



DRILLING FLUID SUMMARY

FOR : CENTRAL PETROLEUM

WELL : CBM 93-1

PEDIRKA BASIN

NORTHERN TERRITORY

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Date : September 2008

Operator : Central Petroleum
Well : CM 93-1
Rig : Hunt Rig 2
Spud : 28th August 2008



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1. SUMMARY OF OPERATIONS

CBM 93-1 was spudded at 22:00 hrs on the 28th August, 2008, using Hunt Energy Rig # 2 and reached a total depth of 1265 m, at 06:30 hrs on the 18th September, 2007.

The 16" Conductor was set at 8 m. The Drill Water was relatively fresh and was sourced from a local bore with the following properties :

pH	8.0
Pf / Mf	0.01/0.14
Chlorides	4000 mg/l
Hardness	320 mg/l

HOLE SIZE : 12¼"
MUD TYPE : Gel Spud Mud/KCl
INTERVAL : 0 - 280 m
CASING : 9-5/8" @ 279 m

The premix/slug tank was filled with drill water and 40 bbls of bentonite spud mud was built. The main suction tank was filled with 3% KCl brine. The rest of the settling tanks were filled with water. The rat and mouse holes were drilled using this gel spud mud. 84/84/84 mesh screens were fitted to the two DFE shale shakers.

The well was spudded using the gel spud mud in the premix tank. A short system was employed initially, with mud returning from below the shakers via the trough to the premix tank. Volume was maintained with water and Gel additions. Drilling continued (slowly initially) with the thick gel spud mud. Once clay formations were encountered, KCl brine from the suction tank was bled into the active circulating system. Around 100 m, the full surface system was utilised by incorporating one tank at a time, so as not to cause a sudden drop in viscosity.

Premixes were added continuously to maintain volume, control the viscosity, and maintain the KCl concentration. Caustic Soda was used to maintain pH around 8.5 - 9.5. Sodium Sulphite was used as an oxygen scavenger for corrosion control. The Mud Weight had reached 9.2 ppg at casing point. The desander and desilter was used intermittently to reduce sand content and bring down the concentration of solids in the mud.

Drilling continued to surface casing point of 280 m. A wiper trip was conducted to surface, with 0.5 m fill reported when back on bottom. The hole was circulated

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clean prior to pumping a slug and pulling the pipe out of the hole and the 8" drill collars laid down.

9-5/8" surface casing was then run in to bottom, the hole was circulated clean, and the casing was then cemented at 279 m, with good cement returns to surface. Cement was displaced using water, with cement contaminated mud returns dumped at surface.

HOLE SIZE : 8½"
MUD TYPE : KCI – Pac-R
INTERVAL : 280 m – 705 m
CASING : 7" @ 704.8 m

The settling tanks were dumped, cleaned, and filled with water. KCI was added to achieve a concentration of 2%. The active suction tanks were filled with the spud mud. The mud between the settling and active suction tanks was circulated so as to even out uniformly. The premix tank was filled with water, to be used to drill out cement. The shakers were dressed with 140/140/110 mesh screens.

After the BOP's had been nipped up and pressure tested, an 8½" bit (Stealth S 36 with 3 x 16 nozzles) was made up and run in the hole. The cement, float and shoe were drilled out using water. The hole was displaced to the mud once new formation was drilled. Cement contaminated water from the hole and from the premix tank was dumped. A LOT was conducted with an EMW of 13.0 ppg.

Volume was maintained using premixes of KCI, PAC R & Soda Ash. KCI was maintained at 2 - 3%. Pac R was added for fluid loss control and Soda Ash for reducing the hardness. Sodium Sulphite continued to be added as an oxygen scavenger, Caustic Soda was used to maintain pH around 8.5 - 9.5. After addition of PAC R, the API fluid loss values were brought down to 6 - 7 cc's. The mud weight during this section was maintained between 8.8 ppg & 9.2 ppg. The desander was run intermittently and sand trap dumped to keep the weight in check.

At the casing point of 705 m, the hole was circulated clean, a slug was pumped and the pipe pulled out of hole to casing shoe. The hole was sticky/tight between 491 & 596 m. A second wiper trip was conducted, and the pipe was then pulled out of hole to surface. Barite was used for the 3 heavyweight pills before POOH.

7" casing was then run in to bottom, the hole was circulated clean, and the casing was cemented at 704.8 m, with the water spacer returning to surface. No cement returns were seen on surface. Cement was displaced using water, with mud returns dumped at surface after filling the tanks. Around 90 bbls of mud returns were dumped at surface.

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HOLE SIZE : 6"
MUD TYPE : KCl/Drilled Solids/Pac R
INTERVAL : 705 m – 1265 m (TD)

The possum belly and sand trap was cleaned out. The pill tank was filled with water to drill out cement.

After the BOPs had been nipped up and pressure tested, a 6" core bit was made up and run in hole. The float, cement & shoe were drilled out using water from the pill tank. Once new formation was drilled, the hole was displaced to the previously used KCl - Pac-R mud. The cement contaminated water was dumped on return to surface.

The mud weight for this section of the hole was maintained at 8.8 ppg. Dumping was not needed to maintain the mud weight at that level as few cuttings were being generated.

On request by the geologist and company man, the fluid loss parameters were relaxed due to concerns that the polymer usage might alter the permeability of the coals. Accordingly, less Pac-R was used in premixes until the fluid loss values were between 8 - 10 cc's. KCl continued to be maintained around 2 - 3%. Soda Ash was used initially to bring hardness values down and maintain pH. Caustic was also used to maintain pH. Sodium Sulphite continued to be added directly to the active suction. Biocide was added intermittently to the mud to prevent bacterial degradation of the polymers while mud was static in hole, due to the high number of trips required to manually retrieve the core barrel.

The Mud Engineer was released on September 16th, 2008.

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2. OBSERVATIONS, RECOMMENDATIONS AND WELL ANALYSIS

CBM 93-1 was drilled to a total depth of 1007 m for a mud cost of \$30,801.59 or \$30.59 per metre. The well was drilled by Hunt rig #2, problem free from a mud viewpoint. Make up water, which was sourced from the local bore was relatively fresh.

The rigs solids control equipment worked well. The linear motion shaker worked well, and the de-sander had a discharge of 11.4 ppg to 12.3 ppg. The desilter had a discharge of around 10.8 ppg.

12¼" Surface Hole

This 280 m section was drilled for a mud cost of \$4,302.95 or \$15.37 per metre.

This interval was drilled problem free from a mud viewpoint, and the hole was stable. The hole conditions were good and the mud system was effective and worked well.

8½" Intermediate Hole

This 425 m section was drilled for a mud cost of \$7,899.70 or \$18.59 per metre.

After drilling out the cement and shoe with water and discarding the contaminants, the existing spud mud, that was diluted back after cleaning out the settling tanks, was used to drill this section.

KCl concentration was maintained between 2 & 3%. PAC R was added to provide filtration control and also improve Yield Point. The mud system was economical and worked well as very few tight spots were reported and hole conditions were generally good.

6" Production Hole

This section was drilled for a mud cost of \$18,598.94 or \$61.59 per metre. The relatively high cost per metre was simply due to the time taken to drill / core this section of hole.

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After drilling out the cement and shoe with water and discarding the contaminants, the existing KCl - PAC R mud was used to drill this section while coring. The fluid loss parameters were relaxed somewhat in response to Operator concerns that excessive amounts of polymer may affect the coal's permeability. This obviously resulted in less use of polymer. The mud system achieved its aim of cleaning the hole and providing good hole conditions.

Mud weight control was simple in this section – it was required to be at 8.8 ppg and once there, there very few cuttings generated were no problem for solids control equipment.

Overall, a change to the basic mud system is not required, simply because it worked very well and achieved its aims of helping drill the hole cheaply, quickly, and efficiently.



3. INTERVAL COSTS

Product			12-1/4" Surface Hole			8-1/2" Intermediate Hole			6-1/8" Production Hole			Cementing & Completion			Total Well Consumption		
	Interval :		0 - 280 m			280 - 705 m			705 - 1007 m						0 - 1007 m (TD)		
	Cost	Unit Size	Used	Cost	%Cost	Used	Cost	%Cost	Used	Cost	%Cost	Used	Cost	%Cost	Used	Cost	%Cost
AMC Biocide G	\$ 185.35	25 kg							9	\$1,668.15	9.0%				9	\$1,668.15	5.1%
AMC Pac R	\$ 162.50	25 kg				21	\$3,412.50	43.2%	30	\$4,875.00	26.2%				51	\$8,287.50	25.3%
Aus-Gel	\$ 14.25	25 kg	77	\$1,097.25	25.5%	4	\$57.00	0.7%							81	\$1,154.25	3.5%
Baryte	\$ 8.45	25 kg				72	\$608.40	7.7%	235	\$1,985.75	10.7%				307	\$2,594.15	7.9%
Caustic Soda	\$ 56.00	25 kg	1	\$56.00	1.3%	1	\$56.00	0.7%	2	\$112.00	0.6%				4	\$224.00	0.7%
Calcium Chloride	\$ 19.55	25 kg										2	\$39.10	2.0%	2	\$39.10	0.1%
Cement	\$ 6.75	20 kg										290	\$1,957.50	98.0%	290	\$1,957.50	6.0%
Kwikseal F	\$ 56.60	40 lb							5	\$283.00	1.5%				5	\$283.00	0.9%
Potassium Chloride (Tech)	\$ 26.75	25 kg	114	\$3,049.50	70.9%	128	\$3,424.00	43.3%	275	\$7,356.25	39.6%				517	\$13,829.75	42.2%
Soda Ash	\$ 21.60	25 kg				5	\$108.00	1.4%	4	\$86.40	0.5%				9	\$194.40	0.6%
Sodium Sulphite	\$ 33.40	25 kg	3	\$100.20	2.3%	7	\$233.80	3.0%	8	\$267.20	1.4%				18	\$601.20	1.8%
Wildcat 410	\$ 168.94	25 lt							1	\$168.94	0.9%				1	\$168.94	0.5%
Xan-Bore	\$ 359.25	25 kg							5	\$1,796.25	9.7%				5	\$1,796.25	5.5%
Totals :				\$4,302.95	100.0%		\$7,899.70	100.0%		\$18,598.94	100.0%		\$1,996.60	100.0%		\$32,798.19	100.0%
Cost per Metre :				\$15.37			\$18.59			\$61.59						\$32.57	



