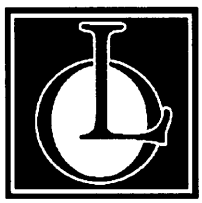

LAKES OIL N.L.

(A.B.N. 62 004 247 214)

PATTIES PIES-1

PEP 156
ONSHORE GIPPSLAND BASIN, VICTORIA

WELL COMPLETION REPORT

By
J.N. Mulready

October 2003

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Level 11
500 Collins Street
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LIST OF ENCLOSURES (Pocket)

		SCALE
Enclosure 1	Composite Well Log	1:500
Enclosure 2	Schlumberger Well Logs	1:500
		1:200

Suite 1. (@ TD)

Type Log	Interval (m)
HALS-BHC-TLD-MCFL-CALI-CNL-GR-SP	439-59.4m (GR to Surface)
HALS-Sonic-PEX	

Patties Pies No. 1
Location Map

909989 005

Figure 1

1.0 SUMMARY

Patties Pies-1, the second well to be drilled by Lakes Oil in PEP 156, was located approximately 5 kilometres southeast of Bairnsdale, the closest wells being Paynesville-1, 7 km to the south, and Fairhope-1 10 km to the southwest. Two local water bores were located in the vicinity of the well, each producing significant amounts of associated methane gas with very minor amounts of H_2S.

Patties Pies-1 was drilled to assess the hydrocarbon potential of a horst block identified on line GOR88A-05 at a location significantly higher structurally than the nearby water wells. The well stratigraphic intersections were close to prediction, but no significant gas shows were encountered. A 60 m weathered volcanic section was encountered within the Latrobe Fm section, however, which had not been anticipated..

Patties Pies-1 spudded on 14 March 2003. 311 mm hole was drilled to 10 m and a 244 mm conductor pipe was then set at that depth. 216 mm hole was then drilled to 26 m, at which stage it became necessary to cease drilling and set a cement plug to overcome leakage of drilling mud around the conductor pipe.

The well then drilled ahead to 100 m, at which stage it was planned to run 178 mm casing. In the event it was not possible to run the casing beyond 83.34 m due to tight hole. The 178 mm casing was then cemented in place at this depth. After installing and testing BOPs the well drilled ahead in 156 mm hole to its total depth of 441 m., which was reached on 22 March 2003.

As a result of the lack of shows no testing was undertaken. Electric logs confirmed the conclusion that the well was dry, and Patties Pies-1 was subsequently plugged and abandoned and the rig released at 1500 hrs on 24 March 2003.

2.0 WELL HISTORY

2.1 GENERAL DATA

Well Name and Number:	PATTIES PIES No.1
Location:	Latitude: 37°51'4.2" Longitude: 147°40'27.5"E Easting: 487 829.35 Northing: 5729 515.75 Seismic: VP 135 Line GOR 88A-05 Bairnsdale SS
Elevations:	G.L. 2.2 m A.S.L. K.B. 3.7 m A.S.L.
Petroleum Tenement:	PEP 156
Name of Operator:	LAKES OIL N.L. A.C.N. 004 247 214 Level 11 500 Collins Street MELBOURNE VICTORIA 3000
Other Participants:	None
Date Drilling Commenced:	14 March 2003
Date Drilling Completed:	22 March 2003
Date Rig Released:	24 March 2003
Drilling Time to T.D.:	9 days
Total Depth:	Driller : 441 m. Logger : 441.4 m.
Status:	Left for conversion by Landowner to a water well, producing from the Gippsland Limestone.

2.2 RIG DATA

Drilling Contractor	Sides Engineering Pty Ltd 25 Garden Road, Clayton, Vic. 3168
Rig	Bourne 2000THD
Rig Carrier	Twin Steer Tri-axle
Weight Indicator	Hydraulic Pressure
Power	Cummins - Truck Engine
Rotary	Top Drive
Blocks	Not applicable
Pumps	Clarke 5.5X10 3 Cylinder Duplex
Mud mixing	Gardner Denver Duplex
Sump pump	Not applicable
Transfer Pump	Wreckair - Worm Drive
Tubulars	3.5" X 13.30 D.P.
Fishing Tools	None on Site
Handling Tools	Rented Tasman
Stabilizer	12.25", 8.5" , 6"
Spare Parts	As reasonably required to conduct operations for programmed well
Personnel	Driller plus 4 crew
Drilling Hours	Rig Operated Daylight Hours Only with the exception of the night of the 1st of March 2003, when a second crew was on hand prior to drilling the Latrobe section and logging.

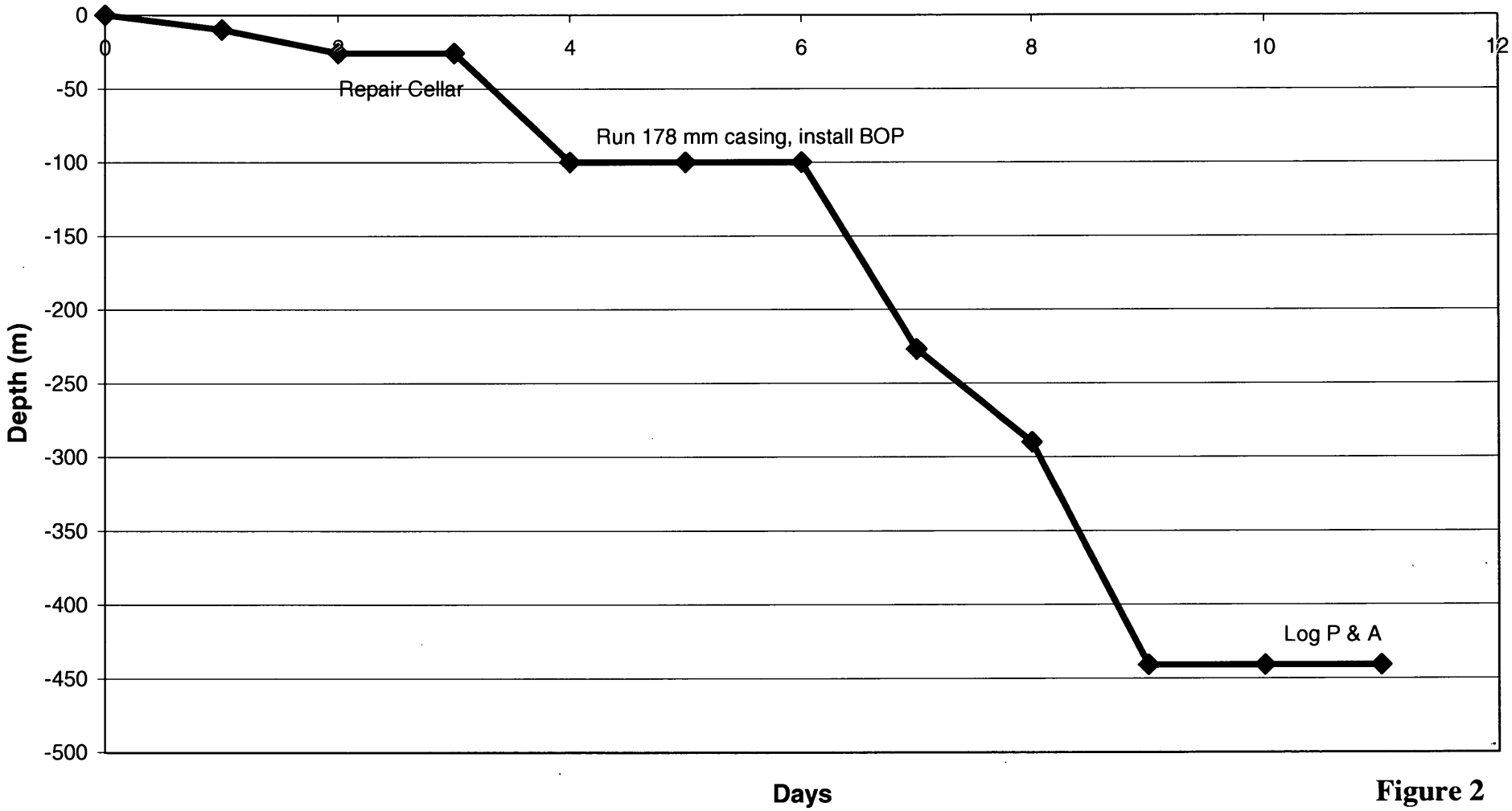


Figure 2

2.3 DRILLING DATA

The following is the daily operations summary for Patties Pies-1. It has been compiled from the tour sheets and daily drilling reports. Onsite drilling supervision for Lakes Oil N.L. was provided by Drilling consultant G. Nicot. Further details are provided in the time/depth curve (Figure 2).

