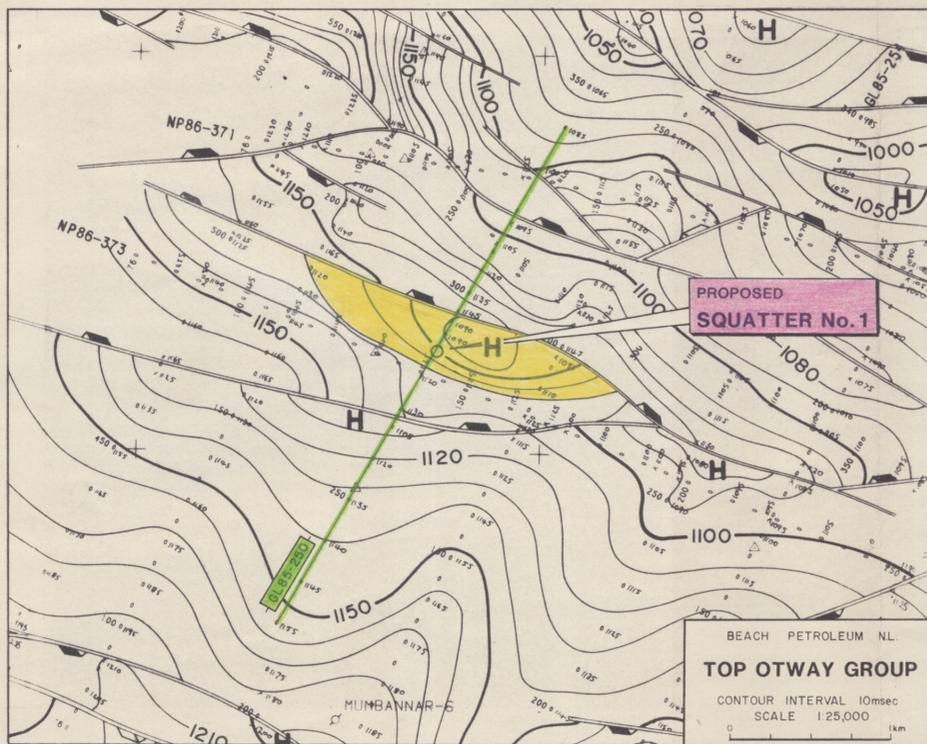
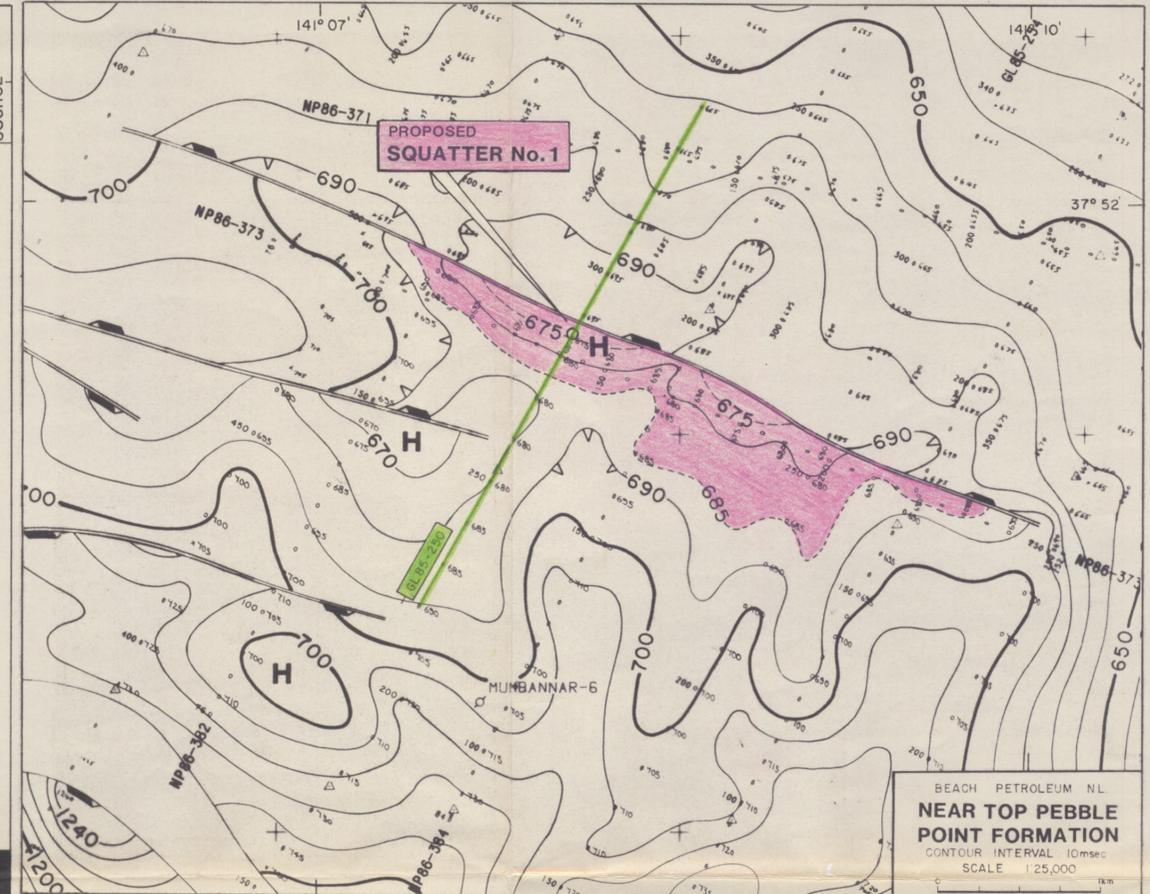