4. MATERIALS RECONCILIATION

Previous Well : Blamore # 1

Well : CBM 93-1

Transferred to : Simpson # 1

PRODUCT	UNIT	TOTAL RECEIVED	TOTAL USED	TRANSFER BALANCE
AMC Biocide G	25 kg	18	9	9
AMC Defoamer	25 lt	12		12
AMC Pac Reg	25 kg	94	51	43
Aus-Gel	25 kg	249	81	168
Baryte	25 kg	790	307	483
Calcium Chloride	25 kg	12	2	
Caustic Soda	25 kg	39	4	35
Cement	20 kg	290	290	
Kwikseal F	18.7 kg	64	5	59
Lime	20 kg	10		10
PHPA	25 kg	99		99
Potassium Chloride (Tech)	25 kg	966	517	449
QuikSeal C	18.7 kg	50		50
QuikSeal M	18.7 kg	50		50
Rod-Free	25 kg	4		4
SAPP	25 kg	19		19
Soda Ash	25 kg	48	9	39
Sodium Sulphite	25 kg	70	18	52
Wildcat 410	25 lt	5	1	4
Xanthan Gum	25 kg	60	5	55
Xtra-Sweep	25 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								
28-Aug-08	Gel Spud Mud	22	21	8.90	52	19	17	15	17		2	3.8	96.2			8.5	0.05	0.15	3,900	120			
29-Aug-08	Gel Spud/ KCl Mud	32	280	9.15	45	8	39	10	10		2	5.2	94.8	1.3	20.0	8.5	0.05	0.11	15,000	760	50	11,889	2.2
30-Aug-08	Gel Spud/ KCl Mud	26	280	9.00	40	5	29	7	8		2	4.2	95.8	1.0	20.0	8.5	0.02	0.07	14,000	800	20	10,808	2.0
31-Aug-08	KCl / Drill Solids	20	280	8.70	28	1	3	1	1		1	2.0	98.0		5.0	8.5	0.02	0.08	14,000	400		10,808	2.0
1-Sep-08	KCl/ Drilled solids/ PAC R	26	370	8.80	28	2	3	1	1		1	2.7	97.3	0.8	5.0	9.0	0.04	0.13	14,000	450	50	10,808	2.0
	KCl/ Drilled solids/ PAC R	34	646	9.05	42	16	20	1	2	7.0	1	4.4	95.6	1.0	12.5	9.0	0.05	0.14	16,000	500	100	12,429	2.3
2-Sep-08	KCl/ Drilled solids/ PAC R	22	705	9.20	47	18	22	1	2	6.8	1	4.9	95.1	0.3	12.5	9.0	0.05	0.16	17,000	360	100	12,429	2.3
3-Sep-08	KCl/ Drilled solids/ PAC R	32	705	9.20	45	16	19	1	2	6.5	1	5.2	94.8	0.3	10.0	9.0	0.04	0.15	17,000	400	100	12,429	2.3
4-Sep-08	KCl/ Drilled solids/ PAC R	22	705	9.20	47	18	21	1	2	6.5	1	5.2	94.8	0.3	10.0	9.0	0.05	0.14	17,000	400	100	12,429	2.3
5-Sep-08	KCl/ Drilled solids/ PAC R	24	713	8.90	37	10	7	1	1	8.5	1	3.3	96.7	0.3	7.5	9.5	0.08	0.32	14,300	240	100	10,808	2.0
6-Sep-08	KCl/ Drilled solids/ PAC R	29	727	8.85	37	9	6	1	1	8.8	1	2.9	97.1	0.3	7.5	9.5	0.09	0.38	13,500	120	100	10,808	2.0
7-Sep-08	KCl/ Drilled solids/ PAC R	28	755	8.80	36	8	6	1	1	9.5	1	2.5	97.5	Tr	7.5	9.5	0.08	0.32	13,000	120	200	10,808	2.0
	KCl/ Drilled solids/ PAC R	26	770	8.80	37	9	8	1	1	8.7	1	2.5	97.5	Tr	7.5	9.5	0.09	0.36	14,000	120	200	10,808	2.0
8-Sep-08	KCl/ Drilled solids/ PAC R	31	783	8.80	38	9	8	1	1	8.5	1	2.5	97.5	Tr	7.5	9.0	0.06	0.33	15,000	80	200	11,348	2.1
9-Sep-08	KCl/ Drilled solids/ PAC R	32	810	8.80	40	10	10	1	1	8.8	1	2.6	97.4	0.3	7.5	9.0	0.04	0.32	15,500	140	200	11,348	2.1
10-Sep-08	KCl/ Drilled solids/ PAC R	34	810	8.80	40	10	9	1	1	9.0	1	2.6	97.4	0.3	7.5	8.5	0.02	0.25	16,000	200	150	11,348	2.1
11-Sep-08	KCl/ Drilled solids/ PAC R	24	810	8.80	40	10	10	1	1	9.0	1	2.6	97.4	0.3	7.5	8.5	0.02	0.28	16,000	180	150	11,348	2.1
12-Sep-08	KCl/ Drilled solids/ PAC R	35	825	8.75	36	7	7	1	1	8.9	1	2.2	97.8	Tr	5.0	8.5	0.02	0.28	16,500	260	100	11,889	2.2
	KCl/ Drilled solids/ PAC R	36	850	8.80	36	8	6	1	1	8.4	1	2.6	97.4	Tr	5.0	9.0	0.05	0.31	17,000	60	200	11,889	2.2
13-Sep-08	KCl/ Drilled solids/ PAC R	40	908	8.80	36	8	5	1	1	8.5	1	2.6	97.4	Tr	5.0	9.0	0.03	0.28	17,000	100	200	11,348	2.1
	KCl/ Drilled solids/ PAC R	38	928	8.80	38	11	8	1	1	8.3	1	2.6	97.4	0.3	5.0	9.5	0.09	0.46	16,000	70	200	11,348	2.1
14-Sep-08	KCl/ Drilled solids/ PAC R	36	951	8.80	38	8	9	1	1	8.4	1	2.6	97.4	Tr	5.0	9.5	0.09	0.47	16,500	60	200	11,348	2.1
	KCl/ Drilled solids/ PAC R	38	966	8.85	38	9	7	1	1	7.9	1	3.0	97.0	Tr	5.0	9.5	0.09	0.48	16,000	60	200	11,348	2.1
15-Sep-08	KCl/ Drilled solids/ PAC R	37	996	8.80	38	11	5	1	1	8.0	1	2.7	97.3	Tr	5.0	9.0	0.05	0.36	15,500	40	200	10,808	2.0
	KCl/ Drilled solids/ PAC R	35	1007	8.80	39	10	7	1	1		1	2.7	97.3	Tr	5.0	9.0	0.06	0.34	15,000	80	150	10,808	2.0

