

ESSO Australia Pty Ltd

Date:	03/02/05	Last Casing:	9? " (244mm) @ 2527m
Report Number:	24	LOT:	16.6 ppg EMW (1.99 sg) at 9 5/8" casing
Report Period:	24hrs to 24:00 02/02/05	Current hole size:	8½" (216mm) from 2532m
Depth @ 2400 Hrs:	2965m MDRT	Mud Weight:	10.2 ppg (1.22 sg)
Last Depth:	2866m MDRT	ECD:	11.3 ppg (1.35 sg)
Progress:	99m	Mud Type:	KCl/PHPA/Glycol
TD Lithology:	Sandstone/Claystone	Mud Chlorides:	40,000
Water Depth:	52m	Mud Fluid Loss:	3.2
RT Elevation:	39.24m aMSL	Bit Type:	8½" SMITH GF11Y

OPERATIONS SUMMARY

24 HOUR SUMMARY
00:00 - 24:00 hrs RIH to shoe, changed out swivel packer and carried out top drive maintenance. RIH, washing down last stand Drilled ahead from 2866 to 2965m MDRT.

05:00 hrs update (03/02/05) Drilling 8½" hole at 2990mMDRT (2843mTVDRT)

NEXT 24 HOURS: Drill ahead 8 1/2" hole.

GEOLOGICAL SUMMARY

▪ LITHOLOGIC DESCRIPTION:

INTERVAL m MDRT (m TVRT)	LITHOLOGY
2866 - 2900 (2739 - 2770) ROP: 2-20 m/hr (av. 5 m/hr)	SILTSTONE with minor SANDSTONE & CLAYSTONE. SANDSTONE (10%): off white, pale grey/brown, very fine to fine grained, well sorted, subangular to subrounded, weak to moderate siliceous cement, abundant white argillaceous matrix, grain supporting in part, friable to moderately hard, tight visual porosity, poor where decreasing matrix, NO SHOWS. SILTSTONE (50 - 60%): pale grey/brown, argillaceous grading to claystone in part, arenaceous in part & grading to very fine grained sandstone, abundant carbonaceous fragments & occasional laminations, moderately hard, subblocky. CLAYSTONE (20 - 40%): pale yellow/brown, siliceous, trace carbonaceous laminations, firm to moderately hard, subblocky to predominantly fissile.
2900-2950 (2770 - 2799) ROP: 3-25 m/hr (av. 5 m/hr)	SILTSTONE with interbedded silty SANDSTONE. SANDSTONE(10 - 70%): off white, mottled grey/brown, very fine to fine grained, well sorted, subangular to rounded, weak to moderate siliceous cement, abundant white argillaceous & silty matrix, carbonaceous & lithic fragments, friable to moderately hard, poor to tight visual porosity, poor where decreasing matrix, NO SHOWS. SILTSTONE (30 - 90%): mottled grey/brown, argillaceous grading to claystone in part, arenaceous in part, common carbonaceous & very fine sandstone laminations, moderately hard, subblocky.
2950 - 2965 (2799 - 2821.6) ROP: 2.4-28 m/hr (av. 6.8 m/hr)	Interbedded SILTSTONE, Siliceous SILTSTONE and CLAYSTONE. Trace SANDSTONE and silty COAL. SANDSTONE (Trace): off white, very fine to fine grained, well sorted, subangular to rounded, weak to moderate siliceous cement, abundant white argillaceous & silty matrix, common carbonaceous fragments, moderately hard, tight visual porosity, NO SHOWS. SILTSTONE (20 - 30%): mottled grey/brown, argillaceous grading to claystone in

