



**BASKER - 2**

Date : 31 Aug 2005

Geology Report Number : 14

( associated DDR # 26 )

**Well Details**

|                    |          |                  |                    |                   |             |
|--------------------|----------|------------------|--------------------|-------------------|-------------|
| Depth MDRT:        | 2,575.0m | Rig:             | OCEAN PATRIOT      | Date:             | 31 Aug 2005 |
| Depth TVDBRT:      | 2,574.8m | RTE amsl:        | 21.5m              | Report Start:     | 00:00       |
| Depth TVDSS:       | 2,553.3m | GLE amsl:        | 155.5m             | Report End:       | 24:00       |
| Progress:          | 78.0m    | Last Csg Size:   | 13.375in           | Days On Location: | 25.81       |
| Hole Size:         | 12.250in | Last Csg Shoe:   | 1,000.1m           | Days since Spud:  | 17.50       |
| Hole Size Carbide: |          | F.I.T. / L.O.T.: | 0.00ppg / 12.49ppg |                   |             |

**Operations Summary**

|               |  |
|---------------|--|
| 24hr Summary: | Drilled ahead from 2497 mMDRT to 2575 mMDRT through highly interbedded sandstones, siltstones, claystones and thin coals beneath the Kate Shale. |
| Forward Plan: | Drill ahead and attempt to kick-off well. Drill ahead directionally to casing point. POOH and run wireline log (VSP).                            |

**WBM Data**

|               |          |                 |             |              |           |                      |     |           |                         |
|---------------|----------|-----------------|-------------|--------------|-----------|----------------------|-----|-----------|-------------------------|
| Mud Type:     | PHPA     | Flowline Temp:  |             | Cl:          | 30000mg/l | Low Gravity Solids:  |     | Viscosity | 62sec/qt                |
| Sample From:  | Active   | MWD Circ Temp:  |             | Hard/Ca:     | 720mg/l   | High Gravity Solids: |     | PV        | 19cp                    |
| Time:         | 21.00    | Glycol CP Temp: |             | MBT:         | 5         | Solids (corrected):  |     | YP        | 37lb/100ft <sup>2</sup> |
| Weight:       | 10.00ppg | Glycol:         | 3.5%vol     | PM:          | 0.55      | H2O:                 | 90% | Gels 10s  | 11                      |
| ECD TD:       |          | Nitrates:       |             | PF:          | 0.05      | Oil:                 |     | Gels 10m  | 15                      |
| ECD Shoe:     |          | Sulphites:      |             | MF:          | 0.5       | Sand:                |     | Fann 003  | 10                      |
| ECD Cuttings: |          | API FL:         | 4.4cc/30min | pH:          | 9.3       | Barite:              |     | Fann 006  | 13                      |
| KCl Equiv:    | 2%       | API Cake:       | 1/32nd"     | PHPA Excess: |           |                      |     | Fann 100  | 36                      |
|               |          |                 |             |              |           |                      |     | Fann 200  | 47                      |
|               |          |                 |             |              |           |                      |     | Fann 300  | 56                      |
|               |          |                 |             |              |           |                      |     | Fann 600  | 75                      |