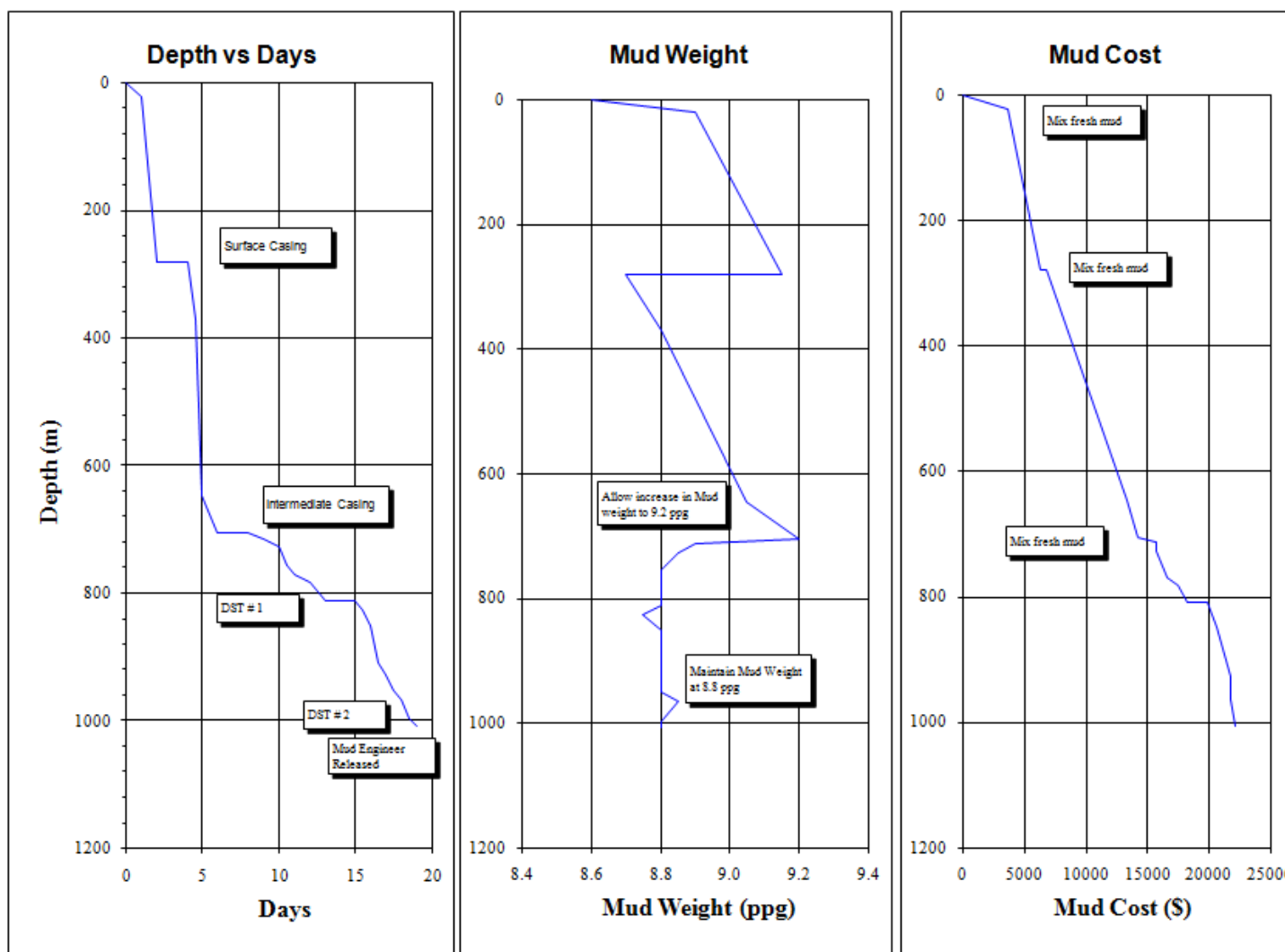


6. Mud Volume Analysis

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
28-Aug-08	12-1/4"	0 m	21 m	Spud Mud	250			120					46			0	370	46	324
29-Aug-08	12-1/4"	21 m	280 m	Spud Mud	120			30		4			83	20	50	324	150	158	317
30-Aug-08	12-1/4"	280 m	280 m	Spud Mud				120					56	130	10	317	120	196	241
Sub Total					370	0	0	270	0	4	0	0	185	150	60		640	399	
31-Aug-08	8-1/2"	280 m	280 m	Spud Mud	86								16			241	86	16	311
1-Sep-08	8-1/2"	280 m	666 m	Spud Mud	200					13	7		47	70	40	311	200	177	334
2-Sep-08	8-1/2"	666 m	705 m	Spud Mud	20			20					37			334	40	37	337
3-Sep-08	8-1/2"	705 m	705 m	Spud Mud				120					14	100		337	120	114	344
Sub Total					306	0	0	140	0	13	7	0	113	170	40		446	343	
4-Sep-08	6"	705 m	705 m	KCl Polymer									0			344	0	0	344
5-Sep-08	6"	705 m	726 m	KCl Polymer	110								5	70		344	110	75	378
6-Sep-08	6"	726 m	737 m	KCl Polymer									9			378	0	9	369
7-Sep-08	6"	737 m	770 m	KCl Polymer									12	30		369	0	42	327
8-Sep-08	6"	770 m	796 m	KCl Polymer	35								13			327	35	13	349
9-Sep-08	6"	796 m	810 m	KCl Polymer	35								28		30	349	35	58	326
10-Sep-08	6"	810 m	810 m	KCl Polymer	30								15		30	326	30	45	311
11-Sep-08	6"	810 m	810 m	KCl Polymer	40								10			311	40	10	341
12-Sep-08	6"	810 m	852 m	KCl Polymer	50								11		5	341	50	16	376
13-Sep-08	6"	852 m	929 m	KCl Polymer	25								15		12	376	25	27	373
14-Sep-08	6"	929 m	966 m	KCl Polymer									21		5	373	0	26	347
15-Sep-08	6"	966 m	1007 m	KCl Polymer	45								24		10	347	45	34	358
Sub Total					896	0	0	280	0	26	14	0	374	440	172		1176	1026	
Well Total					1266	0	0	550	0	30	14	0	559	590	232		1816	1425	

Dilution Factors			
	Interval Length	Dilution Vol	Dilution Factor
12 1/4" Surface Hole	280 m	390 bbls	1.4 bbls/m
8 1/2" Hole	425 m	446 bbls	1.0 bbls/m
6" Hole	302 m	1176 bbls	3.9 bbls/m

7. Graphs





8. DAILY DRILLING FLUIDS REPORTS



Report #	1	Date :	28-Aug-2008
Rig No	2	Spud :	28-Aug-2008
Depth	to	21	Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA								
BIT SIZE		TYPE		16	16	16	16	SURFACE SET @	26	ft	HOLE	PITS	PUMP SIZE			CIRCULATION						
12.25		JST 11 XC		14									9		5.5	X	16	Inches	PRESS (PSI)			
DRILL PIPE SIZE 4.5		TYPE #		Length				INTERMEDIATE SET @		ft	TOTAL CIRCULATING VOL.		PUMP MODEL EMSCO			ASSUMED EFF 97 %		BOTTOMS UP (min) #DIV/0! min				
DRILL PIPE SIZE 4.50		TYPE HW		Length				PRODUCTION. or LINER Set @		ft	IN STORAGE		BBL/STK 0.1310			STK / MIN		TOTAL CIRC. TIME (min) #DIV/0! min				
DRILL COLLAR SIZE (")					Length			MUD TYPE					BBL/MIN			GAL / MIN		ANN VEL. (ft/min)		DP		Lam
6.25		8.00		2			19	Mtrs												DCs		Lam

FLOWLINE TEMPERATURE	⁰ C ⁰ F		22	<u>OBSERVATIONS</u> Prepared 75 bbls of Gel based Spud mud in the premix/pill tank Prepared 150 bbls of 2-3%KCl brine in suction tank, settling tanks filled with water Shakers fitted with 84/84/84 screens Used spud mud to drill out mouse and rat holes and spud the well Ran a short system initially, with mud returns down the trough to the pill tank Cement sx used to cement conductor in place Make up water had the following properties: pH-8, Pf/Mf-0.01/0.14, Hardness-320mg/l, Chlorides-4000mg/l
WEIGHT	ppg / SG		8.90 1.068	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		52	
PLASTIC VISCOSITY cP @	20 ⁰ C		19	
YIELD POINT (lb/100ft ²)			17	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			15 17	
RHEOLOGY θ 600 / θ 300			55 36	
RHEOLOGY θ 200 / θ 100			30 27	
RHEOLOGY θ 6 / θ 3			16 14	
FILTRATE API (cc's/30 min)				
HPHT FILTRATE (cc's/30 min) @	⁰ F			
CAKE THICKNESS API : HPHT (32nd in)			2	
SOLIDS CONTENT (% by Volume)		#DIV/0!	3.8	

LIQUID CONTENT (% by Volume) OIL/WATER			96.2	<u>OPERATIONS SUMMARY</u> Continue rigging up, wait on parts to repair winch Drill out mouse and rat holes using spud mud CBM 93-1 spudded at 2200hrs Drill ahead to 21m at midnight
SAND CONTENT (% by Vol.)				
METHYLENE BLUE CAPACITY (ppb equiv.)				
pH			8.5	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.05 0.15	
CHLORIDE (mg/L)			3,900	
TOTAL HARDNESS AS CALCIUM (mg/L)			120	
SULPHITE (mg/L)				
K+ (mg/L)				
KCl (% by Wt.)				
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)	250	Desander		INITIAL VOLUME	0	Centrifuge			Desander	2		Shaker #1	3 x 84	2
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3 x 84	2
Drill Water	120	Downhole	46	+ FLUID RECEIVED	370									
Direct Recirc Sump		Dumped		- FLUID LOST	46									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	270									
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
TOTAL RECEIVED	370	TOTAL LOST	46	FINAL VOLUME	594	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Aus-Gel (Aust)	\$ 14.25	249		63	186	\$ 897.75		%	PPB	Jet Velocity	
Cement	\$ 6.75	290		290		\$ 1,957.50	High Grav solids			Impact force	
Potassium Chloride (Tel)	\$ 26.75	462		30	432	\$ 802.50	Total LGS	3.8	35.6	HHP	
							Bentonite	-0.5	-4.3	HSI	
							Drilled Solids	4.2	38.4	Bit Press Loss	
							Salt	0.2	2.3	CSG Seat Frac Press	
							n @ 2330 Hrs	0.61		Equiv. Mud Wt.	
							K @ 2330 Hrs	4.07		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$3,657.75			\$3,657.75	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	2	Date :	29-Aug-2008
Rig No	2	Spud :	28-Aug-2008
Depth	21	to	280 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)		CIRCULATION DATA											
BIT SIZE		TYPE		16	16	16	16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE			CIRCULATION					
12.25		JST 11 XC		14				SET @		8	M	137		180		5.5 x 16			Inches				PRESS (PSI)	
DRILL PIPE SIZE 4.5		TYPE #		Length				INTERMEDIATE SET @		ft		TOTAL CIRCULATING VOL.		317		PUMP MODEL EMSCO		ASSUMED EFF 97 %		BOTTOMS UP (min)				min
DRILL PIPE SIZE 4.50		TYPE HW		Length				PRODUCTION. or LINER Set @		ft		IN STORAGE		BBL/STK 0.1560		STK / MIN		TOTAL CIRC. TIME (min)				min		
DRILL COLLAR SIZE (")		6.25		8.00		2		96		Mtrs		MUD TYPE		Gel Spud/ KCl Mud		BBL/MIN		GAL / MIN		ANN VEL. (ft/min)		DP DCs		Lam