	<p>part, arenaceous in part, common carbonaceous & very fine sandstone laminations, moderately hard, subblocky.</p> <p>Siliceous SILTSTONE (10 - 60%): pale grey/brown, siliceous, scattered carbonaceous material, moderately hard to hard, subfissile.</p> <p>CLAYSTONE (20 - 70%): light brownish grey to olive grey, minor moderate to dark yellowish brown, soft/dispersive to firm, sub-blocky, minor subfissile, minor to sometimes common disseminated carbonaceous matrix and laminae, trace mica, rare very fine quartz sand, non calcareous. Grading to silty claystone in places.</p> <p>COAL (Trace): black, dull to subvitreous, silty grading to carbonaceous siltstone, blocky to subfissile, brittle.</p>
--	---

▪ **HYDROCARBON FLUORESCENCE:**

INTERVAL (m MDRT)	HYDROCARBON FLUORESCENCE
2866 - 2965	NO SHOWS

▪ **GAS SUMMARY:**

INTERVAL (m MDRT)	GAS TYPE	TOTAL GAS % Min - max (average)	C1 ppm Min - max (average)	C2 ppm min - max (average)	C3 ppm min - max (average)	iC4 ppm min - max (average)	nC4 ppm min - max (average)	C5 ppm min - max (average)
2866	TG	0.82	6446	336	218	33	31	10
2866 - 2900	BKGD	0.08-0.78 (0.22)	540-6123 (1643)	42-444 (129)	30-214 (72)	7-30 (13)	5-24 (10)	2-7 (4)
2875	DGP	0.78	6123	444	214	30	24	15
2900 - 2935	BKGD	0.1-1.12 (0.32)	614-8806 (2496)	60-516 (173)	45-255 (98)	9-50 (19)	8-40 (16)	3-14 (6)
2933.5	DGP	1.12	8806	516	255	50	40	26
2935 - 2965	BKGD	0.1-0.64 (0.24)	670-5085 (1940)	49-316 (115)	36-142 (65)	10-28 (16)	8-22 (12)	3-8 (5)
2956	DGP	0.58	4891	198	88	18	14	11
2964	DGP	0.64	5085	316	142	28	22	16

Gas types as follows:- BKGD = background gas, DGP = drilling gas peak, WTG = Wiper Trip gas, and CG = connection gas

▪ **SURVEYS:**

m MDRT	Inclination	Azimuth	m TVDRT	m TVDSS	
2844.77	24.22	179.64	2719.67	2680.43	
2882.6	27.6	178.8	2753.8	2714.6	
2911.8	32.5	177.2	2779.1	2739.86	
2940.58	35.22	173.63	2803.0	2763.76	

▪ PRELIMINARY FORMATION TOPS:

FORMATIONS	PROGNOSED DEPTHS (m)			ACTUAL DEPTHS (m)				
	MDRT	TVDSS	THICKNESS TV	MDRT	TVDSS	THICKNESS TV	HIGH/LOW to prognosis	DIFF m
Gippsland Limestone	91.2	52	748	91.2	52			
Lakes Entrance Fm	839.2	800	727	Indeterminate				
Latrobe Group	1566.2	1527		1579.0	1539.7		low	12.7
Top "L8" Reservoir	1956.9	1909						
Top Moonfish Volcanics	2023.3	1966	22	2046	1985.8	24	low	19.8
Base Moonfish Volcanics	2049.1	1988		2073	2008.4		low	20.4
Top sub-Moonfish Volcanics Reservoir	2068.9	2005		2085	2018.4		low	13.4
Top Remora Volcanics	2675.2	2523	60	2715	2563	8	low	39
Base Remora Volcanics	2745.4	2583		2724	2571		high	12
Total Depth	3362.2	3110						

Note: depths in bold type confirmed by E-Logs. Water depth = 52m (MSL to seabed), and RTE = 39.24m above MSL.

• REMARKS / COMMENTS

MWD sensor offsets (run #7):

Gamma - 18.21m
 Resistivity - bit - 8.85m
 Resistivity - ring - 18.57m
 Resistivity - deep button - 18.74m
 Directional - 24.66m
 UltraSonic - 31.67m
 Density - 32.05m
 Porosity - 33.02m

▪ AIPC WELLSITE GEOSTAFF:

Wellsite Geologists - Greg ONeill / Antonio Ribeiro