



# DAILY DRILLING REPORT

## ESSENTIAL PETROLEUM EXPLORATION Pty Ltd

|                |              |                   |          |
|----------------|--------------|-------------------|----------|
| <b>WELL:</b>   | EASTWING-1ST | <b>DATE:</b>      | 23/05/08 |
| <b>PERMIT:</b> | PEP 168      | <b>REPORT No:</b> | DDR 28   |
| <b>RIG:</b>    | ADS Rig 6    | <b>D.F.S.:</b>    | 28       |

|                        |       |                                |                     |          |     |                     |      |
|------------------------|-------|--------------------------------|---------------------|----------|-----|---------------------|------|
| <b>DEPTH 2400 Hrs:</b> | 1,898 | <b>OPERATIONS at 0600 Hrs:</b> | Drill ahead @ 1946m |          |     |                     |      |
| <b>TVD:</b>            |       | <b>FORMATION:</b>              | Belfast             |          |     |                     |      |
| <b>24 HR PROG.:</b>    | 190   | <b>LAST CASING:</b>            | 9 5/8               | AT       | 578 | <b>SHOE L.O.T.:</b> | 13.3 |
| <b>HOLE SIZE:</b>      | 8 1/2 | <b>ELEV:</b>                   | 59                  | RT - GL: | 4.3 | <b>MAASP:</b>       | 404  |

| FROM              | TO   | HOURS | OPERATIONS                         |
|-------------------|------|-------|------------------------------------|
| 0-0               | 0600 | 6.0   | Drill 81/2 hole 1708m to 1773m     |
| 0600              | 0630 | 0.5   | Survey @ 1762m -missrun            |
| 0630              | 0730 | 1.0   | Drill 81/2 hole 1773m to 1785m     |
| 0730              | 0800 | 0.5   | Rig Service                        |
| 0800              | 1330 | 5.5   | Drill 81/2 hole 1785m to 1840m     |
| 1330              | 1400 | 0.5   | Circ hole clean                    |
| 1400              | 1600 | 2.0   | Wiper trip to 1618m                |
| 1600              | 1830 | 2.5   | Drill 81/2 hole 1840m to 1860m     |
| 1830              | 1900 | 0.5   | Check valves on mud pump           |
| 1900              | 2130 | 2.5   | Drill 81/2 hole 1860m to 1879m     |
| 2130              | 2200 | 0.5   | Change pump packing - jet flowline |
| 2200              | 2400 | 2.0   | Drill 81/2 hole 1879m to 1898m     |
|                   |      |       |                                    |
| HS&E No Incidents |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      |       |                                    |
|                   |      | 24.0  |                                    |

**OPERATIONS TO 0600 HRS:** Drill to 1908m - 0130  
 Survey - 0200  
 (Drill to 1946m - 0600)

**PROGRAMME NEXT 24 HRS:** Drill ahead with wiper trips

|                         |                    |                    |                    |                       |
|-------------------------|--------------------|--------------------|--------------------|-----------------------|
| <b>WELL COSTS (A\$)</b> | <b>DAILY COST:</b> | <b>\$51,273.00</b> | <b>CUMULATIVE:</b> | <b>\$2,427,775.00</b> |
|-------------------------|--------------------|--------------------|--------------------|-----------------------|



# DAILY DRILLING REPORT

## ESSENTIAL PETROLEUM EXPLORATION Pty Ltd

|                           |                           |
|---------------------------|---------------------------|
| <b>WELL:</b> EASTWING-1ST | <b>DATE:</b> 23/05/08     |
| <b>PERMIT:</b> PEP 168    | <b>REPORT No.:</b> DDR 28 |
| <b>RIG:</b> ADS Rig 6     | <b>D.F.S.:</b> 28         |