FLOWLINE TEMPERATURE	⁰ C ⁰ F	32	<u>OBSERVATIONS</u> Volume maintained initially using water and fresh gel additions to maintain vis Started bleeding in KCl premixes once clays were encountered Around 100m, started using the long system, one tank at a time Started running desander to keep sand under control Volume maintained thereafter using KCl brine premixes Caustic Soda used to maintain pH Sodium Sulfitc used for corrosion control
WEIGHT	ppg / SG	9.15 1.098	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C	45	
PLASTIC VISCOSITY cP @	28 ⁰ C	8	
YIELD POINT (lb/100ft ²)		39	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		10 10	
RHEOLOGY θ 600 / θ 300		55 47	
RHEOLOGY θ 200 / θ 100		40 33	
RHEOLOGY θ 6 / θ 3		14 10	
FILTRATE API (cc's/30 min)			
HPHT FILTRATE (cc's/30 min) @	⁰ F		
CAKE THICKNESS API : HPHT (32nd in)		2	
SOLIDS CONTENT (% by Volume)		5.2	

LIQUID CONTENT (% by Volume) OIL/WATER			94.8	<u>OPERATIONS SUMMARY</u> Drill Ahead with surveys to casing point of 280m Circulate hole clean, POOH to surface for wiper trip RIH to bottom, 0.5m fill reported on bottom Circulate hole clean, POOH to surface Lay out 8"DCs, stabiliser & bit Rig up to run 9 5/8" casing
SAND CONTENT (% by Vol.)			1.25	
METHYLENE BLUE CAPACITY (ppb equiv.)			20.0	
pH			8.5	
ALKALINITY MUD (Pm)				
ALKALINITY FILTRATE (Pf / Mf)			0.05 0.11	
CHLORIDE (mg/L)			15,000	
TOTAL HARDNESS AS CALCIUM (mg/L)			760	
SULPHITE (mg/L)			50	
K+ (mg/L)			11,550	
KCl (% by Wt.)			2.2	
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)	120	Desander	4	INITIAL VOLUME	324	Centrifuge			Desander	2	3	Shaker #1	3 x 84	14
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3 x 84	14
Drill Water	30	Downhole	83	+ FLUID RECEIVED	150									
Direct Recirc Sump		Dumped	20	- FLUID LOST	158									
Other (eg Diesel)		Other	50	+ FLUID IN STORAGE										
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
						Desander		9.1		12.3		1.00		
TOTAL RECEIVED	150	TOTAL LOST	158	FINAL VOLUME	317	Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Aus-Gel (Aust)	\$ 14.25	186		14	172	\$ 199.50		%	PPB	Jet Velocity	
Caustic Soda	\$ 56.00	39		1	38	\$ 56.00	High Grav solids			Impact force	
Potassium Chloride (Tec)	\$ 26.75	432		84	348	\$ 2,247.00	Total LGS	5.2	49.0	HHP	
Sodium Sulphite	\$ 33.40	30		3	27	\$ 100.20	Bentonite	1.9	16.9	HSI	
							Drilled Solids	3.3	30.2	Bit Press Loss	
							Salt	0.9	8.7	CSG Seat Frac Press	
							n @ 1230 Hrs	0.23		Equiv. Mud Wt.	
							K @ 1230 Hrs	58.44		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$2,602.70			\$6,260.45	

RMN ENGINEER	S ALPHONSO	CITY	Adelaide Office	TELEPHONE	08 8338 7266
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Report #	3	Date :	30-Aug-2008
Rig No	2	Spud :	28-Aug-2008
Depth	280	to	280 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA						
BIT SIZE	TYPE				16	SURFACE SET @	26	ft	8	M	HOLE 71	PITS 170	PUMP SIZE			CIRCULATION PRESS (PSI)				
													5.5	x	16	Inches	psi			
DRILL PIPE SIZE 4.5	TYPE #	Length	Mtrs			9 5/8	INTERMEDIATE SET @	886	ft	270	M	TOTAL CIRCULATING VOL. 241		PUMP MODEL EMSCO		ASSUMED EFF 97 %		BOTTOMS UP (min) min		
DRILL PIPE SIZE 4.5	TYPE HW	Length	Mtrs			PRODUCTION. or LINER Set @			ft		M	IN STORAGE		BBL/STK 0.1560		STK / MIN		TOTAL CIRC. TIME (min) min		
DRILL COLLAR SIZE (")		Length	Mtrs			MUD TYPE Gel Spud/ KCl Mud							BBL/MIN		GAL / MIN		ANN VEL. (ft/min)		DP DCs	#####
6.25	8.00		Mtrs																	

FLOWLINE TEMPERATURE	⁰ C / ⁰ F	26		OBSERVATIONS
WEIGHT	ppg / SG	9.00	1.080	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C	40		
PLASTIC VISCOSITY cP @	22 ⁰ C	5		
YIELD POINT (lb/100ft ²)		29		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		7	8	
RHEOLOGY Ø 600 / Ø 300		39	34	
RHEOLOGY Ø 200 / Ø 100		30	25	
RHEOLOGY Ø 6 / Ø 3		11	8	
FILTRATE API (cc's/30 min)				
HPHT FILTRATE (cc's/30 min) @	⁰ F			
CAKE THICKNESS API : HPHT (32nd in)		2		
SOLIDS CONTENT (% by Volume)		4.2		

LIQUID CONTENT (% by Volume) OIL/WATER		95.8	<u>OPERATIONS SUMMARY</u> Run 9 5/8" casing to bottom, circulate hole clean through casing Rig up Halliburton, conduct cementing operations 9 5/8" casing cemented with shoe at 279m WOC, dump and clean settling tanks Nipple up BOPs
SAND CONTENT (% by Vol.)		1.00	
METHYLENE BLUE CAPACITY (ppb equiv.)		20.0	
pH		8.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.02 0.07	
CHLORIDE (mg/L)		14,000	
TOTAL HARDNESS AS CALCIUM (mg/L)		800	
SULPHITE (mg/L)		20	
K+ (mg/L)		10,500	
KCl (% by Wt.)		2.0	
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	317	Centrifuge			Desander	2		Shaker #1	3 x 84	3
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	3 x 84	3
Drill Water	120	Downhole	56	+ FLUID RECEIVED	120									
Direct Recirc Sump		Dumped	130	- FLUID LOST	196									
Other (eg Diesel)		Other	10	+ FLUID IN STORAGE										
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
						Desander				0				
TOTAL RECEIVED	120	TOTAL LOST	196	FINAL VOLUME	241	Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids			Impact force	
							Total LGS	4.2	39.4	HHP	
							Bentonite	2.0	18.0	HSI #DIV/0!	
							Drilled Solids	2.2	19.8	Bit Press Loss	
							Salt	0.8	8.1	CSG Seat Frac Press	
							n @ 0930 Hrs	0.20		Equiv. Mud Wt.	
							K @ 0930 Hrs	50.60		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$6,260.45	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	4	Date :	31-Aug-2008
Rig No	2	Spud :	28-Aug-2008
Depth	280	to	280 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA							
BIT SIZE		TYPE				16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE				CIRCULATION		
8.50		S 36					SET @		8	M	51		260		5.5 X 16				PRESS (PSI)		
																			psi		
DRILL PIPE		TYPE		Length		9 5/8		INTERMEDIATE		886		ft		TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS	
SIZE 3.5		#		48		Mtrs		SET @		270		M		311		EMSCO		97		UP (min)	
																				min	
DRILL PIPE		TYPE		Length		PRODUCTION. or		ft		IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.					
SIZE 4.50		HW		55		Mtrs		LINER Set @		M				0.1560				TIME (min)		min	
DRILL COLLAR SIZE (")				Length		MUD TYPE								BBL/MIN		GAL / MIN		ANN VEL.		DP	
6.25		8.00		178		Mtrs		KCl / Drill Solids										(ft/min)		DCs	
																				Lam	
																				Lam	

FLOWLINE TEMPERATURE	⁰ C ⁰ F		20		OBSERVATIONS
WEIGHT	ppg / SG		8.70	1.044	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		28		
PLASTIC VISCOSITY cP @	20 ⁰ C		1		
YIELD POINT (lb/100ft ²)			3		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			1	1	
RHEOLOGY θ 600 / θ 300			5	4	
RHEOLOGY θ 200 / θ 100			3	2	
RHEOLOGY θ 6 / θ 3			1	1	
FILTRATE API (cc's/30 min)					
HPHT FILTRATE (cc's/30 min) @	⁰ F				
CAKE THICKNESS API : HPHT (32nd in)			1		
SOLIDS CONTENT (% by Volume)			2.0		

LIQUID CONTENT (% by Volume) OIL/WATER		98.0	<u>OPERATIONS SUMMARY</u> Nipple up BOPs, pressure test RIH with 8.5" Stealth bit, BHA & 3.5" DP
SAND CONTENT (% by Vol.)			
METHYLENE BLUE CAPACITY (ppb equiv.)		5.0	
pH		8.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.02 0.08	
CHLORIDE (mg/L)		14,000	
TOTAL HARDNESS AS CALCIUM (mg/L)		400	
SULPHITE (mg/L)			
K+ (mg/L)		10,500	
KCl (% by Wt.)		2.0	
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)	86	Desander		INITIAL VOLUME	241	Centrifuge			Desander	2		Shaker #1	140/140/110
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110
Drill Water		Downhole	16	+ FLUID RECEIVED	86								
Direct Recirc Sump		Dumped		- FLUID LOST	16								
Other (eg Diesel)		Other		+ FLUID IN STORAGE									
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)	
TOTAL RECEIVED	86	TOTAL LOST	16	FINAL VOLUME	311	Desander				0			
						Desilter				0			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
Potassium Chloride (Tc)	\$ 26.75	348		21	327	\$ 561.75		%	PPB	Jet Velocity	
							High Grav solids			Impact force	
							Total LGS	2.0	19.2	HHP	
							Bentonite	0.4	3.4	HSI	
							Drilled Solids	1.7	15.1	Bit Press Loss	
							Salt	0.8	8.1	CSG Seat Frac Press	
							n @ 2330 Hrs	0.32		Equiv. Mud Wt.	
							K @ 2330 Hrs	2.75		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$561.75			\$6,822.20	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	5	Date :	1-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	280	to	666 Metres