**Formation Tops**

| Formation                  | Prognosed |           | Actual    |           | Diff.<br>+ / - TVD | Thickness<br>MD | Pick Criteria    |
|----------------------------|-----------|-----------|-----------|-----------|--------------------|-----------------|------------------|
|                            | MDRT      | TVDSS     | MDRT      | TVDSS     |                    |                 |                  |
| Gippsland Limestone        | 176.00m   | 154.00m   | 177.00m   | 155.50m   | 1.50m              | 1,578.00m       | Mud line         |
| Base Pleistocene           | 599.00m   | 577.00m   |           |           |                    |                 |                  |
| Lakes Entrance             | 1,758.00m | 1,736.00m | 1,755.00m | 1,733.50m | -2.50m             | 333.50m         | cuttings         |
| Latrobe Formation          | 2,092.00m | 2,070.00m | 2,088.50m | 2,066.90m | -3.10m             | 73.00m          | cuttings and LWD |
| Base Tuna Flounder Channel | 2,167.00m | 2,145.00m | 2,161.50m | 2,139.80m | -5.20m             | 0.00m           | cuttings and ROP |
| K2 Sand Marker             | 2,601.00m | 2,579.00m |           |           |                    |                 |                  |
| Ma2 Marker                 | 2,875.00m | 2,844.00m |           |           |                    |                 |                  |
| Top Reservoir ZC1 marker   | 3,035.00m | 2,989.00m |           |           |                    |                 |                  |
| Top Zone 2                 | 3,095.00m | 3,043.00m |           |           |                    |                 |                  |
| Top Zone 5                 | 3,208.00m | 3,146.00m |           |           |                    |                 |                  |
| Top Volcanics Unit 1 TD    | 3,313.00m | 3,241.00m |           |           |                    |                 |                  |
|                            | 3,380.00m |           |           |           |                    |                 |                  |

**Gas Peaks**

| Lagged Depth | Gas Type   | Total Gas | C1 (ppm) | C2 (ppm) | C3 (ppm) | iC4 (ppm) | nC4 (ppm) | C5 (ppm) | GOR | LHR | OCQ |
|--------------|------------|-----------|----------|----------|----------|-----------|-----------|----------|-----|-----|-----|
| 2498.00      | Trip       | 1.00      | 10163    | 113      | 46       | 28        | 8         | 6        |     |     |     |
| 2500.00      | Background | 0.10      | 350      | 15       | 10       | 2         | 2         | 1        |     |     |     |

**Pore Pressure / Wellbore Stability**

|                              |                        |
|------------------------------|------------------------|
| Estimated Pore Pressure:     | 8.60                   |
| Hole Condition, Cavings:     | Normal.                |
| Gas Indicators - BG, TG, CG: | See gas summary sheet. |
| Losses:                      | Nothing abnormal.      |
| Remarks:                     | Nothing abnormal.      |



| Survey      |                |                   |               |                   |                     |            |            |           |
|-------------|----------------|-------------------|---------------|-------------------|---------------------|------------|------------|-----------|
| MDRT<br>(m) | Incl.<br>(deg) | Corr. Az<br>(deg) | TVDBRT<br>(m) | 'V' Sect<br>(deg) | Dogleg<br>(deg/30m) | N/S<br>(m) | E/W<br>(m) | Tool Type |
| 2442.00     | 2.0            | 337.0             | 2442.39       | -23.1             | 0.2                 | 24.8       | -7.6       | MWD       |
| 2472.22     | 2.1            | 337.3             | 2471.88       | -24.0             | 0.1                 | 25.7       | -8.0       | MWD       |
| 2499.05     | 2.1            | 341.0             | 2498.69       | -24.8             | 0.2                 | 26.6       | -8.4       | MWD       |
| 2527.69     | 1.2            | 320.7             | 2527.32       | -25.5             | 1.1                 | 27.4       | -8.8       | MWD       |

**06:00 Hrs Update**

|                          |  |
|--------------------------|--|
| Time:                    | 06:00 Hrs on 01 Sep 2005   |
| Depth:                   | 2606 / 2605.7  |
| Progress Since Midnight: | 31   |
| Drilling Status:         | Drill ahead 12.25" hole. Sliding as required for directional control.                  |
| Formation:               | Drilling interbedded Sandstone and Siltstone beneath the Kate Shale.                   |
| Lithology:               | Interbedded Sandstone and Siltstone.   |
| ROP:                     | Min 1.5 m/hr, Max 48 m/hr Ave 12 m.hr.   |
| Gas:                     | No Peaks<br>Background Total 2.5 units C1 150ppm, C2 20ppm, C3 12ppm, C4 6ppm, C5 5ppm |

