		Equiv. Mud Wt.	
							K @ 2100 Hrs	10.33		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$6,019.35			\$32,437.75	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office				TELEPHONE	08 8338 7266	

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Report #	11	Date :	15-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1402	to	1530 Metres

DRILLING ASSEMBLY		JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA						
BIT SIZE	TYPE	12	12	12	9 5/8	SURFACE SET @	3166	ft	HOLE	PITS	PUMP SIZE		CIRCULATION			
8.50	JTC44D						965	M	319	300	16	X 5.5	Inches	PRESS (PSI)	1400	psi
DRILL PIPE SIZE 4.5	TYPE #	Length			INTERMEDIATE SET @			ft	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF		BOTTOMS UP (min)	34	min
DRILL PIPE SIZE 4.50	TYPE HW	Length	1284	Mtrs	PRODUCTION. or LINER Set @			ft	IN STORAGE		BBL/STK	STK / MIN		TOTAL CIRC. TIME (min)	81	min
DRILL COLLAR SIZE (")		Length			MUD TYPE						BBL/MIN	GAL / MIN	ANN VEL. (ft/min)	DP DCs	159	Lam Lam
6.25		192		Mtrs	KCL/Polymer						8.03	337		249		

FLOWLINE TEMPERATURE	⁰ C ⁰ F		37		OBSERVATIONS	
WEIGHT	ppg / SG		8.90	1.068		
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		38			Maintain properties stable with premix additions.
PLASTIC VISCOSITY cP @	⁰ C		11			
YIELD POINT (lb/100ft ²)			22			
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			6	9		
RHEOLOGY Ø 600 / Ø 300			44	33		
RHEOLOGY Ø 200 / Ø 100			24	17		
RHEOLOGY Ø 6 / Ø 3			8	5		
FILTRATE API (cc's/30 min)			8.0			
HPHT FILTRATE (cc's/30 min) @	⁰ F					
CAKE THICKNESS API : HPHT (32nd in)			1			
SOLIDS CONTENT (% by Volume)			4.5			

LIQUID CONTENT (% by Volume) OIL/WATER			95.5	<u>OPERATIONS SUMMARY</u> Find Core Point 1405m Circ. POOH P/U Core barrel Discover no cross over. RIH w same bit/BHA Drill ahead circulating breaks.
SAND CONTENT (% by Vol.)			0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)			5.0	
pH			9.2	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)		0.15	1.20	
CHLORIDE (mg/L)			19,500	
TOTAL HARDNESS AS CALCIUM (mg/L)			400	
SULPHITE (mg/L)			120	
K+ (mg/L)			15,750	
KCl (% by Wt.)			3.0	
PHPA (ppb)	0.79		0.69	
ECD (ppg)			9.10	

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Solids Control Equipment									
						Type	Hrs			Cones	Hrs			Size	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	657	Centrifuge			Desander	2		Shaker #1	3 x 84	10	
Premix (recirc from sump)		Desilter	7			Degasser			Desilter	12	2	Shaker #2	2 x84, 1x110	10	
Drill Water	80	Downhole	34	+ FLUID RECEIVED	80										
Direct Recirc Sump		Dumped	22	- FLUID LOST	83										
Other (eg Diesel)		Other	20	+ FLUID IN STORAGE	35			Overflow (ppg)	Underflow (ppg)		Output (Gal/Min.)				
TOTAL RECEIVED	80	TOTAL LOST	83	FINAL VOLUME	689	Desander			0						
						Desilter	9.0		8.7		2.50				

[illegible]