The depths in the following summary are those reached at 2400 hours on each day with the operations given for the previous 24 hour period.

DATE	OPERATIONS
12.3.03	Rig arrived on site
13.3.03	Rigging up
14.3.03	Completed rigging up. Drilled & reamed 311 mm hole to 10 m Ran & set 244 mm conductor pipe. Rigged up, mixed mud.
15.3.03	Finished mixing mud. Drilled to 26 m. Partial mud losses and mud return outside conductor casing. Cleaned out cellar and dug out area around conductor. Spotted 14 sax plug. Wait on cement.
16.3.03	Commenced circulation – mud return observed inside & outside cellar. Spotted 1.5 cubic m. of grout inside cellar. Wait on cement.
17.3.03	Drilled 216 mm hole from 26 m to 100m (designated casing point). Still some leakage. Ran wiper trip to 60 m. Ran 178 mm casing to 72 m, obstruction encountered. Continued leakage in cellar. Wait on daylight.
18.3.03	Pumped out cellar and washed and pushed 178 mm casing to 84.34 m. Cemented casing using 2.1 c.m of slurry. Displaced with mud and bumped plug to 3155 kpa for 5 min. Wait on cement.
19.3.03	Nipple up BOP, install flare line
20.3.03	Test BOP. RIH to 74 m and drilled out casing shoe. Reamed & washed to 100m. Drilled 156 mm hole to 102 m. Repaired swivel and mud pump. Drilled to 200 m. Repaired mud pump. Drilled to226.6 m. Circulated & pulled 10 singles.
21.3.03	Repaired mud pump. RIH and drilled to290 m. Circulated and conducted carbide test whilst waiting to drill Latrobe Fm during daylight with Schlumberger on site, (as per drilling plan). Pulled back 10 singles.
22.3.03	Circulated & conditioned mud, drilled tp 441 m (TD). Ran wiper trip to 280 m. Second crew on site for night shift. Circulated hole cean. POOH to log. Held safety meeting proir to running wireline logs. Logging.
23.3.03	Ran GR-SONIC-CALIPER-NEUTRON/DENSITY-DLL-SP logs. Rig down Schlumberger.Wait on daylight. RIH to 325 m, set Plug#1 from 325-265 m.Pulled back to 167 m & waited on cement delivery. Disconnected flare line and commenced rigging down.
24.3.03	Wait on cement delivery. Spotted cement plug #2 from 165-110 m. Well left open as a water producer. A plugged short joint of 178 mm casing was connected to the surface casing, rising approximately 1 m above ground level. Laid down remaining drill pipe, removed BOPs and braidenhead, installed water riser and completed rigging down. Rig released @ 1500 hrs.

Hole Sizes and Depths:

12.25" / 311 mm. to 10 m.
8.5" / 216 mm. to 84.34 m.
6.125" / 156 mm. to Total Depth (441 m)

Casing and Cementing:

Surface

Size -	9.625" / 244 mm.
Weight -	64.9kg/m.
Grade -	K55
Shoe Setting Depth -	10 m..

Intermediate

Size -	7" / 178mm.
Weight -	34.2kg/m.
Grade -	K55
Shoe Setting Depth -	84.34 m.
Quantity of Cement -	2.1 cubic metres "A".

Deviation Surveys :

Nil

Drilling Fluid:

(a)	Spud - 100 m.	Type -	Gel Spud Mud
		Additives -	Ausgel, Soda ash, Caustic, Enerseal-F.
(b)	100-441 m.	Type -	KCl -Polymer
		Additives -	KCl Tech, Auspac LV, Auspac-R, Caustic, Soda Ash, Defoamer.

See also Drilling Fluid Report Appendix 3 for greater detail.

Water Supply:

Water was trucked by tanker from Sale.

Perforation Record:

None

Plugging and Cementing:

Plug 1. 325 -265 m.
Plug 2. 165-110 m.

2.4 LOGGING AND TESTING

Wellsite Geologist:

J.Mulready

Mudlogging:

Lakes' own hot-wire gas detector was used to monitor ditch gas, and was supervised by D.Sisely

A mudlog recording lithology, penetration rate, mud gas and other data was prepared and is an enclosure to this report.

Ditch Cutting Samples :

Cuttings were collected at 10m. intervals from surface to 100m. and then at 3m. intervals to 441 m. (T.D). The cuttings samples and sets were:

Sample Type	No. Sets
Unwashed	1 (DPI)
Samplex Trays	1 (Operator)

Coring:

None.

Sidewall Cores:

None.

Testing:

None.

Wireline Logs:

One suite of logs were run by Schlumberger.

Run #1

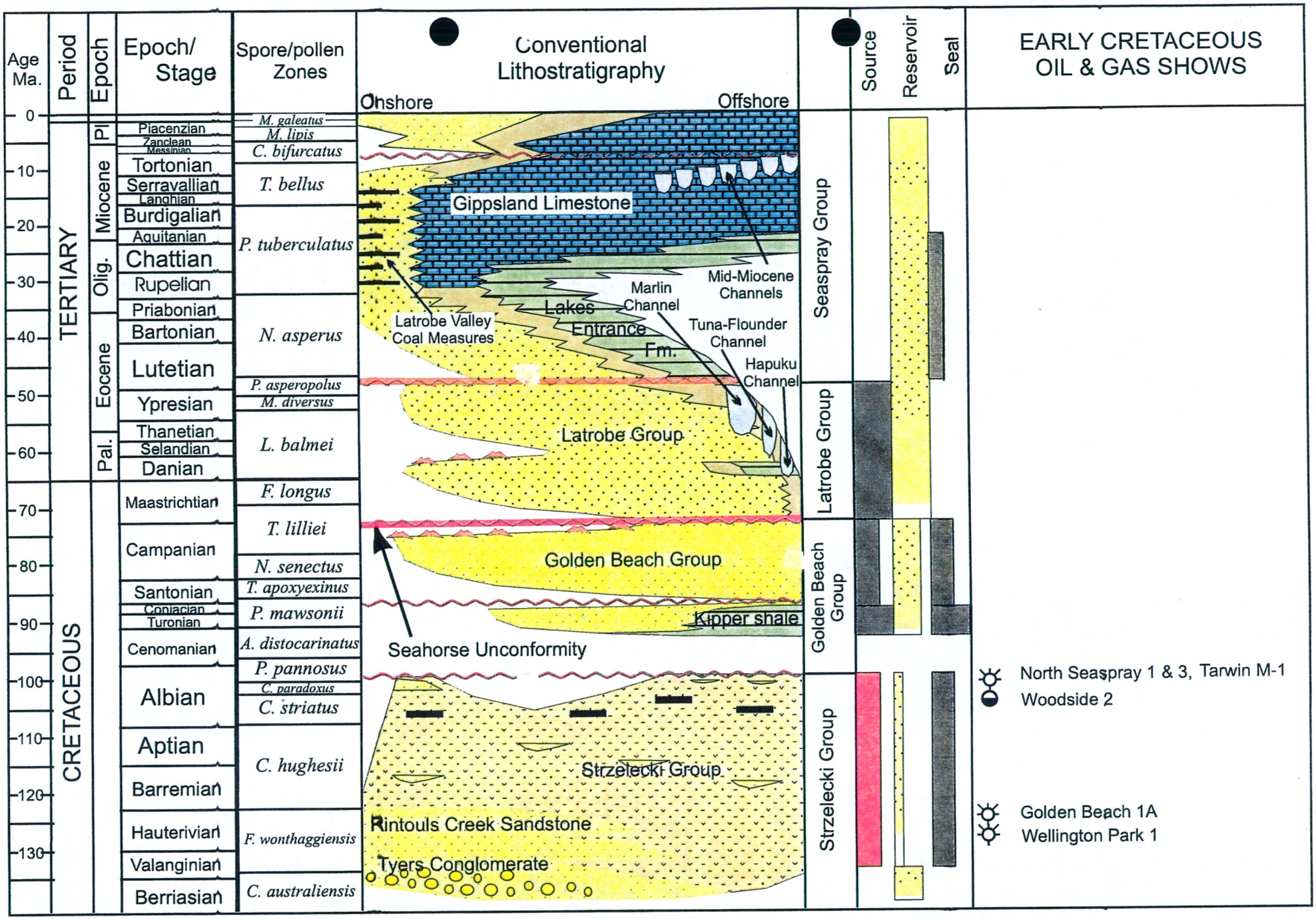
Type Log	Interval (m)
HALS-BHC-TLD-MCFL-CALI-CNL-GR-SP	439-83 m. (GR to Surface)