**Wellsite Geologist(s)**

(Days) - M.Woodmansee (Nights) - R.Blackmore

**Wireline**

**Logging Suite Details**

|                           |        |                      |                          |
|---------------------------|--------|----------------------|--------------------------|
| Suite No.                 | 1      | Anzon Witness:       | M.Woodmansee/R.Blackmore |
| Wireline Depth MDRT:      | 1006.0 | Wireline Company:    | Schlumberger             |
| Wireline Shoe Depth MDRT: | 1000.1 | Wireline Engineer 1: | G.Ruthven                |
| Maximum Deviation:        |        | Wireline Engineer 2: | S.Nakanishi              |

**Detailed Operational Summary**

| Date | Class | Start Time | End Time | Duration mins | End Depth MDRT | Activity |
|------|-------|------------|----------|---------------|----------------|----------|
|------|-------|------------|----------|---------------|----------------|----------|

**Logging Suite Details**

|                           |        |                      |                          |
|---------------------------|--------|----------------------|--------------------------|
| Suite No.                 | 2      | Anzon Witness:       | R.Blackmore/M.Woodmansee |
| Wireline Depth MDRT:      | 2497.0 | Wireline Company:    | Schlumberger             |
| Wireline Shoe Depth MDRT: | 1001.0 | Wireline Engineer 1: | G.Ruthven                |
| Maximum Deviation:        |        | Wireline Engineer 2: |                          |

**Detailed Operational Summary**

| Date | Class | Start Time | End Time | Duration mins | End Depth MDRT | Activity |
|------|-------|------------|----------|---------------|----------------|----------|
|------|-------|------------|----------|---------------|----------------|----------|

**Lithology Report**

| Depth Interval |             | Main Lithology | Qualifier | Description  |
|----------------|-------------|----------------|-----------|--|
| Depth (mRT)    | Depth Range |                |           |  |
| 2490.0         | 2500.0      | Sst            |           | Sandstone, cl, transl, v lt gy, Loose, to Friable, Sub-angular, to Sub-rounded, Moderately sorted, Slightly Spherical, to Elongated, 100% siliceous sand, 10% fine grained, 30% medium grained, 60% coarse grained, 0.1% Silica cement, 0.1% Pyrite cement, 0.1% Pyrite, 20% porosity, Hydrocarbon shows.no Hydrocarbon shows. |
| 2490.0         | 2500.0      | Sltst          |           | Siltstone, brnsh gy, grn/brnsh/gy, Firm, to Hard, blocky, 5% calcerous clay, 15% siliceous clay, 85% siliceous silt, 0.5% Pyrite, 0.1% Glauconite,   |
| 2500.0         | 2505.0      | Clyst          |           | Claystone, lt-med gy, Soft, to Firm, sub-blocky, to blocky, 5% calcerous clay, 95% siliceous clay,   |
| 2525.0         | 2530.0      | Clyst          |           | Claystone, lt-med gy, Very soft, to Soft, amorphous, to dispersive, 100% siliceous clay, 0.1% Pyrite,  |
| 2525.0         | 2530.0      | Sltst          |           | Siltstone, brnsh gy, med-dk gy, Soft, to Firm, blocky, 10% siliceous clay, 90% siliceous silt, 0.1% Pyrite, 0.1% Glauconite, 0.1% Lithic Fragments, 0.1% Mica,   |
| 2540.0         | 2545.0      | Sltst          |           | Siltstone, brnsh gy, med-dk gy, , Soft, to Firm, sub-blocky, to blocky, 20% siliceous clay, 80% siliceous silt, 0.1% Pyrite, 1% Coal, 0.1% Lithic Fragments, 0.1% Mica,  |
| 2540.0         | 2545.0      | Clyst          |           | Claystone, lt-med gy, occ dk gy, Very soft, to Soft, amorphous, to dispersive, 80% siliceous clay, 20% siliceous silt, 0.1% Pyrite, 0.1% Coal,   |

