



**DRILLING FLUID SUMMARY**

**FOR : CENTRAL PETROLEUM**

**WELL : SIMPSON # 1**

**PEDIRKA BASIN**

**NORTHERN TERRITORY**

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Date : October 2008

Operator : Central Petroleum  
Well : Simpson # 1  
Rig : Hunt Rig 2  
Spud : October 1<sup>st</sup> 2008



## CONTENTS

1. Summary of Operations
2. Observations, Recommendations & Well Analysis
3. Material Costs & Consumption Analysis
4. Mud Materials Reconciliation
5. Fluid Properties Summary
6. Mud Volume Reconciliation
7. Graphs
8. Daily Mud Reports

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Spud : October 1<sup>st</sup> 2008



## 1. SUMMARY OF OPERATIONS

Simpson #1 was spudded at 12.30 hrs on the 1<sup>st</sup> October, 2008 using Hunt Rig #2 and reached a depth of 2165 m, on the 18<sup>th</sup> October, 2008.

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

pH	8.0
Chlorides	3500 mg/l
Hardness	360 mg/l

The conductor was set at 9.5 m. The 9-5/8" casing was set at 795 m.

**HOLE SIZE** : 12<sup>1</sup>/<sub>4</sub>"  
**MUD TYPE** : Aus Gel Spud Mud  
**INTERVAL** : 0 - 804 m  
**CASING** : 9-5/8" @ 795 m

Aus Gel bentonite was mixed in drill water to obtain a viscosity of approximately 50 sec/qt and this fluid was used to drill out the rat hole, mouse hole and then to start the 12<sup>1</sup>/<sub>4</sub>" hole section. KCl was pre mixed and ready to add at the first sign of sticky clays at the shakers. The addition of the KCl brine started at 95 m and continued to the section TD. The K<sup>+</sup> ion was run between 2 and 5% by weight.

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

The bit became balled up at 279 m and was pulled and cleaned. The KCl percent by weight in the active system was raised to 5% by additions of 8% by weight premixes.

Drilling continued adding water and KCl to maintain the percent by weight at 5%.

At 804 m Total Depth for this section was called. The wiper trip showed large blocky cavings and reaming to bottom was required. Also some down hole losses were experienced.

The casing was run successfully to 795 m but when circulation started the casing became stuck.

A diesel-Rod free pill was mixed with 3,000 litres diesel, 20 bbls mud and 3% of Rod free. This was spotted down hole around the shoe and 0.5 bbls pumped every

Operator : Central Petroleum  
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Spud : October 1<sup>st</sup> 2008



10 minutes. The pill was then circulated up the annulus in stages in an attempt to free the casing. The diesel reached surface without success.

Then a SAPP mix at 10 % was pumped and spotted around the suspected stuck zone 300 – 500 m. The pipe was worked but to no avail. The hole was circulated encountering large losses and then the casing was cemented in place with the shoe being at 795 m.

Some losses were encountered during the cement job but returns returned and cement was seen at the surface.

The casing was cut and a Braden head attached before nipping up and testing the BOP's.

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

<b>HOLE SIZE</b>	<b>:</b>	<b>8½"</b>	
<b>MUD TYPE</b>	<b>:</b>	<b>KCI/PHPA</b>	<b>KCI/PHPA/ Pac-R</b>
<b>INTERVAL</b>	<b>:</b>	<b>795 – 2165 m</b>	<b>1000 – 2165 m</b>

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 777 m. The cement, shoe track and 3 m of new formation were drilled to 806 m.

The new mud was added as drilling cement continued. After the hole was circulated clean and the mud balanced an FIT was conducted to 14.0 ppg equivalent mud weight. The mud weight was 8.7 ppg.

Drilling commenced with steady additions of pre-mixed mud from the pill tank. KCl concentration was maintained at around 2 – 3% and the PHPA concentration was slowly being increased. The sand trap was dumped occasionally and the Desilter was run throughout this section.

At 850 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 12 – 18 lbs/100 ft<sup>2</sup>. The mud weight slowly increased towards 9.0 ppg and the remained constant at 9.0 - 9.1 ppg.

At 1048 m the pump pressure was steadily reducing and a trip was made to find a suspected washout. There were 2 washouts in joints 27 and 28. The bit was run to bottom and drilling recommenced after reaming the bottom couple of stands.

**Operator** : **Central Petroleum**  
**Well** : **Simpson # 1**  
**Rig** : **Hunt Rig 2**  
**Spud** : **October 1<sup>st</sup> 2008**



At around 1400 m, the KCl percent by weight had reduced to 1.8% because the chemical delivery had been delayed. However the formation was mostly fine siltstone rather than claystone and few problems occurred.

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 1898 m the bit was changed to a PDC bit which could only drill to 1999 m before it was worn. A JTC bit was picked up and run into the hole but the jets became blocked and another trip was made to clear the jets.

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 this depth sump water was added to build 50% of the premixes required. Extra biocide was added and the pH was raised.

At 2077 m it was decided to change the bit. The new bit drilled slowly without incident to total depth at 2165 m where a wiper trip was made prior to logging.

The logs were then run. It was decided to plug and abandon the well on the 20<sup>th</sup> October, 2008. Extra oxygen scavenger and corrosion inhibitor were added prior to laying out the pipe sideways

The rig was released on the Wednesday the 22<sup>nd</sup> October, 2008.

Operator : Central Petroleum  
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## **2. RECOMMENDATIONS AND WELL ANALYSIS**

Simpson # 1 was completed to a Total Depth of 2165 m on the 17<sup>th</sup> October, 2008, for a total mud cost of \$58,935.05 or \$27.22 per metre. The well was drilled by Hunt Energy #2 rig.

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 well, the De-silter was used on a permanent basis, to reduce the solids in the mud.

### **12¼" Surface Hole**

This 804 m section was drilled for a mud cost of \$12,088.09 or \$15.03 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.

Mud properties were generally fairly good in this section of hole. The KCl concentration was run at good inhibitive levels (3.5 – 5%) and cuttings were noted to be firm and fairly dry inside. The mud weight was quite low, having averaged 8.9 – 9.0 ppg throughout the interval. Consequently the casing became stuck close to the projected casing point was somewhat of a surprise. Being a relatively rare occurrence, it's not felt that spending many \$1000's on improving general mud and filtration properties is worthwhile, especially as improving properties would not necessarily guarantee against a further occurrence.

### **8½" Production Hole**

This section length was 1361 m and the mud cost was \$46,846.96 or \$34.42 per metre.

A simple KCl PHPA based fluid was used in the top section of hole, combined with some spud mud from the previous section. KCl was added for a concentration of approximately 2.5% and PHPA was added, initially at a low concentration. This was built up however, as drilling continued and the mud sheared.

At approximately 850 m, the mud properties were improved. Pac-R was introduced to lower the Fluid Loss to below 8 cc's. It had the additional benefit of increasing the Yield Point. As the fluid loss came into specifications, more Xanthan Gum was added to help maintain the yield point at around 12 – 18 lbs/100 ft<sup>2</sup>.

Sodium sulphite was added to lower dissolved oxygen levels, so as to prevent corrosion. Caustic Soda was used to maintain the pH in the region of 8.7 – 9.2.

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The solids control equipment worked adequately for the entire well. The mud weight in this section was maintained at no more than 9.2 ppg, with dilution levels being quite reasonable, indicating that solids control was effective.