Temperature Surveys:

Wireline logging recorded a maximum bottom hole temperature of 42 ^{0}C

Velocity Survey:

None



LITHOSTRATIGRAPHY, GIPPSLAND BASIN

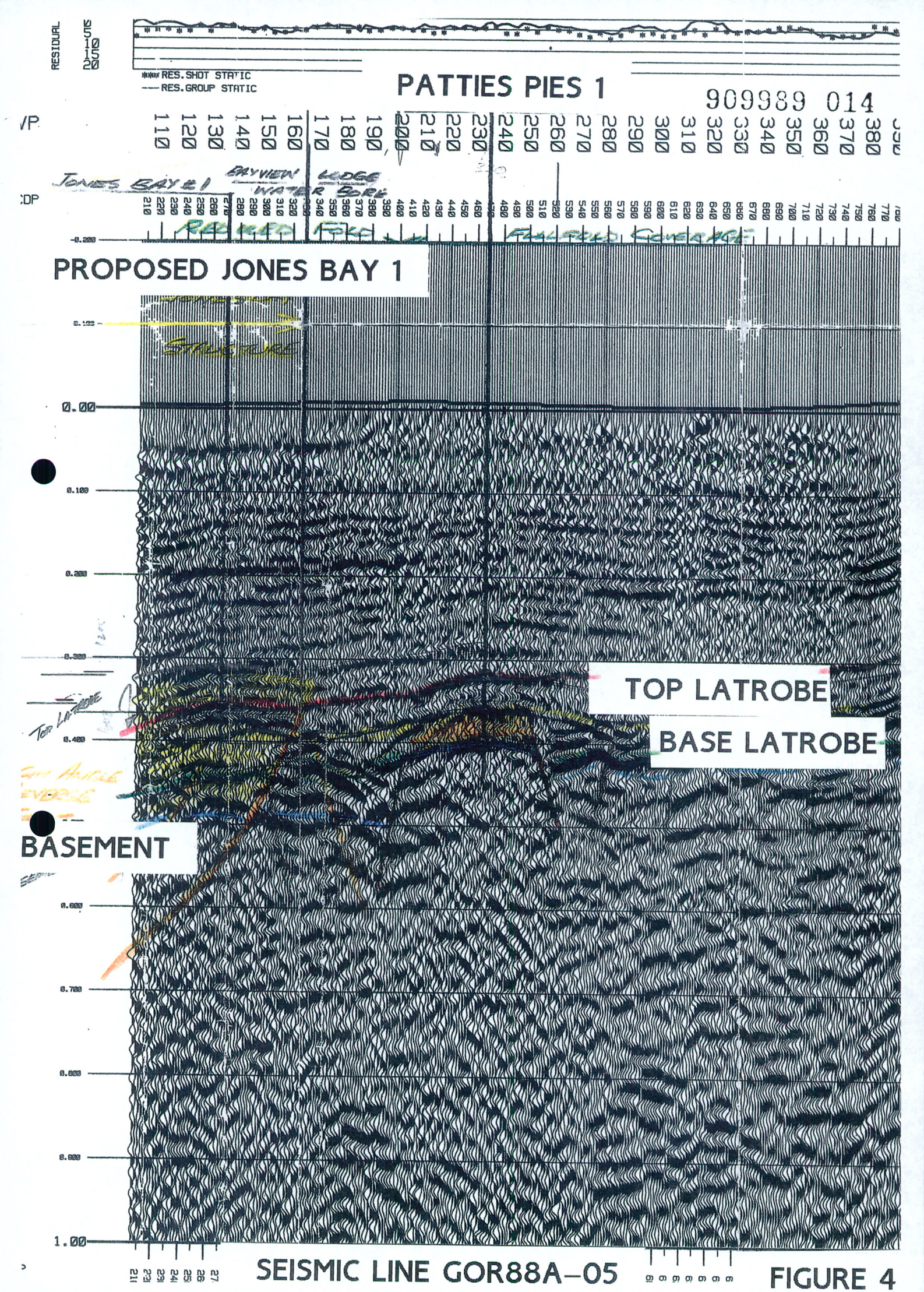
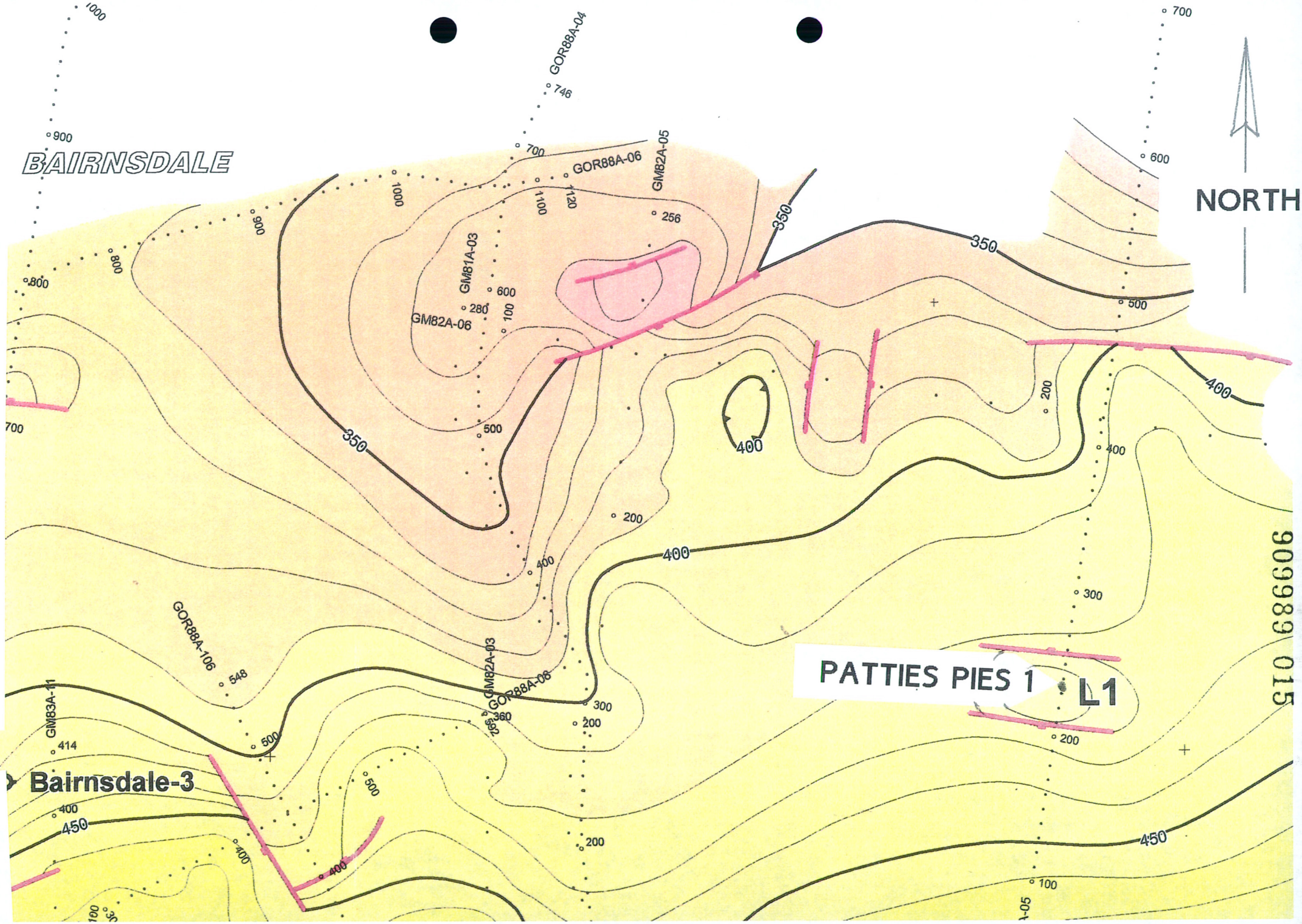