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Report #	12	Date :	16-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1530	to	1729 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	30		1	29	\$ 185.35		%	PPB	Jet Velocity	315
AMC Pac R	\$ 162.50	97		3	94	\$ 487.50	High Grav solids	0.1	2.01	Impact force	485
Caustic Soda	\$ 56.00	38		5	33	\$ 280.00	Total LGS	4.4	42.1	HHP	155
PHPA	\$ 127.00	80		2	78	\$ 254.00	Bentonite	0.1	0.6	HSI	2.7
Potassium Chloride (Tel)	\$ 26.75	178	714	10	882	\$ 267.50	Drilled Solids	4.4	39.8	Bit Press Loss	813
Sodium Sulphite	\$ 33.40	55		5	50	\$ 167.00	Salt	1.2	11.2	CSG Seat Frac Press	
Xanthan Gum	\$ 359.25	36	60	5	91	\$ 1,796.25	n @ 2000 Hrs	0.38		Equiv. Mud Wt.	
							K @ 2000 Hrs	0.90		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,437.60			\$37,289.70	
RMN ENGINEER	Peter Burke				CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	13	Date :	17-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1729	to	1766 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	94		6	88	\$ 975.00		%	PPB	Jet Velocity	320
Caustic Soda	\$ 56.00	33		3	30	\$ 168.00	High Grav solids	0.1	1.76	Impact force	501
Potassium Chloride (Te	\$ 26.75	882		42	840	\$ 1,123.50	Total LGS	4.5	42.5	HHP	163
Sodium Sulphite	\$ 33.40	50		5	45	\$ 167.00	Bentonite	0.4	3.4	HSI	2.9
Xanthan Gum	\$ 359.25	91		3	88	\$ 1,077.75	Drilled Solids	4.1	37.4	Bit Press Loss	840
							Salt	1.2	11.6	CSG Seat Frac Press	
							n @ 2000 Hrs	0.32		Equiv. Mud Wt.	
							K @ 2000 Hrs	24.74		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,511.25			\$40,800.95	
RMN ENGINEER	Peter Burke				CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	14	Date :	18-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1766	to	1899 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	29		1	28	\$ 185.35		%	PPB	Jet Velocity	309
AMC Pac R	\$ 162.50	88		5	83	\$ 812.50	High Grav solids	0.1	1.47	Impact force	466
Caustic Soda	\$ 56.00	30		3	27	\$ 168.00	Total LGS	4.5	42.8	HHP	146
Potassium Chloride (Te	\$ 26.75	840		40	800	\$ 1,070.00	Bentonite	0.4	3.4	HSI	2.6
Sodium Sulphite	\$ 33.40	45		5	40	\$ 167.00	Drilled Solids	4.1	37.7	Bit Press Loss	782
Xanthan Gum	\$ 359.25	88		6	82	\$ 2,155.50	Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 2000 Hrs	0.34		Equiv. Mud Wt.	
							K @ 2000 Hrs	21.03		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$4,558.35			\$45,359.30	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	15	Date :	19-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1899	to	1899 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA																	
BIT SIZE		TYPE					9 5/8 SURFACE SET @			HOLE		PITS		PUMP SIZE				CIRCULATION												
8.50		JTC44D					12 12 12			397		300		16 X 5.5				Inches				PRESS (PSI)				1425		psi		
DRILL PIPE SIZE 4.5		TYPE #		Length			1653 Mtrs			INTERMEDIATE SET @			ft M		TOTAL CIRCULATING VOL.		717		PUMP MODEL EMSCO/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min)				45		min	
DRILL PIPE SIZE 4.50		TYPE HW		Length			54 Mtrs			PRODUCTION. or LINER Set @			ft M		IN STORAGE		20		BBL/STK 0.1335		STK / MIN 60		TOTAL CIRC. TIME (min)				92		min	
DRILL COLLAR SIZE (")				Length						MUD TYPE					BBL/MIN		GAL / MIN		ANN VEL. (ft/min)		DP DCs		154		Lam Lam					
6.25				192 Mtrs						KCL/Polymer					7.77		326				241									

FLOWLINE TEMPERATURE	⁰ C	⁰ F			OBSERVATIONS		
WEIGHT	ppg	SG		9.10		1.092	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C			38		Mix slug with barite.	
PLASTIC VISCOSITY cP @	⁰ C			9			
YIELD POINT (lb/100ft ²)				25			
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min				6			9
RHEOLOGY Ø 600 / Ø 300				43			34
RHEOLOGY Ø 200 / Ø 100				24			18
RHEOLOGY Ø 6 / Ø 3				8			5
FILTRATE API (cc's/30 min)				8.4			
HPHT FILTRATE (cc's/30 min) @	⁰ F						
CAKE THICKNESS API : HPHT (32nd in)				1			
SOLIDS CONTENT (% by Volume)				4.5			

LIQUID CONTENT (% by Volume) OIL/WATER			95.5	<u>OPERATIONS SUMMARY</u> Mechanical problems. Clutch burnt out. POOH to shoe. Waiting on equipment for repair
SAND CONTENT (% by Vol.)			0.20	
METHYLENE BLUE CAPACITY (ppb equiv.)			5.0	
pH			8.7	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.05 0.08	
CHLORIDE (mg/L)			19,000	
TOTAL HARDNESS AS CALCIUM (mg/L)			360	
SULPHITE (mg/L)			200	
K+ (mg/L)			13,650	
KCl (% by Wt.)			2.6	
PHPA (ppb)	0.45		0.45	
ECD (ppg)			9.20	

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	737	Centrifuge			Desander	2		Shaker #1	2x84,1x110	
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	2x84, 1x110	
Drill Water		Downhole	15	+ FLUID RECEIVED										
Direct Recirc Sump		Dumped		- FLUID LOST	20									
Other (eg Diesel)		Other	5	+ FLUID IN STORAGE	20									
TOTAL RECEIVED		TOTAL LOST	20	FINAL VOLUME	737	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	83	20	3	100	\$ 487.50		%	PPB	Jet Velocity	315
Baryte	\$ 8.45	1244		34	1210	\$ 287.30	High Grav solids	0.1	1.47	Impact force	485
Caustic Soda	\$ 56.00	27	32	4	55	\$ 224.00	Total LGS	4.5	42.8	HHP	155
Potassium Chloride (Te	\$ 26.75	800	168	10	958	\$ 267.50	Bentonite	0.1	0.5	HSI	2.7
							Drilled Solids	4.5	40.6	Bit Press Loss	813
							Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 0100 Hrs	0.34		Equiv. Mud Wt.	
							K @ 0100 Hrs	21.03		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,266.30			\$46,625.60	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	16	Date :	20-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1899	to	1920 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	28		1	27	\$ 185.35		%	PPB	Jet Velocity	315
AMC Pac R	\$ 162.50	100		2	98	\$ 325.00	High Grav solids	0.1	1.29	Impact force	480
Caustic Soda	\$ 56.00	55		3	52	\$ 168.00	Total LGS	3.8	36.3	HHP	153
PHPA	\$ 127.00	108		1	107	\$ 127.00	Bentonite	0.1	1.3	HSI	2.7
Potassium Chloride (Tel)	\$ 26.75	958		20	938	\$ 535.00	Drilled Solids	3.7	33.5	Bit Press Loss	804
Xanthan Gum	\$ 359.25	82		1	81	\$ 359.25	Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 2100 Hrs	0.53		Equiv. Mud Wt.	
							K @ 2100 Hrs	4.81		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,699.60			\$48,325.20	
RMN ENGINEER	Peter Burke				CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	17	Date :	21-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	1920	to	2099 Metres