OPERATOR	Merlin Energy Pty Ltd	CONTRACTOR	Hunt Energy	
REPORT FOR	Norm RABIG	REPORT FOR	B YATES	
WELL NAME AND No		FIELD	LOCATION	STATE
	CBM 93-1	NT EP 93	Pedirka Basin	Northern Territory

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA												
BIT SIZE		TYPE		16	16	16	16	SURFACE SET @		26 ft	8	M	HOLE 134		PITS 200		PUMP SIZE 5.5 X 16 Inches				CIRCULATION PRESS (PSI) 850 psi					
DRILL PIPE SIZE 3.5		TYPE #		Length 434			Mtrs			9 5/8 INTERMEDIATE SET @ 270		ft	M	TOTAL CIRCULATING VOL. 334			PUMP MODEL EMSCO			ASSUMED EFF 97 %			BOTTOMS UP (min) 12 min			
DRILL PIPE SIZE 4.50		TYPE HW		Length 55			Mtrs			PRODUCTION. or LINER Set @		ft	M	IN STORAGE			BBL/STK 0.1560			STK / MIN 60			TOTAL CIRC. TIME (min) 37 min			
DRILL COLLAR SIZE 6.25		COLLAR SIZE (") 8.00		Length 178			Mtrs			MUD TYPE KCl/ Drilled solids/ PAC R					BBL/MIN 9.08			GAL / MIN 381			ANN VEL. (ft/min)		DP DCs	282	156 1132	Lam Lam

	MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM	Pit	Pit	Mud Weight	8.6-9.2	API Filtrate	5 - 8	HPHT Filtrate	
TIME SAMPLE TAKEN	1200	2200	Plastic Vis	ALAP	Yield Point	10-18	pH	8.5-9.5
DEPTH (ft) - (m)	Metres	370	646	KCl	2-3	PHPA	Sulphites	100-200

FLOWLINE TEMPERATURE				⁰ C	⁰ F	26	34	OBSERVATIONS		
WEIGHT				ppg / SG		8.80	1.056		9.05	1.086
FUNNEL VISCOSITY (sec/qt) API @				⁰ C		28			42	
PLASTIC VISCOSITY cP @				26 ⁰ C		2			16	
YIELD POINT (lb/100ft ²)						3			20	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min						1	1		1	2
RHEOLOGY Ө 600 / Ө 300						7	5		52	36
RHEOLOGY Ө 200 / Ө 100						4	3		28	18
RHEOLOGY Ө 6 / Ө 3						1	1		3	2
FILTRATE API (cc's/30 min)									7.0	
HPHT FILTRATE (cc's/30 min) @				⁰ F						
CAKE THICKNESS API : HPHT (32nd in)						1		1		
SOLIDS CONTENT (% by Volume)						2.7		4.4		

LIQUID CONTENT (% by Volume) OIL/WATER	97.3	95.6	<u>OPERATIONS SUMMARY</u> Tag Cement @ 265m, drill out cement, float & shoe track Drill 3m of new formation to 283m, circulate hole clean Conduct LOT Drill 3m of new formation to 283m Drill Ahead with surveys to 666m at midnight
SAND CONTENT (% by Vol.)	0.75	1.00	
METHYLENE BLUE CAPACITY (ppb equiv.)	5.0	12.5	
pH	9.0	9.0	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)	0.04 0.13	0.05 0.14	
CHLORIDE (mg/L)	14,000	16,000	
TOTAL HARDNESS AS CALCIUM (mg/L)	450	500	
SULPHITE (mg/L)	50	100	
K+ (mg/L)	10,500	12,075	
KCl (% by Wt.)	2.0	2.3	
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)	200	Desander	13	INITIAL VOLUME	311	Centrifuge			Desander	2	6	Shaker #1	140/140/110	14
Premix (recirc from sump)		Desilter	7			Degasser			Desilter	12	2	Shaker #2	140/140/110	14
Drill Water		Downhole	47	+ FLUID RECEIVED	200									
Direct Recirc Sump		Dumped	70	- FLUID LOST	177									
Other (eg Diesel)		Other	40	+ FLUID IN STORAGE										
TOTAL RECEIVED	200	TOTAL LOST	177	FINAL VOLUME	334		Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)			
						Desander	8.9	11.4		1.50				
						Desilter	8.9	10.8		2.50				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	54		20	34	\$ 3,250.00		%	PPB	Jet Velocity	207
Aus-Gel (Aust)	\$ 14.25	172		4	168	\$ 57.00	High Grav solids			Impact force	370
Caustic Soda	\$ 56.00	38		1	37	\$ 56.00	Total LGS	4.4	42.0	HHP	78
Potassium Chloride (Tel)	\$ 26.75	327		107	220	\$ 2,862.25	Bentonite	1.0	9.2	HSI	1.4
Soda Ash	\$ 21.60	48		4	44	\$ 86.40	Drilled Solids	3.4	31.2	Bit Press Loss	349
Sodium Sulphite	\$ 33.40	27		6	21	\$ 200.40	Salt	1.0	9.3	CSG Seat Frac Press	
							n @ 2200 Hrs	0.53		Equiv. Mud Wt.	
							K @ 2200 Hrs	6.74		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$6,512.05			\$13,334.25	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office			TELEPHONE	08 8338 7266		

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Report #	6	Date :	2-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	666	to	705 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA								
BIT SIZE		TYPE					16		26		HOLE		PITS		PUMP SIZE				CIRCULATION			
8.50		S 36					SURFACE		ft		151		186		5.5 x 16				PRESS (PSI)			
																			psi			
DRILL PIPE SIZE 7.0		#		Length			9 5/8		886		TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS					
SIZE				580			INTERMEDIATE		ft		337		EMSCO		97		UP (min)					
				Mtrs			SET @		M								min					
DRILL PIPE SIZE		TYPE		Length			PRODUCTION. or		ft		IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.					
SIZE		HW		Mtrs			LINER Set @		M				0.1560				TIME (min)					
																	min					
DRILL COLLAR SIZE (")		Length			Mtrs			MUD TYPE					BBL/MIN		GAL / MIN		ANN VEL.		DP		Lam	
								KCI/ Drilled solids/ PAC R					(ft/min)				DCs				Lam	

[illegible]

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Report #	7	Date :	3-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	705	to	705 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA							
BIT SIZE	TYPE				16	SURFACE SET @	26 8	ft M	HOLE 89	PITS 255	PUMP SIZE			CIRCULATION PRESS (PSI)							
											5.5	X	16	Inches	psi						
DRILL PIPE SIZE	TYPE #	Length	Mtrs			9 5/8	INTERMEDIATE SET @	886 270	ft M	TOTAL CIRCULATING VOL. 344			PUMP MODEL EMSCO		ASSUMED EFF 97 %		BOTTOMS UP (min) min				
DRILL PIPE SIZE	TYPE HW	Length	Mtrs			7	PRODUCTION. or LINER Set @	2310 704	ft M	IN STORAGE			BBL/STK 0.1560		STK / MIN		TOTAL CIRC. TIME (min) min				
DRILL COLLAR SIZE (")		Length	Mtrs			MUD TYPE KCl/ Drilled solids/ PAC R					BBL/MIN		GAL / MIN		ANN VEL. (ft/min)	DP DCs	#DIV/0!	#####			

FLOWLINE TEMPERATURE	⁰ C ⁰ F	32	<u>OBSERVATIONS</u> Dumped around 90bbls mud returns after filling tanks 20bbl Water spacer to surface, no cement returns Dump and clean possum belly & sand trap, replace worn out shaker screens Pill tank filled with water, short system lined up to drill out cement
WEIGHT	ppg / SG	9.20 1.104	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C	45	
PLASTIC VISCOSITY cP @	20 ⁰ C	16	
YIELD POINT (lb/100ft ²)		19	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		1 2	
RHEOLOGY θ 600 / θ 300		51 35	
RHEOLOGY θ 200 / θ 100		27 16	
RHEOLOGY θ 6 / θ 3		2 1	
FILTRATE API (cc's/30 min)		6.5	
HPHT FILTRATE (cc's/30 min) @	⁰ F		
CAKE THICKNESS API : HPHT (32nd in)		1	
SOLIDS CONTENT (% by Volume)		0.6 5.2	

LIQUID CONTENT (% by Volume) OIL/WATER		94.8	<u>OPERATIONS SUMMARY</u> Continue running casing to bottom Circulate hole clean through casing Rig up Halliburton, cementing operations 7" casing cemented with shoe @ 704.8m Wait on Cement
SAND CONTENT (% by Vol.)		0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)		10.0	
pH		9.0	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.04 0.15	
CHLORIDE (mg/L)		17,000	
TOTAL HARDNESS AS CALCIUM (mg/L)		400	
SULPHITE (mg/L)		100	
K+ (mg/L)		12,075	
KCl (% by Wt.)		2.3	
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	337	Centrifuge			Desander	2		Shaker #1	140/140/110	6
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110	6
Drill Water	120	Downhole	14	+ FLUID RECEIVED	120									
Direct Recirc Sump		Dumped	100	- FLUID LOST	114									
Other (eg Diesel)		Other		+ FLUID IN STORAGE										
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
						Desander				0				
TOTAL RECEIVED	120	TOTAL LOST	114	FINAL VOLUME	344	Desilter				0				

