

**OIL COMPANY OF AUSTRALIA LIMITED
WELLSITE RECONNAISSANCE REPORT**

NEW LOCATION DETAILS

RECONNAISSANCE ONLY

RECONNAISSANCE, PEG AND QUOTE

AFE: 100012 COST CENTRE: 22001, 22002, 22004
 WELL NAME: Dunbar 1 DW 1 PERMIT: PPL 1
 LANDOWNER: Terry Ferguson PROPERTY:
 SECTION: CROWN ALLOTMENT: 26 COUNTY: Heytesbury PARISH: Narrawaturk
 SEISMIC REF: LINE: STATION:
 CO-ORDINATES: LATITUDE " S EASTING: 666132.4
 LONGITUDE " E NORTHING: 5731612.3
 PROPOSED RIG: ODE Rig 30

NEAREST WELLS

WELL TYPE: TOTAL DEPTH:
 GAS: OIL: CSM:
 EXPLORATION: APPRAISAL: DEVELOPMENT:
 MUD DRILLED: AIR DRILLED: CENTRIFUGE:

REPORT BACK REQUIRED ON LOCATION RECONNAISSANCE/ACCESS REPORTS

- 1) If a location shift is required - nominate two alternative sites
- 2) Provide access map detailing location of sandhills in immediate vicinity of proposed well
- 3) Provide cost and time estimate to construct nominated location
- 4) Provide estimates of cost reductions if either of the alternate sites selected

COMMENTS:

APPROVED
 DATE: 4/19/01
 [Signature]

ENVIRONMENTAL REVIEW

NO SPECIFIC RECOMMENDATIONS ARE REQUIRED

COMMENTS:

SIGNED

DATE:

LOCATION APPROVAL AND VERIFICATION

The Above Well Project Has Received Joint Venture Approval And The Above Location Is Confirmed

SIGNED

DATE

EXPLORATION / ENGINEERING / DRILLING MANAGER

NEW LOCATION - APPROVAL TO BUILD

TO FIELD SERVICES DEPARTMENT

CONSTRUCT ACCESS, LEASE AND INSTALL WATER SUPPLY FOR THE ABOVE SPECIFIED LOCATION
 QUOTATION SUPPLIED BY: ON: IS ACCEPTED

ACCESS, LEASE & WATER SUPPLY REQUIRED BY

REQUESTED BY:

DATE

COMMENTS

LAND SYSTEMS

Comments

Tabeland	<input type="checkbox"/>	
Gibber Plain	<input type="checkbox"/>	
Wetland	<input type="checkbox"/>	
Floodplain	<input type="checkbox"/>	
Dunefield	<input type="checkbox"/>	
Dune Crest	<input type="checkbox"/>	
Swale	<input type="checkbox"/>	
Salt Lake	<input type="checkbox"/>	
Undulating Open	<input checked="" type="checkbox"/>	<i>A couple of natural springs running from above and across proposed lease</i>
Grasslands	<input type="checkbox"/>	
Brigalow/Melanhole Country	<input type="checkbox"/>	
Blacksoil	<input type="checkbox"/>	
Sandalwood/box country	<input type="checkbox"/>	
Environmentally Sensitive Areas Identified	<input type="checkbox"/>	
Other	<input type="checkbox"/>	
Other	<input type="checkbox"/>	

LAND TENURE

Freehold	<input type="checkbox"/>	Leasehold	<input checked="" type="checkbox"/>
Crown Land	<input type="checkbox"/>	National Park	<input type="checkbox"/>
Stock Route	<input type="checkbox"/>	Forestry	<input type="checkbox"/>

Comments: _____

VEGETATION

Is vegetation present on site: Yes No

If yes, does it include:

Trees	<input type="checkbox"/>	
Shrubs	<input type="checkbox"/>	
Grasses	<input type="checkbox"/>	
Other (eg. crops, pasture)	<input checked="" type="checkbox"/>	<i>Mainly clover and fog grass</i>

Comments (eg. amount of vegetation to be removed, species type)
Only improved pasture to be affected

EXISTING FACILITIES

Is there any existing Petroleum Facilities in the vicinity of the wellsite (eg. pipelines, evaporation ponds, existing wellheads)? Yes No
 If yes, give details

*Proposal is to re-enter the existing Dunbar 1 well and sidetrack from below the 178 mm casing shoe
 This site has been rehabilitated, apart from the wellhead, back to mould into the surrounding area. Attempts will be made to reduce the amount of cut and fill required to build the new lease.*

Is there any existing Pastoral facilities in the vicinity of the wellsite (eg. watering points, fence lines)? Yes No
 If yes, give details

Fencing running north-south approximately 300 metres to either side of existing wellhead

EARTHWORKS

Does the site require any cut/fill operations? Yes No
 If yes, detail below the amount and whether borrow pits may be required (and where they are proposed to be located).