### 3. INTERVAL COSTS

Product			12-1/4" Surface Hole			8-1/2" Production Hole			Total Well Consumption		
	Interval :		0 - 804 m			804 m - 2165 m			0 - 2165 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	5.5%	14	\$2,594.90	4.4%
AMC Pac R	\$ 162.50	25 kg				71	\$11,537.50	24.6%	71	\$11,537.50	19.6%
Aus-Gel	\$ 14.25	25 kg	64	\$912.00	7.5%	22	\$313.50	0.7%	86	\$1,225.50	2.1%
Baryte	\$ 8.45	25 kg	20	\$169.00	1.4%	231	\$1,951.95	4.2%	251	\$2,120.95	3.6%
Caustic Soda	\$ 56.00	25 kg	6	\$336.00	2.8%	25	\$1,400.00	3.0%	31	\$1,736.00	2.9%
Lime	\$ 9.40	25 kg				1	\$9.40	0.0%	1	\$9.40	0.0%
PHPA	\$ 127.00	25 kg				27	\$3,429.00	7.3%	27	\$3,429.00	5.8%
Potassium Chloride (Tech)	\$ 26.75	25 kg	355	\$9,496.25	78.6%	430	\$11,502.50	24.6%	785	\$20,998.75	35.6%
Rod-Free	\$ 130.00	25 kg	4	\$520.00	4.3%				4	\$520.00	0.9%
SAPP	\$ 72.76	25 kg	9	\$654.84	5.4%				9	\$654.84	1.1%
Soda Ash	\$ 21.60	25 kg				39	\$842.40	1.8%	39	\$842.40	1.4%
Sodium Sulphite	\$ 33.40	25 kg				22	\$734.80	1.6%	22	\$734.80	1.2%
Wildcat 410	\$ 168.94	25 lt				4	\$675.76	1.4%	4	\$675.76	1.1%
Xan-Bore	\$ 359.25	25 kg				33	\$11,855.25	25.3%	33	\$11,855.25	20.1%
<b>Totals :</b>				<b>\$12,088.09</b>	<b>100.0%</b>		<b>\$46,846.96</b>	<b>100.0%</b>		<b>\$58,935.05</b>	<b>100.0%</b>
<b>Cost per Metre :</b>				<b>\$15.03</b>			<b>\$34.42</b>			<b>\$27.22</b>	





## 4. MATERIALS RECONCILIATION

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

PRODUCT	UNIT	TOTAL RECEIVED	TOTAL USED	TRANSFER BALANCE
AMC Biocide G	25 lt	14	14	
AMC Defoamer	25 lt	12		12
AMC Pac R	25 kg	139	71	68
Aus-Gel (Aust)	25 kg	168	86	82
Baryte	25 kg	651	251	400
Calcium Chloride	25 kg	10	1	9
Caustic Soda	25 kg	35	31	4
Guar Gum	25 kg	6		6
Lime	20 kg	10	1	9
PHPA	25 kg	99	27	72
Potassium Chloride (Tech)	25 kg	827	785	42
Quikseal F	18.7 kg	59		59
Quikseal M	18.7 kg	50		50
Quilseal C	18.7 kg	50		50
Rod-Free	25 kg	8	4	4
SAPP	25 kg	19	9	10
Soda Ash	25 kg	39	39	
Sodium Sulphite	25 kg	52	22	30
Wildcat 410	25 lt	4	4	
Xanthan Gum	25 kg	55	33	22
Xtra-Sweep	5.5 kg	8		8



## 5. FLUID PROPERTIES SUMMARY

Date								Gels		Filtrate		Solids				pH	Pf	Mf	Cl-	Ca++	SO3=	K+	KCl
	Mud Type	Temp	Depth	Weight	Vis	PV	YP	10 sec	10 min	API	Cake	Solids	Water	Sand	MBT								
1-Oct-08	Spud Mud	32	45	8.80	36	10	26	6	10	nc		3.1	96.9	0.2		9.0			3,500	360			
		34	100	9.00	35	10	25	6	10	nc		2.9	97.1	0.3	5.0	9.0			18,000	400		19,184	3.6
2-Oct-08	Spud Mud	33	279	8.90	35	9	26	6	11	nc		2.9	97.1	0.2	10.0	9.0			16,000	400		17,833	3.3
	Spud Mud	35	500	8.90	37	10	27	8	14	nc		2.2	97.8	0.2	15.0	8.5			24,000	600		28,101	5.2
3-Oct-08	Spud Mud	40	600	8.90	37	12	22	6	10	nc		1.9	98.1	0.2	12.5	9.0			20,000	480		27,020	5.0
	Spud Mud	41	804	9.00	38	14	20	8	14	nc		2.7	97.3	0.2	15.0	9.0			19,000	480		25,939	4.8
4-Oct-08	Spud Mud	38	804	8.90	37	12	23	8	15	nc		1.9	98.1	0.2	15.0	8.5			18,000	480		25,399	4.7
		38	804	8.90	37	12	23	8	15	nc		1.9	98.1	0.2	15.0	8.5			18,000	480		25,399	4.7
5-Oct-08	Spud Mud	36	804	9.00	35	10	25	6	9	nc		2.9	97.1	tr	10.0	8.0			15,000	440		21,616	4.0
6-Oct-08	KCl/Polymer		804	8.60	40	12	18	4	9	9.0	1	1.2	98.8		2.5	9.0	0.10	0.20	16,500	400	100	13,510	2.5
7-Oct-08	KCl/Polymer	34	807	8.70	39	10	20	5	10	9.4	1	1.8	98.2		2.5	9.0	0.10	0.22	16,500	520	100	15,131	2.8
8-Oct-08	KCl/Polymer	38	899	8.70	36	10	14	5	9	8.6	1	1.8	98.2	tr	5.0	9.0	0.10	0.25	15,000	480	100	14,050	2.6
	KCl/Polymer	40	1048	9.00	37	10	15	5	10	8.8	1	4.0	96.0	0.2	5.0	9.0	0.10	0.22	14,500	480	100	13,510	2.5
9-Oct-08	KCl/Polymer	42	1100	8.90	37	10	16	5	10	9.0	1	3.4	96.6	0.2	5.0	8.8	0.08	0.15	13,000	440	100	11,889	2.2
	KCl/Polymer	44	1260	9.10	42	11	19	6	12	8.5	1	4.8	95.2	0.3	7.5	8.8	0.08	0.15	13,000	400	100	11,348	2.1
10-Oct-08	KCl/Polymer	45	1420	9.10	44	11	20	6	12	8.0	1	4.9	95.1	0.3	7.5	8.9	0.10	0.22	12,000	400	50	9,727	1.8
	KCl/Polymer	46	1620	9.10	40	12	16	6	12	7.6	1	5.0	95.0	0.3	7.5	8.7	0.07	0.20	11,500	400	50	9,187	1.7
11-Oct-08	KCl/Polymer	45	1730	9.00	39	14	13	6	14	7.0	1	4.3	95.7	0.2	7.5	8.7	0.05	0.11	11,000	400	50	8,646	1.6
	KCl/Polymer	45	1798	9.10	42	14	16	6	14	7.0	1	4.6	95.4	0.2	10.0	8.7	0.05	0.10	17,000	440	50	15,131	2.8
12-Oct-08	KCl/Polymer	43	1798	9.00	41	12	18	6	14	7.6	1	3.9	96.1	0.2	10.0	8.8	0.05	0.11	18,000	440	50	16,212	3.0
	KCl/Polymer	45	1899	9.00	40	14	14	6	13	7.8	1	3.7	96.3	0.2	7.5	8.8	0.05	0.10	19,000	440	50	18,374	3.4
13-Oct-08	KCl/Polymer	45	1899	9.00	40	15	12	6	13	7.8	1	3.9	96.1	0.2	7.5	9.0	0.10	0.10	18,000	400	50	16,212	3.0
	KCl/Polymer	45	1922	9.00	41	15	13	6	14	8.0	1	3.9	96.1	0.2	7.5	9.3	0.15	0.25	17,500	400	20	15,672	2.9
14-Oct-08	KCl/Polymer	44	1945	9.10	40	14	13	6	12	7.4	1	4.6	95.4	0.2	7.5	9.2	0.12	0.22	17,000	400	20	15,100	2.8
15-Oct-08	KCl/Polymer	46	2000	9.00	39	10	16	7	15	8.6	1	3.9	96.1	0.2	7.5	9.1	0.10	0.20	15,000	400	tr	14,591	2.7
	KCl/Polymer	46	2055	9.00	38	9	17	6	12	8.2	1	3.9	96.1	0.25	7.50	9.0	0.05	0.15	16,000	400	tr	15,131	2.8
16-Oct-08	KCl/Polymer	38	2077	9.10	36	10	14	6	12	8.6	1	4.5	95.5	0.2	7.5	9.0	0.05	0.10	15,000	400	tr	15,131	2.8
	KCl/Polymer	45	2085	9.10	37	10	16	6	10	8.4	1	4.5	95.5	0.1	7.5	9.1	0.10	0.15	17,000	440	tr	15,672	2.9
17-Oct-08	KCl/Polymer	45	2105	9.20	41	12	16	6	14	8.0	1	5.2	94.8	0.1	5.0	9.0	0.07	0.12	17,500	400	tr	16,212	3.0
	KCl/Polymer	46	2140	9.20	39	13	15	6	12	7.8	1	5.2	94.8	0.1	5.0	9.2	0.08	0.14	16,000	400	tr	15,131	2.8
18-Feb-08	KCl/Polymer	45	2165	9.10	38	9	17	6	12	8.0	1	4.5	95.5	0.2	5.0	9.1	0.10	0.16	14,000	400	120	13,510	2.5
19-Oct-08	KCl/Polymer	42	2165	9.00	36	10	14	5	12	8.2	1	3.6	96.4	0.1	5.0	9.1	0.08	0.12	13,500	400	100	12,970	2.4
20-Oct-08	KCl/Polymer	43	2165	9.00	36	10	14	5	12	8.2	1	3.6	96.4	0.1	5.0	9.1	0.08	0.12	13,500	400	100	12,970	2.4