| MUD PROPERTIES          |                      | ADDITIVES         |                             | SOLIDS CONTROL    |                        |                              | SAFETY/BOP/DRILLS     |                        |
|-------------------------|----------------------|-------------------|-----------------------------|-------------------|------------------------|------------------------------|-----------------------|------------------------|
| DENSITY(SG)             | 9.25                 | Bio-0             |                             | gpm               | uf                     | hrs                          | ACCIDENT FREE DAYS    | 332                    |
| VISCOSITY(Secs)         | 43                   | GeI-0             |                             | DESILTER          |                        | 8                            | LAST BOP DRILL        | 23/5/08                |
| pH                      | 8.5                  | Kcl-8             |                             | DESANDER          |                        | 15                           | LAST FIRE DRILL       |                        |
| PV/YP                   | 15/16                | CaCo3-0           |                             | CENTRIFUGE 1      |                        |                              | LAST H2S DRILL        |                        |
| GELS 10/10              | 1/2                  | Phpa-0            |                             | CENTRIFUGE 2      |                        |                              | LAST BOP TEST         |                        |
| WL API (cc/30min)       | 6.5                  | Xan-2             |                             |                   |                        |                              | BOP TEST DUE          | 30/5/08                |
| WL HTHP(cc/30min)       | 0                    | So/Su-1           |                             | SHAKERS           | 2                      | 22                           | <b>FORMATION DATA</b> |                        |
| CAKE(mm)                | 1                    | Pac-R-5           |                             | SCREENS           | 4/52-4/154             |                              | DEPTH                 |                        |
| SOLIDS %                | 5.4                  | Caustic-0         |                             | <b>PUMPS</b>      | <b>1</b>               | <b>2</b>                     | TRIP GAS (%)          |                        |
| SAND %                  | .5                   | Rod Free-0        |                             | TYPE              | SB 700                 | NP 600                       | CONN. GAS (%)         |                        |
| CHLORIDES(mg/l)         | 33000                | Quickseal-0       |                             | STROKE(in)        | 16                     | 8                            | B'GRD GAS (%)         |                        |
| KCL %                   | 2.8                  | Citric-           |                             | LINER(in)         | 5.5 x 2.75             | 5.5                          | PORE PRESS (ppg)      |                        |
| MBT                     | 12.5                 | Salt- 48          |                             | SPM               | 63                     | 0                            | ECD (ppg)             |                        |
| TEMP °C                 | 36                   | SodaAsh-0         |                             | GPM               | 344                    | 0                            | LITHOLOGY             |                        |
| HOLE VOL(bbl)           | 403                  |                   |                             | SPP ~ psi         | 330                    | 0                            | <b>TIME ANALYSIS</b>  |                        |
| SURF VOL(bbl)           | 440                  |                   |                             | AV-DP(m/min)      | 171                    |                              |                       | <b>HRS</b> <b>CUM.</b> |
| LOSSES(bbl/hr)          |                      |                   |                             | AV-DC(m/min)      | 268                    |                              | 1. MOVE RIG           |                        |
| MUD Co                  | RMR                  |                   |                             | SCR - spm         | 28/85psi               |                              | 2. RIG UP             | 27.0                   |
| MUD TYPE                | KCL/PHPA             |                   |                             | SCR - spm         | 39/133psi              |                              | 3. DRILLING           | 19.5 225.0             |
| <b>BIT DATA</b>         |                      |                   | <b>BHA DETAILS</b>          |                   | <b>BHA No.</b>         |                              |                       |                        |
| BIT No.                 | 6                    | 7                 | <b>TOOL</b>                 |                   | <b>OD (in)</b>         | <b>Length (m)</b>            |                       |                        |
| SIZE (in)               | 8.5                  | 8.5               | STEALTH BIT                 |                   | 8 1/2                  | 0.24                         | 4. TRIP               |                        |
| TYPE                    | FS2565               | STEALTH S36       | BIT SUB TOTCO RING          |                   | 6 1/4                  | 0.91                         | 5. WIPER TRIP         |                        |
| IADC CODE               | S 424                | S233              | SCHLUM MONEL                |                   | 6 1/2                  | 8.42                         | 6. SURVEY             |                        |
| SERIAL No.              | 5013339101           | S11778B TOI       | 61/4 DC                     |                   | 6 1/4                  | 8.86                         | 7. CIRC./COND         |                        |
| NOZZLES(mm)             | 3/12-2/16            | 3 X 16            | USED STRING STAB            |                   | 61/4 X 8 3/8           | 1.54                         | 8. HANDLE BHA         |                        |
| DEPTH IN (m)            | 1549                 | 1618              | 9 X DC'S                    |                   | 61/4                   | 81.12                        | 9. CASE/CEMENT        |                        |
| DEPTH OUT (m)           | 1618                 | ~                 | BICO JAR                    |                   | 30 1/2                 | 9.75                         | 10. WELLHEAD          |                        |
| DRILLED (m. cum)        | 69                   | 280               | 3 X DC'S                    |                   | 15 1/4                 | 27.13                        | 11. BOPS/DIV          |                        |
| HOURS (cum.)            | 10.5                 | 30.5              | 4 X HWDP                    |                   | 6.25 X 4.25            | 36.13                        | 12. LOT               |                        |
| GRADE                   | AS NEW               | DRILL             |                             |                   |                        |                              | 13. CORING            |                        |
| AVGE ROP (m/hr)         | 6.5                  | 9.0               |                             |                   |                        |                              | 14. LOGGING           |                        |
| WOB (mt)                | 2-12                 | 2-10              |                             |                   |                        |                              | 15. REAM/WASH         |                        |
| RPM                     | 80-120               | 100 -120          |                             |                   |                        |                              | 16. FISH/STUCK        |                        |