Product	Price	Start		Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	27			2	25	\$ 370.70		%	PPB	Jet Velocity	315
AMC Pac R	\$ 162.50	98			7	91	\$ 1,137.50	High Grav solids	0.1	0.98	Impact force	485
Caustic Soda	\$ 56.00	52			4	48	\$ 224.00	Total LGS	4.6	43.9	HHP	155
PHPA	\$ 127.00	107			5	102	\$ 635.00	Bentonite	0.0	0.4	HSI	2.7
Potassium Chloride (Te	\$ 26.75	938			40	898	\$ 1,070.00	Drilled Solids	4.6	41.8	Bit Press Loss	813
Sodium Sulphite	\$ 33.40	50			5	45	\$ 167.00	Salt	1.0	9.8	CSG Seat Frac Press	
Xanthan Gum	\$ 359.25	81			7	74	\$ 2,514.75	n @ 2000 Hrs	0.38		Equiv. Mud Wt.	
								K @ 2000 Hrs	15.61		Max Pressure @ Shoe :	
								DAILY COST			CUMULATIVE COST	
								\$6,118.95			\$54,444.15	
RMN ENGINEER	Peter Burke					CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	18	Date :	22-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2099	to	2128 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	25		1	24	\$ 185.35		%	PPB	Jet Velocity	315
AMC Pac R	\$ 162.50	91		5	86	\$ 812.50	High Grav solids	0.0	0.70	Impact force	488
Baryte	\$ 8.45	1210		30	1180	\$ 253.50	Total LGS	5.1	48.1	HHP	156
PHPA	\$ 127.00	102		2	100	\$ 254.00	Bentonite	0.0	-0.1	HSI	2.7
Potassium Chloride (Te	\$ 26.75	898		20	878	\$ 535.00	Drilled Solids	5.1	46.3	Bit Press Loss	817
Rod-Free	\$ 130.00	8		4	4	\$ 520.00	Salt	1.1	11.0	CSG Seat Frac Press	
Xanthan Gum	\$ 359.25	74		3	71	\$ 1,077.75	n @ 0900 Hrs	0.37		Equiv. Mud Wt.	
							K @ 0900 Hrs	17.10		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,638.10			\$58,082.25	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office			TELEPHONE		08 8338 7266	

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Report #	19	Date :	23-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA						
BIT SIZE		TYPE	12	12	12	9 5/8	SURFACE	3166	ft	HOLE	PITS	PUMP SIZE			CIRCULATION				
8.50		JTC44D					SET @	965	M	450	280	16 X 5.5		Inches	PRESS (PSI)				
1100																	psi		
DRILL PIPE		TYPE	Length			INTERMEDIATE				ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS		
SIZE 4.5		#	1942			SET @				M	760		EMSCO/TSM		97 %		UP (min)		
75																	min		
DRILL PIPE		TYPE	Length			PRODUCTION. or				ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.		
SIZE 4.50		HW	54			LINER Set @				M	30		0.1335		41		TIME (min)		
143																	min		
DRILL COLLAR SIZE (")		Length			MUD TYPE					BBL/MIN		GAL / MIN		ANN VEL.	DP	105	Lam		
6.25		132			KCL/Polymer				Mtrs	5.31		223		(ft/min)	DCs	165	Lam		

FLOWLINE TEMPERATURE	⁰ C ⁰ F				OBSERVATIONS
WEIGHT	ppg / SG		9.10	1.092	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		38		
PLASTIC VISCOSITY cP @	⁰ C		9		
YIELD POINT (lb/100ft ²)			24		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			6	10	
RHEOLOGY Ø 600 / Ø 300			42	33	
RHEOLOGY Ø 200 / Ø 100			23	18	
RHEOLOGY Ø 6 / Ø 3			8	5	
FILTRATE API (cc's/30 min)			7.0		
HPHT FILTRATE (cc's/30 min) @	⁰ F				Mix premix for volume. Slight seepage losse downhole. 1-2 bbls/hr.
CAKE THICKNESS API : HPHT (32nd in)			1		
SOLIDS CONTENT (% by Volume)		0.0	4.8		Change 3 x 84 to new 3 x 110 mesh

LIQUID CONTENT (% by Volume) OIL/WATER		1.0	94.2	<u>OPERATIONS SUMMARY</u> Drop carbide. Suspect washout @750m.
SAND CONTENT (% by Vol.)		0.20		
METHYLENE BLUE CAPACITY (ppb equiv.)		5.0		
pH		8.8		
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)		0.07	0.10	
CHLORIDE (mg/L)		19,000		
TOTAL HARDNESS AS CALCIUM (mg/L)		360		
SULPHITE (mg/L)		150		
K+ (mg/L)		13,650		
KCl (% by Wt.)		2.6		
PHPA (ppb)	0.31	0.29		
ECD (ppg)		9.50		

