



DRILLING MORNING REPORT # 45

Surprise 1 Re-entry H

Surprise 1 Re-entry H

| | | | | | |
|-------------------|-------------------------|--------------------------------|--------------------------|---------------------|---------------|
| Date: | 02 Jan 2012 | Day Wellsite Representative: | Don Castles | Rig Manager: | Charles Naja. |
| Report Number: | 45 | Night Wellsite Representative: | | Drilling Company: | Hunt Energy |
| Latitude (South): | 23.00 ° 42.00 ' 50.76 " | Longitude (East): | 129.00 ° 59.00 ' 36.09 " | Wellsite Geologist: | |

Well Details

| | | | | | | | |
|-------------------|-------------|----------------------|-----------------|-----------------|------------|----------------------|----------------|
| Country: | Australia | Current Hole Size: | 6.000 in | Casing OD: | 7.000 in | AFE Number: | 8053 |
| Field: | Surprise | Measured Depth: | 2,853.0 m | Casing MD: | 2,426.00 m | Original AFE: | AUD 10,521,781 |
| Rig: | Hunt Rig #3 | True Vertical Depth: | 2,534.2 m | Casing TVD: | m | Supp. AFE No: | |
| Ground Level: | 545.0 m | 24 Hr Progress: | 141.00 m | TOL MD: | m | Orig. & Sup. AFE: | AUD 10,521,781 |
| RT to GL: | 3.66 m | Days On Well: | 44.29 | TOL TVD: | m | Daily Cost: | AUD 80,133 |
| Planned TD (MD): | 3,330.0 m | Days Since Spud: | 0.00 | Liner Shoe MD: | m | Cum. Cost: | AUD 7,375,054 |
| Planned TD (TVD): | 2,551.0 m | Last BOP Date: | 24 Dec 2011 | Liner Shoe TVD: | m | Last LTI Date: | 10 Dec 2010 |
| | | FIT/LOT: | 11.50 ppg / ppg | | | Days Since Last LTI: | 389 |

Current Op @ 0600: Running in with 7" (177.8mm) casing scraper.

Planned Op: Trip in hole with 7" (177.8mm) casing scraper to 2410m - circulate casing content -Pull out laying down DP and HWDP.

Summary of Period 0000 to 2400 Hrs

Trip and lay out directional tools - Slip drilling line - Wiper trip to TD 2853m - Pumped sweeps - POOH to pick up 7" (177.8mm) casing scraper.

HSE Summary

| Events | Num. Events | Date Of Last | Days Lapsed | Description | Remarks |
|-----------------------------|-------------|-------------------|-------------|---|---------|
| Accident/incident/near miss | 0 | 02 Jan 2012 00:00 | 1.00 | No accidents, incidents or environmental issues raised in the past 24hrs. | |
| Inductions to CTP/MBC | 3 | 02 Jan 2012 00:00 | 1.00 | 3 x Rig Inductions given to new personnel to site. | |
| Weekly Safety Meeting | 1 | 02 Jan 2012 00:00 | 1.00 | Weekly safety meeting held with all crews and third party personnel. | |

