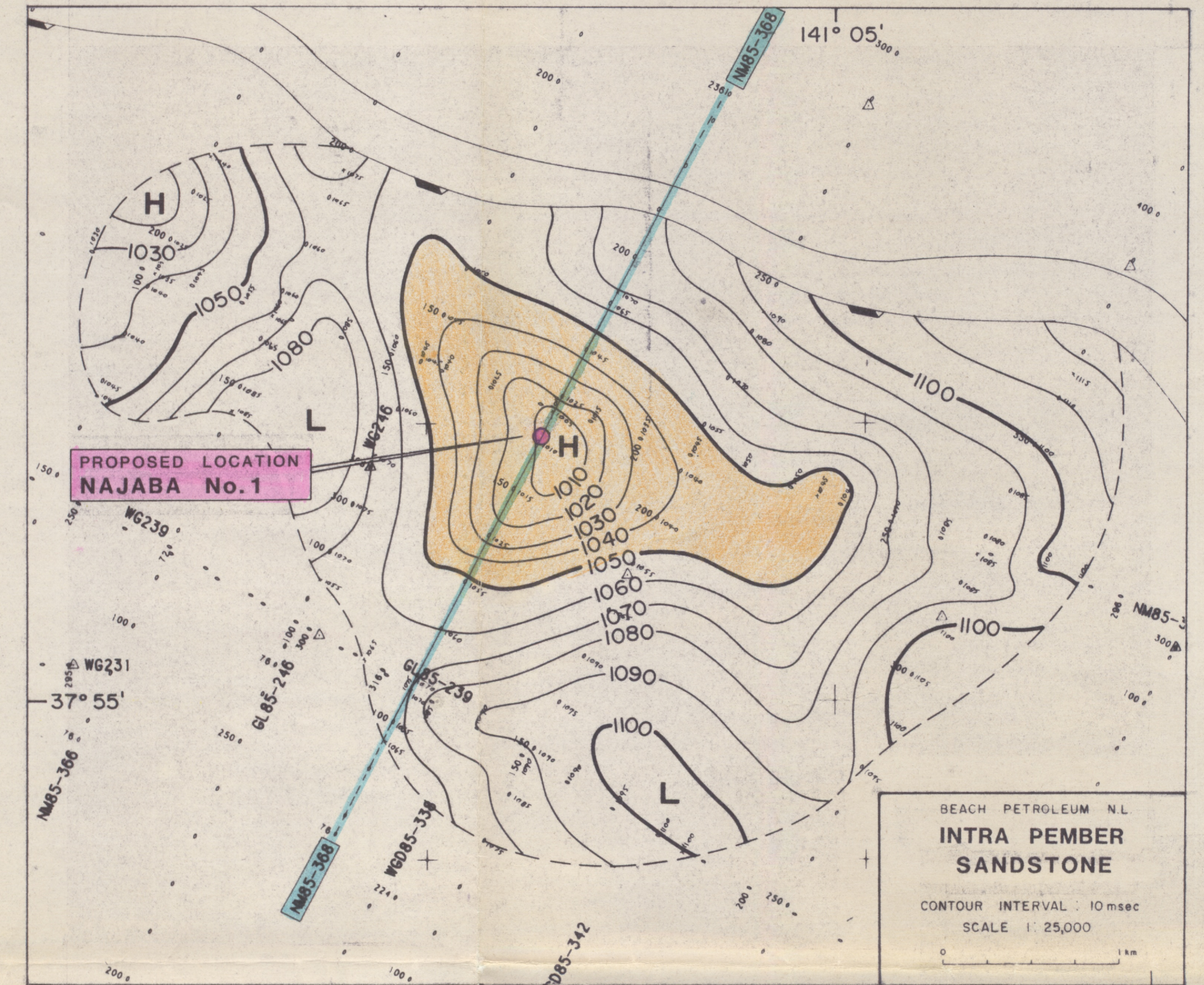


PROGNOSIS	FORMATION TOPS (KB DEPTHS)	AGE
OBJ.	LITHOLOGY	FORMATION NAME
	(m)	HEYESBURY GROUP
	257	NIRRANDA GROUP
	347	DILWYN FM.
	1055	PEMBER MUDSTONE MEMBER
	1290	INTRA PEMBER SAND
	1350	PEBBLE POINT FM
	1385	TIMBOON SAND MEMBER
	1525	PAARATTE FM. (Undiff.)
	2430	BELFAST MUDSTONE MEMBER
	2930	WAARRE FM.
	3165	BASAL WAARRE SAND
	3350	EUMERALLA FM. (CRET.)
	3400	



JUSTIFICATION

Najaba No. 1 with a proposed total depth of 3200 m is designed to test the entire Tertiary and Upper Cretaceous section on the immediate downthrown side of the major Tartwaup Fault. The fault located 1 km to the north is believed to have a throw at the top of the Upper Cretaceous in excess of 400 metres.

