
APPENDIX 2

BIT RECORD

BIT RECORD PATTIES PIES-1

Bit No.	1 Rerun 1	2
Size	216 mm (8.1/2")	156 mm (6.1/8")
Type	MH 113G	Reed EHT 12
Serial No.	KT 2055	LX8853
Jets	Open	14.14.12
Out (m)	100	441
In (m)	10	100
Drilled (m)	90	341
Bit hrs on bottom	7	16
Condition	2.2.IN	IN
Avg ROP (m/hr)		21.3
WOB (x 1000 DaN)	0/4	2/4
R.P.M.	60	90

APPENDIX 3

DRILLING FLUID REPORT

909989 033



**DRILLING FLUIDS SUMMARY
FOR
LAKES OIL**

**PATTIES PIE # 1
GIPPSLAND BASIN**

Prepared by : Ken Pierce
Andre Skujins
March 2003

Operator : Lakes Oil
Well : Patties Pie # 1
Rig : Sides Rig # 1
Spud : 15th March 2003



CONTENTS

1. Summary of Operations
2. Observations, Recommendations and Well Analysis
3. Material Costs and Consumption Analysis
4. Mud Materials Reconciliation
5. Fluid Properties Summary
6. Mud Volume Reconciliation
7. Graphs
8. Daily Mud Reports

Operator : Lakes Oil
Well : Patties Pie # 1
Rig : Sides Rig # 1
Spud : 15th March 2003



1. SUMMARY OF OPERATIONS

Patties Pie # 1 was spudded in on the 15th March 2003 utilising Sides Engineering # 1 and reached a total depth of 441 m on the 22nd March 2003.

Make up water was tested on site and found the following properties :

Chlorides	300 mg/l
Hardness	300 mg/l
pH	7.5

HOLE SIZE	:	216 mm (8½") Surface Hole
MUD TYPE	:	Gel Spud Mud
INTERVAL	:	0 - 98 m
CASING	:	178 mm (7") @ 96 m

Prior to spudding, the conductor barrel had to be re-cemented. Quick set cement and Portland cement were placed in around the collar of the surface casing that was freshly dug out by the crew.

After dressing the shale shakers with B20 / B80 screens, priming the mud pump, installed mixing tank, spud mud was mixed into mud pits. 100 bbls of spud mud was prepared comprising 37 ppb Ausgel and Caustic Soda and Soda Ash to lower hardness and increase the pH to around 10. The relatively poor mixing facilities led to more gel than usual being used. Due to the limitations of the overall mud system, cement contamination from the re-cementing of the conductor barrel led to quite severe flocculation of the spud mud.

A 216 mm bit and BHA were made up and drilling continued to 26 m, where partial mud losses and mud flow outside of the casing occurred. The cellar was pumped out and the mud viscosity was increased in an attempt to stop mud losses, with no success.

Mixed and spotted 14 sacks of ready mix cement around the conductor and waited on cement. The same 216 mm bit was run back in and when circulation started, mud returns were observed inside the cellar and outside the concrete ring. Bulk cement was ordered and prior to pumping more cement, mud from the cellar was pumped out into mud pits.

After waiting on cement, the same bit 216 mm was run back in and drilled from 26 m to 98 m, surface casing depth. While drilling this section, partial returns were noted when between the shales. Enerseal Fine was added to assist in reducing losses. Also, as the cellar was leaking and filling up with mud, the cellar pump was used to keep up mud returns to mud pump.

Operator : Lakes Oil
 Well : Patties Pie # 1
 Rig : Sides Rig # 1
 Spud : 15th March 2003



A wiper trip to 60 m found hole in good condition. After circulating the hole clean, tripped out of hole and prepared to run 178 mm casing. Worked tight spot in hole at 35 m while pulling out.

The 178 mm casing was run to 72 m, where an obstruction in the hole (formation limestone) was circulated while attempting to push casing down through the hole. A pump failure to empty cellar and keep up with mud returns with pit suction volume also occurred.

With new pumps installed to pump out cellar while washing down casing, the casing was further run to 90 m, the shoe depth. The hole was circulated clean and cement was pumped and displaced with mud.

HOLE SIZE : 156 mm (6-1/8") Production Hole
MUD TYPE : KCI Polymer
INTERVAL : 98 m - 431 m (TD)
CASING : P & A

While waiting on cement, cleaned out cellar and pumping equipment. Installed Braden head, nipped up BOP's, modified choke manifold, installed HCR and kill line. Installed koomey unit, insufficient rig air volume supply to pressure up koomey unit. Wait on hired compressor, make up 156 mm (6-1/8") bit with sub and float valve.

Made up new mud as programmed. KCI was added to slowly achieve a concentration of around 2% and Pac was initially added at 0.5 ppb. After pressure testing BOP's, drilled out cement plug and shoe with gel mud. Drilling then continued from 98 m to 290 m, where the bit was pulled back to 245 m and the hole circulated for 3 hours for a possible test. The bit was then run back in to 290 m, where the hole was circulated clean. The pipe was again tripped back to 245 m, where some dilution was required to dilute the mud to maintain the mud weight below 9.0 ppg. The increase in mud weight occurred due to a solids build up in mud pits resulting from not being able to dump mud (as requested), and with the drilling of sand and not be able to run a desander, the mud system carried up to 3% sand.

It was decided to drill ahead from 290 m to 441 m (TD). Further additions of AMC Pac-R were made to keep fluid loss levels at around 8 cc's. KCI was also added to maintain the KCI concentration at around 2%. At TD, circulated the hole clean and made a wiper trip. After again circulating the hole clean, tripped out for electric logs.

Electric logs were run as programmed with the hole in good condition. Once logs were completed, ran back in to hole with open ended drill pipe to 320 m, and circulated and conditioned hole for cementing. Cement plugs were then pumped as programmed for P & A operation.

Operator : Lakes Oil
Well : Patties Pie # 1
Rig : Sides Rig # 1
Spud : 15th March 2003



2. OBSERVATIONS, RECOMMENDATIONS AND WELL ANALYSIS

Patties Pie # 1 was drilled to a total depth of 441 m for a total mud cost of \$5,219.50 or \$11.84 per metre. Apart from minor instances of tight hole, hole conditions were generally good and mud related problems did not occur.

8½" Surface Hole

This section of hole was drilled for \$2,445.00 or \$24.05 per metre with a gel based spud mud. Over half of the interval cost comprised Enerseal (LCM), which was added due to significant down hole losses occurring. Apart from some down hole losses, the remainder of the interval was drilled problem free. Some problems were encountered when running casing, as it hung up at 72 m. However, after circulating, it was run to casing point and successfully cemented.

6-1/8" Production Hole

This section of hole was drilled with a KCl - Polymer mud for a mud cost of \$2,774.50 or \$8.09 per metre. Initially, the section was drilled with a lightly treated KCl Pac based fluid. As drilling continued, the KCl concentration was gradually raised to 2% and the AMC Pac-R concentration was increased also, so as to lower fluid loss to below 10 cc's and increase the yield point. By the time TD was reached, the yield point had risen to 18 lb/100ft² with the fluid loss at 8 cc's. The mud weight had also risen to 9.6 ppg, mainly due to the high sand content.

The overall mud program seems suited to this area. After drilling out the 178 mm casing, properties were slowly improved as drilling continued. This is a more economical approach to building a mud system, as long as hole conditions in the top part of the hole do not suffer as a result.

General Comments

There were some problems in running the mud system on this rig, as compared to more conventional rigs. Mud pits were dug in the ground, solids control equipment was not always operational and mixing facilities were only just adequate. There is no suggestion that improvements or the like have to be made. Shallow holes such as this have their own set of economics and a rig such as this one is probably ideal.

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The problems noted, though, are simply stated as an explanation as to how the mud was run and why, and the properties thus attained. For example, the mud weight towards TD increased to around 9.6 ppg, but a 3% sand reading (as the desander did not work) was responsible for 40% of the fluid's drilled solids.

Earlier in the well, cement contamination (due to the re-cementing of the conductor barrel) caused flocculation problems with the spud mud. A lack of agitation also caused problems with maintaining good properties, especially when the mud was standing still over night.