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	50	Desander		INITIAL VOLUME	776	Centrifuge			Desander	2		Shaker #1	3 x 110	6
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3x110	12
Drill Water		Downhole	30	+ FLUID RECEIVED	50									
Direct Recirc Sump		Dumped	25	- FLUID LOST	65									
Other (eg Diesel)		Other	10	+ FLUID IN STORAGE	30									
TOTAL RECEIVED	50	TOTAL LOST	65	FINAL VOLUME	790	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Potassium Chloride (Te	\$ 26.75	878		42	836	\$ 1,123.50		%	PPB	Jet Velocity	215
Sodium Sulphite	\$ 33.40	45		5	40	\$ 167.00	High Grav solids	0.0	0.63	Impact force	226
Xanthan Gum	\$ 359.25	71		1	70	\$ 359.25	Total LGS	4.7	44.8	HHP	49
							Bentonite	0.0	0.3	HSI	0.9
							Drilled Solids	4.7	42.7	Bit Press Loss	379
							Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 0900 Hrs	0.35		Equiv. Mud Wt.	
							K @ 0900 Hrs	19.29		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,649.75			\$59,732.00	
RMN ENGINEER	Peter Burke				CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	22	Date :	26-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids	0.0	0.52	Impact force	
							Total LGS	4.0	37.9	HHP	
							Bentonite	0.1	1.1	HSI	
							Drilled Solids	3.9	35.3	Bit Press Loss	
							Salt	1.2	11.6	CSG Seat Frac Press	
							n @ Hrs	0.41		Equiv. Mud Wt.	
							K @ Hrs	12.69		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$61,156.85	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	23	Date :	27-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	86		3	83	\$ 487.50		%	PPB	Jet Velocity	
Baryte	\$ 8.45	1180		40	1140	\$ 338.00	High Grav solids	0.2	3.16	Impact force #VALUE!	
Caustic Soda	\$ 56.00	47		3	44	\$ 168.00	Total LGS	4.4	42.1	HHP	
Potassium Chloride (Te	\$ 26.75	798		10	788	\$ 267.50	Bentonite	0.1	0.6	HSI	
Sodium Sulphite	\$ 33.40	35		2	33	\$ 66.80	Drilled Solids	4.4	39.8	Bit Press Loss	
							Salt	1.1	10.4	CSG Seat Frac Press	
							n @ 1800 Hrs	0.49		Equiv. Mud Wt.	
							K @ 1800 Hrs	7.63		Max Pressure @ Shoe :	

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Report #	24	Date :	28-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	23		1	22	\$ 185.35		%	PPB	Jet Velocity	
Aus-Gel (Aust)	\$ 14.25	254		5	249	\$ 71.25	High Grav solids	0.2	2.91	Impact force	#VALUE!
Baryte	\$ 8.45	1140		40	1100	\$ 338.00	Total LGS	5.2	49.1	HHP	
PHPA	\$ 127.00	100		1	99	\$ 127.00	Bentonite	0.0	-0.2	HSI	
Xanthan Gum	\$ 359.25	70		1	69	\$ 359.25	Drilled Solids	5.2	47.4	Bit Press Loss	
							Salt	1.1	10.7	CSG Seat Frac Press	
							n @ 0300 Hrs	0.44		Equiv. Mud Wt.	
							K @ 0300 Hrs	7.60		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,080.85			\$63,565.50	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE	08 8338 7266			

Any opinion and/or recommendation, expressed orally or written herein, has been prepared carefully and may be used if the user so elects, however, no representation or warranty is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same.



Report #	25	Date :	29-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY				JET SIZE		CASING			MUD VOLUME (BBL)		CIRCULATION DATA									
BIT SIZE		TYPE				9 5/8	SURFACE	3166	ft	HOLE		PITS		PUMP SIZE			CIRCULATION			
8.50		Reed43D					SET @	965	M	450		265		16 x 5.5			PRESS (PSI) 800 psi			
DRILL PIPE SIZE 4.5		TYPE #		Length 1942 Mtrs		INTERMEDIATE SET @			ft M	TOTAL CIRCULATING VOL. 730		PUMP MODEL EMSCO/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min) 50 min				
DRILL PIPE SIZE 4.50		TYPE HW		Length 54 Mtrs		PRODUCTION. or LINER Set @			ft M	IN STORAGE 15		BBL/STK 0.1335		STK / MIN 62		TOTAL CIRC. TIME (min) 91 min				
DRILL COLLAR SIZE (")				Length		MUD TYPE				BBL/MIN		GAL / MIN		ANN VEL. DP		159		Lam		
6.25				132 Mtrs		KCL/Polymer				8.03		337		(ft/min) DCs		249		Lam		

FLOWLINE TEMPERATURE	⁰ C ⁰ F		43		<div>OBSERVATIONS</div> <div>Add KCl to raise mud weight to 9.5ppg, 5% KCl by wt.</div> <div>Desilter On.</div> <div>Dump Sand Trap Occasionally</div>
WEIGHT	ppg / SG		9.50	1.140	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		41		
PLASTIC VISCOSITY cP @	⁰ C		11		
YIELD POINT (lb/100ft ²)			21		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			6	12	
RHEOLOGY Ø 600 / Ø 300			43	32	
RHEOLOGY Ø 200 / Ø 100			22	18	
RHEOLOGY Ø 6 / Ø 3			9	6	
FILTRATE API (cc's/30 min)			7.2		
HPHT FILTRATE (cc's/30 min) @	⁰ F				
CAKE THICKNESS API : HPHT (32nd in)			1		
SOLIDS CONTENT (% by Volume)			6.9		