**SQUATTER No. 1
PROGNOSSED FORMATION TOPS**

K.B. 60-92m AMSL G.B. 56-92m AMSL

AGE	FORMATION	DEPTH K.B.	LITHO-LOGY	RESER-VOIR	SEAL	SOURCE
TERTIARY	PLIOCENE	35	W.B. Formation			
	Oligocene	170	Hayfesbury Gp.			
Eocene		235	Nirranda Gp.			
		620	DILWYN UNDF.			
PALAEOCENE		795	PEMBER MDST.			
		835	PEBBLE PT.			
MAAS			Timboon Sand			
	Companion		Paaratte Udif.			
UPPER CRETACEOUS	Santonian	1055	S.C. Mdst.			
		1095	Nullawarre Greensand			
L. CRET.	Conia-clan	1300	Belfast Mdst.			
	Turonian	1410	Waarre			
	Cenoman	1420				
	ALBIAN	1500	EUM.			



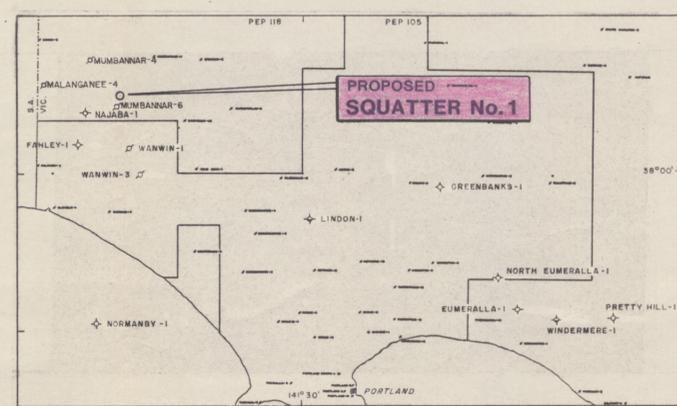
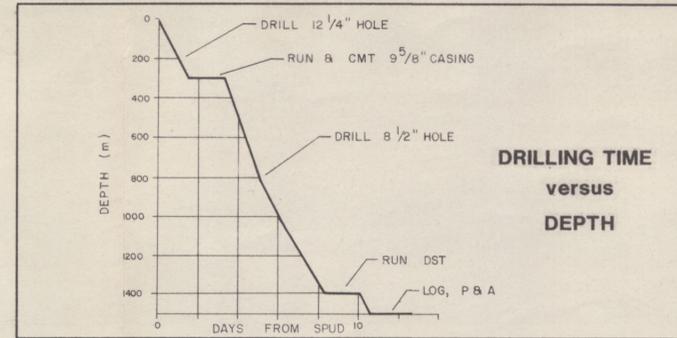
JUSTIFICATION

Squatter No. 1 well is designed to test the basal Upper Cretaceous "Waarre" Sandstone reservoir which has exhibited porosities in excess of 15%. Secondary targets include the Upper Paaratte Timboon Sand and the mid Paaratte Nullawarre Greensand, both of which are expected to have excellent reservoir characteristics.

The seismically defined structure is a southerly tilted minor horst block on the relatively stable Mumbannar Platform. The trapping mechanism is a down-to-north normal fault that juxtaposed thick seal units against all prospective reservoirs.

Hydrocarbons generated within the Lower Cretaceous Eumeralla Formation, the major source of hydrocarbon within the Portland Trough, are expected to have migrated along the Tartwaup Fault and then laterally from the fault. These hydrocarbons would then have accumulated in traps up-dip from the fault.

The Squatter feature is the first prospect north of the Tartwaup Fault in this area, hence its excellent chances of accumulating these migrating hydrocarbons in commercial quantities. The hydrocarbon generative potential of the source and the migration of it to shallower reservoirs have been proved by previous wells, e.g. Lindon-1, Windermere-1, Curdie-1 and Fahley-1.



BEACH PETROLEUM N.L. WITH DRILLING PROGRAM

PROSPECT NAME : SQUATTER No. 1

Total Depth : 1490m Elevation : 56-92m **06 MAY 1987**

Classification : WILDCAT **PETROLEUM DIVISION**

Location : Latitude 37°52'26.0"S Longitude 141°08'09.0"E
Seismic Line: GL85-250 Shotpoint No. SP 285

Reservoir Target : Primary: WAARRE SANDSTONE Depth: 1410m
Secondary: TIMBOON SAND Depth: 835m

Area of Closure : Primary: 0.75 km² Vertical Closure : Primary: 52m
Secondary: 3 km² Secondary: 20m

Estimated Reserves : Nett Thickness: Primary: 10m Secondary: 10m
Porosity: Primary: 15% Secondary: 20%

In Place Reserves : Primary: 1.46 x 10⁶ bbls. (NOTE: The oil saturation taken as 55%)
Secondary: 5.97 x 10⁶ bbls.

Significant Nearby Wells : NAJABA-1 6 km FAHLEY-1 10.5 km
WANWIN-1 9 km LINDON-1 40 km

Significant Nearby Facilities / Markets : GEELONG 285km E PORTLAND 66km SE
MT GAMBIER 30 km W

Estimated Cost : Dry Hole : \$ 432,550
Discovery :

DEPT. NAT. RES & ENV
PE903746