PATTIES PIES 1
PROPOSED JONES BAY 1
TOP LATROBE
BASE LATROBE
BASEMENT
SEISMIC LINE GOR88A-05

FIGURE 4



BASE LATROBE TWT STRUCTURE MAP

FIGURE 5

909989 015

3.0 GEOLOGY

3.1 REGIONAL GEOLOGY

The Gippsland Basin is an Early Cretaceous to Cainozoic Basin occupying approximately 46,000km^2 of the southeastern margin of the Australian continent. The basin is flanked on the north, west and south-west by Palaeozoic rocks and confined between the structural uplifts of the Victorian Highlands in the north and the Bassian Rise in the south. The eastern margin of the basin is open to the Tasman Sea. The Gippsland Basin is an east-west trending half graben feature with 70% of its area lying beneath Bass Strait and 30% onshore.

With the exception of occasional wildcat drilling in the boom of the 1980's, exploration of the onshore Gippsland Basin has been largely ignored since the 1970's.

The early exploration activities in the onshore part were aimed primarily at the Early Cretaceous Strzelecki Group and, later on, at the top of the Latrobe Group coarse clastics. However a lack of understanding of the stratigraphy and the mechanism of hydrocarbon generation, migration and timing of structures, along with poor quality of the seismic and well log data, resulted in a downgrading of the hydrocarbon potential of the onshore area.

3.2 TECTONIC HISTORY

The Gippsland Basin is a rift basin, which originated in the Late Jurassic to Early Cretaceous and consists of alternating half-graben structures along its east-west trend. It is characterised by a deep central basin, flanked by northern and southern terraces. In the onshore area Late Cretaceous movements were accompanied by volcanism. Several phases of positive structural inversion occurred in the Gippsland Basin from Mid-Oligocene to the present time, creating the major hydrocarbon bearing structures seen in the offshore region. The main phase occurred during the Late Miocene, which resulted in inversion of existing features and the creation of anticlinal structures.

3.3 STRUCTURAL ELEMENTS

The onshore area can be tectonically sub-divided into six major areas:

(A) Lakes Entrance Platform (Northern Platform): This lies immediately south of the Eastern Highlands, where the Palaeozoic Basement gently slopes southwards and is unconformably overlapped by Oligocene - Miocene marine sediments and thin Pliocene - Quartenary continental deposits.

(B) Latrobe Valley Depression: This lies between the Palaeozoic Eastern Highlands to the north and the Early Cretaceous Balook Block to the south. Over 700 meters of continental Latrobe Valley sediments are present in this area.

(C) Lake Wellington Depression: This lies to the south of the Lakes Entrance Platform, where over 1200 meters of Eocene to Pliocene sediments unconformably overlie the Early Cretaceous rocks. This trough is offset from the Latrobe Valley Depression to the west, by left lateral displacement on the Yinnar Transfer Fault Zone which occurred during the Tertiary. The boundary also closely coincides with the western limit of marine Tertiary sediments. To the east it merges with the Strzelecki Terrace.

(D) Baragwanath Anticline: This is the eastern extension of the outcropping Balook High. It is an Early Cretaceous block, which was elevated during Late Miocene time as a result of renewed lateral strike slip wrenching along the Boundary Fault Systems. It separates the Lake Wellington Depression to the north from the Seaspray Depression to the south. On the crest of the structure, thin Miocene strata are succeeded unconformably by a veneer of Pliocene-Pleistocence sediments. On the flanks of the structure, however, the Miocene sediments wedge out towards the crest by onlap at the base and erosion at the top of the sequence.

(E) Seaspray Depression: This is the onshore extension of the Central Deep. It occupies the southern onshore part of the basin, where the most complete stratigraphic section is present. The permit occupies the northeastern end of the Seaspray Depression.

(F) South Terrace: Wilson's Promontory is an erosional remnant of a broad shallow basement platform bounding the Gippsland Basin on its southern side. The Southern Terrace represents the edge of this platform. The Chitts Creek Conglomerate onlaps the South Terrace as a mirror image to the Tyers Conglomerate on the North Terrace.

3.4 PERMIT PEP 156

PEP136 was granted to Lakes in June 1997. During June 2000, following changes to the onshore legislation, the permit was granted for a further five year period, and the permit name changed to PEP156.

PEP156 covers an area of 3185 sq km within the onshore Gippsland Basin. Virtually all the permit is within the Northern Platform.

3.5 EXPLORATION HISTORY

Petroleum exploration in the permit commenced in the early 1960's and continued into the early 1970's, conducted mainly by Woodside and Arco. This exploration originally had as its main objective the Strzelecki Group, with emphasis moving to the Latrobe Group later in this period.

In 1985 Ampol et al drilled three exploration wells through the Latrobe Formation into metamorphic basement - Fairhope-1, Comley-1 and Paynesville-1.in all three wells the Latrobe section proved to be water saturated.

In 1990 Mosaic et al drilled a structural stratigraphic well (Avon-1) to test an Intra-Latrobe sand, which also proved to be water filled.

In 1997 Lakes drilled Investigator-1 (as well as Baudin-1 in the adjacent PEP 135) to test intra Latrobe plays. Neither of these wells produced significant hydrocarbon shows.

3.6 REASONS FOR DRILLING

It has been common knowledge for some time that water wells in the vicinity of Bairnsdale have produced significant amounts of gas in association with the water. In particular the well located on the Foard property approximately 2 km northwest of Patties Pies-1, and the bore on BAY View Lodge, approximately 500 m from Patties Pies-1.

3.7 STRATIGRAPHIC PROGNOSIS

In the absence of any logged wells in the vicinity, the stratigraphic prognosis was prepared from formation picks on Line GOR88A-05 and the knowledge that the nearby water bore on Walker's Bay View property was producing from near the top of the Latrobe Fm at around 1060 ft

A comparison between prognosed and actual formation tops is given below.

FORMATION	Prognosed (mKB)	Actual (mKB)	Difference (m) H /L
Tertiary Gravels	surface	Surface	0
Gippsland Limestone	85	35	50 H
Lakes Entrance	325	250	75 H
- Greensand member	*Not prognosed*	271 m	
Latrobe Group	300	297	3 H
Volcanics	*Not prognosed*	357	
Latrobe sands below volcanics	*Not prognosed*	412	
Basement	420	428	8 L
TD		441	

3.8 STRATIGRAPHY

TERTIARY GRAVELS

Surface to 35 metres. Thickness 33.5 m.

Clay: Red, red brown, grey, soft, sticky below 45 cm soil layer.

Sandstone: Red brown, very fine grained, well sorted, subrounded, argillaceous.