Drilling Fluids

3. INTERVAL COSTS

Product	Interval :		8-1/2" Surface Hole			6-1/8" Production Hole			Total Well Consumption		
	Cost	Unit Size	0 - 98 m		98 m - 441 m (TD)		0 - 441 m (TD)		Used	Cost	%Cost
			Used	%Cost	Used	%Cost	Used	%Cost			
AMC Pac-LV	\$ 177.50	25 kg			1	\$177.50	6.4%	1	1	\$177.50	3.4%
AMC Pac-R	\$ 177.50	25 kg			6	\$1,065.00	38.4%	6	6	\$1,065.00	20.4%
Ausgel	\$ 13.50	25 kg	84	\$1,134.00	46.4%			84	84	\$1,134.00	21.7%
Caustic Soda	\$ 35.00	20 kg	1	\$35.00	1.4%			2	3	\$105.00	2.0%
Defoamer	\$ 145.00	25 lt			2	\$290.00	10.5%	2	2	\$290.00	5.6%
Enerseal Fine	\$ 52.00	25 kg	24	\$1,248.00	51.0%			62	24	\$1,248.00	23.9%
KCl	\$ 18.00	25 kg			62	\$1,116.00	40.2%	62	62	\$1,116.00	21.4%
Soda Ash	\$ 28.00	25 kg	1	\$28.00	1.1%			2	3	\$84.00	1.6%
Totals :				\$2,445.00	100.0%		\$2,774.50	100.0%		\$5,219.50	100.0%
Cost per Metre :				\$24.95			\$8.09			\$11.84	



4. MATERIALS RECONCILIATION

Well : Patties Pie # 1

PRODUCT	UNIT	TOTAL RECEIVED	TOTAL USED	TRANSFER BALANCE
AMC Pac-LV	25 kg	10	1	9
AMC Pac-R	25 kg	20	6	14
Ausgel	25 kg	126	84	42
Barite	25 kg	160		160
Caustic Soda	20 kg	18	2	16
Defoamer	25 lt	4	2	2
Enerseal Fine	25 kg	24	24	
KCl	25 kg	80	62	18
Lime	20 kg	2		2
Soda Ash	25 kg	4	2	2



Drilling Fluids

5. FLUID PROPERTIES SUMMARY

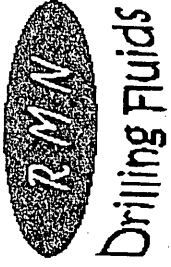
Date	Mud Type	Depth	Weight	Vis	PV	YP	Gels			Filtrate		Solids				pH	Pf	Mf	Cl-	Ca++	KCl
							10 sec	10 min	API	Cake	Solids	Water	Sand	MBT							
15/3/2003	Gel	0	8.60	36	10	6	2	3				98.1			9.0	0.20	0.30	300	300		
16/3/2003	Gel	25	8.60	35	10	6	2	3			1.9	99.6			9.0	0.20	0.30	300	300		
17/3/2003	Gel	98	8.40	43	11	14	3	4	1		0.4	99.6	1 1/2		9.5	0.30	0.30	400	400		
18/3/2003	Gel	98	8.40	43	11	14	2	3	1		Tr	100.0	1 1/2		8.0	0.50	0.80	500	400		
19/3/2003	Gel	98	8.40	43	11	14	2	2	1		Tr	100.0	1 1/2		8.0	0.50	0.80	500	400		
20/3/2003	KCl Pac	226	8.50	36	4	9	3	3	NC	1	1.0	99.0	1		9.5	0.50	0.90	600	400		
21/3/2003	KCl Pac	290	8.90	47	8	31	3	3	NC	1	4.0	96.0	1		9.0	0.50	0.90	5,500	600	1.0	
22/3/2003	KCl Pac	441	9.60	40	7	18	1	1	8.0	1	7.5	92.5	3	10.0	9.5	0.20	1.00	10,000	400	2.0	
22/3/2004	KCl Pac	320	9.60	40	7	18	1	1	8.0	1	7.5	92.5	3	10.0	9.5	0.20	1.00	10,000	400	2.0	