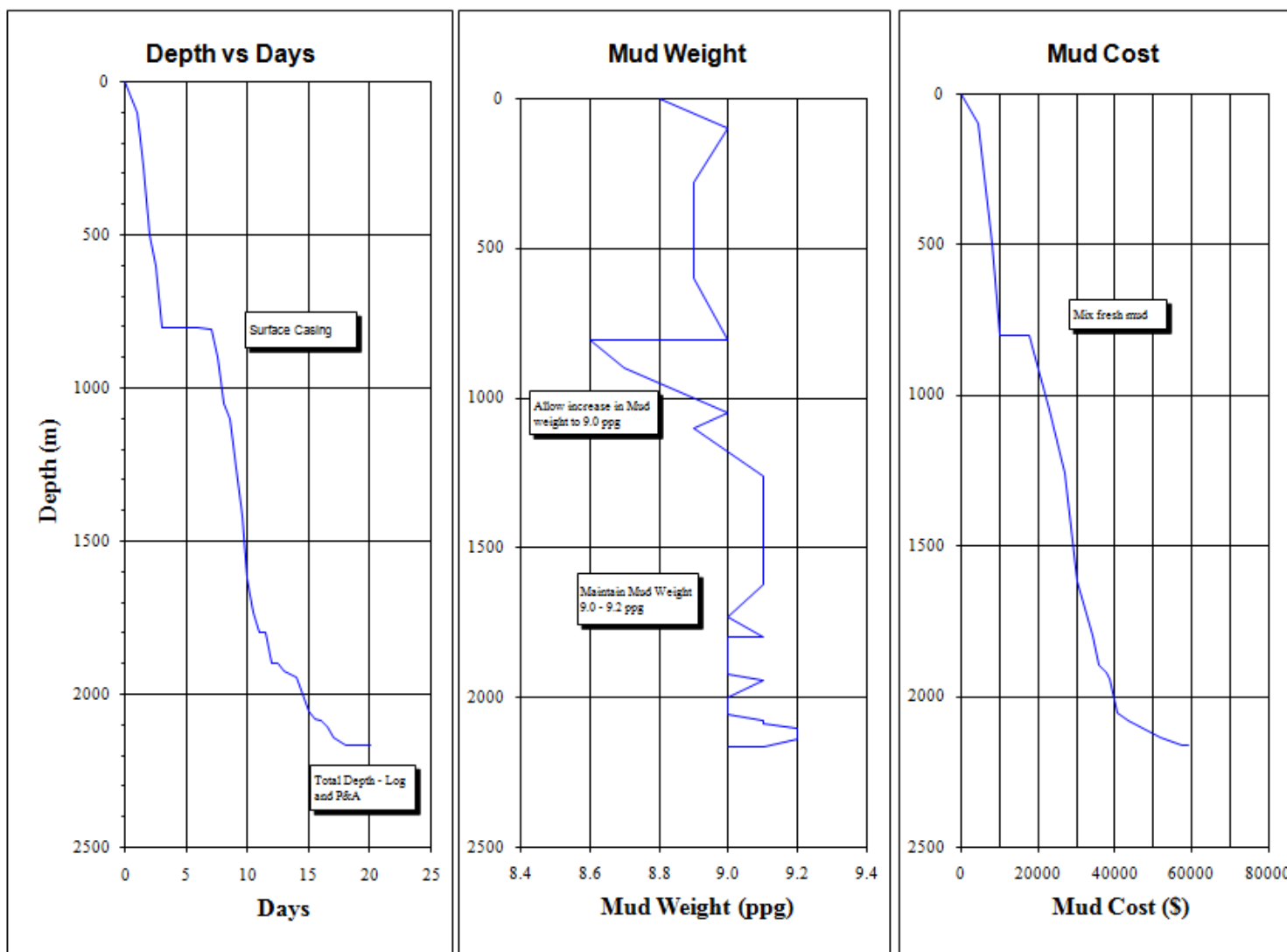


## 6. Mud Volume Analysis

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
1-Oct-08	12-1/4"	0 m	100 m	Spud Mud				355		0	0			72		0	355	72	283
2-Oct-08	12-1/4"	100 m	500 m	Spud Mud				333		23	41		53	90		283	333	207	409
3-Oct-08	12-1/4"	500 m	804 m	Spud Mud				400		38	55		38	78		409	400	208	601
4-Oct-08	12-1/4"	804 m	804 m	Spud Mud				300		0	10		159	123		601	300	292	609
5-Oct-08	12-1/4"	804 m	804 m	Spud Mud				250	20	0	0		330	80		609	270	410	469
<b>Sub Total</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>1638</b>	<b>20</b>	<b>61</b>	<b>106</b>	<b>0</b>	<b>579</b>	<b>443</b>	<b>0</b>		<b>1658</b>	<b>1189</b>	
6-Oct-08	8-1/2"	804 m	804 m	KCl Polymer				200		0	0		47	160		469	200	207	462
7-Oct-08	8-1/2"	804 m	807 m	KCl Polymer				50		0	0		43	25		462	50	68	444
8-Oct-08	8-1/2"	807 m	1048 m	KCl Polymer				170		0	43		34	60		444	170	137	477
9-Oct-08	8-1/2"	1048 m	1260 m	KCl Polymer				200		5	27		58	65		477	200	156	521
10-Oct-08	8-1/2"	1260 m	1620 m	KCl Polymer				200		7	45		38	55		521	200	145	577
11-Oct-08	8-1/2"	1620 m	1798 m	KCl Polymer				160	20	6	36		50	32		577	180	124	632
12-Oct-08	8-1/2"	1798 m	1899 m	KCl Polymer				120	20	3	27		76	15		632	140	121	652
13-Oct-08	8-1/2"	1899 m	1923 m	KCl Polymer			10	80	20	2	31		16	35	15	652	110	99	663
14-Oct-08	8-1/2"	1923 m	1945 m	KCl Polymer			30	40	10	1	9		24	15	20	663	80	69	674
15-Oct-08	8-1/2"	1945 m	2075 m	KCl Polymer			40	50	20	2	31		26	25	25	674	110	108	676
16-Oct-08	8-1/2"	2075 m	2085 m	KCl Polymer			30	50	20	1	15		57	33		676	100	106	670
17-Oct-08	8-1/2"	2085 m	2142 m	KCl Polymer			30	140	35	3	41		57	66		670	205	167	708
18-Feb-08	8-1/2"	2142 m	2165 m	KCl Polymer				120		1	15		64	65		708	120	145	683
19-Oct-08	8-1/2"	2165 m	2165 m	KCl Polymer				40		0	0		45	15		683	40	60	663
20-Oct-08	8-1/2"	2165 m	2165 m	KCl Polymer						0	0		32	50		663	0	82	581
<b>Sub Total</b>					<b>0</b>	<b>0</b>	<b>140</b>	<b>1620</b>	<b>145</b>	<b>29</b>	<b>320</b>	<b>0</b>	<b>668</b>	<b>716</b>	<b>60</b>		<b>1905</b>	<b>1793</b>	
<b>Well Total</b>					<b>0</b>	<b>0</b>	<b>140</b>	<b>3258</b>	<b>165</b>	<b>90</b>	<b>426</b>	<b>0</b>	<b>1248</b>	<b>1159</b>	<b>60</b>		<b>3563</b>	<b>2982</b>	

Dilution Factors			
	Interval Length	Dilution Vol	Dilution Factor
12 1/4" Surface Hole	804 m	1558 bbls	1.9 bbls/m
8 1/2" Hole	1361 m	1605 bbls	1.2 bbls/m

## 7. Graphs





## **8. DAILY DRILLING FLUIDS REPORTS**



<b>Report #</b>	<b>1</b>	<b>Date :</b>	<b>1-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>to</b>	<b>100</b>	<b>Metres</b>



<b>Report #</b>	<b>2</b>	<b>Date :</b>	<b>2-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>100</b>	<b>to</b>	<b>500 Metres</b>

DRILLING ASSEMBLY				JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA													
