

ESSO Australia Pty Ltd

Date:	05/02/05	Last Casing:	9? " (244mm) @ 2527m
Report Number:	26	LOT:	16.6 ppg EMW (1.99 sg) at 9 5/8" casing
Report Period:	24hrs to 24:00 04/02/05	Current hole size:	8½" (216mm) from 2532m
Depth @ 2400 Hrs:	3230m MDRT	Mud Weight:	10.2 ppg (1.22 sg)
Last Depth:	3024m MDRT	ECD:	11.3 ppg (1.35 sg)
Progress:	206m	Mud Type:	KCl/PHPA/Glycol
TD Lithology:	Siltstone/Sandstone	Mud Chlorides:	39,000
Water Depth:	52m	Mud Fluid Loss:	3.0
RT Elevation:	39.24m aMSL	Bit Type:	8½" HUCALOG DSX173DC

OPERATIONS SUMMARY

24 HOUR SUMMARY
00:00 - 24:00 hrs Changed bit, tested MWD and ran in the hole to 2296m. Washed down last stand to bottom. Circulated and drilled ahead from 3024 to 3230m MDRT.

05:00 hrs update (05/02/05) Drilling 8½" hole at 3259 mMDRT (3958.6 mTVDRT)

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

GEOLOGICAL SUMMARY

▪ LITHOLOGIC DESCRIPTION:

INTERVAL m MDRT (m TVRT)	LITHOLOGY
3024 - 3140 (2870 - 2962) ROP: 5-45 m/hr (av. 22 m/hr)	SILTSTONE with thinly interbedded SANDSTONE and COAL. SILTSTONE (60 - 90%): light to medium grey/brown, argillaceous, abundant carbonaceous material, carbonaceous & very fine sandstone laminations, moderately hard, subblocky. SANDSTONE (10 - 40%): white to pale grey, very fine to occasionally fine grained, well sorted, subangular to subrounded, moderate siliceous cement, common silty/argillaceous matrix, common carbonaceous & lithic flecks and laminae, friable to moderately hard, very poor visual porosity. NO SHOWS. COAL (trace - 10%): black, dull to subvitreous, silty grading to carbonaceous siltstone, blocky to subfissile, subconchoidal fracture, brittle.
3140-3150 (2962 - 2971) ROP: 6-40 m/hr (av. 25 m/hr)	SANDSTONE with minor SILTSTONE. SANDSTONE (30 - 50%): white to pale grey, very fine to medium grained, predominantly fine, well sorted, subangular to subrounded, weak to moderate siliceous cement, common to abundant white argillaceous & silty matrix, friable to firm, very poor to poor visual porosity. Fluorescence: 50% decreasing to 20% of sandstone has pale yellow, patchy, pale yellow crush cut, thin ring residue. SILTSTONE (70 - 50%): as above.
3150-3230 (2971 - 3011) ROP: 2.1-52 m/hr (av. 16.2 m/hr)	SILTSTONE with thinly interbedded SANDSTONE, Siliceous SILTSTONE and COAL. SILTSTONE (80 - 90%): medium grey/brown, argillaceous, abundant carbonaceous laminations & fragments, common arenaceous laminations, moderately hard, subblocky. SANDSTONE (10 - 20%): white to pale grey, very fine to occasionally fine grained, well sorted, subrounded, weak to moderate siliceous cement, abundant white argillaceous & silty matrix, friable to moderately hard, very poor visual porosity. 3150-3155 Fluorescence: trace yellow, patchy, pale yellow crush cut,

	thin ring residue. Siliceous SILTSTONE (trace - 30%): pale grey/brown, siliceous, trace carbonaceous flecks, subblocky, hard to very hard. COAL: black, dull to subvitreous, silty, grading to carbonaceous siltstone, subblocky, brittle, amber hydrocarbon staining. Fluorescence: 3200-3210 mMDRT, 20% of the coal/carbonaceous siltstone has bright, yellow, even fluorescence, yellow/white crush cut, thin film residue.

▪ **HYDROCARBON FLUORESCENCE:**

INTERVAL (m MDRT)	HYDROCARBON FLUORESCENCE
3140 - 3155	50% decreasing to trace of the sandstone has pale yellow, patchy fluorescence, pale yellow crush cut, thin ring residue.
3200 -3210	20% of the coal/carbonaceous siltstone has bright, yellow, even fluorescence, yellow/white crush cut, thin film residue.

▪ **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)
3024 - 3140	BKGD	0.3 - 5 (0.6)	17300	1300	600	100	100	80
3077.5	DGP	4.5	35472	2147	1301	229	213	137
3089	DGP	5	39782	2382	1505	280	254	163
3122.5	DGP	2.8	21092	1493	965	174	164	107
3140-3150	BKGD	0.28 - 4.4 (1.9)	1463-26445 (12440)	156-2325 (1054)	162-2324 (930)	40-640 (215)	42-606 (224)	30-275 (99)
3146.5	DGP	4.4%	26445	2325	2324	640	606	363
3150-3230	BKGD	0.32-3.3 (1.2)	1897-23912 (8229)	150-1762 (635)	148-1235 (497)	35-215 (95)	37-272 (102)	21-93 (58)
3159.5	DGP	3.3	23912	1762	1230	189	205	122
3191	DGP	2.3	21555	1516	1093	205	204	135

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	
2998.29	36.71	172.92	2849.49	2810.25	
3027.63	37.32	171.6	2872.92	2833.68	
3056.67	37.5	171.93	2895.98	2856.74	
3086.05	37.34	171.98	2919.32	2880.08	
3115.20	36.75	171.59	2942.58	2903.34	
3143.56	36.84	172.02	2965.29	2926.05	
3173.28	36.36	171.83	2989.15	2949.91	
3202.29	35.86	171.78	3012.59	2973.35	
3231.67	35.66	172.64	3036.43	2997.19	

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

• **REMARKS / COMMENTS**

MWD sensor offsets (run #8):

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