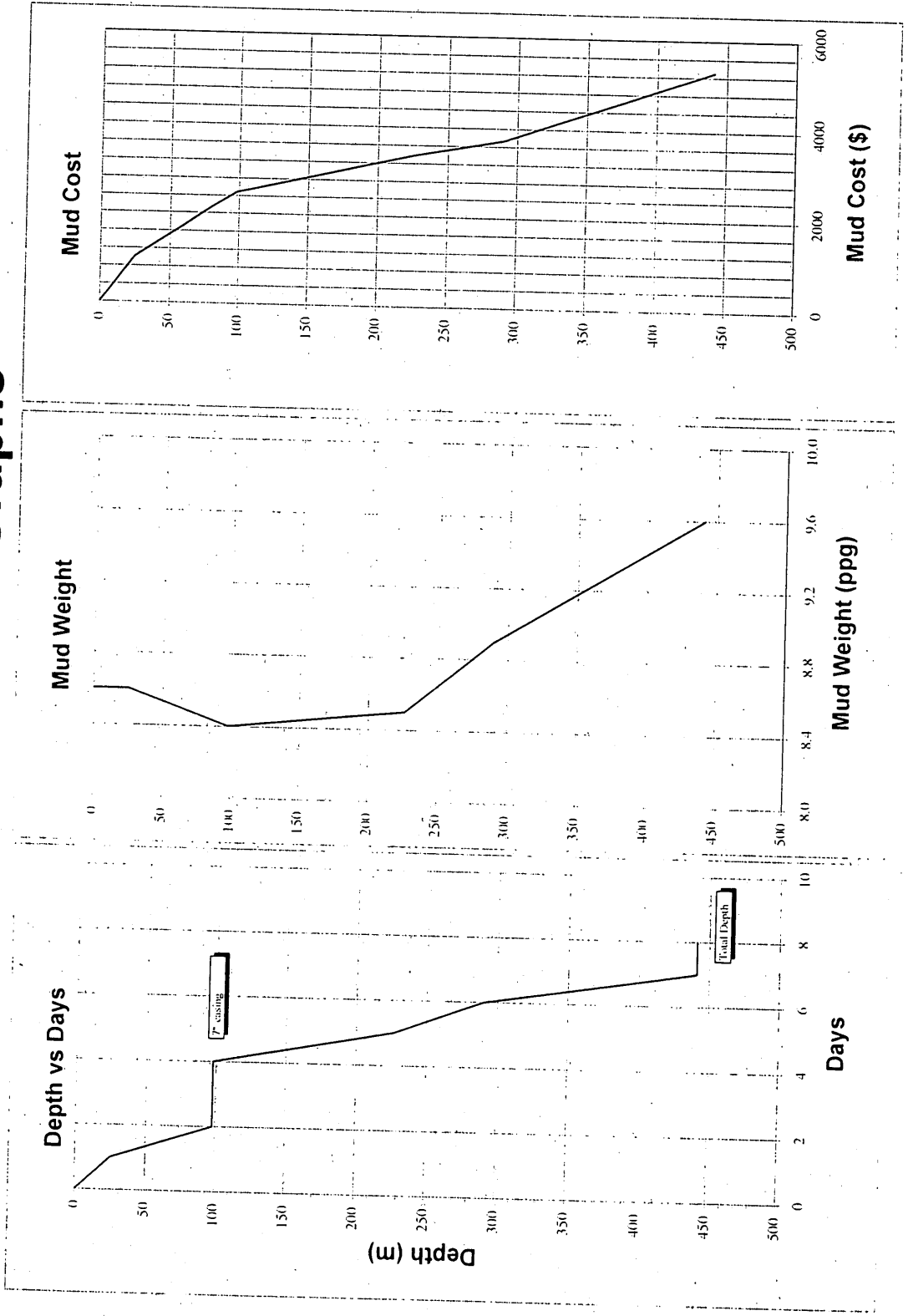
6. Mud Volume Analysis

Date	Hole Size	Interval		Fluid Built & Received					Fluid Disposed					Summary			
		From	To	Mud Type	Fresh Premix	Sump Premix	Direct Recirc	Water	Other	De-sander	De-silter	Down-hole	Dumped	Other	Initial	Received	Disposed
13-Mar-03	8-1/2"	0 m	0 m	Gel										0	0	0	0
14-Mar-03	8-1/2"	0 m	0 m	Gel										0	0	0	0
15-Mar-03	8-1/2"	0 m	25 m	Gel	100						5			0	100	10	90
16-Mar-03	8-1/2"	25 m	25 m	Gel										90	0	0	90
17-Mar-03	8-1/2"	25 m	98 m	Gel	60						46			90	60	56	94
18-Mar-03	8-1/2"	98 m	98 m	Gel										94	0	10	84
Sub Total					100	60	0	0	0	0	0	0	25	160	160	76	
19-Mar-03	6-1/8"	98 m	98 m	KCl Pac				100						84	100	19	165
20-Mar-03	6-1/8"	98 m	226 m	KCl Pac	30						5			165	30	60	135
21-Mar-03	6-1/8"	226 m	290 m	KCl Pac	30			20			5			135	50	40	145
22-Mar-03	6-1/8"	290 m	441 m	KCl Pac	30			60			11			145	90	71	164
23-Mar-03	6-1/8"	441 m	441 m	KCl Pac										164	0	5	159
Sub Total					90	0	0	180	0	0	0	21	0	174	270	195	
Well Total					190	60	0	180	0	0	0	72	0	199	430	271	

Dilution Factors			
Interval	Interval Length	Dilution Vol	Dilution Factor
8 1/2" Surface Hole	98 m	60 bbls	0.6 bbls/m
6-1/8" Production Hole	343 m	270 bbls	0.8 bbls/m



7. Graphs





8. Daily Drilling Fluids Reports



DRILLING FLUID REPORT

Report #	1	Date :	13-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	to		Metres

OPERATOR Lakes Oil		CONTRACTOR Sides Engineering	
REPORT FOR Gerard Nicot		REPORT FOR Peter Freeman	
WELL NAME AND No Patties Pic # 1		FIELD Wildcat	LOCATION Gippsland Basin
DRILLING ASSEMBLY		STATE Victoria	
BIT SIZE	JET SIZE	CASING	MUD VOLUME (BBL)
DRILL PIPE SIZE	TYPE	SURFACE SET @	HOLE PITS
DRILL PIPE SIZE	TYPE	INT. SET @	TOTAL CIRCULATING VOL.
DRILL PIPE SIZE	TYPE	PROD. or LNR Set @	IN STORAGE
DRILL COLLAR SIZE (")		MUD TYPE	CIRCULATION DATA

SAMPLE FROM	MUD PROPERTIES
TIME SAMPLE TAKEN	
DEPTH (ft) - (m)	Metres
FLOWLINE TEMPERATURE	^o C ^o F
WEIGHT	ppg / SG
FUNNEL VISCOSITY (sec/qt) API / @	^o C
PLASTIC VISCOSITY cP / @	^o C
YIELD POINT (lb/100ft ²)	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	
FILTRATE API (cc's/30 min)	
HPHT FILTRATE (cc's/30 min) / @	^o F
CAKE THICKNESS API: HPHT (32nd in)	
SOLIDS CONTENT (% by Volume)	
LIQUID CONTENT (% by Volume) OIL/WATER	
SAND CONTENT (% by Vol.)	
METHYLENE BLUE CAPACITY (ppb equiv.)	
pH	
ALKALINITY MUD (Pm)	
ALKALINITY FILTRATE (Pf / Mt)	
CHLORIDE (mg/L)	
TOTAL HARDNESS AS CALCIUM (mg/L)	
SULPHITE (mg/L)	
K+ (mg/L)	
KCl (% by Wt.)	
PHPA (ppb)	

MUD PROPERTY SPECIFICATIONS		
Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites

OBSERVATIONS

INSPECT MUD STOCK AND EQUIPMENT ON SITE

MUD ENGINEER ARRIVED ON 13/3/03

OPERATIONS SUMMARY

RIGGING UP RIG AND EQUIPMENT

Mud Accounting (bbbls)		SUMMARY	
FLUID BUILT & RECEIVED	FLUID DISPOSED	INITIAL VOLUME	
Premix (drill water)	Desander	+ FLUID RECEIVED	
Premix (recirc from sump)	Desilter	- FLUID LOST	
Drill Water	Downhole	+ FLUID IN STORAGE	
Direct Recirc Sump	Dumped		
Other (eg Diesel)	Other		
TOTAL RECEIVED	TOTAL LOST	FINAL VOLUME	

Solids Control Equipment					
Centrifuge	Type	Hrs	Cones	Hrs	Size
Degasser			Desander		Shaker #1
			Desilter		Shaker #2
Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)	
Desander		Desilter			

Product	Price	Start	Received	Used	Close	Cost

Solids Analysis		Bit Hydraulics & Pressure Data	
High Grav solids	PPB %	Jet Velocity	
Total LGS		Impact force	
Bentonite		HHP	
Drilled Solids		HSI	
Salt		Bit Press Loss	
n @ Hrs		CSG Seat Frac Press	
K @ Hrs		Equiv. Mud Wt.	
		ECD	
		Max Pressure @ Shoe :	

RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	TELEPHONE	08 8338 7266
DAILY COST		CUMULATIVE COST			

is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same



DRILLING FLUID REPORT

Report #	2	Date :	14-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	to		Metres

OPERATOR	Lakes Oil
REPORT FOR	Gerard Nicot
WELL NAME AND No	Patties Pic # 1

CONTRACTOR	Sides Engineering	LOCATION	Gippsland Basin	STATE	Victoria
REPORT FOR	Peter Freeman	FIELD	Wildcat		

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE	TYPE	Length		SURFACE SET ϕ	ft	HOLE	PITS	PUMP SIZE		CIRCULATION PRESS (PSI)	
DRILL PIPE SIZE	TYPE #	Length	Mtrs	INT. SET ϕ	ft	TOTAL CIRCULATING VOL.		5.5 X 10	Inches	CLARK	ASSUMED EFF
DRILL PIPE SIZE	TYPE HW	Length	Mtrs	PROD. or LNR Set ϕ	ft	IN STORAGE		BBL/STK	STK/MIN	BOTTOMS UP (min)	min
DRILL COLLAR SIZE (")		Length	Mtrs	MUD TYPE	AIR			BBL/MIN	GAL/MIN	TOTAL CIRC. TIME (min)	min

SAMPLE FROM		MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS	
TIME SAMPLE TAKEN		FL		Mud Weight	API Filtrate
DEPTH (ft) - (m)	Metres			Plastic Vis	Yield Point
FLOWLINE TEMPERATURE	$^{\circ}C$ $^{\circ}F$			KCI	pH
WEIGHT	ppg / SG				Sulphites
FUNNEL VISCOSITY (sec/qt) API \bar{a}	$^{\circ}C$	OBSERVATIONS MAKE UP WATER TESTED CHORIDES 300MG/L HARDNESS 300MG/L PH 7.5 FIXING MUD SYSTEM TO MIX ADDITIONAL PROPERTIES			
PLASTIC VISCOSITY cP \bar{a}	$^{\circ}C$				
YIELD POINT (lb/100ft ²)					
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min					
FILTRATE API (cc's/30 min)		OPERATIONS SUMMARY DRILLED AHEAD 12 1/4" BIT WITH AIR SET 9 5/8" SURFACE CASING AND CEMENT.			
HPHT FILTRATE (cc's/30 min) \bar{a}	$^{\circ}F$				
CAKE THICKNESS API: HPHT (32nd in)					
SOLIDS CONTENT (% by Volume)					
LIQUID CONTENT (% by Volume) OIL/WATER					
SAND CONTENT (% by Vol.)					
METHYLENE BLUE CAPACITY (ppb equiv.)					
pH					
ALKALINITY MUD (Pm)					
ALKALINITY FILTRATE (Pf/Ml)					
CHLORIDE (mg/L)					
TOTAL HARDNESS AS CALCIUM (mg/L)					
SULPHITE (mg/L)					
K ⁺ (mg/L)					
KCl (% by Wt.)					
PHPA (ppb)					