Local borrow pits will be used for sandstone / limestone scoria

Is the site rocky? Yes No
 Will this effect the amount of cut/fill required? Yes No

Comments:

ACCESS ROADS

Is it possible to use existing tracks for access (eg. seismic lines)? Yes No
 If yes, give details

Will any new access roads be required Yes No
 If yes, please detail below:

Length of road (s) *3.3 kilometres*
 Creek crossings *Nil but some culverts required in low areas*
 Other details (eg cut/fill areas, any clearing required) *No clearing required. Modification to some existing gates.*
Extension of some fences. Access track to remain at landowners request.

SURROUNDING AREA

Distance/direction to nearest natural watercourse?
Series of gullies / run-off areas throughout the rolling terrain

Characteristics of watercourse dry/flowing/stagnant
Watercourses flowing because it is seasonal wet period of the year

Width (m)

Is vegetation present in channel?

Risk of flooding (based on past events)

POSSIBLE ABORIGINAL/HERITAGE VALUES

Are permanent/semi-permanent water holes nearby? Yes No
 Any sand-dunes or rocky outcrops in the area? Yes No

Any obvious signs of aboriginal occupation?
 (eg. shelters, camp sites, middens, skeletal material, quarries, caves, art sites, stone artefact scatters, tree scars)
 If yes, give details:

Native Title Register:

Any obvious signs of heritage significant (eg. old out buildings, pastoral structures)?
 If yes, give details:

ALTERNATIVE SITE

Please detail below how far and what direction hole centre could be moved (if required)?
No alternative site as the existing well will be used.

Provide estimate of cost saving



Looking North across rehabilitated wellsite



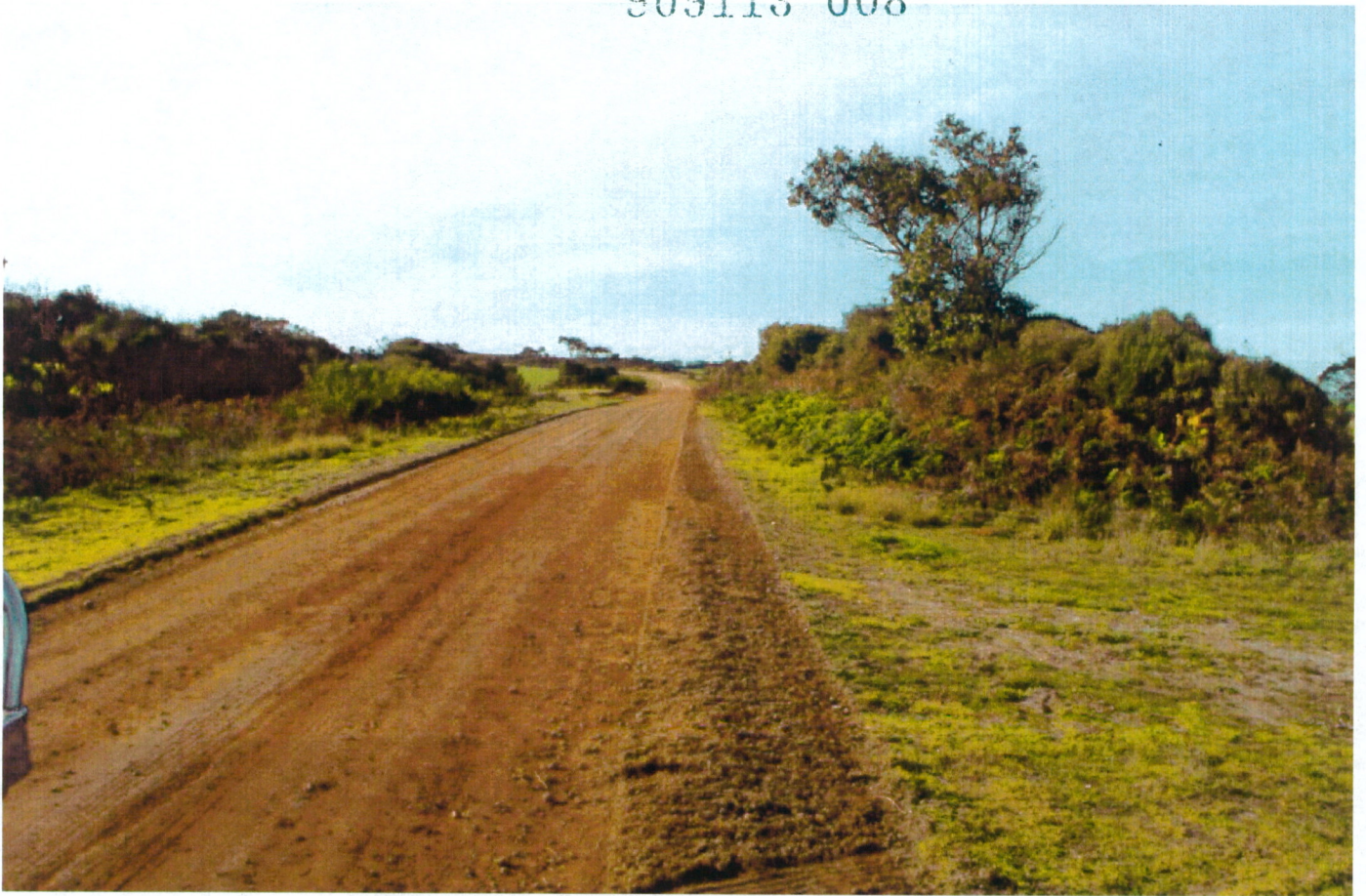
Looking East across rehabilitated wellsite



