

**DAILY GEOLOGICAL REPORT**DATE: 31 Dec 2011
REPORT NO.: 43
(associated DDR # 43)**WELL: Surprise 1**

RIG	Hunt Rig #3	RIG TYPE	Land
COMPLETION TYPE		TARGET	Lower Stairway Sandstone
Depth at Midnight (MD)	2,850.0 m	SPUD DATE	
DAYS SINCE SPUD	0.00 (Days on well: 42.29)	LAST CASING	7.000 in @ 2,426.00 m MD
PRESENT DEPTH MD	2,854.0 m	BACKGROUND GAS	33.00 Unit @ 2,850.0 m
24 Hr Progress	141.00 m	MAX GAS	113.00 Unit @ 2,843.0 m
AVERAGE ROP	3.00 m/h	ECD	
Operations Status @ 0600hrs	Circulating during wiper trip at 2603m	ESTIMATED PORE PRESSURE	
PROGNOSSED TD	3,928.0m MD 2,551.0m TVD		

Well Details

Latitude:	23.00° 42.00" 50.76' South	UTM(N/S):	7377073N m N	RT - MSL:	3.66 m RT GL
Longitude:	129.00° 59.00" 36.09' East	UTM(E/W):	601261E m E	GL Elevation:	545.0 m

Operations Summary and General Remarks

OPERATION SUMMARY:	Drilled sliding and rotating to 2851m
LITHOLOGY SUMMARY:	Sandstone
HYDROCARBON SHOWS:	pervasive dull yellow white, faint blue white cut fluorescence, blue white to white residual ring, oil in mud 50-80% on surface, commonly fine droplets occasionally larger droplets, faster drilling, lesser amount when slow drilling while sliding
NEXT OPERATION:	WO decision

Lithology Summary

Interval MDBRT (m)		Lithology	%	Description
From	To			
2,778.00 - 2,853.00		Sandstone with traces Claystone	100	Sandstone light grey, clear to translucent, loose, fine to medium, well sorted, subangular to rounded commonly angular mainly broken grains (quartz overgrowth?), lesser fraction subangular to rounded, common quartz overgrowths, trace shards of quartz, nil to trace kaolin, no observable aggregates, fr inf porosity, 100% pervasive dull yellow white, faint blue white cut fluorescence, blue white to white residual ring, oil in mud with dull yellow white fluorescence 20-80% oil on surface.

Gas Readings

Depth	Total Gas	BGG	C1	%C1	C2	%C2	C3	%C3	iC4	%iC4	nC4	%nC4	iC5	%iC5	nC5	%nC5	He	Hydrocarbons
(m)	(Units)	(Units)	(ppm)	(%)	(ppm)	(%)	(ppm)	(%)	(ppm)	(%)	(ppm)	(%)	(ppm)	(%)	(ppm)	(%)	(ppm)	(ppm)
2,843.00	113.000		- 503	10.00	- 422	8.00	- 1,010	19.00	- 486	9.00	- 1,320	26.00	- 608	10.00	- 968	21.00		
Gas Type		Peak	Comment-															
2,850.00		33.00	- 210	11.00	- 167	10.00	- 305	16.00	- 146	11.00	- 427	20.00	- 236	14.00	- 361	18.00		
Gas Type		Background	Comment- 2778-2853m															



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Oil Shows

Depth 2,778.00m - 2,854.00m

Rating:	Fair	White Light Stain:	lt brn
Percentage:	100	White Light Cut:	colourless
Lithology:	Sandstone	White Light Residue:	colourless
Speed:		UV Fluoresce:	dull yellow solid
Intensity:		UV Cut Fluoresce:	imm diffuse pale blu/wh
Description:	light grey, clear to translucent, loose, fine to medium, predominantly medium, well sorted, subangular to rounded commonly angular mainly broken grains (quartz overgrowth?), lesser fraction subangular to rounded, q common quartz overgrowths, trace shards of quartz, nil to occasional trace kaolin, no observable aggregates, fr inf porosity	UV Residue:	pale blu/wh film/ring

Prognosis and Preliminary Correlation

Top	Actual Depth (3.66 m RT GL)			Prognosis	H/L	Pick Criteria	Remarks
	MD	TVD	TVD(GL)	MD			
Undiff Pertinjarra	778.46	778.46	774.80	758.46	20.0 L		
Parkes	1,294.46	1,294.46	1,290.80	1,302.46	8.0 H	Lith	Lithology change
Mereenie Fm	1,760.00	1,760.00	1,756.34	1,782.46	22.5 H	ROP	ROP and Lithology Change
Stokes	2,275.00	2,275.00	2,271.34	2,449.46	174.5 H	E-log	Lithology Change
Stairway FM	2,447.00	2,447.00	2,443.34	2,579.46	132.5 H	E-log	Lithology Change
Horn Valley Siltstone	2,561.00	2,561.00	2,557.34	2,654.46	93.5 H	E-log	Lithology Change
Pacoota Sst	2,613.00	2,613.00	2,609.34	2,692.46	79.5 H	Lith	Clean water wet P1

Well Geologist

Lindsay Cullen/Mike Harrison