Mud Accounting (bbls)		Solids Control Equipment			
FLUID BUILT & RECEIVED	FLUID DISPOSED	Type	Hrs	Cones	Hrs
Premix (drill water)	Desander	Centrifuge		Desander	
Premix (recirc from sump)	Desilter	Degasser		Desilter	
Drill Water	Downhole			Shaker #1	
Direct Recirc Sump	Dumped			Shaker #2	
Other (eg Diesel)	Other				
TOTAL RECEIVED	TOTAL LOST	Overflow (ppg)	Undertlow (ppg)	Output (Gal/Min.)	
Product	Price	Desander			
	Start	Desilter			
	Received				
	Used				
	Close				
	Cust				

Mud Accounting (bbls)		Solids Control Equipment			
FLUID BUILT & RECEIVED	FLUID DISPOSED	Type	Hrs	Cones	Hrs
Premix (drill water)	Desander	Centrifuge		Desander	
Premix (recirc from sump)	Desilter	Degasser		Desilter	
Drill Water	Downhole			Shaker #1	
Direct Recirc Sump	Dumped			Shaker #2	
Other (eg Diesel)	Other				
TOTAL RECEIVED	TOTAL LOST	Overflow (ppg)	Undertlow (ppg)	Output (Gal/Min.)	
Product	Price	Desander			
	Start	Desilter			
	Received				
	Used				
	Close				
	Cust				

Mud Accounting (bbls)		Solids Control Equipment			
FLUID BUILT & RECEIVED	FLUID DISPOSED	Type	Hrs	Cones	Hrs
Premix (drill water)	Desander	Centrifuge		Desander	
Premix (recirc from sump)	Desilter	Degasser		Desilter	
Drill Water	Downhole			Shaker #1	
Direct Recirc Sump	Dumped			Shaker #2	
Other (eg Diesel)	Other				
TOTAL RECEIVED	TOTAL LOST	Overflow (ppg)	Undertlow (ppg)	Output (Gal/Min.)	
Product	Price	Desander			
	Start	Desilter			
	Received				
	Used				
	Close				
	Cust				

RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	TELEPHONE	08 8338 7266
DAILY COST			CUMULATIVE COST		

is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same.



DRILLING FLUID REPORT

Report # 4 Date: 16-Mar-2003
 Rig No 1 Spud: 15-Mar-2003
 Depth 4 to 25 Metres

OPERATOR Lakes Oil		CONTRACTOR Sides Engineering	
REPORT FOR Gerard Nicot		REPORT FOR Peter Freeman	
WELL NAME AND No Patties Pic # 1		FIELD Wildcat	LOCATION Gippsland Basin
		STATE Victoria	

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE 8.5	TYPE MHI1JG			9 5/8 SURFACE SET @	M	HOLE 1	PITS 99	PUMP SIZE 5.5 X 10 Inches		CIRCULATION PRESS (PSI)	
DRILL PIPE SIZE	TYPE #	Length	Mtrs	INT. SET @	M	TOTAL CIRCULATING VOL. 90		PUMP MODEL CLARK	ASSUMED EFF	BOTTOMS UP (min)	
DRILL PIPE SIZE	TYPE HW	Length	Mtrs	PROD. or LSR Set @	M	IN STORAGE		BBL/STK	STK/MIN	TOTAL CIRC. TIME (min)	
DRILL COLLAR SIZE (")		Length	Mtrs	MUD TYPE GEL				BBL/MIN	GAL/MIN	ANN VEL. (f/min)	DP DCs

MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS	
TIME SAMPLE TAKEN	FL 1.30	Mud Weight	API Filtrate
DEPTH (ft) - (m)	Metres	Plastic Vis	Yield Point
FLOWLINE TEMPERATURE	°C °F	KCl	PHPA
WEIGHT	ppg / SG 8.60 1.032	OBSERVATIONS	
FUNNEL VISCOSITY (sec/qt) API \bar{a}	°C 35		
PLASTIC VISCOSITY cP \bar{a}	°C 10		
YIELD POINT (lb/100ft ²)	6		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	2.3		
FILTRATE API (cc's/30 min)			
HPHT FILTRATE (cc's/30 min) \bar{a}	°F		
CAKE THICKNESS API : HPHT (32nd in)			
SOLIDS CONTENT (% by Volume)			
LIQUID CONTENT (% by Volume) OIL/WATER			
SAND CONTENT (% by Vol.)		OPERATIONS SUMMARY	
METHYLENE BLUE CAPACITY (ppb equiv.)			
pH	9.0		
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf/Ml)	0.20 0.30		
CHLORIDE (mg/L)	300		
TOTAL HARDNESS AS CALCIUM (mg/L)	300		
SULPHITE (mg/L)			
K+ (mg/L)			
KCl (% by Wt.)			
PHPA (ppb)			

OBSERVATIONS
 CIRCULATED MUD IN MUD PITS, PRESSURE UP 9 5/8 CASING MUD STILL THIN AS ONLY MINOR CLAYS TO BE ENCOUNTERED.

OPERATIONS SUMMARY
 CHECKED BOP AND ASSOCIATED EQUIPMENT
 RECEMENT 9 5/8 CASING

Mud Accounting (bbls)			
FLUID BUILT & RECEIVED		FLUID DISPOSED	
Premix (drill water)		Desander	
Premix (recire from sump)		Desilter	
Drill Water		Downhole	
Direct Recire Sump		Dumped	
Other (eg Diesel)		Other	
TOTAL RECEIVED		TOTAL LOST	
SUMMARY		INITIAL VOLUME 90	
		+ FLUID RECEIVED	
		- FLUID LOST	
		+ FLUID IN STORAGE	
FINAL VOLUME 90			

Solids Control Equipment					
Type	Hrs	Cones	Hrs	Shaker #1	Shaker #2
Centrifuge				20/80	20/80
Degasser					

Product		Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data	
								PPB	%	Jet Velocity	
										Impact force	
										HHP	
										HSI	
										Bit Press Loss	
										CSG Seat Frac Press	
								n @ 0 Hrs		Equiv. Mud Wt.	
								K @ 0 Hrs		ECD	
										Max Pressure @ Shoe :	
								DAILY COST		CUMULATIVE COST	
										\$1,015.00	

is made by ourselves or our agents as to its correctness or completeness, and no liability is assumed for any damages resulting from the use of same.



DRILLING FLUID REPORT

Report #	5	Date :	17-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	25	to	98 Metres

OPERATOR	Lakes Oil	CONTRACTOR	Sides Engineering				
REPORT FOR	Gerard Nicot	REPORT FOR	Peter Freeman				
WELL NAME AND No	Patties Pic # 1	FIELD	Wildcat	LOCATION	Gippsland Basin	STATE	Victoria

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE	TYPE	Length		7" SURFACE SET @	295 ft	HOLE	PITS	PUMP SIZE		CIRCULATION	
8.5	AMH11G				90 M	10	84	5.5	X 10	Inches	PRESS (PSI)
DRILL PIPE SIZE	TYPE	Length		INT. SET @	M	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	BOTTOMS UP (min)	
3.5	G #	29	Mtrs		M	94		CLARK	95.0	min	
DRILL PIPE SIZE	TYPE	Length		PROD. or LNR Set @	M	IN STORAGE		BBL/STK	STK/MIN	TOTAL CIRC. TIME (min)	
	HW	Mtrs			M			0.2670	66	8 min	
DRILL COLLAR SIZE (")		Length		MUD TYPE				BBL/MIN	GAL/MIN	ANN VEL. (U/min)	DP DCs
6.00	4.75	69	Mtrs	GEL				7.28	306	125	207 151

SAMPLE FROM		MUD PROPERTIES	
TIME SAMPLE TAKEN		FL	
DEPTH (ft) - (m)		11.30	
DEPTH (ft) - (m)	Metres	90	
FLOWLINE TEMPERATURE	° C ° F		
WEIGHT	ppg / SG	8.40	1.008
FUNNEL VISCOSITY (sec/qt) API @	° C	43	
PLASTIC VISCOSITY cP @	° C	11	
YIELD POINT (lb/100ft ²)		14	
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		3/4	
FILTRATE API (cc's/30 min)			
HPHT FILTRATE (cc's/30 min) @	° F		
CAKE THICKNESS API : HPHT (32nd in)		1	
SOLIDS CONTENT (% by Volume)		0.4	
LIQUID CONTENT (% by Volume) OIL/WATER		99.6	
SAND CONTENT (% by Vol.)		1.50	
METHYLENE BLUE CAPACITY (ppb equiv.)			
pH		9.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mi)		0.30	0.30
CHLORIDE (mg/L)		400	
TOTAL HARDNESS AS CALCIUM (mg/L)		400	
SULPHITE (mg/L)			
K+ (mg/L)			
KCl (% by Wt.)			
PHPA (ppb)			