| JET VEL (m/sec)         |                      | 197               | <b>BHA LENGTH (m)</b>       |                   |                        | 174.10                       | 17. LOSS CIRC         |                        |
| HHP @ BIT               |                      | 69                | <b>BHA WEIGHT (Klbf)</b>    |                   |                        | 38                           | 18. KICK CONTROL      |                        |
|                         |                      |                   | <b>STRING WEIGHT (Klbf)</b> |                   |                        | 134                          | 19. SIDETRACK         |                        |
| <b>SURVEYS:</b>         | <b>DEPTH</b>         | <b>DEVIATION</b>  | <b>AZIMUTH</b>              | <b>TVD</b>        | <b>COMMENTS</b>        |                              | 20. RIG REPAIR        |                        |
| ST-13                   | 1505                 | 7.25              | 45                          | 1,505             | SS                     |                              | 21. WELL TEST         |                        |
| ST-14                   | 1525                 | 9.5               | 50                          | 1524              | SS                     |                              | 22. WO WEATHER        |                        |
| ST-15                   | 1609                 | 9.5               | 55                          |                   | SS                     |                              | 23. WAIT -WOC         |                        |
| ST-16                   | 1762                 | ~                 | ~                           |                   | Missrun                |                              | 24. ABD./SUSPEND      |                        |
| ST-17                   | 1896                 | 3.75              | 43                          |                   | SS                     |                              | 25. RIG SERVICE       |                        |
|                         |                      |                   |                             |                   |                        |                              | 0.5 6.0               |                        |
|                         |                      |                   |                             |                   |                        |                              | 26. SLIP/CUT LINE     |                        |
|                         |                      |                   |                             |                   |                        |                              | 3.0                   |                        |
|                         |                      |                   |                             |                   |                        |                              | 27. OTHER [pumps]     |                        |
|                         |                      |                   |                             |                   |                        |                              | 1.0 7.5               |                        |
|                         |                      |                   |                             |                   |                        |                              | COMPLETION            |                        |
| <b>DRILLING TOOLS</b>   | <b>SERIAL No.</b>    | <b>CUM. HOURS</b> | <b>DRILLING DATA</b>        |                   |                        | <b>TOTAL (HRS)</b>           | 24.0                  | 696.0                  |
|                         |                      |                   | DRAG - UP (Klbf)            |                   |                        | 5                            |                       | 672.0                  |
| BICO JAR                | DJ001                | 68.0              | DRAG - DOWN (Klbf)          |                   |                        | 2                            |                       |                        |
| MONEL                   | K779                 | 68.0              | TORQUE-On Bottom (Kft.lb)   |                   |                        | n/a                          |                       |                        |
| S STAB                  | T 2264               |                   | TORQUE-Off Bottom (Kft.lb)  |                   |                        | n/a                          |                       |                        |
| <b>WEATHER</b>          | <b>WEATHER STATE</b> |                   | <b>RAINFALL (mm)</b>        | <b>TEMP.(°C)</b>  | <b>VISIBILITY (km)</b> | <b>WIND SPEED(kts)</b>       | <b>OTHER</b>          |                        |
|                         | o/cast               |                   |                             | 3-15              | fair                   | 0-5                          | cool                  |                        |
| <b>BULK STOCK</b>       | <b>GEL(sx)</b>       | <b>BARITE(sx)</b> | <b>CEMENT(sx)</b>           | <b>DRILLWATER</b> |                        | <b>POT WATER</b>             | <b>DIESEL FUEL</b>    |                        |
|                         | 84                   | 500               |                             |                   |                        |                              | 18,100                |                        |
| <b>PERSONNEL ON RIG</b> |                      |                   | <b>TRANSPORTATION</b>       |                   |                        | <b>COMMENTS/REQUIREMENTS</b> |                       |                        |
| <b>OPERATOR</b>         | 2                    |                   | <b>TRUCKS</b>               | <b>LOAD</b>       | <b>HOURS</b>           |                              |                       |                        |
| DRILLING CONTRACTOR     | 20                   |                   |                             |                   |                        | 51/2 Casing xo to 1502       |                       |                        |
| SERVICE COMPANYS        |                      |                   |                             |                   |                        | Forklift down 18/5           |                       |                        |
| Mud Logging Crew        | 3                    |                   |                             |                   |                        | No 2 pump down 21/5          |                       |                        |
| Mud Engineer            | 1                    |                   |                             |                   |                        |                              |                       |                        |
| Cementers               | 2                    |                   |                             |                   |                        |                              |                       |                        |
| Electric Logging Crew   |                      |                   |                             |                   |                        |                              |                       |                        |
| DST Crew                |                      |                   |                             |                   |                        |                              |                       |                        |
| <b>OTHERS</b>           |                      |                   |                             |                   |                        |                              |                       |                        |
| <b>TOTAL</b>            | 28                   |                   |                             |                   |                        |                              |                       |                        |
| <b>SUPERVISOR</b>       | D Hair               |                   | <b>ENGINEER</b>             | GR                | <b>RIG MANAGER</b>     | D.Pollard                    |                       |                        |