BIT SIZE		TYPE		16	16	16	16	SURFACE	9	ft	HOLE	PITS	PUMP SIZE				CIRCULATION									
12.25		JST11XC		14									16				x	5.5	Inches	PRESS (PSI)						
DRILL PIPE				Length				INTERMEDIATE			ft		TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS							
SIZE 4.5		#		331			Mtrs	SET @			M		420		Emasco/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		108		TIME (min)							
DRILL COLLAR SIZE ( " )				Length				MUD TYPE							BBL/MIN		GAL / MIN		ANN VEL.		DP		111		Lam	
6.43		8.00		93			22	Spud Mud							13.99		587		(ft/min)		DCs		132		167	Lam

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Caustic Soda	\$ 56.00	34		4	30	\$ 224.00		%	PPB	Jet Velocity	254
Potassium Chloride (Te	\$ 26.75	323		126	197	\$ 3,370.50	High Grav solids			Impact force	689
							Total LGS	2.2	20.6	HHP	177
							Bentonite	1.6	14.6	HSI	1.5
							Drilled Solids	0.6	5.2	Bit Press Loss	517
							Salt	1.5	13.9	CSG Seat Frac Press	
							n @ 2000 Hrs	0.34		Equiv. Mud Wt.	
							K @ 2000 Hrs	13.00		Max Pressure @ Shoe :	
							<b>DAILY COST</b>			<b>CUMULATIVE COST</b>	
							<b>\$3,594.50</b>			<b>\$7,952.55</b>	
<b>RMN ENGINEER</b>	<b>Peter Burke</b>	<b>CITY</b>				<b>Adelaide Office</b>		<b>TELEPHONE</b>		<b>08 8338 7266</b>	

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<b>Report #</b>	<b>3</b>	<b>Date :</b>	<b>3-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>500</b>	<b>to</b>	<b>804 Metres</b>

DRILLING ASSEMBLY		JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA							
BIT SIZE	TYPE	16	16	16	16	SURFACE SET @	9	ft	HOLE	PITS	PUMP SIZE			CIRCULATION			
12.25	JST11XC	14									360	230	16	X	5.5	Inches	PRESS (PSI)
DRILL PIPE SIZE	TYPE	Length			INTERMEDIATE SET @	ft	M	TOTAL CIRCULATING VOL.	PUMP MODEL	Emasco/TSM	ASSUMED EFF	BOTTOMS UP (min)					
4.5	#	635	Mtrs										23	min			
DRILL PIPE SIZE	TYPE	Length			PRODUCTION. or LINER Set @	ft	M	IN STORAGE	BBL/STK	STK / MIN	TOTAL CIRC. TIME (min)						
4.5	HW	54	Mtrs									43	min				
DRILL COLLAR SIZE ( " )		Length			MUD TYPE	Spud Mud			BBL/MIN	GAL / MIN	ANN VEL. (ft/min)	DP DCs	113	Lam			
6.43	8.00	93	22	Mtrs											135	170	Lam

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Baryte	\$ 8.45	483		20	463	\$ 169.00		%	PPB	Jet Velocity	259
Caustic Soda	\$ 56.00	30		1	29	\$ 56.00	High Grav solids			Impact force	722
Potassium Chloride (Te)	\$ 26.75	197		71	126	\$ 1,899.25	Total LGS	2.7	25.7	HHP	189
							Bentonite	1.5	14.0	HSI	1.6
							Drilled Solids	1.2	10.7	Bit Press Loss	542
							Salt	1.1	11.0	CSG Seat Frac Press	
							n @ 2000 Hrs	0.50		Equiv. Mud Wt.	
							K @ 2000 Hrs	7.82		Max Pressure @ Shoe :	
							<b>DAILY COST</b>			<b>CUMULATIVE COST</b>	
							<b>\$2,124.25</b>			<b>\$10,076.80</b>	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office					TELEPHONE	08 8338 7266