GIPPSLAND LIMESTONE

35-250 metres Thickness : 215 metres

Limestone: Light grey, grey brown calcarenite consisting of unconsolidated fine to coarse grained, with occasional very coarse grained and pebble sized shell fragments, predominantly bryozoa & corals, gasteropods, bivalves & occsaional forams. Good porosity. Traces of glauconite towards base. Interbedded with

Siltstone: (calcisiltite) light grey, occasionally white, calcareous speckled in part due to dark indeterminate inclusions, friable, sl.glauconitic, very sandy, grades to

Sandstone: light grey, occasionally white, very fine grained,subrounded, calcareous, argillaceous, very silty, grades to calcisiltite as above.
Some interbeds near base of unit of

Marl: grey green, soft, dispersive, slightly micaceous.

LAKES ENTRANCE FORMATION
250-300 metres. Thickness 50 metres.
250-273 m.

Marl: grey green, soft, dispersive, slightly micaceous
273-300 m.

Glauconitic Sandstone: grey, grey brown,firm, consisting of well sorted very fine grained rounded quartz, with common shell fossils, glauconite, mica and occasional carbonaceous? specks in a calcareous, slightly argillaceous matrix. Tight, no shows

Minor interbeds of limestone as above near the base of this unit.

LATROBE GROUP
297-429 m. Thickness 132 metres
300-357 m.

Sand: Light grey, consisting of unconsolidated clear and rare grey sub-rounded to rounded fine to coarse to very coarse grained and gravel sized quartz grains. Excellent porosity, no shows.
Traces of coal,black-brown, soft.
Very common pyrite nodules over the interval 321-345 m.
These produce violent fluctuations in the gamma ray log over this interval.

357-412 m.

Weathered basalt: **Claystone** with minor interbedded **Sandstone** (caved?)

Clay, lt brown, pink (Fe stained) in part, soft, dispersive, slightly calcerous.
Sandstone: as above Common Fe staining

412-428 m

Sand: Light grey, consisting of unconsolidated clear and rare grey sub-rounded to rounded fine to coarse grained quartz grains.
Common shell fragments & calcite
Excellent porosity, no shows.
Common limestone cavings.

BASEMENT:
428M -TD (441 m.)

Sandstone: Grey green, very fine grained,well sorted, slightly micaceous,siliceous
Tight. No shows.

3.9 HYDROCARBON SHOWS

No significant gas shows or fluorescence were recorded in the well.

The Latrobe Group primary target had low gas values and no fluorescence in the sands.

4.0 DISCUSSION AND CONCLUSIONS

Patties Pies-1 achieved it's objective of appraising the hydrocarbon potential of a horst block identified on Line GOR88A-05 from Ocean Resource's 1988 Bairnsdale Seismic Survey.

The primary target, the Latrobe Group, was expected to be intersected structurally higher than the producing reservoirs in the nearby Bay View Lodge water well, estimated as about 337 m subsea. This proved to be the case, as Patties Pies-1 intersected the Latrobe group at just above 300 m subsea. The sands had very good reservoir quality, but no significant hydrocarbon shows were encountered.

A weathered lava flow, which subcrops on the western margin of the basin, wasn't prognosed at the location, but proved to be 51 m thick, effectively bisecting the Latrobe sedimentary section. After running wireline logs, as no significant hydrocarbons had been observed, the well was plugged and left for the Landowner to complete as a water well from the Gippsland Limestone.

There is as yet no satisfactory answer as to why no gas was encountered at a structurally higher location than the nearby Bay View Lodge bore, and the lack of adequate seismic and well control makes it difficult to adequately explore the possibilities.

Lakes is currently considering drilling a second well on the southern (downthrown) side of the horst in order to more fully evaluate the potential for commercial development of gas in the Bairnsdale vicinity.

5.0 COMPLETION

None – the well was plugged above the Latrobe Group aquifers and is to be converted by the landowner to a water well producing for stock & domestic purposes from the Gippsland Limestone.

Table II. PATTIES PIES-1

STRATIGRAPHIC TABLE KB= 3.7 m. GL=2.2 m.

AGE	FORMATION	Depth (mKB)	Depth (mSS)	Thickness (m)
Tertiary Gravels		Surface	2.2	33.5
TERTIARY – Miocene-Oligocene	Gippsland Limestone	35	-31	215
TERTIARY – Oligocene	Lakes Entrance	250	--246	47
	Glauconitic Sand Mbr.	(271)	(-267)	(26)
TERTIARY – E Oligocene-Eocene	Latrobe Group	297	-293	131
	Volcanics	(357)	(-353)	(65)
	Latrobe Group Sands (cont.)	(412)	(-408)	(16)
PALAEOZOIC Basement		428	-424	
	TD	441	-437	

APPENDIX 1

CUTTINGS DESCRIPTIONS

PATTIES PIES-1 CUTTINGS DESCRIPTIONS
Wellsite Geologist: J. Mulready. Well spudded 3.03

DEPTH m	ROP min/m	Gas Units	DESCRIPTION
0-10			**Clay**: Red, red brn, soft. sticky below 45 cm soil layer **Sstone**: rd brn, vfg, w. sorted, srded, arg.
10-20			**Clay**: gy, soft, puggy.
20-30			**Clay**: a/a
30-40			**Limestone**: orge brn, cons of shell frags tr coal, (Poor sample)
40-50			No returns
50-60			No returns
60-70			No returns
70-80			No returns
80-90			No returns
90-100			No returns
100-102	1	0	70% **Limestone**: (calcirudite) Lt gy, gy brn f-cg shall frags, pred. bryozoa, coral, occ. forams, gastrepods and bivalves. Good porosity. 30% **Sstone:** gy vfg srded calc arg slty sst grades to calc sltst. Tight Tr glauc.
102-105	1	0	70% **Limestone**: a/a 305 **Sst/Sltst**: a/a Tr glauc a/a
105-108	1.1	0	70% **Limestone**: a/a 30% **Sst/Sltst**: a/a Tr glauc a/a
108-111	2	0	80% **Limestone:** a/a vcg-pebbly frags common 20% **Sst/Sltst**: a/a incorporates occ echinoid spines. Tr glauc a/a
111-114	1	0	70% **Limestone:** a/a 30% **Sst/Sltst:** lt gy occ wh, 'speckled' appearance from dark inclusions, vfg srded calc sl glauc. friable
114-117	1	0	50% **Limestone:** a/a

			50% **Sst/Sltst:** a/a
117-120	1	0	50% **Limestone:** a/a 50% **Sst/Sltst:** a/a
120-123	1	0	40% **Limestone:** a/a 60% **Sst/Sltst:** a/a
123-126	1	0	20% **Limestone:** a/a 80% **Sst/Sltst:** a/a
126-129	1.7	0	20% **Limestone:** a/a 80% **Sst/Sltst:** a/a
129-132	1	0	50% **Limestone:** a/a 50% **Sst/Sltst:** a/a
132-135	.8	0	60% **Limestone:** a/a 40% **Sst/Sltst:** a/
135-138	1	0	60% **Limestone:** a/a 40% **Sst/Sltst:** a/a
138-141	1.1	0	60% **Limestone:** a/a 40% **Sst/Sltst:** a/a
141-144	1	0	90% **Limestone:** a/a 10% **Sst/Sltst:** a/a
144-147	1	0	90% **Limestone:** a/a 10% **Sst/Sltst:** a/a
147-150	1.1	0	**Limestone**: a/a
150-153	1.3	0	90% **Limestone:** a/a 10% **Sst/Sltst:** a/a
153-156	1.1	0	90% **Limestone:** a/a 10% **Sst/Sltst:** a/a
156-159	1	0	**Limestone**: a/a
159-162	1	0	**Limestone**: a/a
162-165	1	0	80% **Limestone**: a/a 20% **Sst/Sltst**: a/a
165-168	1	0	90% **Limestone:** a/a 10% **Sst/Sltst:** a/a