Looking South across rehabilitated wellsite



Looking West across rehabilitated wellsite



Looking East along East-West Road which will be used as access



Looking South along proposed access through property off East-West Road



Looking North along fenceline which will be used as access



Standing on rehabilitated wellsite looking North along proposed access

Checklist 1: Compliance with Interim Policy - Code of Practice

Project Name: DUNBAR 1 DW 1

General Location: OTWAY BASIN, VICTORIA

Permit: PPL 1

Project Manager (Responsible Person): SHANE ROBBIE

Date Checklist 1 completed: 03/08/00

Signature: *Shane Robbie*

Issue	Requirement	Can Comply with Requirement (Yes/No)	Action: If No then Environmental Management Plan required.
Land disturbance	Significant disturbance not to exceed 500m ² at any one site.	Yes	
Erosion prevention	1. Diversion drains across inclined tracks. 2. Blade spillage windrow to be on the contour in areas of disturbance. 3. Back-fill pits and sumps after use.	Yes Yes Yes	
Land form management	1. Backfill /overfill excavations. 2. Rehabilitate disturbed land. 3. Reshape disturbed land similar to surrounds. 4. Plug and backfill drill holes. 5. Use existing tracks and roads. 6. Make excavations safe at all times.	Yes Yes Yes Yes No Yes	No existing access New road required & will be kept at request of property owner
Topsoil utilisation	1. Stockpile all topsoil from significant disturbance and maintain biological and nutrient quality. 2. Use topsoil and root stock as medium for revegetation.	Yes Yes	Will re-sow to improve rehabilitation
Revegetation	1. All disturbed areas should be allowed to regenerate or be revegetated on completion of use. Rip all compacted areas (500mm deep, minimum separation 1m). 2. Establish similar vegetation to adjoining areas. 3. Provide suitable nutrients (fertiliser if necessary). 4. Provide stock proof fencing if necessary. 5. Continue until potential for revegetation established.	Yes Yes Yes Yes	
Stormwater Treatment	1 Install silt traps and silt fences where necessary. 2 Maintain silt traps at least annually.	Yes Yes	