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<b>Report #</b>	<b>4</b>	<b>Date :</b>	<b>4-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>804</b>	<b>to</b>	<b>804 Metres</b>

OPERATOR	Central Petroleum Limited	CONTRACTOR	Hunt Energy	
REPORT FOR	Eric Gardiner	REPORT FOR	Mick Harvey	
WELL NAME AND No	Simpson #1	FIELD	LOCATION	STATE
		EP97	Pedrika Basin	Northern Territory

DRILLING ASSEMBLY				JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA														
BIT SIZE		TYPE		16	16	16	16	SURFACE	9	ft	HOLE	PITS	PUMP SIZE				CIRCULATION										
12.25		JST11XC		14									16				X	5.5	Inches	PRESS (PSI)							
DRILL PIPE		TYPE		Length				INTERMEDIATE			TOTAL CIRCULATING VOL.			PUMP MODEL			ASSUMED EFF			BOTTOMS							
SIZE 4.5		#		635			Mtrs		SET @			620			Emasco/TSM			97			%	UP (min)					
DRILL PIPE		TYPE		Length				PRODUCTION. or			IN STORAGE			BBL/STK			STK / MIN			TOTAL CIRC.							
SIZE 4.5		HW		54			Mtrs		LINER Set @			40			0.1335			111			TIME (min)						
DRILL COLLAR SIZE ( " )				Length				MUD TYPE						BBL/MIN			GAL / MIN			ANN VEL.		DP		114		Lam	
6.43		8.00		93			22	Mtrs	Spud Mud						14.37			600			(ft/min)		DCs		136 172		Lam

		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS		
SAMPLE FROM		fl		Mud Weight	API Filtrate	HPHT Filtrate
TIME SAMPLE TAKEN		0200	1000	Plastic Vis	Yield Point	pH
DEPTH (ft) - (m) Metres		804	804	KCl	PHPA	Sulphites

FLOWLINE TEMPERATURE	<sup>0</sup> C	<sup>0</sup> F	38		38		<u>OBSERVATIONS</u>
WEIGHT	ppg / SG		8.90	1.068	8.90	1.068	
FUNNEL VISCOSITY (sec/qt) API @	<sup>0</sup> C		37		37		
PLASTIC VISCOSITY cP @	<sup>0</sup> C		12		12		
YIELD POINT (lb/100ft <sup>2</sup> )			23		23		
GEL STRENGTHS (lb/100ft <sup>2</sup> ) 10 sec/10 min			8	15	8	15	
RHEOLOGY Ø 600 / Ø 300			47	35	47	35	
RHEOLOGY Ø 200 / Ø 100			25	21	25	21	
RHEOLOGY Ø 6 / Ø 3			12	7	12	7	
FILTRATE API (cc's/30 min)			nc		nc		
HPHT FILTRATE (cc's/30 min) @	<sup>0</sup> F						
CAKE THICKNESS API : HPHT (32nd in)							
SOLIDS CONTENT (% by Volume)			1.9		1.9		

Add water for dilution.

Maintain KCl% 4%by wt.

Diesel Pill

3000 litres diesel

3% Rod Free

15 bbls mud.

LIQUID CONTENT (% by Volume) OIL/WATER	98.1	98.1	<u>OPERATIONS SUMMARY</u>  Ream to btm. Circulate hole clean. POOH for casing  Run casing to bottom. Circ. Casing stuck. Mix diesel Rod Free pill and spot downhole.  Work casing. Pump 0.5bbbls/10mn
SAND CONTENT (% by Vol.)	0.20	0.20	
METHYLENE BLUE CAPACITY (ppb equiv.)	15.0	15.0	
pH	8.5	8.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)			
CHLORIDE (mg/L)	18,000	18,000	
TOTAL HARDNESS AS CALCIUM (mg/L)	480	480	
SULPHITE (mg/L)			
K+ (mg/L)	24,675	24,675	
KCl (% by Wt.)	4.7	4.7	
PHPA (ppb)			
ECD (ppg)			

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs		Cones	Hrs		Size	Hrs	
Premix (drill water)		Desander		INITIAL VOLUME	612	Centrifuge			Desander	2		Shaker #1	3x84	12
Premix (recirc from sump)		Desilter	10			Degasser			Desilter	12	4	Shaker #2	3x84	12
Drill Water	300	Downhole	159	+ FLUID RECEIVED	300									
Direct Recirc Sump		Dumped	123	- FLUID LOST	292									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	40			Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)				
TOTAL RECEIVED	300	TOTAL LOST	292	FINAL VOLUME	660	Desander			0					
						Desilter	10.3		8.9	1.80				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Potassium Chloride (Te	\$ 26.75	126		32	94	\$ 856.00		%	PPB	Jet Velocity	260
Rod-Free	\$ 130.00	4		4		\$ 520.00	High Grav solids			Impact force	718
							Total LGS	1.9	18.5	HHP	189
							Bentonite	1.6	14.8	HSI	1.6
							Drilled Solids	0.3	2.9	Bit Press Loss	540
							Salt	1.1	10.4	CSG Seat Frac Press	
							n @ 1000 Hrs	0.43		Equiv. Mud Wt.	
							K @ 1000 Hrs	12.63		Max Pressure @ Shoe :	
							<b>DAILY COST</b>			<b>CUMULATIVE COST</b>	
							<b>\$1,376.00</b>			<b>\$11,452.80</b>	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	5	Date :	5-Oct-2008
Rig No	2	Spud :	1st October, 2008
Depth	804	to	804 Metres



Report #	6	Date :	6-Oct-2008
Rig No	2	Spud :	1st October, 2008
Depth	804	to	804 Metres

[illegible]

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<b>Report #</b>	<b>7</b>	<b>Date :</b>	<b>7-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>804</b>	<b>to</b>	<b>807 Metres</b>



Report #	8	Date :	8-Oct-2008
Rig No	2	Spud :	1st October, 2008
Depth	807	to	1048 Metres

OPERATOR	Central Petroleum Limited	CONTRACTOR	Hunt Energy	
REPORT FOR	Eric Gardiner	REPORT FOR	Mick Harvey	
WELL NAME AND No	Simpson #1	FIELD	LOCATION	STATE
		EP97	Pedrika Basin	Northern Territory

DRILLING ASSEMBLY		JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA									
BIT SIZE	TYPE	12	12	12	16	SURFACE	9	ft	HOLE	PITS	PUMP SIZE			CIRCULATION					
8.50	JTC44DP					SET @	3	M	218	225	16	X	5.5	Inches	PRESS (PSI)	1350	psi		
DRILL PIPE	TYPE	Length			9 5/8	INTERMEDIATE	2608	ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS				
SIZE 4.5	#	839			Mtrs	SET @	795	M	488		Emasco/TSM		97		%	UP (min)			
DRILL PIPE	TYPE	Length				PRODUCTION. or		ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.				
SIZE 4.50	HW	19			Mtrs	LINER Set @		M	45		0.1335		56		TIME (min)				
DRILL COLLAR SIZE ( " )		Length			MUD TYPE							BBL/MIN		GAL / MIN		ANN VEL. DP		144	
6.43	8.00	190			Mtrs	KCl/Polymer					7.25		305		(ft/min) DCs		241	904	Lam
																			Lam