MUD PROPERTY SPECIFICATIONS		
Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites
OBSERVATIONS		
ADDED GEL TO GIVE ADDITIONAL PROPERTIES. ADDED ENERSEAL FINE TO CONTROL LOSS CIRCULATION. CIRCULATED AND CONDITION HOLE FOR CASING		
NEW MAKE UP WATER TESTED CHORIDES 100MG/L HARDNESS 40MG/L PH 7		

OPERATIONS SUMMARY		
DRILLED 8.5" TO 96 M. WIPER TRIP. HOLE IN GOOD CONDITION POOH. PICKED UP TOP DRIVE & BREAKOUT 6" DRILL COLLARS LAY OUT BIT & DRILL STRING. RIG UP FOR 7" CASING RUN RUN 7" CASING TO 74 M. SET UP CIRCULATING HEAD CIRCULATE 7" CASING SET 7" CASING IN SLIPS		

Mud Accounting (bbls)					
FLUID BITLT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	91
Premix (recirc from sump)	60	Desilter		+ FLUID RECEIVED	60
Fill Water		Downhole	47	- FLUID LOST	57
Direct Recirc Sump		Dumped		+ FLUID IN STORAGE	
Other (eg Diesel)		Other	10		
TOTAL RECEIVED	60	TOTAL LOST	57	FINAL VOLUME	94

Solids Control Equipment						
Type	Hrs	Cones	Hrs	Size	Hrs	
Centrifuge		Desander		Shaker #1	20/80	24
Degasser		Desilter	20	Shaker #2	20/80	

Product	Price	Start	Received	Used	Close	Cost
Ausgel	\$ 14.00	58		16	42	\$ 224.00
Enerseal Fine	\$ 52.00	24		24		\$ 1,248.00

Desander	Desilter	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
			0	
			0	
Solids Analysis			Bit Hydraulics & Pressure Data	
High Grav solids	PPB	%	Jet Velocity	
Total LGS			Impact force	
Bentonite			HHP	
Drilled Solids			HSI	
Salt			Bit Press Loss	
n @ Hrs			CSG Seat Frac Press	
K @ Hrs			Equiv. Mud Wt.	
			ECD	
			Max Pressure @ Shoe :	

RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	DAILY COST	\$1,472.00	CUMULATIVE COST	\$2,487.00
				TELEPHONE		08 8338 7266	

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DRILLING FLUID REPORT

Drilling Fluids

Report #	6	Date :	18-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	98	to	98 Metres

OPERATOR	Lakes Oil	CONTRACTOR	Sides Engineering
REPORT FOR	Gerard Nicot	REPORT FOR	Peter Freeman
WELL NAME AND No	Patties Pic # 1	FIELD	Wildcat
		LOCATION	Gippsland Basin
		STATE	Victoria

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA				
BIT SIZE	TYPE			7"	SURFACE SET @	295 ft	HOLE	PITS	PUMP SIZE		CIRCULATION	
DRILL PIPE SIZE	TYPE	Length	Mtrs		INT. SET @	90 M	10	7.4	5.5 X 10	Inches	PRESS (PSI)	BOTTOMS
DRILL PIPE SIZE	TYPE	Length	Mtrs		PROD. or LNR Set @	M	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	FT (min)	min
DRILL COLLAR SIZE (")	HW	Length	Mtrs			M	IN STORAGE		CLARK	95.0		
					MUD TYPE				BBL/STK	STK/MIN	TOTAL CIRC. TIME (min)	
					GEL				BBL/MIN	GAL/MIN	ANN VEL. (ft/min)	DP DCs

SAMPLE FROM		MUD PROPERTIES	
TIME SAMPLE TAKEN		FL	10.30
DEPTH (ft) - (m)	Metres		98
FLOWLINE TEMPERATURE	°C °F		
WEIGHT	ppg / SG	8.40	1.008
FUNNEL VISCOSITY (sec/qt) API @	°C		43
PLASTIC VISCOSITY cP @	°C		11
YIELD POINT (lb/100ft ²)			14
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min			33
FILTRATE API (cc's/30 min)			
HPHT FILTRATE (cc's/30 min) @	°F		
CAKE THICKNESS API : HPHT (32nd in)			
SOLIDS CONTENT (% by Volume)			
LIQUID CONTENT (% by Volume) OIL/WATER			
SAND CONTENT (% by Vol.)			1.50
METHYLENE BLUE CAPACITY (ppb equiv.)			
pH			8.0
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mi)			
CHLORIDE (mg/L)		0.50	0.80
TOTAL HARDNESS AS CALCIUM (mg/L)			500
SULPHITE (mg/L)			400
K+ (mg/L)			
KCl (% by Wt.)			
PHPA (ppb)			

Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites

OBSERVATIONS

CIRCULATED AND CONDITION HOLE FOR CASING

CEMENT WEIGHT 15.3 LBS/ GAL

OPERATIONS SUMMARY

RIG UP FOR RUNNING OF 9 5/8" CASING WITH CIRCULATING HEAD

RIG UP CEMENT EQUIPMENT. SAFETY MEETING.

CIRCULATE AND CEMENTING. DISPLACE.

RIG DOWN CEMENT EQUIPMENT

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	94
Premix (recire from sump)		Desilter		+ FLUID RECEIVED	
Drill Water		Downhole		+ FLUID LOST	10
Direct Recire Sump		Dumped		+ FLUID IN STORAGE	
Other (eg Diesel)		Other	10		
TOTAL RECEIVED		TOTAL LOST	10	FINAL VOLUME	84

Product	Price	Start	Received	Used	Close	Cost

Solids Control Equipment		Overflow (ppg)		Underflow (ppg)		Output (Gal/Min.)	
Type	Hrs						
Centrifuge		Desander					
Degasser		Desilter					

Solids Analysis		Bit Hydraulics & Pressure Data	
High Grav solids	PPB	%	Jet Velocity
Total LGS			Impact force
Bentonite			HHP
Drilled Solids			HSI
Salt			Bit Press Loss
n @ Hrs			CSG Seat Frac Press
K @ Hrs			Equiv. Mud Wt.
			ECD
			Max Pressure @ Shoe :

RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	DAILY COST	CUMULATIVE COST
					\$2,487.00
				TELEPHONE	08 8338 7266

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DRILLING FLUID REPORT

Report #	7	Date :	19-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	98	to	98 Metres

OPERATOR	Lakes Oil	CONTRACTOR	Sides Engineering
REPORT FOR	Gerard Nicot	REPORT FOR	Peter Freeman
WELL NAME AND No	Patties Pic # 1	FIELD	Wildcat
		LOCATION	Gippsland Basin
		STATE	Victoria

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE	TYPE	Length	Mtrs	7" SURFACE SET @	295 ft	HOLE	PITS	PUMP SIZE		CIRCULATION	
DRILL PIPE SIZE	TYPE	Length	Mtrs	INT. SET @	90 M	10	155	5.5 X 10	Inches	PRESS (PSD)	psi
DRILL PIPE SIZE	TYPE	Length	Mtrs	PROD. or LSR Set @	M	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	BOTTOMS UP (min)	
DRILL COLLAR SIZE (")	HW	Length	Mtrs	MUD TYPE	GEL	IN STORAGE		CLARK	95.0	TOTAL CIRC. TIME (min)	
								BBL/STK	STK / MIN	ANN VEL. DP (D/min) DCs	
								BBL/MIN	GAL / MIN		

MUD PROPERTIES				MUD PROPERTY SPECIFICATIONS			
SAMPLE FROM	FL	Mud Weight	API Filtrate	HPHT Filtrate			
TIME SAMPLE TAKEN	10.00	Plastic Vis	Yield Point	pH			
DEPTH (ft) - (m)	Metres 98	KCI	PHPA	Sulphites			