168-171	1	0	80% **Limestone**: a/a 20% **Sst/Sltst**: a/a
171-174	1	0	80% **Limestone**: a/a 20% **Sst/Sltst**: a/a
174-177	2	0	**Limestone**: a/a
177-180	2.2	0	80% **Limestone**: a/a 20% **Sst/Sltst**: a/a
180-183	2.2	0	90% **Limestone**: a/a 10% **Sst/Sltst**: a/a
183-186	2.2	0	90% **Limestone**: a/a 10% **Sst/Sltst**: a/a
186-189	2.1	0	80% **Limestone**: a/a 20% **Sst/Sltst**: a/a
189-192	2.1	0	90% **Limestone**: a/a 10% **Sst/Sltst**: a/a
192-195	2.1	0	70% **Limestone**: a/a 30% **Sltstone**: grn-gy, soft, calc
195-198	2.1	0	70% **Limestone**: a/a 30% **Sltstone**: a/a
198-201	2.1	0	**Limestone**: lt gy, wh, cons pred of f-mg shell frags (pred. bryozoa and coral) and wh calcite. Tr glauc, Tr gy sltst a/a
201-204	2.6	0	50% **Limestone**: a/a 50% **Sltstone**: lt gy with blk speckles, calc. soft
204-207	2.1	0	50% **Limestone**: a/a 50% **Sltstone**: lt gy with blk speckles, calc. soft
207-210	1.7	0	**Limestone**: a/a some evidence of marl interbeds – prob. passing into suspension in mud
210-213	1.1	0	**Limestone**: a/a
213-216	2.1	0	**Limestone**: a/a
216-219	2.6	0	**Limestone**: a/a
219-222	2.1	0	**Limestone**: a/a
222-225	2.0	0	**Limestone**: a/a
225-228	1.3	0	**Limestone**: a/a Tr glauc Tr sltst a/a

228-231	1.7	0	**Limestone**: a/a Tr glauc Tr sltst a/a grading to marl
231-234	1.1	0	50% **Limestone**: a/a 50% **Marl**: gy grn, soft, dispersive, sl mic.
234-237	2.7	0	90% **Marl**: a/a 10% **Limestone**: a/a
237-240	2.3	0	90% **Marl**: a/a 10% **Limestone**: a/a
240-243	1.7	0	**Limestone**: a/a cemented in par
243-246	4.7	0	**Limestone**: (calcarenite) Cons of vfg shell frags occ glauc in a calc matx tr mica
246-249	1	0	80% **Marl:** gy grn, soft, dispersive, sl mic. 20% **Limestone**: a/a
249-252	1	0	**Marl:** gy grn, soft, dispersive, sl mic.
252-255	1	0	**Marl:** a/a
255-258	1	0	**Marl:** a/a
258-261	1	0	**Marl:** a/a
261-264	0.8	0	**Marl:** a/a
264-267	1	0	**Marl:** a/a
267-270	2	0	**Marl:** a/a
270-273	2.1	0	**Marl:** a/a
273-276	1	0	70% **Glauconitic Sstone**: gy, gy brn, firm, cons. of w.sorted vfg rded qtz, shell frags, glauc, occ carb? spx mica in a white calc sl arg matx 30% **Marl**: a/a Comm Tr lst a/a
276-279	1	0	**Glauconitic Sstone**: a/a Tr Lst a/a
279-282	1	0	**Glauconitic Sstone**: a/a Tr Lst a/a
282-285	1	0	**Glauconitic Sstone**: a/a Tr Lst a/a
288-290	1	0	**Glauconitic Sstone**: a/a Tr Lst a/a Tr pyr. Circ Bottoms up @ 290 m. ***Ran carbide test 136 units after 11 min*** ***Lag 6+ min. Mud wt 9.1 Vis* 42**
290-294	2.1	1	80% **Glauconitic Sandstone**: a/a 20% **Limestone**: a/a
294-297	1.6	1	**Sand**: Lt gy, cons. of unconsol.clr rare gy sbrded-rded c-vcg & gravel size qtz, grains. abd. pyr. No shows.

			Tr **Glauconitic Sstone**: a/a ***Top Latrobe ~295 m***
297-300	1.6	1	**Sand**: a/a No shows
300-303	2	1	**Sand**: a/a No shows
303-306	2	1	**Sand**: a/a No shows
306-309	1	1	**Sand**: a/a No shows
309-312	1	0	**Sand**: a/a No shows
312-315	1	0	**Sand**: a/a common grvel size qtz No shows
315-318	1	1	**Sand**: a/a No shows
318-321	1.6	0	**Sand**: a/a No shows
321-324	1.5	1	**Sand**: a/a Pyrite>30% No shows
324-327	1.1	0	**Sand**: a/a Pyrite 10% No shows
327-330	1.1	O	**Sand**: a/a Pyrite 10% No shows
330-333	2.1	1	**Sand**: a/a Pyrite 10% No shows
333-336	1.1	0	**Sand**: a/a Pyrite 10% No shows
336-339	1.1	1	**Sand**: a/a Pyrite 10% Tr coal bl-brn, soft No shows
339-342	1.1	0	**Sand:** a/a Pyrite 10% Tr coal a/a No shows
342-345	1.1	1	**Sand:** a/a Pyrite 10% No shows
345-348	1	1	**Sand**: lt gy, f-mg, srded - rded, clr, gy & wh qtz and abdt mica grains. No shows. Comm. Tr black **coal**
348-351	7.0	0	**Sand**: Lt gy, cons. of unconsol.wh, lt brn sang-srded pred m-cg qtz, grains. abd. pyr. Comm Tr mica Comm calc claystone, lt brn soft No shows
351-354	2	0	**Sand**: Lt gy, cons. of unconsol.clr rare gy sbrded-rded c-vcg & gravel size qtz, grains. abd. pyr. No shows
354-357	1.1	1	***Poor sample Mostly cavings***
357-360	1.6	0	**Clay (weathered volcanics)**: lt brn, soft, dispersive calc. **Sand** a/a
360-363	2.1	0	**Clay(weathered volcanics):** pink, otherwise a/a and Fe stained **Sand**, generally a/a
363-366	3	0	**Clay (weathered volcanics)** a/a and **Sand**: wh occ grn also Fe stained in part cg-gravel, sang-srded, Comm Tr corals & calc frags Tr galena Tr pyr
366-369	3	1	**Clay(weathered volcanics)**: a/a and **Sand**: wh also Fe stained in part cg-gravel, sang-srded,calc in part.

			Comm Tr corals & calc frags Tr galena
369-372	5	0	**Clay(weathered volcanics)**: a/a **Sand**: a/a comm. Fe staining Pred gravel size. Calc in part
372-375	2	0	**Clay (weathered volcanics)**: a/a **Sand**: a/a comm. Fe staining
375-378	3	1	**Clay (weathered volcanics)**: a/a **Sand**: a/a comm. Fe staining
378-381	3.3	0	**Clay(weathered volcanics)**: a/a **Sand**: a/a comm. Fe staining
381-384	6.1	1	**Clay(weathered volcanics)**: a/a **Sand**: a/a comm. Fe staining
384-387	3.7	0	**Clay (weathered volcanics)**: a/a **Sand:** a/a comm. Fe staining
387-390	3.7	1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a comm. Fe staining
390-393	3.3	1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a comm. Fe staining
393-396	3.7	1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a comm. Fe staining
396-399	4.1	1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
399-402	2.7	1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
402-405		1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
405-408		1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
405-408		1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
408-411		1	**Clay (weathered volcanics)**: a/a lt brn colour **Sand:** a/a
411-414		1	**Clay (weathered volcanics)**: a/a lt brn colour