LIQUID CONTENT (% by Volume) OIL/WATER		1.0	92.1	<u>OPERATIONS SUMMARY</u> RIH. Slip/Cut at shoe. RIH to tight spot 1302m. Ream and work 50m +/-zone. RIH.
SAND CONTENT (% by Vol.)		0.33		
METHYLENE BLUE CAPACITY (ppb equiv.)		5.0		
pH		8.8		
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)		0.08	0.14	
CHLORIDE (mg/L)		31,000		
TOTAL HARDNESS AS CALCIUM (mg/L)		440		
SULPHITE (mg/L)		150		
K+ (mg/L)		26,250		
KCl (% by Wt.)		5.0		
PHPA (ppb)	0.18	0.16		
ECD (ppg)		9.70		

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	40	Desander		INITIAL VOLUME	735	Centrifuge			Desander	2		Shaker #1	3 x 110	24
Premix (recirc from sump)		Desilter	19			Degasser			Desilter	12	12	Shaker #2	3x110	24
Drill Water	45	Downhole	20	+ FLUID RECEIVED	85									
Direct Recirc Sump		Dumped	20	- FLUID LOST	90									
Other (eg Diesel)		Other	31	+ FLUID IN STORAGE	15									
TOTAL RECEIVED	85	TOTAL LOST	90	FINAL VOLUME	745	Desander				0				
						Desilter		10.4		9.4		1.10		

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	22		1	21	\$ 185.35		%	PPB	Jet Velocity	
AMC Pac R	\$ 162.50	83		4	79	\$ 650.00	High Grav solids	0.2	2.42	Impact force #VALUE!	
Caustic Soda	\$ 56.00	44		2	42	\$ 112.00	Total LGS	6.7	63.5	HHP	
Potassium Chloride (Te	\$ 26.75	788		168	620	\$ 4,494.00	Bentonite	-0.2	-1.9	HSI	
Sodium Sulphite	\$ 33.40	33		3	30	\$ 100.20	Drilled Solids	6.9	62.9	Bit Press Loss	
							Salt	1.9	17.9	CSG Seat Frac Press	
							n @ 2000 Hrs	0.43		Equiv. Mud Wt.	
							K @ 2000 Hrs	11.48		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$5,541.55			\$69,107.05	



Report #	26	Date :	30-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY				JET SIZE		CASING			MUD VOLUME (BBL)		CIRCULATION DATA									
BIT SIZE		TYPE				9 5/8	SURFACE	3166	ft	HOLE		PITS		PUMP SIZE			CIRCULATION			
8.50		Reed43D					SET @	965	M	450		280		16 x 5.5			PRESS (PSI) 800 psi			
DRILL PIPE SIZE 4.5		TYPE #		Length 1942 Mtrs		INTERMEDIATE SET @			ft M	TOTAL CIRCULATING VOL. 752		PUMP MODEL EMSCO/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min) 51 min				
DRILL PIPE SIZE 4.50		TYPE HW		Length 54 Mtrs		PRODUCTION. or LINER Set @			ft M	IN STORAGE 22		BBL/STK 0.1335		STK / MIN 61		TOTAL CIRC. TIME (min) 95 min				
DRILL COLLAR SIZE (")				Length		MUD TYPE				BBL/MIN		GAL / MIN		ANN VEL. (ft/min)		DP DCs		156 Lam		
6.25				132 Mtrs		KCL/Polymer				7.90		332		245						

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	21		1	20	\$ 185.35		%	PPB	Jet Velocity	
AMC Pac R	\$ 162.50	79		6	73	\$ 975.00	High Grav solids	0.3	4.98	Impact force #VALUE!	
Baryte	\$ 8.45	1100		40	1060	\$ 338.00	Total LGS	6.9	65.2	HHP	
Caustic Soda	\$ 56.00	42		2	40	\$ 112.00	Bentonite	-0.2	-2.1	HSI	
Potassium Chloride (Te)	\$ 26.75	620		42	578	\$ 1,123.50	Drilled Solids	7.1	64.8	Bit Press Loss	
Xanthan Gum	\$ 359.25	69		2	67	\$ 718.50	Salt	1.9	18.5	CSG Seat Frac Press	
							n @ 18.30 Hrs	0.35	Equiv. Mud Wt.		
							K @ 18.30 Hrs	19.29	Max Pressure @ Shoe :		
							DAILY COST			CUMULATIVE COST	
							\$3,452.35			\$72,559.40	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	27	Date :	31-Jul-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY				JET SIZE		CASING			MUD VOLUME (BBL)		CIRCULATION DATA							
BIT SIZE		TYPE				9 5/8	SURFACE	3166	ft	HOLE		PUMP SIZE		CIRCULATION				
8.50		Reed43D					SET @	965	M	450		16 x 5.5		PRESS (PSI) 820 psi				
DRILL PIPE SIZE 4.5		TYPE #		Length 1942 Mtrs		INTERMEDIATE SET @			ft M	TOTAL CIRCULATING VOL. 760		PUMP MODEL EMSCO/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min) 51 min		
DRILL PIPE SIZE 4.50		TYPE HW		Length 54 Mtrs		PRODUCTION. or LINER Set @			ft M	IN STORAGE 25		BBL/STK 0.1335		STK / MIN 60		TOTAL CIRC. TIME (min) 98 min		
DRILL COLLAR SIZE (")				Length		MUD TYPE					BBL/MIN		GAL / MIN		ANN VEL. DP		154 Lam	
6.25				132 Mtrs		KCL/Polymer					7.77		326		DCs 241		Lam	

FLOWLINE TEMPERATURE	⁰ C	⁰ F			40		OBSERVATIONS
WEIGHT	ppg	SG			9.55	1.146	
FUNNEL VISCOSITY (sec/qt) API @		⁰ C			44		
PLASTIC VISCOSITY cP @		⁰ C			11		
YIELD POINT (lb/100ft ²)					23		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min					7	14	
RHEOLOGY Ø 600 / Ø 300					45	34	
RHEOLOGY Ø 200 / Ø 100					23	19	
RHEOLOGY Ø 6 / Ø 3					11	6	
FILTRATE API (cc's/30 min)					6.8		
HPHT FILTRATE (cc's/30 min) @		⁰ F					Mix hi-vis sweep and premixes.
CAKE THICKNESS API : HPHT (32nd in)					1		
SOLIDS CONTENT (% by Volume)					6.9		
							Desilter On whilst circulating.