[illegible]



Report #	8	Date :	4-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	705	to	705 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA							
BIT SIZE	TYPE				16	SURFACE SET @	26 8	ft M	HOLE 89	PITS 255	PUMP SIZE			CIRCULATION PRESS (PSI)							
											5.5	X	16	Inches	psi						
DRILL PIPE SIZE	TYPE #	Length	Mtrs			9 5/8	INTERMEDIATE SET @	886 270	ft M	TOTAL CIRCULATING VOL. 344			PUMP MODEL EMSCO		ASSUMED EFF 97 %		BOTTOMS UP (min)				
DRILL PIPE SIZE	TYPE HW	Length	Mtrs			7	PRODUCTION. or LINER Set @	2310 704	ft M	IN STORAGE			BBL/STK 0.1560		STK / MIN		TOTAL CIRC. TIME (min)				
DRILL COLLAR SIZE (")		Length	Mtrs			MUD TYPE KCl/ Drilled solids/ PAC R					BBL/MIN		GAL / MIN		ANN VEL. (ft/min)	DP DCs	#DIV/0!	#####			

FLOWLINE TEMPERATURE	⁰ C	⁰ F	22	<div>OBSERVATIONS</div> <div>No Activity on Mud today</div> <div>No Chemicals used</div>
WEIGHT	ppg / SG		9.20 1.104	
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		47	
PLASTIC VISCOSITY cP @	20 ⁰ C		18	
YIELD POINT (lb/100ft ²)			21	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			1 2	
RHEOLOGY θ 600 / θ 300			57 39	
RHEOLOGY θ 200 / θ 100			30 18	
RHEOLOGY θ 6 / θ 3			2 1	
FILTRATE API (cc's/30 min)			6.5	
HPHT FILTRATE (cc's/30 min) @	⁰ F			
CAKE THICKNESS API : HPHT (32nd in)			1	
SOLIDS CONTENT (% by Volume)		0.4	5.2	

LIQUID CONTENT (% by Volume) OIL/WATER		94.8	<u>OPERATIONS SUMMARY</u> Nipple Down BOPs Nipple Up BOPs on 7" casing, pressure test same Start RIH with 6" bit, core assembly and BHA
SAND CONTENT (% by Vol.)		0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)		10.0	
pH		9.0	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.05 0.14	
CHLORIDE (mg/L)		17,000	
TOTAL HARDNESS AS CALCIUM (mg/L)		400	
SULPHITE (mg/L)		100	
K+ (mg/L)		12,075	
KCl (% by Wt.)		2.3	
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	344	Centrifuge			Desander	2		Shaker #1	140/140/110		
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110		
Drill Water		Downhole		+ FLUID RECEIVED											
Direct Recirc Sump		Dumped		- FLUID LOST											
Other (eg Diesel)		Other		+ FLUID IN STORAGE											
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)			
						Desander				0					
						Desilter				0					
TOTAL RECEIVED		TOTAL LOST		FINAL VOLUME	344										

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids	0.4	5.57	Impact force	
							Total LGS	4.8	45.4	HHP	
							Bentonite	0.7	5.9	HSI #DIV/0!	
							Drilled Solids	4.1	37.7	Bit Press Loss	
							Salt	1.0	9.8	CSG Seat Frac Press	
							n @ 2200 Hrs	0.55		Equiv. Mud Wt.	
							K @ 2200 Hrs	6.57		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$14,160.15	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	9	Date :	5-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	705	to	726 Metres

OPERATOR	Merlin Energy Pty Ltd	CONTRACTOR	Hunt Energy	
REPORT FOR	Norm RABIG	REPORT FOR	B YATES	
WELL NAME AND No		FIELD	LOCATION	STATE
	CBM 93-1	NT EP 93	Pedirka Basin	Northern Territory

DRILLING ASSEMBLY					JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA						
BIT SIZE		TYPE					16	SURFACE SET @	26 ft 8 M	HOLE 73	PITS 275	PUMP SIZE 5.5 x 16 Inches			CIRCULATION PRESS (PSI) psi		
DRILL PIPE SIZE 6.00	TYPE #	Length 548 Mtrs					9 5/8 INTERMEDIATE SET @	886 ft 270 M	TOTAL CIRCULATING VOL. 378	PUMP MODEL EMSCO			ASSUMED EFF 97 %		BOTTOMS UP (min) min		
DRILL PIPE SIZE	TYPE HW	Length Mtrs					7 PRODUCTION. or LINER Set @	2310 ft 704 M	IN STORAGE 30	BBL/STK 0.1560			STK / MIN		TOTAL CIRC. TIME (min) min		
DRILL COLLAR SIZE (") 4.75		Length 178 Mtrs			MUD TYPE KCl/ Drilled solids/ PAC R					BBL/MIN			GAL / MIN		ANN VEL. (ft/min)	DP DCs	Lam Lam

	MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM	Pit	Pit	Mud Weight	8.6-9.2	API Filtrate	5 - 8	HPHT Filtrate	
TIME SAMPLE TAKEN		1400	Plastic Vis	ALAP	Yield Point	10-18	pH	8.5-9.5
DEPTH (ft) - (m)	Metres	713	KCl	2-3	PHPA		Sulphites	100-200

FLOWLINE TEMPERATURE	⁰ C ⁰ F		24	OBSERVATIONS
WEIGHT	ppg / SG		8.90 1.068	

FUNNEL VISCOSITY (sec/qt) API @ ⁰ C		37	Mud Treated with Biocide to prevent bacterial degradation of polymers
PLASTIC VISCOSITY cP @ 22 ⁰ C		10	Cement drilled out using water from the pill tank
YIELD POINT (lb/100ft ²)		7	Cement contaminated water dumped at surface when the hole was displaced
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		1	to the KCl/Polymer mud
RHEOLOGY Ø 600 / Ø 300		27	Volume maintained using premixes off PAC R, KCl & Soda Ash
RHEOLOGY Ø 200 / Ø 100		14	Sodium Sulphite used for corrosion control
RHEOLOGY Ø 6 / Ø 3		2	API fluid loss values being relaxed a bit by using less polymer to address
FILTRATE API (cc's/30 min)		8.5	concerns that it may plug off the coals(in consultation with co man)
HPHT FILTRATE (cc's/30 min) @ ⁰ F			
CAKE THICKNESS API : HPHT (32nd in)		1	
SOLIDS CONTENT (% by Volume)	0.3	3.3	

LIQUID CONTENT (% by Volume) OIL/WATER		96.7	<u>OPERATIONS SUMMARY</u> Continue RIH to bottom, tag cement @692m Drill out Float,cement, shoe track & new formation of 706m Circulate hole clean, conduct LOT Drill Ahead to 726m, rig up wireline to retrieve drill bit plug Stuck @ 279m, rig down wireline POOH to retrieve plug to surface Start RIH to bottom with core assembly
SAND CONTENT (% by Vol.)		0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)		7.5	
pH		9.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.08 0.32	
CHLORIDE (mg/L)		14,300	
TOTAL HARDNESS AS CALCIUM (mg/L)		240	
SULPHITE (mg/L)		100	
K+ (mg/L)		10,500	
KCl (% by Wt.)		2.0	
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)	110	Desander		INITIAL VOLUME	344	Centrifuge			Desander	2		Shaker #1	140/140/110	4
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110	4
Drill Water		Downhole	5	+ FLUID RECEIVED	110									
Direct Recirc Sump		Dumped	70	- FLUID LOST	75									
Other (eg Diesel)		Other		+ FLUID IN STORAGE	30									
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
TOTAL RECEIVED	110	TOTAL LOST	75	FINAL VOLUME	408	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide G	\$ 185.35	18		1	17	\$ 185.35		%	PPB	Jet Velocity	
AMC Pac R	\$ 162.50	33		5	28	\$ 812.50	High Grav solids	0.2	3.35	Impact force	
Potassium Chloride (Tel)	\$ 26.75	220		10	210	\$ 267.50	Total LGS	3.0	28.7	HHP	
Soda Ash	\$ 21.60	43		3	40	\$ 64.80	Bentonite	0.6	5.1	HSI	
Sodium Sulphite	\$ 33.40	20		4	16	\$ 133.60	Drilled Solids	2.5	22.5	Bit Press Loss	
							Salt	0.9	8.3	CSG Seat Frac Press	
							n @ 1400 Hrs	0.67		Equiv. Mud Wt.	
							K @ 1400 Hrs	1.36		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,463.75			\$15,623.90	



Report #	10	Date :	6-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	726	to	737 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
								%	PPB	Jet Velocity	
							High Grav solids	0.2	3.35	Impact force	
							Total LGS	2.7	25.3	HHP	
							Bentonite	0.6	5.5	HSI	
							Drilled Solids	2.1	18.8	Bit Press Loss	
							Salt	0.8	7.8	CSG Seat Frac Press	
							n @ 1400 Hrs	0.68		Equiv. Mud Wt.	
							K @ 1400 Hrs	1.12		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
										\$15,623.90	
RMN ENGINEER	S ALPHONSO			CITY	Adelaide Office		TELEPHONE			08 8338 7266	