Operations for Period 0000 Hrs to 2400 Hrs on 02 Jan 2012

| PHSE | CLS (RC) | OP | From | To | Hrs | Depth | Activity Description |
|------|----------|-----|-------|-------|------|-----------|--|
| PH | P | HBH | 00:00 | 00:30 | 0.50 | 2,853.9 m | Lay down directional BHA (Pathfinder tools). |
| PH | P | SCL | 00:30 | 01:00 | 0.50 | 2,853.9 m | Slip 30' (9.14m) of drilling line. |
| PH | P | HBH | 01:00 | 01:30 | 0.50 | 2,853.9 m | Make up 6" (152.4mm) bit RR and pickup 3 x 4.3/4" (120.6mm) Spiral DC. |
| PH | P | TI | 01:30 | 04:00 | 2.50 | 2,853.9 m | Continue running in picking up DP from racks 37 singles. |
| PH | P | TI | 04:00 | 08:30 | 4.50 | 2,853.9 m | RIH 28stds of DP + 18 Hevi Wate from derrick to 1968m. |
| PH | P | RS | 08:30 | 09:00 | 0.50 | 2,853.9 m | Rig service. |
| PH | P | TI | 09:00 | 10:30 | 1.50 | 2,853.9 m | Continue running in hole From 1968m to 2418m - Fill pipe. |
| PH | P | TI | 10:30 | 14:30 | 4.00 | 2,853.9 m | Continue running in from 2418m to 2568m Tight area (Dogleg) Picked up kelly and washed to 2590m Run in hole from 2590m to TD 2853m. |
| PH | P | TI | 14:30 | 16:00 | 1.50 | 2,853.9 m | Pick up Kelly and break circulation - Pumped 25bbl sweep and circulate out. |
| PH | P | TO | 16:00 | 17:00 | 1.00 | 2,853.9 m | Pulling out of hole from 2853m to 2706m - Tight hole at 2706m 30K overpull - Picked up kelly and circulated out 4 singles to 2678m. |
| PH | P | CMD | 17:00 | 18:00 | 1.00 | 2,853.9 m | Pump 25bbl sweep and circulate out at 2678m. |
| PH | P | TO | 18:00 | 19:00 | 1.00 | 2,853.9 m | Continue pulling out of hole from 2678m to 2572m - Tight hole 20K overpull. |
| PH | P | TO | 19:00 | 20:30 | 1.50 | 2,853.9 m | Pick up kelly and pump out from/2572 to 2418m laying down singles (20k overpull) rack back kelly. |
| PH | P | TO | 20:30 | 24:00 | 3.50 | 2,853.9 m | Continue pulling out from 2418m to 906m. |

Operations for Period 0000 Hrs to 0600 Hrs on 03 Jan 2012

| PHSE | CLS (RC) | OP | From | To | Hrs | Depth | Activity Description |
|------|----------|------|-------|-------|------|-----------|--|
| PHx | P | TO | 00:00 | 02:30 | 2.50 | 2,853.9 m | Pulling out to 232m - laying out singles back to 30m. |
| PHx | P | HBHA | 02:30 | 03:30 | 1.00 | 2,853.9 m | Lay out drill collars and break out bit sub and bit. |
| PHx | P | SCP | 03:30 | 06:00 | 2.50 | 2,853.9 m | Make up bit - Casing scraper 7" (177.8mm) and bit sub - Running in hole to 370m - monitor well on trip tank. |



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| Performance Summary | | | | | | | | | | | | | | | | | |
|---------------------|-----|------|-----|------|-----|------|-----|-----------------|------|-----|------|------|-----|------|-----|-------|--|
| Daily | | | | | | | | Cumulative Well | | | | | | | | | |
| P | | NPT | | SCC | | NSC | | P | | NPT | | SCC | | NSC | | Total | |
| Hrs | % | Hrs | % | Hrs | % | Hrs | % | Hrs | % | Hrs | % | Hrs | % | Hrs | % | Hours | |
| 24 | 100 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 243 | 84.4 | 45 | 15.6 | 0.00 | 0.0 | 0.00 | 0.0 | 288 | |

| General Comments for Period 0000 Hrs to 2400 Hrs on 02 Jan 2012 | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|---|--|--|--|--|--|--|--|--|--|
| Category | | | | | | | | Comments | | | | | | | | | |
| General Comment | | | | | | | | Mud Products used: KCL=:10 sx Sodium Sulphite=2sx : X Gum 3sx | | | | | | | | | |

| WBM Data | | | | | Cost Today AUD | | |
|----------------------|-----------|--------------|-----------------------|---------|----------------|--------------------|--|
| Mud Desc.: | Brine | Viscosity: | 25 s/L | Solids: | % | Low Range Rheology | |
| Check Depth: | 2,764.0 m | PV: | cP | H2O: | % | | |
| Time: | 12:00 | YP: | lbf/100ft² | Oil: | % | RPM | |
| Weight: | 8.50 ppG/ | Gel 10s/10m: | lbf/100ft²/lbf/100ft² | Sand: | % | | |
| | 1.02 sg | API FL: | cc/30min | Barite: | lbm/bbl | | |
| Temperature: | °C | Filter Cake: | /32nd" | KCl: | % | | |
| Cl (in whole mud): | mg/L | HTHP-FL: | cc/30min | Pm: | | | |
| Cl (in water phase): | mg/L | HTHP-Cake: | /32nd" | Pf/Mf: | / | | |
| Ca Hard: | mg/L | | | pH: | | | |
| MBT: | lbm/bbl | | | PHPA: | ppb | | |
| Comment: | | | | | | | |