LIQUID CONTENT (% by Volume) OIL/WATER			93.1	<u>OPERATIONS SUMMARY</u> Continue reaming and working pipe. Decision to do cement job. POOH RIH OEDP
SAND CONTENT (% by Vol.)			0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)			5.0	
pH			9.0	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.10 0.15	
CHLORIDE (mg/L)			31,000	
TOTAL HARDNESS AS CALCIUM (mg/L)			400	
SULPHITE (mg/L)			200	
K+ (mg/L)			27,300	
KCl (% by Wt.)			5.2	
PHPA (ppb)	0.13		0.12	
ECD (ppg)			9.90	

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	40	Desander		INITIAL VOLUME	752	Centrifuge			Desander	2		Shaker #1	3 x 110	24
Premix (recirc from sump)		Desilter	23			Degasser			Desilter	12	16	Shaker #2	3x110	24
Drill Water	33	Downhole	42	+ FLUID RECEIVED	73									
Direct Recirc Sump		Dumped		- FLUID LOST	65									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	25									
TOTAL RECEIVED	73	TOTAL LOST	65	FINAL VOLUME	785	Desander				0				
						Desilter		10.8		9.8		1.00		

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide	\$ 185.35	20		2	18	\$ 370.70		%	PPB	Jet Velocity	
Caustic Soda	\$ 56.00	40		1	39	\$ 56.00	High Grav solids	0.3	4.29	Impact force #VALUE!	
Potassium Chloride (Te	\$ 26.75	578		32	546	\$ 856.00	Total LGS	6.6	62.8	HHP	
Xanthan Gum	\$ 359.25	67		1	66	\$ 359.25	Bentonite	-0.2	-1.9	HSI	
							Drilled Solids	6.8	62.2	Bit Press Loss	
							Salt	1.9	17.9	CSG Seat Frac Press	
							n @ 1000 Hrs	0.40		Equiv. Mud Wt.	
							K @ 1000 Hrs	13.97		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,641.95			\$74,201.35	
RMN ENGINEER	Peter Burke		CITY		Adelaide Office		TELEPHONE	08 8338 7266			

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Report #	28	Date :	1-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
SAPP	\$ 72.76	20		1	19	\$ 72.76		%	PPB	Jet Velocity	
							High Grav solids	0.3	3.75	Impact force #VALUE!	
							Total LGS	6.4	60.2	HHP	
							Bentonite	-0.2	-1.5	HSI	
							Drilled Solids	6.5	59.4	Bit Press Loss	
							Salt	1.8	17.4	CSG Seat Frac Press	
							n @ 1000 Hrs	0.44		Equiv. Mud Wt.	
							K @ 1000 Hrs	10.33		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$72.76			\$74,274.11	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	29	Date :	2-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY			JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA							
BIT SIZE	TYPE		12	12	12	9 5/8	SURFACE	3166	ft	HOLE	PITS	PUMP SIZE			CIRCULATION			
8.50	JTC44D					SET @	965	M		450	245	16 X 5.5			PRESS (PSI) 980 psi			
DRILL PIPE	TYPE	Length				INTERMEDIATE		ft	TOTAL CIRCULATING VOL.			PUMP MODEL		ASSUMED EFF	BOTTOMS			
SIZE 4.5	#		1942 Mtrs			SET @		M	720			EMSCO/TSM		97 %	UP (min) 52 min			
DRILL PIPE	TYPE	Length				PRODUCTION. or		ft	IN STORAGE			BBL/STK		STK / MIN	TOTAL CIRC.			
SIZE 4.50	HW		54 Mtrs			LINER Set @		M	25			0.1335		59	TIME (min) 94 min			
DRILL COLLAR SIZE (")		Length				MUD TYPE					BBL/MIN		GAL / MIN		ANN VEL.	DP	151	Lam
6.25		132	Mtrs			KCL/Polymer				7.64		321		(ft/min)	DCs	237	Lam	

FLOWLINE TEMPERATURE	⁰ C	⁰ F	41		42		<u>OBSERVATIONS</u> Dump some contaminated mud. Raise rheology. Add premix. Slug POOH. RIH raise KCl % by wt. to 6.0% +
WEIGHT	ppg	SG	9.35	1.122	9.70	1.164	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		39		38		
PLASTIC VISCOSITY cP @	⁰ C		10		10		
YIELD POINT (lb/100ft ²)			21		20		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			7	15	7	14	
RHEOLOGY Ø 600 / Ø 300			41	31	40	30	
RHEOLOGY Ø 200 / Ø 100			21	16	20	16	
RHEOLOGY Ø 6 / Ø 3			11	6	10	6	
FILTRATE API (cc's/30 min)			7.0		7.0		
HPHT FILTRATE (cc's/30 min) @	⁰ F						
CAKE THICKNESS API : HPHT (32nd in)			1		1		
SOLIDS CONTENT (% by Volume)			5.2		7.4		