			Sand: a/a
414-417		1	**Sand**: lt gy,srded-rded, f-cg, unconsol. Comm Tr calc siltst and calcite No shows
417-420		1	**Sand**: a/a Tr pyr. Common shell frags & calc. (cvgs) No shows
420-423		1	**Sand**: a/a. Common shell frags & calc No shows
420-423		1	**Sand**: a/a Common shell frags & calcite. No shows
423-426		1	**Sand**: a/a. Common shell frags No shows
426-429		1	90% **Sand**: a/a common shell frags & calcite No shows 10% **Sandstone**: gy grn vfg, w/sted, srded, sl mic, silic tight No shows ***Top basement ~429 m.***
429-432		1	30% **Sand**: a/a No shows (cavings?) 30% **Sandstone**: a/a No shows 40% **Limestone**: Shell frags (esp corals and bryozoa) and calcite (cavings?)
432-435		1	60% **Sandstone**: a/a No shows 20% **Sand**: a/a No shows (cavings?) 20% **Limestone**: a/a (cavings?)
435-438		1	60% **Sandstone**: a/a No shows 20% **Sand**: a/a No shows (cavings?) 20% **Limestone**: a/a (cavings?)
438-441		1	60% **Sandstone**: a/a No shows 20% **Sand**: a/a No shows (cavings?) 20% **Limestone**: a/a (cavings?) ***TOTAL DEPTH***

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

RMN Drilling Fluids

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

RMN Drilling Fluids

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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

RMN Drilling Fluids

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

RMN Drilling Fluids

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 : KCl Polymer
INTERVAL : 98 m - 431 m (TD)
CASING : P & A

While waiting on cement, cleaned out cellar and pumping equipment. Installed Braden head, nippled 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. KCl 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. KCl was also added to maintain the KCl 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

RMN Drilling Fluids

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 loses 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.

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

RMN Drilling Fluids

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.

RMN Drilling Fluids

3. INTERVAL COSTS

Product			8-1/2" Surface Hole			6-1/8" Production Hole			Total Well Consumption		
	Interval :		0 - 98 m			98 m - 441 m (TD)			0 - 441 m (TD)		
	Cost	Unit Size	Used	Cost	%Cost	Used	Cost	%Cost	Used	Cost	%Cost
AMC Pac-LV	$ 177.50	25 kg				1	$177.50	6.4%	1	$177.50	3.4%
AMC Pac-R	$ 177.50	25 kg				6	$1,065.00	38.4%	6	$1,065.00	20.4%
Ausgel	$ 13.50	25 kg	84	$1,134.00	46.4%				84	$1,134.00	21.7%
Caustic Soda	$ 35.00	20 kg	1	$35.00	1.4%	2	$70.00	2.5%	3	$105.00	2.0%
Defoamer	$ 145.00	25 lt				2	$290.00	10.5%	2	$290.00	5.6%
Enerseal Fine	$ 52.00	25 kg	24	$1,248.00	51.0%				24	$1,248.00	23.9%
KCl	$ 18.00	25 kg				62	$1,116.00	40.2%	62	$1,116.00	21.4%
Soda Ash	$ 28.00	25 kg	1	$28.00	1.1%	2	$56.00	2.0%	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**	

RMN Drilling Fluids

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

RMN Drilling Fluids

5. FLUID PROPERTIES SUMMARY

Date	Mud Type	Depth	Weight	Vis	PV	YP	Gels		Filtrate		Solids									
							10 sec	10 min	API	Cake	Solids	Water	Sand	MBT	pH	Pf	Mf	Cl-	Ca++	KCl
15/3/2003	Gel	0	8.60	36	10	6	2	3							9.0	0.20	0.30	300	300	
16/3/2003	Gel	25	8.60	35	10	6	2	3			1.9	98.1			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