| Bit #3 | | Wear | I | O1 | D | L | B | G | O2 | R | | | | | | | | | | |
|---------------|---------------|------------|-------------------|----|----|--|---|---|-------|-----|---------|--|--|------------|--|--------------|--|--|--|--|
| | | | 6 | 6 | NR | A | 7 | 1 | NR/WT | DMF | | | | | | | | | | |
| Size: | 152.4 mm (6") | IADC#: | 637Y | | | <table><tr><th colspan="2">Nozzles</th></tr><tr><td></td><td>No. x Size</td></tr><tr><td></td><td>3 x 16/32nd"</td></tr><tr><td></td><td></td></tr><tr><td></td><td></td></tr></table> | | | | | Nozzles | | | No. x Size | | 3 x 16/32nd" | | | | |
| Nozzles | | | | | | | | | | | | | | | | | | | | |
| | No. x Size | | | | | | | | | | | | | | | | | | | |
| | 3 x 16/32nd" | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
| Manufacturer: | SMITH | TFA: | 0.589 in² | | | | | | | | | | | | | | | | | |
| Type: | | Date In: | #38 (26 Dec 2011) | | | | | | | | | | | | | | | | | |
| Serial No: | PS5080 | Date Out: | | | | | | | | | | | | | | | | | | |
| Bit Model: | XR40Y | Depth In: | 2,593.1 m | | | | | | | | | | | | | | | | | |
| | | Depth Out: | m | | | | | | | | | | | | | | | | | |

Bit run comment:

Bit wear comment:

| Bit Performance | | | | | | | | | | | | | | | | | |
|-----------------|--|--|--------|-----------------|--|--|----------|------------|--|--|----------|--|--|--|--|--|--|
| Duration: | | | 14.1 h | Progress: | | | 68.00 m | ROP: | | | 4.82 m/h | | | | | | |
| Total Duration: | | | 92.6 h | Total Progress: | | | 448.40 m | ROP (Avg): | | | 4.84 m/h | | | | | | |

| Directional Data | | | | | |
|-------------------|---------|--------------------|--------|-------------------|--------|
| Slide Time: | 8.3 h | Rotate Time: | 7.8 h | Circ. Time: | 3.3 h |
| Slide (%): | 23 % | Rotate (%): | 78 % | Circ. (%): | % |
| Total Slide Time: | 56.1 h | Total Rotate Time: | 48.5 h | Total Circ. Time: | 18.8 h |
| Total KRevs: | 97 revs | HSI: | hp/in² | | |



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BHA # 3

| | | | |
|---------------|---------------------|-----------------------|------|
| BHA Type: | Steerable Assembly. | Total Weight Wet: | klbs |
| Date In: | #38 (26 Dec 2011) | Weight Below Jar Wet: | klbs |
| Date Out: | | | |
| Depth In: | 2,593.1 m | | |
| Depth Out: | m | | |
| Total Length: | 1,104.43 m | | |

BHA Description: Steerable Assembly.

BHA Run Comment:

BHA Daily Summary

| | | | | | |
|--------------------|-------------|---------------|--------|-------------------------|---------|
| Pickup Weight: | 130.00 klbs | Torque (max): | ft.lbf | D.C. (1) Ann Velocity: | 0 m/min |
| Slack-Off Weight: | 104.00 klbs | Torque (avg): | N.m | D.C. (2) Ann Velocity: | 0 m/min |
| String Weight: | 125.00 klbs | Torque (min): | N.m | H.W.D.P. Ann. Velocity: | 0 m/min |
| Jars Hours Logged: | 0.00 h | | | D.P. Ann. Velocity: | 0 m/min |

Summary:

BHA Component

| # | Equipment | Description | Length (m) | OD (in) | ID | Serial # | Hours |
|----|-------------|-------------|------------|---------|-------|----------|-------|
| 1 | Bit | Insert | 0.20 | 152.40 | | PS5080 | |
| 2 | MWD | PZIG LXM | 0.81 | 120.65 | 1.69 | Z47A119K | |
| 3 | Motor | | 6.96 | 130.18 | | 4257 | |
| 4 | Float Sub | | 1.08 | 120.65 | 54.61 | D47F035A | |
| 5 | MWD Tool | | 2.15 | 120.65 | 1.69 | Z47M069K | |
| 6 | Crossover | | 0.35 | 120.65 | 54.61 | D47X153T | |
| 7 | MWD Tool | | 8.78 | 120.65 | 69.85 | D47C425D | |
| 8 | NMDC | | 9.31 | 120.65 | 69.85 | D47C113C | |
| 9 | 3 1/2 DP | | 906.23 | 88.90 | 70.20 | | |
| 10 | 3 1/2" HWDP | | 186.56 | 120.65 | 52.40 | | |

| Bit #5 | | Wear | I | O1 | D | L | B | G | O2 | R |
|---------------|---------------|------------|-------------------|-----------------------|---|---|---|---|----|---|
| Size: | 152.4 mm (6") | IADC#: | | | | | | | | |
| Manufacturer: | SMITH | TFA: | | 0.589 in ² | | | | | | |
| Type: | Tricone | Date In: | #44 (01 Jan 2012) | | | | | | | |
| Serial No: | PP4244 | Date Out: | | | | | | | | |
| Bit Model: | XR 65Y | Depth In: | 2,853.0 m | | | | | | | |
| | | Depth Out: | m | | | | | | | |

Bit run comment: Wiper Trip to TD

Bit wear comment:

Bit Performance

| | | | | | |
|-----------------|-------|-----------------|--------|------------|----------|
| Duration: | h | Progress: | m | ROP: | 0.00 m/h |
| Total Duration: | 0.0 h | Total Progress: | 0.00 m | ROP (Avg): | 0.00 m/h |

Directional Data

| | | | | | |
|-------------------|-------|--------------------|--------------------|-------------------|-------|
| Slide Time: | h | Rotate Time: | h | Circ. Time: | h |
| Slide (%): | % | Rotate (%): | % | Circ. (%): | % |
| Total Slide Time: | 0.0 h | Total Rotate Time: | 0.0 h | Total Circ. Time: | 0.0 h |
| Total KRevs: | revs | HSI: | hp/in ² | | |



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Surprise 1 Re-entry H

BHA # 5

| | | | |
|---------------|-------------------|-----------------------|----------------|
| BHA Type: | Slick Assembly | Total Weight Wet: | 27,000.00 klbs |
| Date In: | #44 (01 Jan 2012) | Weight Below Jar Wet: | klbs |
| Date Out: | | | |
| Depth In: | 2,853.0 m | | |
| Depth Out: | m | | |
| Total Length: | m | | |

BHA Description: Bit - Bit Sub - 3 x 4.3/4" DC - 94 x 3.1/2" DP - 18 x 3.1/2" Hevi Wate

BHA Run Comment: Wiper Trip

BHA Daily Summary

| | | | | | |
|--------------------|--------|---------------|--------|-------------------------|---------|
| Pickup Weight: | klbs | Torque (max): | ft.lbf | D.C. (1) Ann Velocity: | 0 m/min |
| Slack-Off Weight: | klbs | Torque (avg): | N.m | D.C. (2) Ann Velocity: | 0 m/min |
| String Weight: | klbs | Torque (min): | N.m | H.W.D.P. Ann. Velocity: | 0 m/min |
| Jars Hours Logged: | 0.00 h | | | D.P. Ann. Velocity: | 0 m/min |

Summary:

BHA Component

| # | Equipment | Description | Length (m) | OD | ID | Serial # | Hours |
|---|-------------|-------------|------------|----|----|----------|-------|
| 1 | Bit | | 0.20 | | | | |
| 2 | Float Sub | | 0.74 | | | | |
| 3 | 4 3/4 DC | | 27.95 | | | | |
| 4 | 3 1/2" DP | | 906.23 | | | | |
| 5 | 3 1/2" HWDP | | 186.56 | | | | |

| Bit #4 | | Wear | I | O1 | D | L | B | G | O2 | R |
|---------------|---------------|------------|-----------------------|----------------|---|---|---|---|----|---|
| Size: | 152.4 mm (6") | IADC#: | 637Y | Nozzles | | | | | | |
| Manufacturer: | SMITH | TFA: | 0.589 in ² | | | | | | | |
| Type: | 3-Bladed | Date In: | #42 (30 Dec 2011) | | | | | | | |
| Serial No: | PP4244 | Date Out: | #44 (01 Jan 2012) | | | | | | | |
| Bit Model: | XR65Y | Depth In: | 2,764.0 m | | | | | | | |
| | | Depth Out: | 2,853.9 m | | | | | | | |

Bit run comment: Well TD

Bit wear comment:

Bit Performance

| | | | | | |
|-----------------|--------|-----------------|----------|------------|----------|
| Duration: | 17.6 h | Progress: | 73.00 m | ROP: | 4.15 m/h |
| Total Duration: | 55.1 h | Total Progress: | 233.00 m | ROP (Avg): | 4.23 m/h |

Directional Data

| | | | | | |
|-------------------|----------|--------------------|--------------------|-------------------|-------|
| Slide Time: | 7.8 h | Rotate Time: | 3.8 h | Circ. Time: | 0.8 h |
| Slide (%): | 22 % | Rotate (%): | 78 % | Circ. (%): | % |
| Total Slide Time: | 25.3 h | Total Rotate Time: | 12.6 h | Total Circ. Time: | 6.4 h |
| Total KRevs: | 116 revs | HSI: | hp/in ² | | |



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Surprise 1 Re-entry H

BHA # 4

| | | | |
|---------------|---------------------|-----------------------|------|
| BHA Type: | Steerable Assembly. | Total Weight Wet: | klbs |
| Date In: | #42 (30 Dec 2011) | Weight Below Jar Wet: | klbs |
| Date Out: | | | |
| Depth In: | 2,764.0 m | | |
| Depth Out: | m | | |
| Total Length: | 1,104.43 m | | |

BHA Description: Steerable Assembly

BHA Run Comment:

BHA Daily Summary

| | | | | | |
|--------------------|-------------|---------------|--------|-------------------------|---------|
| Pickup Weight: | 135.00 klbs | Torque (max): | ft.lbf | D.C. (1) Ann Velocity: | 0 m/min |
| Slack-Off Weight: | 127.00 klbs | Torque (avg): | N.m | D.C. (2) Ann Velocity: | 0 m/min |
| String Weight: | 146.00 klbs | Torque (min): | N.m | H.W.D.P. Ann. Velocity: | 0 m/min |
| Jars Hours Logged: | 0.00 h | | | D.P. Ann. Velocity: | 0 m/min |

Summary:

BHA Component

| # | Equipment | Description | Length (m) | OD (in) | ID | Serial # | Hours |
|----|-------------|-------------|------------|---------|-------|----------|-------|
| 1 | Bit | Insert | 0.20 | 152.40 | | PP4244 | |
| 2 | MWD | PZIG LXM | 0.81 | 120.65 | 1.69 | X47A079K | |
| 3 | Motor | | 6.96 | 130.18 | | 4257 | |
| 4 | Float Sub | | 1.08 | 120.65 | 54.61 | D47F035A | |
| 5 | MWD Tool | | 2.15 | 120.65 | 1.69 | Z47M070K | |
| 6 | Crossover | | 0.35 | 120.65 | 54.61 | D47X153T | |
| 7 | MWD Tool | | 8.78 | 120.65 | 69.85 | D47C425D | |
| 8 | NMDC | | 9.31 | 120.65 | 69.85 | D47C113C | |
| 9 | 3 1/2 DP | | 906.23 | 88.90 | 70.20 | | |
| 10 | 3 1/2" HWDP | | 186.56 | 120.65 | 52.40 | | |