LIQUID CONTENT (% by Volume) OIL/WATER	94.8		92.6		<div>OPERATIONS SUMMARY</div> <div>At 1300+m run in slowly .</div> <div>Tag cmt/formation</div> <div>Circ. Some cmt returns. Some contaminated mud. Very little hard cmt.</div> <div>Circ and ream down.</div> <div>POH lay down stabilizer</div> <div>RIH to 1302m. Ream</div>
SAND CONTENT (% by Vol.)	0.25		0.25		
METHYLENE BLUE CAPACITY (ppb equiv.)	5.0		5.0		
pH	8.3		9.0		
ALKALINITY MUD (Pm)					
ALKALINITY FILTRATE (Pf / Mf)	0.12	0.25	0.10	0.20	
CHLORIDE (mg/L)	26,500		37,000		
TOTAL HARDNESS AS CALCIUM (mg/L)	1000		900		
SULPHITE (mg/L)	120		100		
K+ (mg/L)	25,200		33,075		
KCl (% by Wt.)	4.8		6.3		
PHPA (ppb)	0.10		0.10		
ECD (ppg)	9.90				

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	30	Desander		INITIAL VOLUME	757	Centrifuge			Desander	2		Shaker #1	3 x 110	24
Premix (recirc from sump)		Desilter	3			Degasser			Desilter	12	2	Shaker #2	3x110	24
Drill Water		Downhole	34	+ FLUID RECEIVED	30									
Direct Recirc Sump		Dumped	30	- FLUID LOST	67									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	25									
TOTAL RECEIVED	30	TOTAL LOST	67	FINAL VOLUME	745	Desander				0				
						Desilter		11.0		9.8		1.20		

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	73		6	67	\$ 975.00		%	PPB	Jet Velocity	310
Baryte	\$ 8.45	1060		40	1020	\$ 338.00	High Grav solids	0.6	9.43	Impact force	500
Potassium Chloride (Te	\$ 26.75	546		84	462	\$ 2,247.00	Total LGS	6.8	64.0	HHP	157
							Bentonite	-0.2	-2.0	HSI	2.8
							Drilled Solids	7.0	63.5	Bit Press Loss	838
							Salt	2.3	21.4	CSG Seat Frac Press	
							n @ 2000 Hrs	0.41		Equiv. Mud Wt.	
							K @ 2000 Hrs	11.54		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,560.00			\$77,834.11	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE	08 8338 7266			

Any opinion and/or recommendation, expressed orally or written herein, has been prepared carefully and may be used if the user so elects, however, no representation or warranty is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same.



Report #	30	Date :	3-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres



Report #	31	Date :	4-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY		JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA					
BIT SIZE	TYPE	12	12	12	9 5/8	SURFACE	3166	ft	HOLE	PITS	PUMP SIZE		CIRCULATION		
8.50	JST11X	12			SET @	965	M		450	280	16	X 5.5	Inches	PRESS (PSI)	
DRILL PIPE	TYPE	Length			INTERMEDIATE		ft		TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	BOTTOMS		
SIZE 4.5	#		1942	Mtrs	SET @		M		730		EMSCO/TSM	97	%	UP (min)	
DRILL PIPE	TYPE	Length			PRODUCTION. or		ft		IN STORAGE		BBL/STK	STK / MIN	TOTAL CIRC.		
SIZE 4.50	HW		54	Mtrs	LINER Set @		M				0.1335		TIME (min)		
DRILL COLLAR SIZE (")		Length			MUD TYPE						BBL/MIN	GAL / MIN	ANN VEL.	DP	Lam
6.25		132		Mtrs	KCL/Polymer						(ft/min)		DCs		Lam

FLOWLINE TEMPERATURE	⁰ C ⁰ F			<div>OBSERVATIONS</div>
WEIGHT	ppg / SG		9.70 1.164	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		40	
PLASTIC VISCOSITY cP @	⁰ C		10	
YIELD POINT (lb/100ft ²)			22	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			7 11	
RHEOLOGY θ 600 / θ 300			42 32	
RHEOLOGY θ 200 / θ 100			22 17	
RHEOLOGY θ 6 / θ 3			10 5	
FILTRATE API (cc's/30 min)			7.0	
HPHT FILTRATE (cc's/30 min) @	⁰ F			
CAKE THICKNESS API : HPHT (32nd in)			1	
SOLIDS CONTENT (% by Volume)			7.3	

LIQUID CONTENT (% by Volume) OIL/WATER			92.7	<u>OPERATIONS SUMMARY</u> POH Rig Up Wireline Tool stop 1319m, worked to 1324m POH L/D logging tool L/D BHA prepare to run 7" csg.
SAND CONTENT (% by Vol.)			0.20	
METHYLENE BLUE CAPACITY (ppb equiv.)			5.0	
pH			8.8	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.05 0.10	
CHLORIDE (mg/L)			37,000	
TOTAL HARDNESS AS CALCIUM (mg/L)			800	
SULPHITE (mg/L)			100	
K+ (mg/L)			33,075	
KCl (% by Wt.)			6.3	
PHPA (ppb)	0.08		0.07	
ECD (ppg)			10.00	