FLOWLINE TEMPERATURE	°C °F			OBSERVATIONS FILLED DAY TANKS AND PITS WITH TRUCK LOAD OF FRESH WATER
WEIGHT	ppg / SG	8.40	1.008	
FUNNEL VISCOSITY (sec/qt) API @	°C	43		
PLASTIC VISCOSITY cP @	°C	11		
YIELD POINT (lb/100ft ²)		14		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		2	2	
FILTRATE API (cc's/30 min)				
HPHT FILTRATE (cc's/30 min) @	°F			
CAKE THICKNESS API : HPHT (32nd in)		1		
SOLIDS CONTENT (% by Volume)				

SAND CONTENT (% by Vol.)	1.50	OPERATIONS SUMMARY PREPARE 9 5/8" CASING FOR BRADENHEAD NIPPLE UP B. O. P. NIPPLE UP CHOKE AND KILL FLOW LINE RESTABLISE SURFACE PAD NIPPLE UP FLOW LINE MAKE UP COLLAR , READY. RUN INTO TEST BOP RAMS
METHYLENE BLUE CAPACITY (ppb equiv.)		
pH	8.0	
ALKALINITY MUD (Pm)		
ALKALINITY FILTRATE (Pf / M)	0.50 0.80	
CHLORIDE (mg/L)	500	
TOTAL HARDNESS AS CALCIUM (mg/L)	400	
SULPHITE (mg/L)		
K+ (mg/L)		
KCl (% by Wt.)		

Mud Accounting (bbls)				Solids Control Equipment							
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Sire	Hrs
Premix (drill water)		Desander		INITIAL VOLUME	84	Centrifuge		Desander		Shaker #1	20/80
Premix (recirc from sump)		Desilter		+ FLUID RECEIVED	100	Degasser		Desilter		Shaker #2	20/80
Drill Water	100	Downhole				- FLUID LOST	19				
Direct Recirc Sump		Dumped		+ FLUID IN STORAGE							
Other (eg Diesel)		Other	19					Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)	
TOTAL RECEIVED	100	TOTAL LOST	19	FINAL VOLUME	95	Desander		0			
		Desilter						0			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data	
							PPB	%	Jet Velocity	
							High Grav solids		Impact force	
							Total LGS		HHP	
							Bentonite		HSI	
							Drilled Solids		Bit Press Loss	
							Salt		CSG Seat Frac Press	
							n @ Hrs		Equiv. Mud Wt.	
							K @ Hrs		ECD	
									Max Pressure @ Shoe :	

						DAILY COST	CUMULATIVE COST
RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	TELEPHONE	08 8338 7266		



DRILLING FLUID REPORT

Report #	8	Date :	20-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	98	to	226 Metres

OPERATOR	Lakes Oil	CONTRACTOR	Sides Engineering
REPORT FOR	Gerard Nicot	REPORT FOR	Peter Freeman
WELL NAME AND No	Patties Pic # 1	FIELD	Wildcat
		LOCATION	Gippsland Basin
		STATE	Victoria

DRILLING ASSEMBLY		JET SIZE		CASING		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE	TYPE			7"	SURFACE SET @	295 ft	HOLE PITS	PUMP SIZE		CIRCULATION PRESS (PSI)	
DRILL PIPE SIZE	TYPE	Length			INT. SET @	90 M	25	5.5	X	10	psl
DRILL PIPE SIZE	TYPE	Length			PROD. or LNR Set @	M	135	CLARK		ASSEMBLED EFF	BOTTOMS UP (min)
DRILL COLLAR SIZE (")	TYPE	Length			MUD TYPE	M	IN STORAGE	BBL/STK	STK/MIN	TOTAL CIRC. TIME (min)	min
4.75		83	Mtrs		KCl Pac			BBL/MIN	GAL/MIN	ANN VEL. (ft/min)	DP DC's

MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS	
SAMPLE FROM	FL	Mud Weight	API Filtrate
TIME SAMPLE TAKEN	4.00	Plastic Vis	Yield Point
DEPTH (ft) - (m)	Metres 180	KCl	PHPA
FLOWLINE TEMPERATURE	°C °F		Sulphites
WEIGHT	ppg / SG 8.50 1.020	OBSERVATIONS	
FUNNEL VISCOSITY (sec/qt) API @	°C 36	INITIALLY BUILT MUD TO 2.5 % KCl AND STARTED DRILLING. ADDING PAC L TO GIVE ADDITIONAL PROPERTIES TREATED MUD TO CONTROL CEMENT CONTAMINATION	
PLASTIC VISCOSITY cP @	°C 4		
YIELD POINT (lb/100ft ²)	9		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	3/3		
FILTRATE API (cc's/30 min)			
HPHT FILTRATE (cc's/30 min) @	°F		
CAKE THICKNESS API: HPHT (32nd in)	1		
SOLIDS CONTENT (% by Volume)			
LIQUID CONTENT (% by Volume) OIL/WATER			
SAND CONTENT (% by Vol.)	1.00		
METHYLENE BLUE CAPACITY (ppb equiv.)		PRESSURE TEST BRADIN AND CHOKE RUN IN BEA AND DRILLED OUT CEMENT SHOE AND PLUG DRILL AHEAD TO 226M	
pH	9.5		
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mt)	0.50 0.90		
CHLORIDE (mg/L)	600		
TOTAL HARDNESS AS CALCIUM (mg/L)	400		
SULPHITE (mg/L)			
K+ (mg/L)			
KCl (% by Wt.)			
PHPA (ppb)			

Mud Accounting (bbls)				Solids Control Equipment							
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Size	Hrs
Premix (drill water)	30	Desander		INITIAL VOLUME	165	Centrifuge		Desander		Shaker #1	20/80 12
Premix (recirc from sump)		Desilter		+ FLUID RECEIVED	30	Degasser		Desilter		Shaker #2	20/80 12
Drill Water		Downhole	5	- FLUID LOST	10						
Direct Recirc Sump		Dumped		+ FLUID IN STORAGE							
Other (eg Diesel)		Other	5								
TOTAL RECEIVED	30	TOTAL LOST	10	FINAL VOLUME	135	Desander		Desilter			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data	
AMC Pac-LV	\$ 177.50	10		1	9	\$ 177.50	PPB	%	Jet Velocity	
Deframer	\$ 145.00	4		2	2	\$ 290.00	High Grav solids		Impact force	
KCl	\$ 19.75	80		20	60	\$ 395.00	Total LGS		HHP	
Soda Ash	\$ 28.00	3		1	2	\$ 28.00	Bentonite		HSI	
							Drilled Solids		Bit Press Loss	
							Salt		CSG Seat Frac Press	
							n @ Hrs		Equiv. Mud Wt.	
							K @ Hrs		ECD	
									Max Pressure @ Shoe :	

DAILY COST						CUMULATIVE COST					
\$890.50						\$3,377.50					
RMN ENGINEER		KEN PIERCE		CITY		Adelaide Office		TELEPHONE		08 8338 7266	

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DRILLING FLUID REPORT

Report #	9	Date :	21-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	226 to 290		Metres

OPERATOR	Lakes Oil	CONTRACTOR	Sides Engineering
REPORT FOR	Gerard Nicot	REPORT FOR	Peter Freeman
WELL NAME AND No	Patties Pic # 1	FIELD	Wildcat
		LOCATION	Gippsland Basin
		STATE	Victoria

DRILLING ASSEMBLY				JET SIZE				CASING				MUD VOLUME (BBL)				CIRCULATION DATA			
BIT SIZE	TYPE	14	14	12	7"	SURFACE SET @	295 ft	ft	HOLE	PITS	PUMP SIZE		CIRCULATION		PRESS (PSI)		300 psi		
6.125	REED					90	M		35	110	5.5 X 10	Inches							
DRILL PIPE SIZE	TYPE	Length	207		Mtrs	INT. SET @	ft	TOTAL CIRCULATING VOL.	145		PUMP MODEL	ASSUMED EFF	BOTTOMS UP (min)		min				
3.5	G #					PROD. or LNR Set @	ft	IN STORAGE			CLARK	80.0							
DRILL PIPE SIZE	TYPE	Length			Mtrs						BBL/STK	STK/MIN	TOTAL CIRC. TIME (min)		min				
3.5	HW										0.0935	48							
DRILL COLLAR SIZE (")	Length	83		Mtrs	MUD TYPE	KCl Pac				BBL/MIN	GAL/MIN	ANN VEL. (ft/min)	DP (ft/min)	DC's					
4.75										3.59	151								