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Report #	11	Date :	7-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	737	to	770 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA										
BIT SIZE		TYPE						16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE			CIRCULATION				
6.00		FC 3463							SET @		8	M	77		250		5.5 x 16			PRESS (PSI)				
DRILL PIPE SIZE		TYPE		Length				9 5/8 INTERMEDIATE				886	ft	TOTAL CIRCULATING VOL.			PUMP MODEL		ASSUMED EFF		BOTTOMS			
SIZE 3.5		#		592 Mtrs				SET @				270	M	327			EMSCO		97 %		UP (min)			
DRILL PIPE SIZE		TYPE		Length				7 PRODUCTION. or				2310	ft	IN STORAGE			BBL/STK		STK / MIN		TOTAL CIRC.			
DRILL PIPE SIZE		HW		Mtrs				LINER Set @				704	M				0.1560				TIME (min)			
DRILL COLLAR SIZE (")						Length				MUD TYPE							BBL/MIN		GAL / MIN		ANN VEL.		DP	
4.75						178 Mtrs				KCl/ Drilled solids/ PAC R											(ft/min)		DCs	



Report #	12	Date :	8-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	770	to	796 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data
AMC Pac R	\$ 162.50	27		2	25	\$ 325.00		%	PPB	Jet Velocity
Potassium Chloride (Tel)	\$ 26.75	188		20	168	\$ 535.00	High Grav solids	0.2	2.86	Impact force
							Total LGS	2.3	22.2	HHP
							Bentonite	0.6	5.9	HSI
							Drilled Solids	1.7	15.5	Bit Press Loss
							Salt	0.9	8.7	CSG Seat Frac Press
							n @ 1400 Hrs	0.61		Equiv. Mud Wt.
							K @ 1400 Hrs	1.90		Max Pressure @ Shoe :
							DAILY COST			CUMULATIVE COST
							\$860.00			\$17,453.65
RMN ENGINEER	S ALPHONSO			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 #	13	Date :	9-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	796	to	810 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data		
AMC Biocide G	\$ 185.35	16		1	15	\$ 185.35		%	PPB	Jet Velocity		
AMC Pac R	\$ 162.50	25		2	23	\$ 325.00	High Grav solids	0.2	2.42	Impact force #VALUE!		
Potassium Chloride (Tel	\$ 26.75	168		10	158	\$ 267.50	Total LGS	2.4	22.7	HHP		
							Bentonite	0.6	5.8	HSI		
							Drilled Solids	1.8	16.1	Bit Press Loss		
							Salt	0.9	9.0	CSG Seat Frac Press		
							n @ 2330 Hrs	0.58		Equiv. Mud Wt.		
							K @ 2330 Hrs	2.67		Max Pressure @ Shoe :		
							DAILY COST			CUMULATIVE COST		
							\$777.85			\$18,231.50		
RMN ENGINEER	S ALPHONSO	CITY				Adelaide Office	TELEPHONE				08 8338 7266	

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Report #	14	Date :	10-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	810	to	810 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA														
BIT SIZE		TYPE						16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE			CIRCULATION								
6.00		FC 3463							SET @		8	M	81		230		5.5 X 16			PRESS (PSI) 650 psi								
DRILL PIPE SIZE		TYPE		Length				9 5/8 INTERMEDIATE		886		ft	TOTAL CIRCULATING VOL.			PUMP MODEL		ASSUMED EFF		BOTTOMS								
SIZE 3.5		#		632 Mtrs				SET @		270		M	311			EMSCO		97 %		UP (min) 14 min								
DRILL PIPE SIZE		TYPE		Length				7	PRODUCTION. or		2310		ft	IN STORAGE			BBL/STK		STK / MIN		TOTAL CIRC.							
SIZE		HW		Mtrs					LINER Set @		704		M				0.1560		29		TIME (min) 71 min							
DRILL COLLAR SIZE (")					Length				MUD TYPE										BBL/MIN		GAL / MIN		ANN VEL.		DP	190		Tur
4.75					178 Mtrs				KCl/ Drilled solids/ PAC R										4.39		184		(ft/min)		DCs	336	Tur	

FLOWLINE TEMPERATURE	⁰ C	⁰ F	34		OBSERVATIONS	
WEIGHT	ppg / SG		8.80	1.056		
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		40			Volume maintained using premix of PAC R & KCl
PLASTIC VISCOSITY cP @	30 ⁰ C		10			Biocide used to prevent bacterial degradation of polymers
YIELD POINT (lb/100ft ²)			9			Lost 20bbls over the shakers when the cellar was pumped out
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			1	1		Stock chk on Calcium Chloride & PAC R
RHEOLOGY Ø 600 / Ø 300			29	19		
RHEOLOGY Ø 200 / Ø 100			14	10		
RHEOLOGY Ø 6 / Ø 3			1	1		
FILTRATE API (cc's/30 min)			9.0			
HPHT FILTRATE (cc's/30 min) @	⁰ F					
CAKE THICKNESS API : HPHT (32nd in)			1			
SOLIDS CONTENT (% by Volume)			0.2	2.6		

LIQUID CONTENT (% by Volume) OIL/WATER		97.4	<u>OPERATIONS SUMMARY</u> POOH (to run DST) to 419m, RIH to 688m Circulate hole @ shoe, wait on DST tools
SAND CONTENT (% by Vol.)		0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)		7.5	
pH		8.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.02 0.25	
CHLORIDE (mg/L)		16,000	
TOTAL HARDNESS AS CALCIUM (mg/L)		200	
SULPHITE (mg/L)		150	
K+ (mg/L)		11,025	
KCl (% by Wt.)		2.1	
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)	30	Desander		INITIAL VOLUME	326	Centrifuge			Desander	2		Shaker #1	140/140/110	16
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110	16
Drill Water		Downhole	15	+ FLUID RECEIVED	30									
Direct Recirc Sump		Dumped		- FLUID LOST	45									
Other (eg Diesel)		Other	30	+ FLUID IN STORAGE										
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
TOTAL RECEIVED	30	TOTAL LOST	45	FINAL VOLUME	311	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide G	\$ 185.35	15		1	14	\$ 185.35		%	PPB	Jet Velocity	
AMC Pac R	\$ 162.50	23	40	4	59	\$ 650.00	High Grav solids	0.1	2.08	Impact force	#VALUE!
Calcium Chloride	\$ 19.55	2	10	2	10	\$ 39.10	Total LGS	2.4	23.1	HHP	
Potassium Chloride (Tel)	\$ 26.75	158	210	11	357	\$ 294.25	Bentonite	0.6	5.8	HSI	
							Drilled Solids	1.8	16.4	Bit Press Loss	
							Salt	1.0	9.3	CSG Seat Frac Press	
							n @ 1600 Hrs	0.61		Equiv. Mud Wt.	
							K @ 1600 Hrs	2.17		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,168.70			\$19,400.20	



Report #	15	Date :	11-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	810	to	810 Metres

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data
AMC Pac R	\$ 162.50	59		1	58	\$ 162.50		%	PPB	Jet Velocity
Potassium Chloride (Tel	\$ 26.75	357	294	10	641	\$ 267.50	High Grav solids	0.1	1.73	Impact force
							Total LGS	2.5	23.5	HHP
							Bentonite	0.6	5.7	HSI
							Drilled Solids	1.9	16.9	Bit Press Loss
							Salt	1.0	9.3	CSG Seat Frac Press
							n @ 1100 Hrs	0.58		Equiv. Mud Wt.
							K @ 1100 Hrs	2.67		Max Pressure @ Shoe :

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Report #	17	Date :	13-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	852	to	929 Metres

OPERATOR	Merlin Energy Pty Ltd	CONTRACTOR	Hunt Energy	
REPORT FOR	Juris OZOLINS	REPORT FOR	D BALDWIN	
WELL NAME AND No		FIELD	LOCATION	STATE
	CBM 93-1	NT EP 93	Pedirka Basin	Northern Territory

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA														
BIT SIZE		TYPE						16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE			CIRCULATION								
6.00		FC 3463							SET @		8	M	93		280		5.5 X 16			PRESS (PSI)								
DRILL PIPE SIZE		TYPE		Length				9 5/8 INTERMEDIATE		886		ft	TOTAL CIRCULATING VOL.		PUMP MODEL		ASSUMED EFF		BOTTOMS									
SIZE 3.5		#		751 Mtrs				SET @		270		M	373		EMSCO		97 %		UP (min)									
DRILL PIPE SIZE		TYPE		Length				7 PRODUCTION. or		2310		ft	IN STORAGE		BBL/STK		STK / MIN		TOTAL CIRC.									
SIZE		HW		Mtrs				LINER Set @		704		M			0.1560		40		TIME (min)									
DRILL COLLAR SIZE (")						Length				MUD TYPE								BBL/MIN		GAL / MIN		ANN VEL.		DP		262		Tur
4.75						178 Mtrs				KCl/ Drilled solids/ PAC R								6.05		254		(ft/min)		DCs		464		Tur

	MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM	Pit	Pit	Mud Weight	8.6-9.2	API Filtrate	5 - 8	HPHT Filtrate	
TIME SAMPLE TAKEN	1030	2300	Plastic Vis	ALAP	Yield Point	10-18	pH	8.5-9.5
DEPTH (ft) - (m)	Metres	908	928	KCl	2-3	PHPA	Sulphites	100-200