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	40	Desander		INITIAL VOLUME	732	Centrifuge				Desander	2		Shaker #1	3 x 110
Premix (recirc from sump)		Desilter				Degasser				Desilter	12		Shaker #2	3x110
Drill Water		Downhole	42	+ FLUID RECEIVED	40									
Direct Recirc Sump		Dumped		- FLUID LOST	42									
Other (eg Diesel)		Other		+ FLUID IN STORAGE										
TOTAL RECEIVED	40	TOTAL LOST	42	FINAL VOLUME	730	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids	0.8	11.48	Impact force	
							Total LGS	6.5	61.6	HHP	
							Bentonite	-0.2	-1.7	HSI	
							Drilled Solids	6.7	60.9	Bit Press Loss	
							Salt	2.3	21.4	CSG Seat Frac Press	
							n @ 1200 Hrs	0.39		Equiv. Mud Wt.	
							K @ 1200 Hrs	14.18		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$80,705.86	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	32	Date :	5-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA								
BIT SIZE		TYPE	12	12	12	9 5/8	SURFACE	3166	ft	HOLE	PITS	PUMP SIZE			CIRCULATION						
8.50		JST11X	12				SET @	965	M	450	250	16 x 5.5		Inches	PRESS (PSI)			800	psi		
DRILL PIPE		TYPE	Length			INTERMEDIATE				ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS				
SIZE 4.5		#	1942			SET @				M	700		EMSCO/TSM		97 %		UP (min)			52	min
DRILL PIPE		TYPE	Length			PRODUCTION. or				ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.				
SIZE 4.50		HW	54			LINER Set @				M			0.1335		59		TIME (min)			92	min
DRILL COLLAR SIZE (")			Length			MUD TYPE						BBL/MIN		GAL / MIN		ANN VEL.		DP	151	Lam	
6.25			132			KCL/Polymer						7.64		321		(ft/min)		DCs	237	Lam	

		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM			fl		Mud Weight	8.8-9.2	API Filtrate	<8	HPHT Filtrate
TIME SAMPLE TAKEN			1400		Plastic Vis		Yield Point		pH
DEPTH (ft) - (m)		Metres	2,128		KCl	2-4%	PHPA	0.50 ppb	Sulphites
FLOWLINE TEMPERATURE		⁰ C ⁰ F		38	<div>OBSERVATIONS</div> <div>Mix premix.</div> <div>Mix slug to stop back flow.</div> <div>Mis more slugs when required.</div>				
WEIGHT		ppg / SG		9.50 1.140					
FUNNEL VISCOSITY (sec/qt) API @		⁰ C		41					
PLASTIC VISCOSITY cP @		⁰ C		12					
YIELD POINT (lb/100ft ²)				20					
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min				7 13					
RHEOLOGY Ø 600 / Ø 300				44 32					
RHEOLOGY Ø 200 / Ø 100				22 18					
RHEOLOGY Ø 6 / Ø 3				10 6					
FILTRATE API (cc's/30 min)				7.2					
HPHT FILTRATE (cc's/30 min) @		⁰ F							
CAKE THICKNESS API : HPHT (32nd in)				1					
SOLIDS CONTENT (% by Volume)				6.0					
LIQUID CONTENT (% by Volume) OIL/WATER					94.0	<div>OPERATIONS SUMMARY</div> <div>Run &" casing. Circ thru tight spots around 1320-1345m</div> <div>Run casing to 1810m. Circ clean.</div> <div>Slug and POH to 1494m</div>			
SAND CONTENT (% by Vol.)				0.20					
METHYLENE BLUE CAPACITY (ppb equiv.)				5.0					
pH				8.6					
ALKALINITY MUD (Pm)									
ALKALINITY FILTRATE (Pf / Mf)				0.05 0.10					
CHLORIDE (mg/L)				33,000					
TOTAL HARDNESS AS CALCIUM (mg/L)				720					
SULPHITE (mg/L)				100					
K+ (mg/L)				28,875					
KCl (% by Wt.)				5.5					
PHPA (ppb)		0.07		0.06					
ECD (ppg)				9.80					

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	40	Desander		INITIAL VOLUME	730	Centrifuge			Desander	2		Shaker #1	3 x 110	20
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3x110	24
Drill Water	30	Downhole	40	+ FLUID RECEIVED	70									
Direct Recirc Sump		Dumped		- FLUID LOST	100									
Other (eg Diesel)		Other	60	+ FLUID IN STORAGE										
TOTAL RECEIVED	70	TOTAL LOST	100	FINAL VOLUME	700	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	57		3	54	\$ 487.50		%	PPB	Jet Velocity	232
Baryte	\$ 8.45	1000		160	840	\$ 1,352.00	High Grav solids	0.9	12.60	Impact force	367
Xanthan Gum	\$ 359.25	63		3	60	\$ 1,077.75	Total LGS	5.2	48.9	HHP	86
							Bentonite	0.0	-0.2	HSI	1.5
							Drilled Solids	5.2	47.2	Bit Press Loss	461
							Salt	2.0	19.1	CSG Seat Frac Press	
							n @ 1400 Hrs	0.46		Equiv. Mud Wt.	
							K @ 1400 Hrs	9.33		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$2,917.25			\$83,623.11	
RMN ENGINEER	Peter Burke				CITY	Adelaide Office				TELEPHONE	08 8338 7266

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Report #	33	Date :	6-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres

RMN ENGINEER	Peter Burke	CITY	Adelaide Office	TELEPHONE	08 8338 7266
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Report #	34	Date :	7-Aug-2008
Rig No	2	Spud :	5th July, 2008
Depth	2128	to	2128 Metres