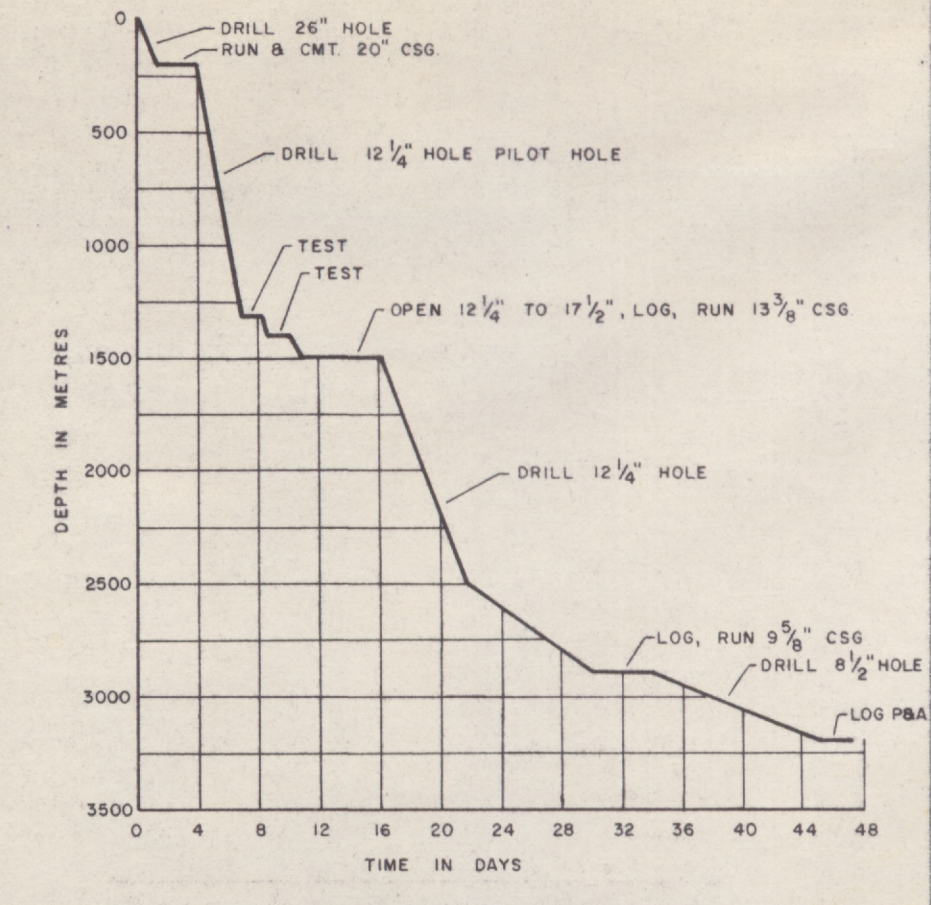
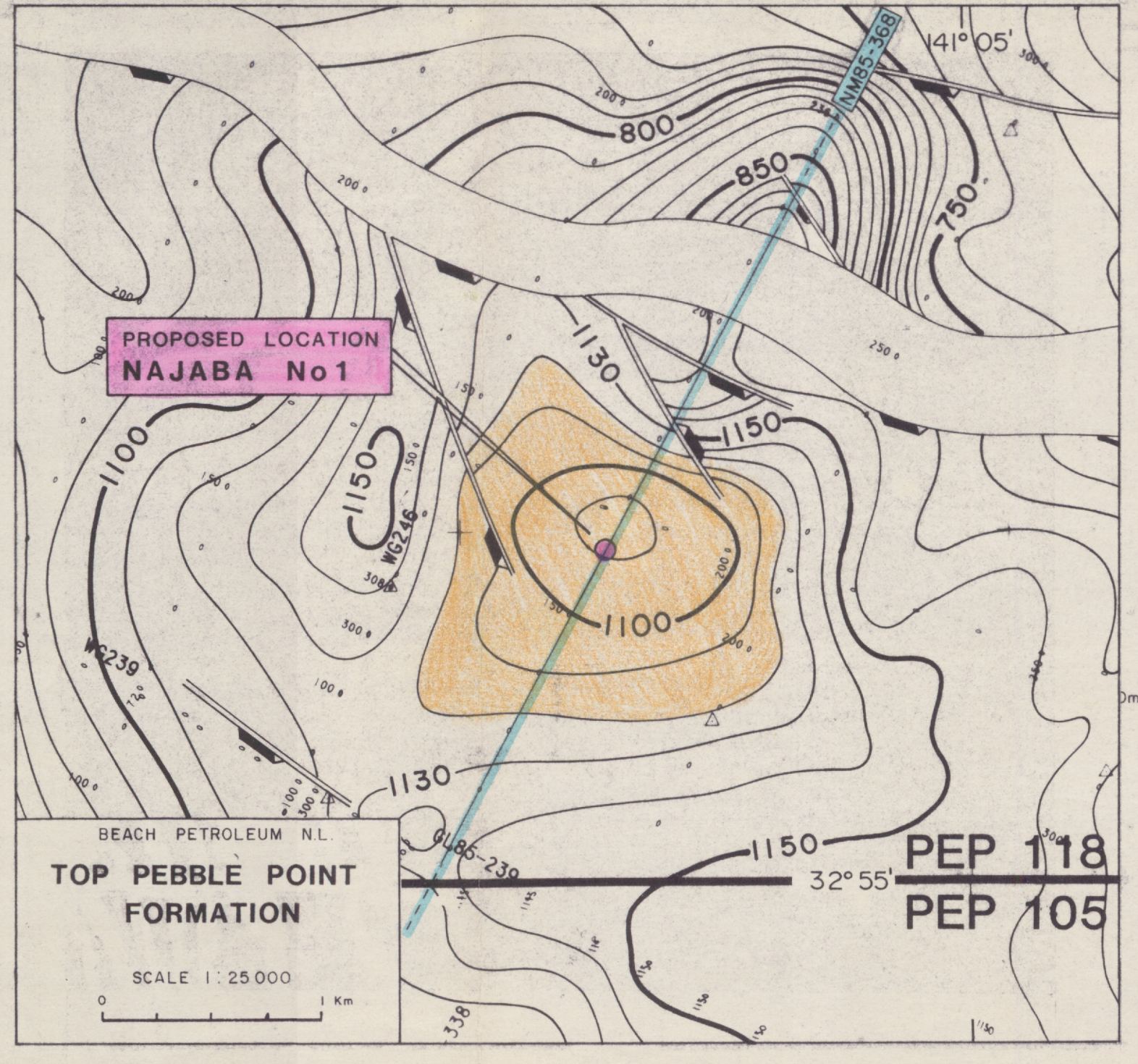
The primary reservoir targets are the porous "Pember Sand" sealed above and below by the Pember Mudstone as well as the Pebble Point Formation/Timboon Sand Member of Tertiary/Upper Cretaceous ages.