		MUD PROPERTIES				MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM		fl		fl		Mud Weight	alap	API Filtrate	HPHT Filtrate		
TIME SAMPLE TAKEN		1000		2000		Plastic Vis		Yield Point	pH		
DEPTH	(ft) - (m)	Metres		899	1,048	KCl	3%	PHPA	1.00 ppb	Sulphites	100
FLOWLINE TEMPERATURE		°C   °F		38	40	OBSERVATIONS					
WEIGHT		ppg / SG		8.70	1.044						9.00
FUNNEL VISCOSITY (sec/qt) API @		°C		36	37	Add premix for properties and volume.	Pit drill spotted after 15-20 bbls influx.				
PLASTIC VISCOSITY cP @		°C		10	10						
YIELD POINT (lb/100ft²)				14	15	Change 4 screens to 110 mesh	Desilter On				
GEL STRENGTHS (lb/100ft²) 10 sec/10 min				5   9	5   10						
RHEOLOGY Ø 600 / Ø 300		34	24	35	25						
RHEOLOGY Ø 200 / Ø 100		18	14	18	14						
RHEOLOGY Ø 6 / Ø 3		8	4	8	4	Used 2x new 110 mesh					
FILTRATE API (cc's/30 min)		8.6		8.8							
HPHT FILTRATE (cc's/30 min) @		°F				OPERATIONS SUMMARY					
CAKE THICKNESS API : HPHT (32nd in)		1		1							
SOLIDS CONTENT (% by Volume)		1.8		4.0							
LIQUID CONTENT (% by Volume) OIL/WATER			98.2		96.0						
SAND CONTENT (% by Vol.)		tr		0.20		FIT EQ Mud Wt 14.0ppg.					
METHYLENE BLUE CAPACITY (ppb equiv.)		5.0		5.0							
pH		9.0		9.0		Drill ahead taking surveys.					
ALKALINITY MUD (Pm)											
ALKALINITY FILTRATE (Pf / Mf)		0.10	0.25	0.10	0.22						
CHLORIDE (mg/L)		15,000		14,500							
TOTAL HARDNESS AS CALCIUM (mg/L)		480		480		Pump prsseure drop 1500-1350psi					
SULPHITE (mg/L)		100		100							
K+ (mg/L)		13,650		13,125		POH suspect washout and blocked jet.					
KCl (% by Wt.)		2.6		2.5							
PHPA (ppb)		0.47		0.39							
ECD (ppg)											

Mud Accounting (bbbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	455	Centrifuge			Desander	2		Shaker #1	3x110	24
Premix (recirc from sump)		Desilter	43			Degasser			Desilter	12	20	Shaker #2	2x84,1x110	24
Drill Water	170	Downhole	34	+ FLUID RECEIVED	170									
Direct Recirc Sump		Dumped	60	- FLUID LOST	137									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	45									
TOTAL RECEIVED	170	TOTAL LOST	137	FINAL VOLUME	533		Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)			
						Desander		0						
						Desilter	10.0		8.6		1.50			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC biocide G	\$ 185.35	9		1	8	\$ 185.35		%	PPB	Jet Velocity	294
AMC Pac R	\$ 164.30	33		2	31	\$ 328.60	High Grav solids			Impact force	418
Caustic Soda	\$ 56.00	21		3	18	\$ 168.00	Total LGS	4.0	37.8	HHP	124
PHPA	\$ 127.00	96		2	94	\$ 254.00	Bentonite	0.1	1.1	HSI	2.2
Soda Ash	\$ 21.60	39		3	36	\$ 64.80	Drilled Solids	3.9	35.2	Bit Press Loss	700
Xanthan Gum	\$ 359.25	47		4	43	\$ 1,437.00	Salt	0.9	8.4	CSG Seat Frac Press	
							n @ 2000 Hrs	0.49		Equiv. Mud Wt.	
							K @ 2000 Hrs	6.20		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$2,437.75			\$22,861.19	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office					TELEPHONE	08 8338 7266