MUD PROPERTIES				MUD PROPERTY SPECIFICATIONS			
SAMPLE FROM	FL			Mud Weight	API Filtrate	HPHT Filtrate	
TIME SAMPLE TAKEN	12.00			Plastic Vis	Yield Point	pH	
DEPTH (ft) - (m)	Metres	290		KCl	PHPA	Sulphites	

FLOWLINE TEMPERATURE	^o C ^o F			OBSERVATIONS DILUTED TO MAINTAIN MUD WEIGHT. ADDED KCL, PAC R TO GIVE ADDITIONAL PROPERTIES.			
WEIGHT	ppg / SG	8.90	1.068				
FUNNEL VISCOSITY (sec/qt) API \bar{a}	^o C	47					
PLASTIC VISCOSITY cP @	^o C	8					
YIELD POINT (lb/100ft ²)		31					
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min		33					
FILTRATE API (cc's/30 min)							
HPHT FILTRATE (cc's/30 min) @	^o F						
CAKE THICKNESS API : HPHT (32nd in)		1					
SOLIDS CONTENT (% by Volume)							

OPERATIONS SUMMARY			
TRIP IN, DRILLED AHEAD FROM 226M TO 290M			
PULLED BACK TO 245 M. CIRCULATED 3 HRS FOR HOLE GAGE			
TRIPPED IN TO 290M. CIRCULATED.			
TRIPPED OUT TO 245 M. CIRCULATED HOLE			

Mud Accounting (bbls)				Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Size	Hrs	
Premix (drill water)	30	Desander		INITIAL VOLUME	135	Centrifuge		Desander		Shaker #1	20/80	12
Mix (recire from sump)		Desilter		+ FLUID RECEIVED	50	Degasser		Desilter		Shaker #2	20/80	12
Drill Water	20	Downhole	5	- FLUID LOST	40							
Direct Recire Sump		Dumped		+ FLUID IN STORAGE								
Other (eg Diesel)		Other	35									
TOTAL RECEIVED	50	TOTAL LOST	40	FINAL VOLUME	145	Desander		Underflow (ppg)	0	Output (Gal/Min.)		
						Desilter			0			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data	
AMC Pac-R	\$ 177.50	20		1	19	\$ 177.50	High Gray solids	PPB	%	Jet Velocity
KCl	\$ 19.75	60		9	51	\$ 177.75	Total LGS			Impact force
							Bentonite			HHP
							Drilled Solids			HSI
							Salt			Bit Press Loss
							n @ Hrs			CSG Seat Frac Press
							K @ Hrs			Equiv. Mud Wt.
										ECD
										Max Pressure @ Shoe :

				DAILY COST				CUMULATIVE COST			
				\$355.25				\$3,732.25			
RMN ENGINEER	KEN PIECE	CITY	Adelaide Office	TELEPHONE	08 8338 7266						



DRILLING FLUID REPORT

Report #	10	Date :	22-Mar-2003
Rig No	1	Spud :	15-Mar-2003
Depth	290	to	441 Metres

OPERATOR Lakes Oil				CONTRACTOR Sides Engineering														
REPORT FOR Gerard Nicot				REPORT FOR Peter Freeman														
WELL NAME AND No Patties Pic # 1				FIELD Wilcat		LOCATION Gippsland Basin		STATE Victoria										
DRILLING ASSEMBLY			JET SIZE			CASING			MUD VOLUME (BBL)			CIRCULATION DATA						
BIT SIZE	TYPE	REED	14	14	12	7"	SURFACE SET @	295 ft	HOLE	45	PITS	119	PUMP SIZE	5.5 X 10	Inches	CIRCULATION PRESS (PSI)	600	psi
DRILL PIPE SIZE	TYPE	G #	Length	358	Mtrs	INT. SET @			TOTAL CIRCULATING VOL.	164			PUMP MODEL	CLARK	ASSUMED EFF	80.0	BOTTOMS UP (min)	
DRILL PIPE SIZE	TYPE	HV	Length		Mtrs	PROD. or LNR Set @			IN STORAGE				BBL/STK	0.0935	STK / MIN	48	TOTAL CIRC. TIME (min)	
DRILL COLLAR SIZE (")	Length	83	Mtrs			MUD TYPE	KCI Pac						BBL/MIN	3.59	GAL/SHN	151	ANN VEL. (ft/min)	

SAMPLE FROM				FL				MUD WEIGHT				API Filtrate				HPHT Filtrate			
TIME SAMPLE TAKEN				7.00				Plastic Vis				Yield Point				pH			
DEPTH (ft) - (m)				Metres 441				KCI				PHPA				Sulphites			

FLOWLINE TEMPERATURE				°C				°F				OBSERVATIONS DILUTED TO MAINTAIN MUD WEIGHT. ADDED KCL . PAC R TO GIVE ADDITIONAL PROPERTIES. ADDED CAUSTIC TO MAINTAIN PH LEVEL.			
WEIGHT				ppg / SG				9.60 1.152							
FUNNEL VISCOSITY (sec/qt) API a				°C				40							
PLASTIC VISCOSITY cP · a				°C				7							
YIELD POINT (lb/100ft ²)								18							
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min								11							
FILTRATE API (cc's/30 min)								8.0							
HPHT FILTRATE (cc's/30 min) · a				°F											
CAKE THICKNESS API : HPHT (32nd in)								1							
SOLIDS CONTENT (% by Volume)															

SAND CONTENT (% by Vol.)				3.00				OPERATIONS SUMMARY TRIP IN, DRILLED AHEAD FROM 290M TO 441M CIRCULATE, PULL BACK FOR WIPER TRIP CIRCULATE, TRIP OUT BIT FOR LOGGING RIG UP LOGGING TOOLS, RUN LOGS AS PROGRAMED			
METHYLENE BLUE CAPACITY (ppb equiv.)				10.0							
pH				9.5							
ALKALINITY MUD (Pm)											
ALKALINITY FILTRATE (Pt / Mt)				0.20 1.00							
CHLORIDE (mg/L)				10,000							
TOTAL HARDNESS AS CALCIUM (mg/L)				400							
SULPHITE (mg/L)											
K+ (mg/L)											
KCI (% by Wt.)				2.0							

Mud Accounting (bbls)						Solids Control Equipment								
FLUID BUILT & RECEIVED			FLUID DISPOSED			SUMMARY			Type	Hrs	Cones	Hrs	Size	Hrs
Premix (drill water)	30		Desander		INITIAL VOLUME	145	Centrifuge			Desander			Shaker #1	20/80 12
Premix (recirc from sump)			Desilter				Degasser			Desilter			Shaker #2	20/80 12
Drill Water	60		Downhole	11	+ FLUID RECEIVED	90								
Direct Recirc Sump			Dumped		- FLUID LOST	71								
Other (eg Diesel)			Other	60	+ FLUID IN STORAGE									
TOTAL RECEIVED	90		TOTAL LOST	71	FINAL VOLUME	164								

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis			Bit Hydraulics & Pressure Data		
AMC Pac-R	\$ 177.50	19		5	14	\$ 887.50		ppb	%	Jet Velocity		
Caustic Soda	\$ 35.00	17		1	16	\$ 35.00	High Grav solids			Impact force		
KCI	\$ 19.75	51		33	18	\$ 651.75	Total LGS			HHP		
							Bentonite			HSI		
							Drilled Solids			Bit Press Loss		
							Salt			CSG Seat Frac Press		
							n @ Hrs			Equiv. Mud Wt.		
							K a Hrs			ECD		
										Max Pressure a Shoe :		
							DAILY COST			CUMULATIVE COST		
							\$1,574.25			\$5,307.00		