Procedure: Compliance with Interim Policy - Code of Practice

Project Name: DONBAR 1 DW 1

General Location: OTWAY BASIN, VICTORIA

Permit: PPL 1

Project Manager (Responsible Person): SHANE ROBBIE

Date Checklist 1 completed: 03/08/00

Signature: *Shane Robbie*

Issue	Requirement	Can Comply with Requirement (Yes/No)	Action: If No then Environmental Management Plan required.
Contaminated land	<ol style="list-style-type: none"> Avoid contaminating land. Remediate any land contamination caused. Avoid weed importation and succession. Identify all chemicals to be used. Obtain MSDS for all chemicals used: <ul style="list-style-type: none"> conform to specific use procedures; establish emergency procedure including reporting requirements; prepare proper instructions for operating staff. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>A copy of the MSDS for all chemicals on-site will be kept with Rig Supervisor.</p>
Water management	<ol style="list-style-type: none"> Divert clean stormwater from disturbed areas. Do not remove more than 500kg per kilometre or 500m² of vegetation from each creek, cross-creek or river crossing. Must comply with EPP water. 	<p>Yes</p> <p>N/A</p> <p>Yes</p>	
Waste & waste water containment	<ol style="list-style-type: none"> Remove all waste oil and grease. Manage all domestic waste in accordance with health requirements. All bunds to be able to contain 110% of storage capacity of single biggest tank. Spillage from maintenance operations to be collected for proper disposal. Remove or bury (1.5 metre cover and at least 100m from water course) all domestic refuse. Backfill all pits and constructed access unless land owner agreement exists. Provide safe and suitable access to excavations left. 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<ol style="list-style-type: none"> Collected in 200 litre drums for removal to approved waste disposal site All waste will be removed by licensed contractor Impaired to bund. Drains dug around tanks to divert any overflow to drilling fluids sump. Tanks comply with AS 1692 Category 3

Procedure: Compliance with Interim Policy - Code of Practice

Project Name: DUNBAR 1 DW 1

General Location: OTWAY BASIN, VICTORIA

Permit: PPL1

Project Manager (Responsible Person): SHANE ROBBIE

Date Checklist 1 completed: 03/08/00

Signature: *S. Robbie*

Issue	Requirement	Can Comply with Requirement (Yes/No)?	Action: If No then Environmental Management Plan required.
Social	1. Noise nuisance should be managed to conform to any Noise EPP. 2. Dust nuisance should be managed to conform to Air EPP. 3. Minimise vibration and light nuisance to public. 4. Minimise disruption to Native Title rights and interests.	Yes Yes Yes Yes.	None identified or known
Environmentally Sensitive Areas (ESA)	Consult with DME and DEH to establish site specific requirements for ESA.	Yes	None identified at site inspection.
Record keeping	Keep records to prove compliance with all of the above requirements.	Yes	
Environmental Protection Act (EPA) ERA Level 1 activity	Any ERA Level 1 activity will require an Environmental Management Plan (See Schedule 1 of EP Act Regulations)	N/A	

Checklist 2:

Expanded Environmental Assessment

Project Name: DUNBAR 1 DW 1
 General Location: OTWAY BASIN, VICTORIA
 Permit: PPL 1
 Project Manager (Responsible Person): SHANE ROBBIE
 Date Checklist 2 completed: 03/08/00 Signature: *Shane Robbie*

Issue	Actions that may resolve the issue	Resolution (response is required)
Cultural Matters <i>Cultural artefacts etc. are not to be knowingly disturbed.</i>	<ol style="list-style-type: none"> 1. Inquiry to DEH Regional Office re heritage/cultural sites; 2. Anecdotal or physical evidence of historical sites, is inspection required?; 3. Instructions prepared for field operatives on avoidance?; 	<p><i>None identified</i></p> <p><i>N/A.</i></p>
Flora <i>It is an offence to take or destroy rare or threatened wildlife</i>	<ol style="list-style-type: none"> 4. Inquiry to DEH Regional Office re rare/threatened species; 5. Anecdotal or physical evidence of rare/threatened species, is inspection required? 6. Instructions prepared for field operatives on avoidance?. 	<p><i>Area has been modified for grazing & has been a well site in the recent past. No native vegetation or habitat impacted</i></p>
Fauna <i>It is an offence to take or destroy rare or threatened wildlife</i>	<ol style="list-style-type: none"> 7. Inquiry made to DEH/Regional Office re unique or endangered species; 8. Is there other evidence of unique or endangered species, is inspection required?; 9. Instructions prepared for operating staff. 	<p><i>As above</i></p>
Emissions (Air) (EPP Air) <i>Not yet in force. But this exercise should still be done. In most instances there will be insignificant impact. (An acid mist from acid stimulation job would be considered an adverse impact).</i>	<ol style="list-style-type: none"> 10. Prepare list of expected air emissions; 11. Assess the risk of adverse environmental impacts from expected air emissions; 12. Consider alternatives to minimise/control air emissions; 13. Prepare management plan if deemed appropriate (ie if there are adverse impacts). 	<p><i>No significant air emissions from drilling as it is only temporary</i></p>

Checklist 2:

Expanded Environmental Assessment

Date Checklist 2 completed:

03/08/00

Signature:

B. Blabie

Issue	Actions that may resolve the issue	Resolution (response is required)
<p>Emissions (Water) (EPP Water)</p> <p><i>In force. The EPP is about protecting Queensland's waters suitability for biological integrity; agricultural use; industrial use; suitability for drinking water.</i></p>	<ol style="list-style-type: none"> 1. Prepare list of chemical composition of possible water emissions; 2. Assess the status of the receiving waters and the risk of adverse environmental impacts from possible water emissions; 3. Consider alternatives to minimise/control possible water emissions; 4. Prepare management plan if deemed appropriate (ie if there are adverse impacts). 	<p><i>All liquid wastes + emissions will be contained within the mud system + lease area.</i></p>
<p>Emissions (Noise) (EPP Noise)</p> <p><i>Not yet in force. But this exercise should still be done. In most instances there will be insignificant impact. (An uncontrolled high velocity/flow flare from a gas well would initially be considered an adverse impact).</i></p>	<ol style="list-style-type: none"> 5. Prepare list of potential noise emission frequencies. 6. Assess the risk of adverse environmental & social impacts from possible noise emissions; 7. Consider alternatives to minimise/control possible noise emissions; 8. Prepare management plan if deemed appropriate (ie if there are adverse impacts). 	<p><i>Noise emissions may cause short term disturbance to local residents. Appropriate mitigation measures + landowner compensation will be applied</i></p>
<p>Land Systems</p> <p><i>Some land system are susceptible to erosion, will not regenerate, and are sensitive to drainage changes</i></p>	<ol style="list-style-type: none"> 9. Identify soil types check if susceptible to erosion, establish where this may occur; 10. Identify areas that may have difficulty regenerating and manage accordingly; 11. Make allowance for water course/drainage; 12. Instruct field operatives on managing these sensitivities. 	<p><i>Lease will require some cut + fill. Appropriate compensation + restoration being undertaken in consultation with landowners</i></p>
<p>Rehabilitation</p> <p><i>Petroleum activity usually creates some need for rehabilitation, be it the land, fences, roads etc.</i></p>	<ol style="list-style-type: none"> 13. Establish land owner rehabilitation requirements; 14. Prepare rehabilitation plan and costing; 15. Ensure field operatives and contractors are aware of rehabilitation requirements. 	<p><i>As above</i></p>
<p>Contractors</p> <p><i>OCA expects contractors to maintain a high standard of compliance with environment and safety</i></p>	<ol style="list-style-type: none"> 16. Assess capability 17. Establish level of OCA supervision required; 18. Prepare & issue contracts/work orders. 	<p><i>All contractors selected on the basis of established environmental performance + familiarity with OCA Origin + Govt requirements</i></p>

Checklist 2:**Expanded Environmental Assessment**

Date Checklist 2 completed: 03/08/00

Signature: *Stobbie*

Issue	Actions that may resolve the issue	Resolution (response is required)
Impact (local area) <i>Impacts other than dust noise light etc may cause disturbance in the local area, these should be ascertained if possible</i>	Determine: 1. the duration of the impact; 2. extent of the impact, who it may effect; 3. implement management plan to manage these impacts.	<i>Temporary activity with potential to impact adjacent land owners. Management measures will ensure impact is minimal</i>
Impact (outside local area) <i>There may be secondary and tertiary impacts as a consequence of the primary activity</i>	Try to determine any flow on effects the activity may cause. Look outside the immediate area of influence.	<i>Minor traffic increase mainly during lease construction. Managed in consultation with Shire</i>
Environmental awareness <i>All people working or contracting to OCA have to have an understanding of OCA's environmental & safety requirements</i>	Ensure that: 1. employees and contractors have attended induction; 2. specific job requirements and expected outcomes have been defined and are understood; 3. contractors are aware that work will be audited against job procedures.	<i>Employee inductions will be undertaken. Inspection & audit programme will gauge success</i>
Seasonal conditions <i>Environmental impacts may be reduced if seasonal conditions are considered as part of project planning (eg wet season, lambing season)</i>	4. Consider impact of wet weather 5. Consider the agricultural condition for the time of the year? 6. Consider spring time breeding season for all wildlife	<i>Construction will be during wet part of year. May cause some extra damage which will be corrected during rehabilitation</i>
Land tenures	1. Who are the land owners? 2. Notice of entry given. 3. Compensation dealt with.	<i>Terry Ferguson Yes Agreement in progress</i>
Approvals <i>Correct approval are required on time (eg EM Plan requires 28 days)</i>	Determined 1. what approvals are required 2. which government departments are involved? 3. have necessary approvals been obtained?	<i>Dulling programme & environmental DNRE - Victoria All data to be submitted by mid August 2000</i>