**Lithology Report**

| Depth Interval |             | Main Lithology | Qualifier | Description   |
|----------------|-------------|----------------|-----------|---|
| Depth (mRT)    | Depth Range |                |           |   |
| 2545.0         | 2550.0      | Sst            |           | Sandstone, cl, transl, occ wh, Loose, Sub-angular, to Sub-rounded, Poor sorted, Slightly Spherical, to Elongated, 100% siliceous sand, 10% very fine grained, 10% fine grained, 30% medium grained, 50% coarse grained, 0.1% Pyrite, 15% porosity, Hydrocarbon shows.no Hydrocarbon shows.  |
| 2555.0         | 2560.0      | Sst            |           | Sandstone, cl, transl, occ wh, Loose, Sub-angular, to Sub-rounded, Poor sorted, to Very Poor sorted, Slightly Elongated, to Slightly Spherical, 100% siliceous sand, 10% very fine grained, 10% fine grained, 30% medium grained, 50% coarse grained, 0.1% Pyrite cement, 1% Pyrite, 15% porosity, Hydrocarbon shows.no Hydrocarbon shows.  |
| 2555.0         | 2560.0      | Sltst          |           | Siltstone, brnsh gy, med-dk gy, occ rdish brn, Soft, to Firm, sub-blocky, to blocky, 30% siliceous clay, 70% siliceous silt, 0.1% Pyrite, 0.1% Lithic Fragments, 0.1% Mica,   |
| 2560.0         | 2565.0      | C              |           | Coal, blk, v dk rdish brn, Moderately hard, to Hard, splintery, to conchoidal,  |
| 2580.0         | 2585.0      | Sst            |           | Sandstone, cl, transl, occ wh, rare olv brn, Loose, to Friable, sub-blocky, Sub-rounded, to Angular, Moderately sorted, Elongated, to Slightly Spherical, 1% calcerous clay, 10% siliceous clay, 89% siliceous sand, 10% fine grained, 20% medium grained, 70% coarse grained, 0.1% Dolomite cement, 0.1% Pyrite cement, 1% Pyrite, 15% porosity, Hydrocarbon shows.no Hydrocarbon shows.             |
| 2580.0         | 2585.0      | Sltst          |           | Siltstone, brnsh gy, olv blk, Very soft, to Firm, to blocky, 40% siliceous clay, 60% siliceous silt, 0.1% Pyrite, 0.5% Coal, 0.1% Lithic Fragments, 0.1% Mica,  |
| 2595.0         | 2600.0      | Sltst          |           | Siltstone, brnsh gy, olv blk, Very soft, to Firm, to blocky, 20% siliceous clay, 80% siliceous silt, 0.1% Pyrite, 0.5% Coal, 0.1% Lithic Fragments,   |
| 2595.0         | 2600.0      | Sst            |           | Sandstone, cl, transl, wh, Loose, to Friable, sub-blocky, Sub-rounded, to Angular, Poor sorted, Elongated, to Slightly Spherical, 1% calcerous clay, 15% siliceous clay, 84% siliceous sand, 10% fine grained, 20% medium grained, 60% coarse grained, 10% very coarse grained, 0.1% Dolomite cement, 0.1% Pyrite cement, 1% Pyrite, 0.1% Coal, 20% porosity, Hydrocarbon shows.no Hydrocarbon shows. |
| 2600.0         | 2605.0      | Sst            |           | Sandstone, cl, transl, wh, Loose, to Hard, sub-blocky, Sub-angular, to Rounded, Moderately sorted, Elongated, to Slightly Spherical, 1% calcerous clay, 5% siliceous clay, 94% siliceous sand, 20% medium grained, 70% coarse grained, 10% very coarse grained, 0.1% Dolomite cement, 0.1% Pyrite cement, 1% Pyrite, 20% porosity, Hydrocarbon shows.no Hydrocarbon shows.                            |