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		<h1>DRILLING FLUID REPORT</h1>				<table><tr><td>Report #</td><td>9</td><td>Date :</td><td colspan="2">9-Oct-2008</td></tr><tr><td>Rig No</td><td>2</td><td>Spud :</td><td colspan="2">1st October, 2008</td></tr><tr><td>Depth</td><td>1048</td><td>to</td><td>1260</td><td>Metres</td></tr></table>		Report #	9	Date :	9-Oct-2008		Rig No	2	Spud :	1st October, 2008		Depth	1048	to	1260	Metres																																																																																																											
Report #	9	Date :	9-Oct-2008																																																																																																																														
Rig No	2	Spud :	1st October, 2008																																																																																																																														
Depth	1048	to	1260	Metres																																																																																																																													
OPERATOR Central Petroleum Limited				CONTRACTOR Hunt Energy																																																																																																																													
REPORT FOR Eric Gardiner				REPORT FOR Mick Harvey																																																																																																																													
WELL NAME AND No Simpson #1				FIELD EP97		LOCATION Pedrika Basin		STATE Northern Territory																																																																																																																									
DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA																																																																																																																									
BIT SIZE 8.50		TYPE JTC44DP		16 SURFACE 9 ft SET @ 3 M		HOLE 263 PITS 235		PUMP SIZE 16 X 5.5 Inches		CIRCULATION PRESS (PSI) 1600 psi																																																																																																																							
DRILL PIPE SIZE 4.5		TYPE #		Length 1051 Mtrs		9 5/8 INTERMEDIATE 2608 ft SET @ 795 M		TOTAL CIRCULATING VOL. 532		PUMP MODEL Emsco/TSM		ASSUMED EFF 97 %		BOTTOMS UP (min) 27 min																																																																																																																			
DRILL PIPE SIZE 4.50		TYPE HW		Length 19 Mtrs		PRODUCTION or LINER Set @ M		IN STORAGE 34		BBL/STK 0.1335		STK / MIN 65		TOTAL CIRC. TIME (min) 63 min																																																																																																																			
DRILL COLLAR SIZE ( " ) 6.43		8.00		Length 190 Mtrs		MUD TYPE KCl/Polymer		BBL/MIN 8.42		GAL / MIN 354		ANN VEL. (ft/min) 167		DP 280 DCs 1050 Lam Lam																																																																																																																			
SAMPLE FROM				MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS																																																																																																																											
TIME SAMPLE TAKEN				fl 0900 fl 2000		Mud Weight alap		API Filtrate		HPHT Filtrate																																																																																																																							
DEPTH (ft) - (m) Metres				1,100 1,260		Plastic Vis		Yield Point		pH																																																																																																																							
FLOWLINE TEMPERATURE °C   °F				42 44		KCl 3%		PHPA 1.00 ppb		Sulphites 100																																																																																																																							
WEIGHT ppg / SG				8.90 1.068 9.10 1.092		<div>OBSERVATIONS</div> <div>Desander/Desilter ON</div> <div>Add premix for volume.</div> <div>Change 2 screens to 110 mesh.NEW</div>																																																																																																																											
FUNNEL VISCOSITY (sec/qt) API @ °C				37 42																																																																																																																													
PLASTIC VISCOSITY cP @ °C				10 11																																																																																																																													
YIELD POINT (lb/100ft²)				16 19																																																																																																																													
GEL STRENGTHS (lb/100ft²) 10 sec/10 min				5 10 6 12																																																																																																																													
RHEOLOGY θ 600 / θ 300				36 26 41 30																																																																																																																													
RHEOLOGY θ 200 / θ 100				18 14 20 16																																																																																																																													
RHEOLOGY θ 6 / θ 3				9 4 10 5																																																																																																																													
FILTRATE API (cc's/30 min)				9.0 8.5																																																																																																																													
HPHT FILTRATE (cc's/30 min) @ °F																																																																																																																																	
CAKE THICKNESS API : HPHT (32nd in)				1 1		<div>OPERATIONS SUMMARY</div> <div>Two wash outs, joint 27 and 28.</div> <div>RIH. Ream last couple joints to bottom.</div> <div>Drill ahead taking surveys</div>																																																																																																																											
SOLIDS CONTENT (% by Volume)				3.4 4.8																																																																																																																													
LIQUID CONTENT (% by Volume) OIL/WATER				96.6 95.2																																																																																																																													
SAND CONTENT (% by Vol.)				0.20 0.25																																																																																																																													
METHYLENE BLUE CAPACITY (ppb equiv.)				5.0 7.5																																																																																																																													
pH				8.8 8.8																																																																																																																													
ALKALINITY MUD (Pm)																																																																																																																																	
ALKALINITY FILTRATE (Pf / Mf)				0.08 0.15 0.08 0.15																																																																																																																													
CHLORIDE (mg/L)				13,000 13,000																																																																																																																													
TOTAL HARDNESS AS CALCIUM (mg/L)				440 400																																																																																																																													
SULPHITE (mg/L)				100 100		<div>Mud Accounting (bbls)</div> <table><tr><td colspan="2">FLUID BUILT &amp; RECEIVED</td><td colspan="2">FLUID DISPOSED</td><td colspan="2">SUMMARY</td></tr><tr><td>Premix (drill water)</td><td></td><td>Desander</td><td>5</td><td>INITIAL VOLUME</td><td>488</td></tr><tr><td>Premix (recirc from sump)</td><td></td><td>Desilter</td><td>27</td><td></td><td></td></tr><tr><td>Drill Water</td><td>200</td><td>Downhole</td><td>58</td><td>+ FLUID RECEIVED</td><td>200</td></tr><tr><td>Direct Recirc Sump</td><td></td><td>Dumped</td><td>65</td><td>- FLUID LOST</td><td>156</td></tr><tr><td>Other (eg Diesel)</td><td></td><td>Other</td><td></td><td>+ FLUID IN STORAGE</td><td>34</td></tr><tr><td>TOTAL RECEIVED</td><td>200</td><td>TOTAL LOST</td><td>156</td><td>FINAL VOLUME</td><td>566</td></tr></table> <div>Solids Control Equipment</div> <table><tr><td>Type</td><td>Hrs</td><td></td><td>Cones</td><td>Hrs</td><td></td><td>Size</td><td>Hrs</td></tr><tr><td>Centrifuge</td><td></td><td>Desander</td><td>2</td><td>12</td><td>Shaker #1</td><td>3x110</td><td>24</td></tr><tr><td>Degasser</td><td></td><td>Desilter</td><td>12</td><td>16</td><td>Shaker #2</td><td>2x84,1x110</td><td>24</td></tr></table> <div>Overflow (ppg) Underflow (ppg) Output (Gal/Min.)</div> <table><tr><td>Desander</td><td>12.0</td><td>9.0</td><td>0.30</td></tr><tr><td>Desilter</td><td>10.4</td><td>9.0</td><td>1.20</td></tr></table> <div>Solids Analysis Bit Hydraulics &amp; Pressure Data</div> <table><tr><td></td><td>%</td><td>PPB</td><td>Jet Velocity</td><td>341</td></tr><tr><td>High Grav solids</td><td></td><td></td><td>Impact force</td><td>569</td></tr><tr><td>Total LGS</td><td>4.8</td><td>45.8</td><td>HHP</td><td>197</td></tr><tr><td>Bentonite</td><td>0.3</td><td>3.0</td><td>HSI</td><td>3.5</td></tr><tr><td>Drilled Solids</td><td>4.5</td><td>40.9</td><td>Bit Press Loss</td><td>954</td></tr><tr><td>Salt</td><td>0.8</td><td>7.5</td><td>CSG Seat Frac Press</td><td></td></tr><tr><td>n @ 2000 Hrs</td><td>0.45</td><td></td><td>Equiv. Mud Wt.</td><td></td></tr><tr><td>K @ 2000 Hrs</td><td>9.24</td><td></td><td>Max Pressure @ Shoe :</td><td></td></tr></table> <div>DAILY COST CUMULATIVE COST</div> <table><tr><td>\$3,795.35</td><td>\$26,656.54</td></tr></table>								FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Premix (drill water)		Desander	5	INITIAL VOLUME	488	Premix (recirc from sump)		Desilter	27			Drill Water	200	Downhole	58	+ FLUID RECEIVED	200	Direct Recirc Sump		Dumped	65	- FLUID LOST	156	Other (eg Diesel)		Other		+ FLUID IN STORAGE	34	TOTAL RECEIVED	200	TOTAL LOST	156	FINAL VOLUME	566	Type	Hrs		Cones	Hrs		Size	Hrs	Centrifuge		Desander	2	12	Shaker #1	3x110	24	Degasser		Desilter	12	16	Shaker #2	2x84,1x110	24	Desander	12.0	9.0	0.30	Desilter	10.4	9.0	1.20		%	PPB	Jet Velocity	341	High Grav solids			Impact force	569	Total LGS	4.8	45.8	HHP	197	Bentonite	0.3	3.0	HSI	3.5	Drilled Solids	4.5	40.9	Bit Press Loss	954	Salt	0.8	7.5	CSG Seat Frac Press		n @ 2000 Hrs	0.45		Equiv. Mud Wt.		K @ 2000 Hrs	9.24		Max Pressure @ Shoe :		\$3,795.35	\$26,656.54
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RMN ENGINEER Peter Burke				CITY Adelaide Office		TELEPHONE 08 8338 7266																																																																																																																											

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<b>Report #</b>	<b>10</b>	<b>Date :</b>	<b>10-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1260</b>	<b>to</b>	<b>1620 Metres</b>



<b>Report #</b>	<b>11</b>	<b>Date :</b>	<b>11-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1620</b>	<b>to</b>	<b>1798 Metres</b>

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC biocide G	\$ 185.35	5		2	3	\$ 370.70		%	PPB	Jet Velocity	341
AMC Pac R	\$ 164.30	11		4	7	\$ 657.20	High Grav solids			Impact force	569
Baryte	\$ 8.45	463		23	440	\$ 194.35	Total LGS	4.6	43.9	HHP	197
Caustic Soda	\$ 56.00	12		2	10	\$ 112.00	Bentonite	0.7	6.1	HSI	3.5
Potassium Chloride (Te	\$ 26.75		84	84		\$ 2,247.00	Drilled Solids	4.0	36.0	Bit Press Loss	954
Soda Ash	\$ 21.60	27		2	25	\$ 43.20	Salt	1.0	9.8	CSG Seat Frac Press	
Xanthan Gum	\$ 359.25	37		1	36	\$ 359.25	n @ 1900 Hrs	0.55		Equiv. Mud Wt.	
							K @ 1900 Hrs	4.90		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,983.70			\$33,880.84	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office					TELEPHONE	08 8338 7266

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<b>Report #</b>	<b>12</b>	<b>Date :</b>	<b>12-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1798</b>	<b>to</b>	<b>1899 Metres</b>



