WATER-BASED MUD REPORT No. 1

Date	19/09/2005	Depth/TVD	84 m / 84 m
Spud Date	19/09/2005	Mud Type	Spud mud
Water Depth		Activity	Drill 12-1/4" hole.

Operator : Origin Energy
Report For : Seton Porter / Bryan Webb
Well Name : Childer's Cove-1
Contractor : Century Drilling Ltd.
Report For : Ben Hale

Field/Area : PEP 154
Description : Vertical Exploration
Location : Onshore Otway Basin
M-I Well No. :

DRILLING ASSEMBLY		CASING	MUD VOLUME (bbl)	CIRCULATION DATA		
Bit Size 12.25 in Varel CH1GMS		Surface	Hole	Pump Make	National 8P-80	National 8P-80
Nozzles 3x16 / 1/32"		20in @16m (16TVD)	42.9	Pump Size	6 X 8.5in	6 X 8.5in
Drill Pipe Size	Length	Intermediate	Active Pits	Pump Cap	3.027 gal/stk	3.027 gal/stk
6.25 in	84 m	in @m (TVD)	318.1	Pump stk/min	110@97%	110@97%
Drill Pipe Size	Length	Intermediate	Total Circulating Vol	Flow Rate	666 gal/min	
in	m		361	Bottoms Up	2.6 min	565 stk
Drill Collar Size	Length	Production or Liner	In Storage	Total Circ Time	22.8 min	5008 stk
6.25 in	84 m		147	Circulating Pressure	1400 psi	

MUD PROPERTIES

Sample From		Pit@23:30	
Flow Line Temp	°C	19	
Depth/TVD	m	84/84	
Mud Weight	sp.gr.	1.05@19°C	
Funnel Viscosity	s/qt	42	
Rheology Temp	°C	19	
R600/R300		39/29	
R200/R100		20/13	
R6/R3		7/5	
PV	cP	10	
YP	lb/100ft²	19	
10s/10m/30m Gel	lb/100ft²	6/12/18	
API Fluid Loss	cc/30 min	n/c	
HTHP FL Temp	cc/30 min		
Cake API/HTHP	1/32"		
Solids	%Vol	2	
Oil/Water	%Vol	/98	
Sand	%Vol	0.25	
MBT	lb/bbl	20	
pH		9.5	
Alkal Mud (Pm)			
Pf/Mf			
Chlorides	mg/l		
Hardness Ca	mg/l		

PRODUCTS USED LAST 24 HRS

Products	Size	Amt
SODA ASH	25 KG BG	3
CAUSTIC SODA (DRY)	25 KG DM	2
Trugel 13A	25 KG BG	225

SOLIDS EQUIP	Size	Hr
DFE Shaker 1	110/110/110	0
DFE Shaker 2	110/110/110	0
D-Sander		0
D-Silter		0

MUD PROPERTY SPECIFICATIONS

Weight	alap
Viscosity	40 - 50
Filtrate	n/c

REMARKS AND TREATMENT

Mix spud mud. Install 110-mesh shale shaker screens. Initial sub-surface losses at 6-10 bbls per joint drilled in Port Campbell Limestone.

REMARKS

Rig-up. Drill rat / mouse holes. Spud at 18:00 hours. Drill ahead.

TIME DISTR	Last 24 Hrs	MUD VOL ACCTG	(bbl)	SOLIDS ANALYSIS (%/lb/bbl)		MUD RHEOLOGY & HYDRAULICS	
Rig Up/Service	18	Oil Added	0	NaCl	./ .	np/na Values	0.427/0.272
Drilling	6	Water Added	564	KCl	./ .	kp/ka (lb•s^n/100ft²)	2.152/3.421
Tripping		Mud Received	0	Low Gravity	3.6/ 32.5	Bit Loss (psi / %)	1032 / 73.7
Non-Productive Tim		Dumped	0	Bentonite	2./ 18.5	Bit HHP (hhp / HSI)	401 / 3.4
		Shakers	0	Drill Solids	1.6/ 13.8	Bit Jet Vel (m/s)	111
		Evaporation	0	Weight Material	NA/ NA	Ann. Vel DP (m/min)	15.23
		Centrifuge	0	Chemical Conc	- / .2	Ann. Vel DC (m/min)	44.82
		Formation	50	Inert/React	.615	Crit Vel DP (m/min)	69
		Left in Hole	0	Average SG	2.4	Crit Vel DC (m/min)	78
		Desilter	20	Carb/BiCarb (m mole/L)	./ -.1	ECD @ 84 (sp.gr.)	1.07

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Mike McKay	02-82118553		A$ 1,996.67	A$ 1,996.67

WELLSITE INVENTORY

DAILY REPORT

Operator : Origin Energy
Well Name : Childer's Cove-1
Location : Onshore Otway Basin

M-I Well No. :
Report No. : 1
Date : 19/09/2005

COST SUMMARY

INVENTORY

Product Name	Unit	Unit Price	Begin Invent	Recvd Today	Return Today	Used Today	Final Invent	Total Used	Daily Cost
CALCIUM CHLORIDE	25 KG BG		42	0	0	0	42	0	
CAUSTIC SODA (DRY)	25 KG DM		34	0	0	2	32	2	
CITRIC ACID	25 KG BG		29	0	0	0	29	0	
CONQOR 303A	55 GA DM		4	0	0	0	4	0	
DEFOAM A	25 LT CN		28	0	0	0	28	0	
DUOTEC	25 KG BG		35	0	0	0	35	0	
GLUTE 25	25 LT CN		22	0	0	0	22	0	
KWIK SEAL COARSE	40 LB BG		60	0	0	0	60	0	
KWIK SEAL FINE	40 LB BG		34	0	0	0	34	0	
KWIK SEAL MEDIUM	40 LB BG		39	0	0	0	39	0	
M-I BAR	25 KG BG		920	0	0	0	920	0	
MIX II FINE	25 LB BG		23	0	0	0	23	0	
MIX II MEDIUM	25 LB BG		40	0	0	0	40	0	
Omnycarb40	25 KG BG		40	0	0	0	40	0	
OS-1	25 KG BG		24	0	0	0	24	0	
PIPE-LAX W	55 GA DM		4	0	0	0	4	0	
POLYPAC UL	25 KG BG		84	0	0	0	84	0	
Polyplus Powder	25 KG BG		66	0	0	0	66	0	
POTASSIUM CHLORIDE	25 KG BG		680	0	0	0	680	0	
SODA ASH	25 KG BG		25	0	0	3	22	3	
SODIUM BICARBONATE	25 KG BG		33	0	0	0	33	0	
Trugel 13A	25 KG BG		384	0	0	225	159	225	