DRILLING FLUID REPORT

Report #	11	Date :	23-Mar-2002
Rig No	1	Spud :	15-Mar-2003
Depth	441	to	441 Metres

OPERATOR Lakes Oil		CONTRACTOR Sides Engineering	
REPORT FOR Gerard Nicot		REPORT FOR Peter Freeman	
WELL NAME AND No Patties Pic # 1		FIELD Wildcat	LOCATION Gippsland Basin
		STATE Victoria	
DRILLING ASSEMBLY		MUD VOLUME (BBL)	
JET SIZE		CIRCULATION DATA	
BIT SIZE	TYPE	SURFACE SET ϕ	HOLE PITS
OPEN PIPE		295 ft	45
DRILL PIPE TYPE	Length	90 M	114
SIZE 3.5	G #	INT. SET ϕ	TOTAL CIRCULATING VOL.
DRILL PIPE TYPE	Length	ft	159
SIZE	Mtrs	PROD. or LNR Set ϕ	IN STORAGE
DRILL COLLAR SIZE (")	Length	MUD TYPE	
	Mtrs	KCI Pac	

MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS	
SAMPLE FROM	FL	Mud Weight	API Filtrate
TIME SAMPLE TAKEN	10.30	Plastic Vis	Yield Point
DEPTH (ft) - (m)	Metres 320	KCI	PHPA
FLOWLINE TEMPERATURE	$^{\circ}C$ $^{\circ}F$	OBSERVATIONS	
WEIGHT	ppg / SG 9.60 1.152		
FUNNEL VISCOSITY (sec/qt) API \bar{u}	$^{\circ}C$ 40		
PLASTIC VISCOSITY cP \bar{u}	$^{\circ}C$ 7		
YIELD POINT (lb/100ft ²)	18		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	11		
FILTRATE API (cc's/30 min)	8.0		
HPHT FILTRATE (cc's/30 min) \bar{u}	$^{\circ}F$		
CAKE THICKNESS API : HPHT (32nd in)	1		
SOLIDS CONTENT (% by Volume)			
LIQUID CONTENT (% by Volume) OIL/WATER			
SAND CONTENT (% by Vol.)	3.00		
METHYLENE BLUE CAPACITY (ppb equiv.)	10.0		
pH	9.5		
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Ml)	0.20 1.00		
CHLORIDE (mg/L)	10,000		
TOTAL HARDNESS AS CALCIUM (mg/L)	400		
SULPHITE (mg/L)			
K+ (mg/L)			
KCl (% by Wt.)	2.0		
PHPA (ppb)			

Mud Accounting (bbls)				Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Size	Hrs	
Premix (drill water)		Desander		INITIAL VOLUME	164	Centrifuge		Desander		Shaker #1	20/80	3
Premix (recirc from sump)		Desilter		+ FLUID RECEIVED		Degasser		Desilter		Shaker #2	20/80	3
Drill Water		Downhole										
Direct Recirc Sump		Dumped		- FLUID LOST	5	Overflow (ppg) Underflow (ppg) Output (Gal/Min.)						
Other (eg Diesel)		Other	5	+ FLUID IN STORAGE								
TOTAL RECEIVED		TOTAL LOST	5	FINAL VOLUME	159	Desander		0				
						Desilter		0				

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data	
							PPB	%	Jet Velocity	
							High Grav solids		Impact force	
							Total LGS		HHP	
							Bentonite		HSI	
							Drilled Solids		Bit Press Loss	
							Salt		CSG Seat Frac Press	
							n @ Hrs		Equiv. Mud Wt.	
							K @ Hrs		ECD	
									Max Pressure @ Shoe :	

						DAILY COST	CUMULATIVE COST
							\$5,307.00
RMN ENGINEER	KEN PIERCE	CITY	Adelaide Office	TELEPHONE			08 8338 7266



DRILLING FLUID REPORT

Report #	11	Date :	23-Mar-2002
Rig No	1	Spud :	15-Mar-2003
Depth	441	to	441 Metres

OPERATOR Lakes Oil		CONTRACTOR Sides Engineering	
REPORT FOR Gerard Nicot		REPORT FOR Peter Freeman	
WELL NAME AND No Patties Pic # 1		FIELD Wildcat	LOCATION Gippsland Basin
		STATE Victoria	
DRILLING ASSEMBLY		JET SIZE	CASING
BIT SIZE	TYPE	7"	SURFACE SET @ 295 ft
DRILL PIPE SIZE 3.5	TYPE G #	Length 320 Mtrs	INT. SET @ M
DRILL PIPE SIZE	TYPE HW	Length Mtrs	PROD. or LNR Set @ M
DRILL COLLAR SIZE (")	Length Mtrs	MUD TYPE KCl Pac	
MUD VOLUME (BBL)		CIRCULATION DATA	
HOLE 45	PITS 114	PUMP SIZE 5.5 X 10	CIRCULATION PRESS (PSI) pd
TOTAL CIRCULATING VOL. 159	IN STORAGE	PUMP MODEL CLARK	ASSUMED EFF 80.0
		BBL/STK 0.0935	STK / MIN 48
		BBL/MIN 3.59	GAL / MIN 151
			ANN VEL. (ft/min) DP (ft/min) DCs

MUD PROPERTIES		MUD PROPERTY SPECIFICATIONS	
SAMPLE FROM	FL	Mud Weight	API Filtrate
TIME SAMPLE TAKEN	10.30	Plastic Vis	Yield Point
DEPTH (ft) - (m)	Metres 320	KCl	PHPA
FLOWLINE TEMPERATURE	⁰ C ⁰ F	OBSERVATIONS	
WEIGHT	ppg / SG 9.60 1.152	CEMENT WEIGHT 15 LBS/GAL	
FUNNEL VISCOSITY (sec/qt) API @ ⁰ C	40	FINAL STOCK TAKE PACK LAB UP	
PLASTIC VISCOSITY cP @ ⁰ C	7		
YIELD POINT (lb/100ft ²)	18		
GEL STRENGTHS (lb/100ft ²) 10 sec/10 min	1 1		
FILTRATE API (cc's/30 min)	8.0		
HPHT FILTRATE (cc's/30 min) @ ⁰ F			
CAKE THICKNESS API : HPHT (32nd in)	1		
SOLIDS CONTENT (% by Volume)			
LIQUID CONTENT (% by Volume) OIL/WATER			
SAND CONTENT (% by Vol.)	3.00	OPERATIONS SUMMARY	
METHYLENE BLUE CAPACITY (ppb equiv.)	10.0	RUN IN OPEN PIPE TO 320M	
pH	9.5	CIRCULATE AND CONDITION HOLE	
ALKALINITY MUD (Pm)		CEMENT AS PROGRAMED FOR P & A	
ALKALINITY FILTRATE (Pf / Mf)	0.20 1.00		
CHLORIDE (mg/L)	10,000		
TOTAL HARDNESS AS CALCIUM (mg/L)	400		
SULPHITE (mg/L)			
K+ (mg/L)			
KCl (% by Wt.)	2.0		
PHPA (ppb)			

Mud Accounting (bbls)				Solids Control Equipment								
FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY		Type	Hrs	Cones	Hrs	Size	Hrs	
Remix (drill water)		Desander		INITIAL VOLUME	164	Centrifuge		Desander		Shaker #1	20/80	3
Remix (recirc from sump)		Desilter				Degasser		Desilter		Shaker #2	20/80	3
Drill Water		Downhole		+ FLUID RECEIVED								
Direct Recirc Sump		Dumped		- FLUID LOST	5							
Other (eg Diesel)		Other	5	+ FLUID IN STORAGE								
TOTAL RECEIVED		TOTAL LOST	5	FINAL VOLUME	159	Desander			0			
						Desilter			0			

Product	Price	Start	Received	Used	Close	Cost	Solids Analysis		Bit Hydraulics & Pressure Data		
							PPB	%	Jet Velocity		
									Impact force		
									HHP		
									HSI		
									Bit Press Loss		
									CSG Seat Frac Press		
							n @ Hrs		Equip. Mud Wt.		
							K @ Hrs		ECD		
									Max Pressure @ Shoe :		
							DAILY COST		CUMULATIVE COST		
									\$5,307.00		