<b>Report #</b>	<b>13</b>	<b>Date :</b>	<b>13-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1899</b>	<b>to</b>	<b>1923 Metres</b>

[illegible]

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<b>Report #</b>	<b>14</b>	<b>Date :</b>	<b>14-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1923</b>	<b>to</b>	<b>1945 Metres</b>



<b>Report #</b>	<b>15</b>	<b>Date :</b>	<b>15-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>1945</b>	<b>to</b>	<b>2075 Metres</b>







<b>Report #</b>	<b>17</b>	<b>Date :</b>	<b>17-Oct-2008</b>
<b>Rig No</b>	<b>2</b>	<b>Spud :</b>	<b>1st October, 2008</b>
<b>Depth</b>	<b>2085</b>	<b>to</b>	<b>2142 Metres</b>





Report #	19	Date :	19-Oct-2008
Rig No	2	Spud :	1st October, 2008
Depth	2165	to	2165 Metres

DRILLING ASSEMBLY		JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA									
BIT SIZE	TYPE	12	12	12	16	SURFACE SET @	9	ft	HOLE	PITS	PUMP SIZE			CIRCULATION					
											16	x	5.5	Inches	PRESS (PSI)	1588		psi	
8.50	JTC517								474	200									
DRILL PIPE SIZE	TYPE	Length			9 5/8	INTERMEDIATE SET @	2608	ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS				
4.5	#	1924 Mtrs					795	M	674		EmSCO/TSM		97 %		UP (min)				
															56 min				
DRILL PIPE SIZE	TYPE	Length			PRODUCTION. or LINER Set @			ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.				
4.50	HW	55 Mtrs						M			0.1335		60		TIME (min)				
															87 min				
DRILL COLLAR SIZE ( " )		Length			MUD TYPE						BBL/MIN		GAL / MIN		ANN VEL.	DP	154	Lam	
6.43	8.00	186 Mtrs			KCl/Polymer						7.77		326		(ft/min)	DCs	259	969	Tur

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Baryte	\$ 8.45	450		50	400	\$ 422.50		%	PPB	Jet Velocity	315
Caustic Soda	\$ 56.00	5		1	4	\$ 56.00	High Grav solids	0.4	6.60	Impact force	480
PHPA	\$ 127.00	73		1	72	\$ 127.00	Total LGS	3.2	30.1	HHP	153
Xanthan Gum	\$ 359.25	23		1	22	\$ 359.25	Bentonite	0.2	2.1	HSI	2.7
							Drilled Solids	2.9	26.8	Bit Press Loss	804
							Salt	0.8	7.8	CSG Seat Frac Press	
							n @ 1700 Hrs	0.50		Equiv. Mud Wt.	
							K @ 1700 Hrs	5.35		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$964.75			\$58,196.24	
RMN ENGINEER	Peter Burke			CITY	Adelaide Office					TELEPHONE	08 8338 7266

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Report #	20	Date :	20-Oct-2008
Rig No	2	Spud :	1st October, 2008
Depth	2165	to	2165 Metres

DRILLING ASSEMBLY					JET SIZE		CASING			MUD VOLUME (BBL)		CIRCULATION DATA							
BIT SIZE	TYPE				16	SURFACE	9	ft	HOLE	PITS	PUMP SIZE			CIRCULATION					
8.50											16	x	5.5	Inches	PRESS (PSI)	psi			
DRILL PIPE	TYPE	Length			9 5/8	INTERMEDIATE	2608	ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS				
SIZE 4.5	#		2165	Mtrs		SET @	795	M	592		Emsco/TSM		97 %		UP (min)				
DRILL PIPE	TYPE	Length				PRODUCTION. or		ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.				
SIZE 4.50	HW			Mtrs		LINER Set @		M			0.1335				TIME (min)				
DRILL COLLAR SIZE ( " )		Length			MUD TYPE							BBL/MIN		GAL / MIN		ANN VEL.	DP		Lam
6.43				Mtrs	KCl/Polymer											(ft/min)	DCs		Lam
																			Lam

		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS				
SAMPLE FROM			fl		Mud Weight	alap	API Filtrate	HPHT Filtrate
TIME SAMPLE TAKEN			1900		Plastic Vis		Yield Point	pH
DEPTH (ft) - (m)		Metres	2,165		KCl	3%	PHPA 1.00 ppb	Sulphites 50
FLOWLINE TEMPERATURE		<sup>0</sup> C   <sup>0</sup> F		43	<div><u>OBSERVATIONS</u></div> <div>Finish logs, rig down wireline. RIH for Plug and abandon  Corrosiin inhibitor for drill pipe.</div>			
WEIGHT		ppg / SG		9.00   1.080				
FUNNEL VISCOSITY (sec/qt) API @		<sup>0</sup> C		36				
PLASTIC VISCOSITY cP @		<sup>0</sup> C		10				
YIELD POINT (lb/100ft <sup>2</sup> )				14				
GEL STRENGTHS (lb/100ft <sup>2</sup> ) 10 sec/10 min				5   12				
RHEOLOGY Ø 600 / Ø 300				34   24				
RHEOLOGY Ø 200 / Ø 100				18   16				
RHEOLOGY Ø 6 / Ø 3				9   5				
FILTRATE API (cc's/30 min)				8.2				
HPHT FILTRATE (cc's/30 min) @		<sup>0</sup> F						
CAKE THICKNESS API : HPHT (32nd in)				1				
SOLIDS CONTENT (% by Volume)				3.6				
LIQUID CONTENT (% by Volume) OIL/WATER					96.4	<div><u>OPERATIONS SUMMARY</u></div> <div>Finish Logging  P and A.</div>		
SAND CONTENT (% by Vol.)				0.10				
METHYLENE BLUE CAPACITY (ppb equiv.)				5.0				
pH				9.1				
ALKALINITY MUD (Pm)								
ALKALINITY FILTRATE (Pf / Mf)				0.08   0.12				
CHLORIDE (mg/L)				13,500				
TOTAL HARDNESS AS CALCIUM (mg/L)				400				
SULPHITE (mg/L)				100				
K+ (mg/L)				12,600				
KCl (% by Wt.)				2.4				
PHPA (ppb)		0.99		0.99				
ECD (ppg)				9.40				

Mud Accounting (bbbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	674	Centrifuge			Desander	2		Shaker #1	3x110	8
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3x110	8
Drill Water		Downhole	32	+ FLUID RECEIVED										
Direct Recirc Sump		Dumped	50	- FLUID LOST	82									
Other (eg Diesel)		Other		+ FLUID IN STORAGE										

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data
Lime	\$ 9.40	10		1	9	\$ 9.40		%	PPB	Jet Velocity
Wildcat 410	\$ 168.94	4		4		\$ 675.76	High Grav solids	0.4	6.60	Impact force
							Total LGS	3.2	30.1	HHP
							Bentonite	0.2	2.1	HSI
							Drilled Solids	2.9	26.8	Bit Press Loss
							Salt	0.8	7.8	CSG Seat Frac Press
							n @ 1900 Hrs	0.50		Equiv. Mud Wt.
							K @ 1900 Hrs	5.35		Max Pressure @ Shoe :
							<b>DAILY COST</b>			<b>CUMULATIVE COST</b>
							<b>\$685.16</b>			<b>\$58,881.40</b>