WATER-BASED MUD REPORT No. 15

Date	03/10/2005	Depth/TVD	2658 m / 2658 m
Spud Date	19/09/2005	Mud Type	KCl/PHPA/Polymer
Water Depth		Activity	Electric logging

Operator : Origin Energy
Report For : Seton Porter / Bryan Webb
Well Name : Childer's Cove-1
Contractor : Century Drilling Ltd.
Report For : Ben Hale

Field/Area : PEP 154
Description : Vertical Exploration
Location : Onshore Otway Basin
M-I Well No. :

DRILLING ASSEMBLY		CASING	MUD VOLUME (bbl)	CIRCULATION DATA		
Bit Size 8.5 in HC 605S		Surface	Hole	Pump Make	National 8P-80	National 8P-80
Nozzles 14 /5x13 / 1/32"		20in @16m (16TVD)	617.5	Pump Size	6 X 8.5in	6 X 8.5in
Drill Pipe Size	Length	Intermediate	Active Pits	Pump Cap	3.027 gal/stk	3.027 gal/stk
4.5 in	m	9.625in @545m (545TVD)	225.5	Pump stk/min	82@97%	82@97%
Drill Pipe Size	Length	Intermediate	Total Circulating Vol	Flow Rate	496 gal/min	
4.5 in	38 m	in @2545m (2545TVD)	225.5	Bottoms Up	min 0 stk	
Drill Collar Size	Length	Production or Liner	In Storage	Total Circ Time	19.1 min 3132 stk	
6.5 in	172 m		31	Circulating Pressure	1950 psi	

MUD PROPERTIES

Sample From		Pit@21:00	Pit@08:00
Flow Line Temp	°C	n/a	63
Depth/TVD	m	2658/2658	2658/2658
Mud Weight	sp.gr.	1.16@35°C	1.16@35°C
Funnel Viscosity	s/qt	58	58
Rheology Temp	°C	48	48
R600/R300		83/58	83/58
R200/R100		46/32	46/32
R6/R3		7/4	7/4
PV	cP	25	25
YP	lb/100ft²	33	33
10s/10m/30m Gel	lb/100ft²	5/10/12	5/10/12
API Fluid Loss	cc/30 min	5.0	5.0
HTHP FL Temp	cc/30 min		
Cake API/HTHP	1/32"	1/	1/
Solids	%Vol	9.6	9.6
Oil/Water	%Vol	/90.4	/90.4
Sand	%Vol	0.5	0.5
MBT	lb/bbl	8	8
pH		9.1	9.1
Alkal Mud (Pm)		0.3	0.3
Pf/Mf		0.02/0.9	0.02/0.9
Chlorides	mg/l	28000	28000
Hardness Ca	mg/l	320	320
KCl	%	5.4	5.4
PHPA	ppb.	0.75	0.75
Sulphite	mg/l	80	80

PRODUCTS USED LAST 24 HRS

Products	Size	Amt
M-I BAR	25 KG BG	87
POTASSIUM CHLORIDE	25 KG BG	14
DUOTEC	25 KG BG	2
POLYPAC UL	25 KG BG	1

SOLIDS EQUIP	Size	Hr
DFE Shaker 1	140/140/110	9
DFE Shaker 2	175/175/175	9
D-Sander		0
D-Silter		9

MUD PROPERTY SPECIFICATIONS

Weight	1.08 -1.13
Viscosity	35 - 50
Filtrate	5.0 - 7.0

REMARKS AND TREATMENT

Build high viscosity pill. Build slug. KCl / Cl- increases from recycled sump water. Unaccounted for losses attributed to formation.
Inventory adjustment: credit - Polyplus x 1 sx. Cost correction for Defoamer x 2 debit = $198.80.

REMARKS

Drill to secondary TD at 2658 m. Circulate hole clean. Slug. Wiper trip to 2400 m. RIH. Circulate hole clean. Spot high viscosity pill. Slug. POOH for e-logs. Hole good.

TIME DISTR	Last 24 Hrs	MUD VOL ACCTG	(bbl)	SOLIDS ANALYSIS (%/lb/bbl)		MUD RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added	0	NaCl	./ -.1	np/na Values	
Drilling	8	Water Added	0	KCl	2.1/ 19.1	kp/ka (lb•s^n/100ft²)	
Tripping	12	Mud Received	0	Low Gravity	7.2/ 65.1	Bit Loss (psi / %)	
Non-Productive Tim		Shakers	45	Bentonite	.1/ 1.4	Bit HHP (hhp / HSI)	
Condition Hole	2	Formation	78	Drill Solids	6.6/ 59.8	Bit Jet Vel (m/s)	
Wireline Logs	2	Desilter	12	Weight Material	.4/ 5.4	Ann. Vel DP (m/min)	
		Desander	0	Chemical Conc	- / 4.	Ann. Vel DC (m/min)	
		Dumped	45	Inert/React	6.6397	Crit Vel DP (m/min)	
				Average SG	2.68	Crit Vel DC (m/min)	
				Carb/BiCarb (m mole/L)	.4/ 1.5		

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Mike McKay	02-82118553		A$ 1,477.47	A$ 76,045.86

WELLSITE INVENTORY

DAILY REPORT

Operator : Origin Energy
Well Name : Childer's Cove-1
Location : Onshore Otway Basin

M-I Well No. :
Report No. : 15
Date : 03/10/2005

COST SUMMARY

INVENTORY

Product Name	Unit	Unit Price	Begin Invent	Recvd Today	Return Today	Used Today	Final Invent	Total Used	Daily Cost
CALCIUM CHLORIDE	25 KG BG		42	0	0	0	42	0	
CAUSTIC SODA (DRY)	25 KG DM		28	0	0	0	28	6	
CITRIC ACID	25 KG BG		29	0	0	0	29	0	
CONQOR 303A	55 GA DM		4	0	0	0	4	0	
DEFOAM A	25 LT CN		26	0	0	0	26	2	
DUOTEC	25 KG BG		40	0	0	2	38	53	
GLUTE 25	25 LT CN		5	0	0	0	5	17	
KWIK SEAL COARSE	40 LB BG		60	0	0	0	60	0	
KWIK SEAL FINE	40 LB BG		24	0	0	0	24	34	
KWIK SEAL MEDIUM	40 LB BG		48	0	0	0	48	0	
M-I BAR	25 KG BG		765	0	0	87	678	505	
MIX II FINE	25 LB BG		24	0	0	0	24	0	
MIX II MEDIUM	25 LB BG		40	0	0	0	40	0	
Omnycarb40	25 KG BG		40	0	0	0	40	0	
OS-1	25 KG BG		3	0	0	0	3	21	
PIPE-LAX W	55 GA DM		4	0	0	0	4	0	
POLYPAC UL	25 KG BG		97	0	0	1	96	156	
Polyplus Powder	25 KG BG		41	0	0	-1	42	54	
POTASSIUM CHLORIDE	25 KG BG		87	0	0	14	73	1247	
SODA ASH	25 KG BG		22	0	0	0	22	3	
SODIUM BICARBONATE	25 KG BG		13	0	0	0	13	20	
Trugel 13A	25 KG BG		144	0	0	0	144	240	