Survey

| MD. (m) | Incl. (°) | Corr. Az (°) | TVD (m) | 'V' Sect (m) | Dogleg (deg/30m) | N/S (m) | E/W (m) | Tool Type |
|----------|-----------|--------------|----------|--------------|------------------|---------|---------|-----------|
| 2,656.40 | 91.28 | 149.07 | 2,542.04 | 226.46 | 4.11 | -121.7 | 200.9 | MWD |
| 2,666.00 | 91.80 | 148.83 | 2,541.78 | 235.83 | 1.79 | -129.9 | 205.9 | MWD |
| 2,675.70 | 91.45 | 148.32 | 2,541.51 | 245.32 | 1.91 | -138.2 | 210.9 | MWD |
| 2,684.60 | 90.92 | 148.12 | 2,541.32 | 254.03 | 1.91 | -145.7 | 215.6 | MWD |
| 2,694.00 | 91.36 | 147.97 | 2,541.14 | 263.25 | 1.48 | -153.7 | 220.6 | MWD |

Comments

Formation Tops

| Name | Top (m) |
|-----------------------|----------|
| Stokes | 2,275.00 |
| Stairway FM | 2,447.00 |
| Horn Valley Siltstone | 2,561.00 |
| Pacoota Sst | 2,613.00 |



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| Personnel On Site | | | |
|---------------------------|--------------------|-----------------------|-----|
| Company | Personnel | Job Title | Pax |
| Central Petroleum Limited | Don Castles | Drilling Supervisor | 1 |
| Central Petroleum Limited | Mark Mitchell | HSE Supervisor | 1 |
| Hunt Energy | Charles Nja | Rig Manager | 1 |
| Hunt Energy | James Krishna | Safety Observer | 1 |
| Hunt Energy | Hamilton Edwards | Driller | 1 |
| Hunt Energy | Philip Makinson | Driller | 1 |
| Hunt Energy | Chris Mihaka | Assistant Driller | 1 |
| Hunt Energy | Costa DeMiglio | Remote Medic | 1 |
| Hunt Energy | Rick Hall | Derrickman | 1 |
| Hunt Energy | Peter Werecky | Derrickman | 1 |
| Hunt Energy | Andrew Hannah | Floorman | 1 |
| Hunt Energy | Adam Beal | Floorman | 1 |
| Hunt Energy | Keiran Biggar | Floorman | 1 |
| Hunt Energy | Jai Richey | Lease Hand | 1 |
| Hunt Energy | Peter Elcock | Lease Hand | 1 |
| Hunt Energy | David Watts | Lease Hand | 1 |
| Hunt Energy | Chris Drapple | Lease Hand | 1 |
| Hunt Energy | Jamie Dorning | Motorman | 1 |
| Hunt Energy | George Lay | Mechanic | 1 |
| Hunt Energy | Micheal Haraldsson | Welder | 1 |
| Hunt Energy | Luis Orrego | Electrician | 1 |
| Hunt Energy | Sam Daniels | Cook | 1 |
| Hunt Energy | Brad Morris | Cook | 1 |
| Hunt Energy | Chris Bishop | Campie | 1 |
| Hunt Energy | Peter Birch | Campie / Driver | 1 |
| Hunt Energy | Rikki Wilson | Campie / Driver | 1 |
| GEOSERVICES OVERSEAS S.A. | Steve Turbill | Data Engineer | 1 |
| GEOSERVICES OVERSEAS S.A. | Tran Vu AnH Tu | Data Engineer | 1 |
| | Micheal Warman | Crane Operator | 1 |
| | Ronnie Dyker | Water Tanker Driver | 1 |
| SGS | Matt Bridge | Well Tester | 1 |
| SGS | Spencer Awop | Well Tester | 1 |
| | Nigel Fletcher | Production Supervisor | 1 |
| Total | | | 33 |

| Rig Stocks | | | | | | | |
|---------------------------|-------|--------------|------------------|----|-------|--------|----------|
| Name | Unit | Start Amount | Previous Balance | In | Used | Adjust | Balance |
| Diesel Fuel – Rig (Litre) | Litre | | 51,160.0 | 0 | 1,260 | 0 | 49,900.0 |

Surprise 1 Re-entry H

Progress Vs. Planned