The "Pember Sand" is believed to be a reworked deltaic sandstone and to have been deposited as a distributory mouth bar within the pro-deltaic mudstone of the Pember Member. The structure at this level is independent of faulting and its relatively high relief will possibly be greater than the maximum thickness of sand developed. Seismic suggests that the sand thickness reduces away from the prospect in all directions except to the north where the reservoir is in direct contact with the deep-seated Tartwaup Fault. This fault is believed to be a major migration fairway in this area feeding all primary as well as secondary reservoir objectives.

The structure at the Pebble Point Formation level is only marginally dependent on minor faults which are branching from the Tartwaup Fault. However the top 30 metres of the total 66 metres vertical closure is virtually independent of fault closure. The entire thickness of Pebble Point Formation and uppermost part of the porous Timboon Sand Member are within vertical closure.

The deepest horizon that can be mapped with some degree of confidence is thought to be the Near Top Belfast where the prospect is fault dependent with minor four-way dip closure. The Najaba prospect is well placed within PEP 118 where hydrocarbons migrating through the Tartwaup Fault would be trapped in the multiple reservoirs from the basal Upper Cretaceous Waarre Sandstone Formation to sandstones within the basal Dilwyn Formation. On the upthrown side of the Tartwaup Fault the Eumeralla Formation, the most likely source of hydrocarbons, is in direct contact with the reservoirs.

The Najaba No. 1 was prognosed using available data from Fahley No. 1, 6.2 km to the south and Caroline No. 1, 14.5 km to the south-west. Wanwin No. 3 velocity data was also used in part.



PROSPECT NAME : NAJABA No. 1

Total Depth : 3200m Elevation : 51.72m G.L. a.s.l.
(Approx. 50m into Basal Waarre Sand)

Classification : Wildcat

Location : Latitude 37° 54' 13" Longitude 141° 03' 50"
Seismic Line NM85-368 Shotpoint No. 161.5

Reservoir Target : Primary 1. Pember Sandstone Depth 1290 m (K.B.)
Primary 2. Pebble Point Fm. Depth 1350 m (K.B.)

Area of Closure : Primary 1. 2.7 Km² Vertical Closure : Primary 72m
Primary 2. 2.0 Km Primary 66 m

Estimated Reserves : Nett Thickness : Primary 1. 15 m.
Primary 2. 40m.
Porosity : Primary 1. 25%
Primary 2. 15%

In Place Reserves : Primary 1. 38.3 x 10⁶ bbls. m³ gas
Primary 2. 21.0 x 10⁶ bbls. m³ gas

Significant Nearby Wells : Wanwin-3 15 km SE, Fahley-1 6.5 km SSW,
Caroline-1 15 km W.

Significant Nearby Facilities / Markets : Portland 65 km SE,
Adelaide 415 km NW,
Melbourne 345 km E.

Estimated Cost : Dry Hole
Discovery