FLOWLINE TEMPERATURE	⁰ C	⁰ F	40	38	OBSERVATIONS		
WEIGHT	ppg / SG		8.80	1.056		8.80	1.056
FUNNEL VISCOSITY (sec/qt) API @	⁰ C		36	38		Volume maintained using premix of PAC R	
PLASTIC VISCOSITY cP @	30 ⁰ C		8	11		Caustic Soda used to maintain pH	
YIELD POINT (lb/100ft ²)			5	8		Sodium Sulphite used as an oxygen scavenger for corrosion control	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			1	1		Biocide added to prevent bacterial degradation of polymers in the mud	
RHEOLOGY θ 600 / θ 300			21	13		30	19
RHEOLOGY θ 200 / θ 100			9	5		13	9
RHEOLOGY θ 6 / θ 3			1	1		1	1
FILTRATE API (cc's/30 min)			8.5	8.3			
HPHT FILTRATE (cc's/30 min) @	⁰ F						
CAKE THICKNESS API : HPHT (32nd in)			1	1	Stock Chk on Barite & Biocide		
SOLIDS CONTENT (% by Volume)			2.6	2.6			

LIQUID CONTENT (% by Volume) OIL/WATER	97.4	97.4	<u>OPERATIONS SUMMARY</u> Drill Ahead while coring to 855m, retrieve core barrell, drop drill plug Drill ahead to 927m, Gain in pressure POOH to surface to chk bit, clear blockage RIH with same bit to bottom Drill Ahead to 929m at midnight
SAND CONTENT (% by Vol.)	Tr	0.25	
METHYLENE BLUE CAPACITY (ppb equiv.)	5.0	5.0	
pH	9.0	9.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)	0.03 0.28	0.09 0.46	
CHLORIDE (mg/L)	17,000	16,000	
TOTAL HARDNESS AS CALCIUM (mg/L)	100	70	
SULPHITE (mg/L)	200	200	
K+ (mg/L)	11,025	11,025	
KCl (% by Wt.)	2.1	2.1	
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)	25	Desander		INITIAL VOLUME	376	Centrifuge			Desander	2		Shaker #1	140/140/110	18
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110	18
Drill Water		Downhole	15	+ FLUID RECEIVED	25									
Direct Recirc Sump		Dumped		- FLUID LOST	27									
Other (eg Diesel)		Other	12	+ FLUID IN STORAGE										
								Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)		
TOTAL RECEIVED	25	TOTAL LOST	27	FINAL VOLUME	373	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Biocide G	\$ 185.35	14		3	11	\$ 556.05		%	PPB	Jet Velocity	
AMC Pac R	\$ 162.50	56		2	54	\$ 325.00	High Grav solids	0.1	1.40	Impact force	#VALUE!
Baryte	\$ 8.45	718		20	698	\$ 169.00	Total LGS	2.5	23.9	HHP	
Caustic Soda	\$ 56.00	36		1	35	\$ 56.00	Bentonite	0.3	2.8	HSI	
Sodium Sulphite	\$ 33.40	53		1	52	\$ 33.40	Drilled Solids	2.2	20.2	Bit Press Loss	
							Salt	1.0	9.3	CSG Seat Frac Press	
							n @ 2300 Hrs	0.66		Equiv. Mud Wt.	
							K @ 2300 Hrs	1.60		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$1,139.45			\$21,733.30	



Report #	18	Date :	14-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	929	to	966 Metres

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA									
BIT SIZE		TYPE						16	SURFACE		26	ft	HOLE		PITS		PUMP SIZE			CIRCULATION			
6.00		CD 93							SET @	8	M		97	250		5.5 X 16			PRESS (PSI) 700 psi				
DRILL PIPE SIZE 3.5		TYPE #		Length 788 Mtrs				9 5/8 INTERMEDIATE SET @		886 ft 270 M		TOTAL CIRCULATING VOL. 347			PUMP MODEL EMSCO		ASSUMED EFF 97 %		BOTTOMS UP (min) 19 min				
DRILL PIPE SIZE		TYPE HW		Length Mtrs				7 PRODUCTION. or LINER Set @		2310 ft 704 M		IN STORAGE			BBL/STK 0.1400		STK / MIN 30		TOTAL CIRC. TIME (min) 85 min				
DRILL COLLAR SIZE (")				Length Mtrs				MUD TYPE								BBL/MIN 4.07		GAL / MIN 171		ANN VEL. (ft/min)		DP DCs 177 Tur	
4.75				178 Mtrs				KCI/ Drilled solids/ PAC R												312			

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 #	19	Date :	15-Sep-2008
Rig No	2	Spud :	28-Aug-2008
Depth	966	to	1007 Metres

OPERATOR	Merlin Energy Pty Ltd	CONTRACTOR	Hunt Energy	
REPORT FOR	Juris OZOLINS	REPORT FOR	D BALDWIN	
WELL NAME AND No		FIELD	LOCATION	STATE
CBM 93-1		NT EP 93	Pedirka Basin	Northern Territory

DRILLING ASSEMBLY					JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA										
BIT SIZE		TYPE						16	SURFACE	26	ft		HOLE		PITS	PUMP SIZE			CIRCULATION					
6.00		CD 93							SET @	8	M		123		215	5.5	X	16	Inches	PRESS (PSI)	600	psi		
DRILL PIPE SIZE		TYPE		Length				9 5/8 INTERMEDIATE		886		ft	TOTAL CIRCULATING VOL.				PUMP MODEL		ASSUMED EFF		BOTTOMS			
3.5		#		Mtrs				SET @		270		M	358				EMSCO		97		%	22	min	
DRILL PIPE SIZE		TYPE		Length				7 PRODUCTION. or		2310		ft	IN STORAGE				BBL/STK		STK / MIN		TOTAL CIRC.			
		HW		Mtrs				LINER Set @		704		M	20				0.1400		42		TIME (min)		63	min
DRILL COLLAR SIZE (")				Length				MUD TYPE								BBL/MIN		GAL / MIN		ANN VEL.		DP	247	Tur
4.75				Mtrs				KCl/ Drilled solids/ PAC R								5.70		240		(ft/min)		DCs		Tur

	MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
SAMPLE FROM	Pit	Pit	Mud Weight	8.6-9.2	API Filtrate	5 - 8	HPHT Filtrate	
TIME SAMPLE TAKEN	1030	2030	Plastic Vis	ALAP	Yield Point	10-18	pH	8.5-9.5
DEPTH (ft) - (m)	Metres	996	1,007	KCl	2-3	PHPA	Sulphites	100-200

FLOWLINE TEMPERATURE	⁰ C	⁰ F	37	35	OBSERVATIONS
WEIGHT	ppg	/SG	8.80	1.056	

FUNNEL VISCOSITY (sec/qt) API @ ⁰ C	38	39	Volume maintained using a premix of PAC R		
PLASTIC VISCOSITY cP @ 27 ⁰ C	11	10			
YIELD POINT (lb/100ft ²)	5	7			
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	11	11			
RHEOLOGY θ 600 / θ 300	27	16		27	17
RHEOLOGY θ 200 / θ 100	12	7		13	7
RHEOLOGY θ 6 / θ 3	1	1		1	1
FILTRATE API (cc's/30 min)	8.0				
HPHT FILTRATE (cc's/30 min) @ ⁰ F					
CAKE THICKNESS API : HPHT (32nd in)	1			1	
SOLIDS CONTENT (% by Volume)	2.7		2.7		
LIQUID CONTENT (% by Volume) OIL/WATER		97.3		97.3	
SAND CONTENT (% by Vol.)	Tr		Tr		
METHYLENE BLUE CAPACITY (ppb equiv.)	5.0		5.0		
pH	9.0		9.0		
ALKALINITY MUD (Pm)					
ALKALINITY FILTRATE (Pf / Mf)	0.05	0.36	0.06	0.34	
CHLORIDE (mg/L)	15,500		15,000		
TOTAL HARDNESS AS CALCIUM (mg/L)	40		80		
SULPHITE (mg/L)	200		150		
K+ (mg/L)	10,500		10,500		
KCl (% by Wt.)	2.0		2.0		
PHPA (ppb)					
ECD (ppg)					

<u>OPERATIONS SUMMARY</u>
Continue RIH to bottom, no fill reported on bottom
Drill Ahead to 978m, retrieve drill plug, drop core barrrell
Drill Ahead while coring to 1007m
Circulate hole clean, POOH for wiper trip to casing shoe
RIH to bottom, no fill reported on bottom, circulate hole clean
POOH to surface to conduct DST

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY			Type	Hrs		Cones	Hrs		Size	Hrs
Premix (drill water)	45	Desander		INITIAL VOLUME	347	Centrifuge			Desander	2		Shaker #1	140/140/110	12
Premix (recirc from sump)		Desilter				Degasser			Desilter	12		Shaker #2	140/140/110	12
Drill Water		Downhole	24	+ FLUID RECEIVED	45									
Direct Recirc Sump		Dumped		- FLUID LOST	34									
Other (eg Diesel)		Other	10	+ FLUID IN STORAGE	20									
								Overflow (ppg)		Underflow (ppg)			Output (Gal/Min.)	
TOTAL RECEIVED	45	TOTAL LOST	34	FINAL VOLUME	378	Desander				0				
						Desilter				0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data	
AMC Pac R	\$ 162.50	54		2	52	\$ 325.00		%	PPB	Jet Velocity	
							High Grav solids	0.1	1.23	Impact force #VALUE!	
							Total LGS	2.6	24.4	HHP	
							Bentonite	0.3	2.8	HSI	
							Drilled Solids	2.3	20.7	Bit Press Loss	
							Salt	0.9	8.7	CSG Seat Frac Press	
							n @ 2030 Hrs	0.67		Equiv. Mud Wt.	
							K @ 2030 Hrs	1.36		Max Pressure @ Shoe :	
							DAILY COST			CUMULATIVE COST	
							\$325.00			\$22,058.30	
RMN ENGINEER S ALPHONSO		CITY Adelaide Office				TELEPHONE		08 8338 7266			

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