



DRILLING FLUID REPORT

Report #	40	Date :	17-Oct-2006
Rig No	32	Spud :	8-Sep-2006
Depth	3267	to	3361
			Metres

OPERATOR BEACH Petroleum LTD	CONTRACTOR ENSIGN Int'l Energy SVCs
REPORT FOR Brian Marriott - Scott Healey - Ray Ell	REPORT FOR Andy Baker
WELL NAME AND No GLENAIRE # 1 ST1	FIELD PEP 160
	LOCATION OTWAY Basin
	STATE VICTORIA

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA								
BIT SIZE	TYPE	15	15	15	13 3/8 SURFACE	997	ft	HOLE	PITS	PUMP SIZE		CIRCULATION				
6.00	Hyc DSX516M	15	15	15	SET @	304	M	347	463	5	X	8.5	Inches	PRESS (PSI)	3150	psi
DRILL PIPE	TYPE	Length		9 5/8 INTERMEDIATE	4107	ft	TOTAL CIRCULATING VOL.	PUMP MODEL		ASSUMED EFF		BOTTOMS				
SIZE 3.5	15.5 #	3114 Mtrs		SET @	1252	M	950	3 x NAT 8-P80		97 %		UP (min)				
DRILL PIPE	TYPE	Length		7 PRODUCTION. o	9839	ft	IN STORAGE	BBL/STK		STK / MIN		TOTAL CIRC.				
SIZE 3.50	HW	86 Mtrs		LINER Set @	2999	M	140	0.0516		116		TIME (min)				
DRILL COLLAR SIZE (")	Length	MUD TYPE		5% KCI-PHPA-POLYMER				BBL/MIN		GAL / MIN		ANN VEL. DP				
4.75	161 Mtrs							5.81		244		252 Tur				
												445 Tur				

SAMPLE FROM		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS					
TIME SAMPLE TAKEN		Below shkrs	Below shkrs	Mud Weight	11.2 - 11.3	API Filtrate	6 - 8	HPHT Filtrate	NA
DEPTH (ft) - (m)	Metres	3,315	3,357	Plastic Vis	ALAP	Yield Point	8 - 15	pH	9.0 - 9.5
FLOWLINE TEMPERATURE	^o C / ^o F	53	54	KCI	>5%	PHPA	0.75 - 1.5	Sulphites	80 - 120

WEIGHT		YIELD POINT		GEL STRENGTHS		RHEOLOGY		RHEOLOGY		RHEOLOGY		FILTRATE API		HPHT FILTRATE		CAKE THICKNESS		SOLIDS CONTENT		LIQUID CONTENT		SAND CONTENT		METHYLENE BLUE CAPACITY		pH		ALKALINITY MUD		ALKALINITY FILTRATE		CHLORIDE		TOTAL HARDNESS AS CALCIUM		SULPHITE		K+		KCI		PHPA																										
FUNNEL VISCOSITY (sec/qt) API @	^o C	35	36	GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	1	1	RHEOLOGY q 600 / q 300	25	16	RHEOLOGY q 200 / q 100	12	8	RHEOLOGY q 6 / q 3	1	1	2	1	FILTRATE API (cc's/30 min)	4.4	4.2	HPHT FILTRATE (cc's/30 min) @	^o F			CAKE THICKNESS API : HPHT (32nd in)	1	1	SOLIDS CONTENT (% by Volume)	9.5	9.2	LIQUID CONTENT (% by Volume) OIL/WATER	90.5	90.8	SAND CONTENT (% by Vol.)	Tr	Tr	METHYLENE BLUE CAPACITY (ppb equiv.)	11.0	11.0	pH	9.0	9.0	ALKALINITY MUD (Pm)			ALKALINITY FILTRATE (Pf / Mf)	0.15	0.78	0.20	0.90	CHLORIDE (mg/L)	175,500	175,000	TOTAL HARDNESS AS CALCIUM (mg/L)	120	100	SULPHITE (mg/L)	150	120	K+ (mg/L)	36,750	35,438	KCI (% by Wt.)	7.0	6.8	PHPA (ppb)	0.70	0.70

OBSERVATIONS

At 23.30 hrs started increasing mud weight to approx 11.3 ppg as gas levels appear to be on average higher than earlier in day.

Premix additions (mixed and costed previously) are maintaining stable properties and slowly increasing rheological properties.

Gas peaks are corresponding to periods / times when pump pressure is reduced (eg when picking up off bottom) and when pumps are stopped, thereby taking the ECD portion of the "hydrostatic" off the formation.

Defoamer used previously.

Mud Accounting (bbbls)				Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Size	Hrs	
Premix (drill water)		Desander		INITIAL VOLUME	1028	Centrifuge	5.5	Desander		Shaker #1	4 x 310	24
Premix (recirc from sump)		Desilter				Degasser		Desilter		Shaker #2	4 x 310	24
Drill Water		Downhole	53	+ FLUID RECEIVED								
Direct Recirc Sump		Dumped	25	- FLUID LOST	78							
Other (eg Diesel)		Centrifuge		+ FLUID IN STORAGE	140							
TOTAL RECEIVED		TOTAL LOST	78	FINAL VOLUME	1,090	Overflow (ppg)	10.3	Underflow (ppg)	21.5	Output (Gal/Min.)	0.40	
						Desilter			0			

Product		Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data		
AMC Defoamer	\$	146.40	4		2	2	\$ 292.80	%	PPB	Jet Velocity	90	
Baryte	\$	8.20	1300		132	1168	\$ 1,082.40	High Grav solids	5.3	77.88	Impact force	128
Caustic Soda	\$	48.90	22		1	21	\$ 48.90	Total LGS	3.5	33.4	HHP	12
								Bentonite	0.9	8.5	HSI	0.4
								Drilled Solids	2.6	23.6	Bit Press Loss	82
								Salt	10.7	101.3	CSG Seat Frac Press	2200 psi
								n @ 23.00 Hrs	0.64		Equiv. Mud Wt.	13.80 ppg
								K @ 23.00 Hrs	1.73		ECD	11.65 ppg
											Max Pressure @ Shoe :	1330 psi
								DAILY COST		CUMULATIVE COST		
								\$1,424.10		\$138,887.09		

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