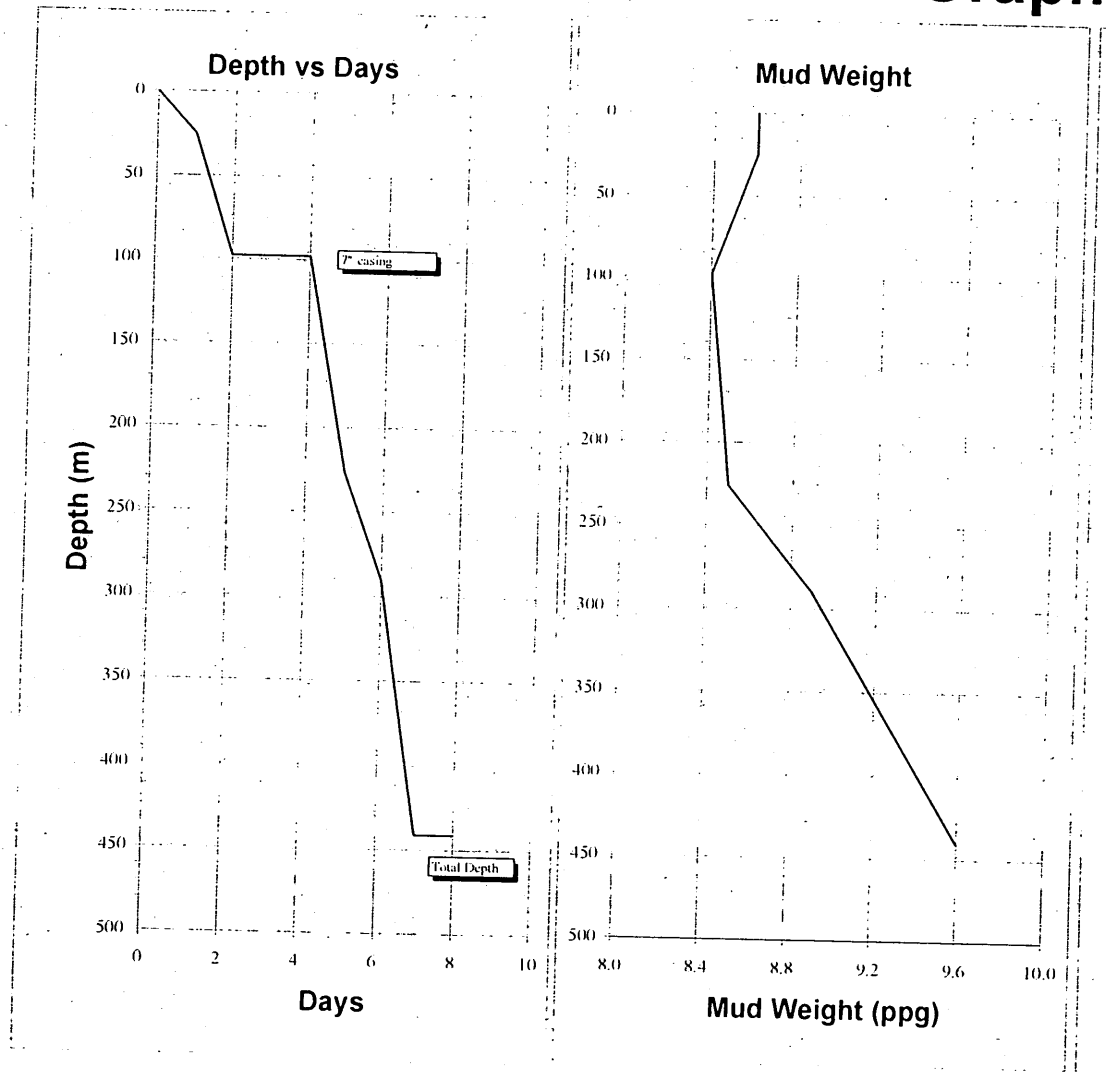
RMN Drilling Fluids

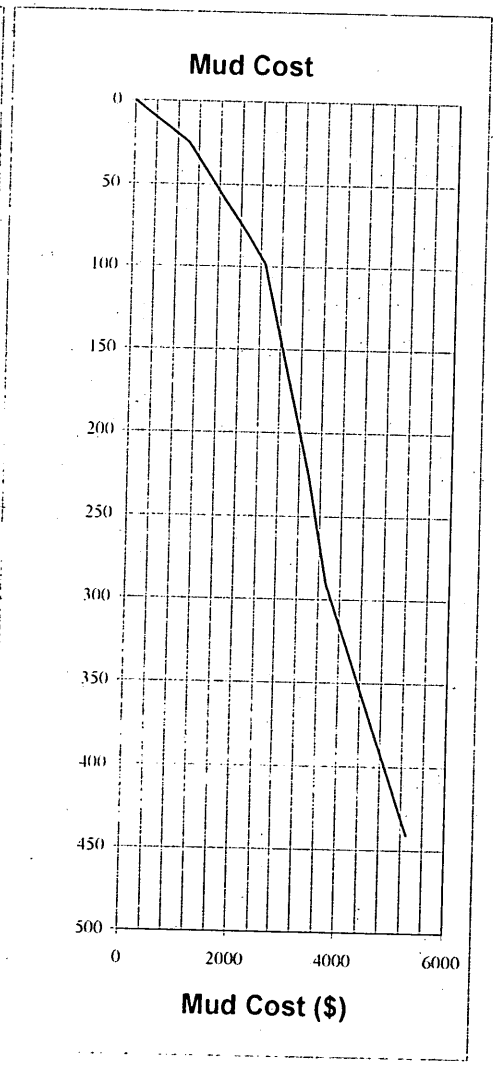
6. Mud Volume Analysis

Date	Hole Size	Interval		Mud Type	Fluid Built & Received					Fluid Disposed					Summary			
		From	To		Fresh Premix	Sump Premix	Direct Recirc	Water	Other	De-sander	De-silter	Down-hole	Dumped	Other	Initial	Received	Disposed	Final
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		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		10	90	60	56	94
18-Mar-03	8-1/2"	98 m	98 m	Gel										10	94	0	10	84
Sub Total					**100**	**60**	**0**	**0**	**0**	**0**	**0**	**51**	**0**	**25**		**160**	**76**	
19-Mar-03	6-1/8"	98 m	98 m	KCl Pac				100						19	84	100	19	165
20-Mar-03	6-1/8"	98 m	226 m	KCl Pac	30							5		55	165	30	60	135
21-Mar-03	6-1/8"	226 m	290 m	KCl Pac	30			20				5		35	135	50	40	145
22-Mar-03	6-1/8"	290 m	441 m	KCl Pac	30			60				11		60	145	90	71	164
23-Mar-03	6-1/8"	441 m	441 m	KCl Pac										5	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 Length	Dilution Vol	Dilution Factor
8½" 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





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8. Daily Drilling Fluids Reports

RMN Drilling Fluids

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 Pie # 1	FIELD	Wildcat
LOCATION	Gippsland Basin	STATE	Victoria

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

SAMPLE FROM	MUD PROPERTIES		
TIME SAMPLE TAKEN			
DEPTH (ft) - (m)	Metres		
FLOWLINE TEMPERATURE	°C / °F		
WEIGHT	ppg / SG		
FUNNEL VISCOSITY (sec/qt) API @	°C		
PLASTIC VISCOSITY cP @	°C		
YIELD POINT (lb/100ft²)			
GEL STRENGTHS (lb/100ft²) 10 sec/10 min			
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.)			
METHYLENE BLUE CAPACITY (ppb equiv.)			
pH			
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)			
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 (bbls)

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

Product	Price	Start	Received	Used	Close	Cost

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1		
Degasser			Desilter			Shaker #2		

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

909989 046

RMN Drilling Fluids

DRILLING FLUID REPORT

Report #	2	Date :	14-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 Pie # 1	FIELD: Wildcat	LOCATION: Gippsland Basin / STATE: Victoria

DRILLING ASSEMBLY			JET SIZE		
BIT SIZE	TYPE				
DRILL PIPE SIZE	TYPE #	Length Mtrs			
DRILL PIPE SIZE	TYPE HW	Length Mtrs			
DRILL COLLAR SIZE (")		Length Mtrs			

CASING		
SURFACE SET @	ft	M
INT. SET @	ft	M
PROD. or LNR Set @	ft	M
MUD TYPE	AIR	

MUD VOLUME (BBL)		
HOLE	PITS	
TOTAL CIRCULATING VOL.		
IN STORAGE		

CIRCULATION DATA		
PUMP SIZE 5.5 X 10 Inches		CIRCULATION PRESS (PSI) psi
PUMP MODEL: CLARK	ASSUMED EFF	BOTTOMS UP (min) min
BBL/STK	STK / MIN	TOTAL CIRC. TIME (min) min
BBL/MIN	GAL / MIN	ANN VEL. (ft/min) DP / DCs

MUD PROPERTIES		
SAMPLE FROM		FL
TIME SAMPLE TAKEN		
DEPTH (ft) - (m)	Metres	
FLOWLINE TEMPERATURE	°C / °F	
WEIGHT	ppg / SG	
FUNNEL VISCOSITY (sec/qt) API @	°C	
PLASTIC VISCOSITY cP @	°C	
YIELD POINT (lb/100ft²)		
GEL STRENGTHS (lb/100ft²) 10 sec/10 min		
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.)		
METHYLENE BLUE CAPACITY (ppb equiv.)		
pH		
ALKALINITY MUD (Pm)		
ALKALINITY FILTRATE (Pf / Mf)		
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

MAKE UP WATER TESTED CHORIDES 300MG/L
HARDNESS 300MG/L
PH 7.5

FIXING MUD STSTEM. TO MIX ADDITIONAL PROPERTIES

OPERATIONS SUMMARY

DRILLED AHEAD 12 1/4 " BIT WITH AIR
SET 9 5/8 " SURFACE CASING AND CEMENT.

Mud Accounting (bbls)

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

Product	Price	Start	Received	Used	Close	Cost

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1		
Degasser			Desilter			Shaker #2		

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ 0 Hrs		
K @ 0 Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST

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RMN Drilling Fluids

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 Pie # 1	FIELD: Wildcat	LOCATION: Gippsland Basin / STATE: Victoria

DRILLING ASSEMBLY		JET SIZE	CASING	MUD VOLUME (BBL)		CIRCULATION DATA	
BIT SIZE 8.5	TYPE MH113G		9 5/8 SURFACE SET @ ft / M	HOLE 1	PITS 89	PUMP SIZE 5.5 X 10 Inches	CIRCULATION PRESS (PSI) psi
DRILL PIPE SIZE	TYPE #	Length Mtrs	INT. SET @ ft / M	TOTAL CIRCULATING VOL. 90		PUMP MODEL CLARK / ASSUMED EFF	BOTTOMS UP (min) min
DRILL PIPE SIZE	TYPE HW	Length Mtrs	PROD. or LNR Set @ ft / M	IN STORAGE		BBL/STK / STK/MIN	TOTAL CIRC. TIME (min) min
DRILL COLLAR SIZE (")		Length Mtrs	MUD TYPE GEL			BBL/MIN / GAL/MIN	ANN VEL. (ft/min) DP / DCs

MUD PROPERTIES		
SAMPLE FROM	FL	
TIME SAMPLE TAKEN	1.30	
DEPTH (ft) - (m) Metres		
FLOWLINE TEMPERATURE °C / °F		
WEIGHT ppg / SG	8.60 1.032	
FUNNEL VISCOSITY (sec/qt) API @ °C	35	
PLASTIC VISCOSITY cP @ °C	10	
YIELD POINT (lb/100ft²)	6	
GEL STRENGTHS (lb/100ft²) 10 sec/10 min	2 3	
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.)		
METHYLENE BLUE CAPACITY (ppb equiv.)		
pH	9.0	
ALKALINITY MUD (Pm)		
ALKALINITY FILTRATE (Pf / Mf)	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)		

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

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

Product	Price	Start	Received	Used	Close	Cost

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	
Degasser			Desilter			Shaker #2	20/80	

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ 0 Hrs		
K @ 0 Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
	$1.015.00

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909989 048

DRILLING FLUID REPORT

RMN Drilling Fluids

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

	TYPE	JET SIZE	Length	
BIT SIZE 8.5	MH113G			
DRILL PIPE SIZE 3.5	TYPE G #		Length 29	Mtrs
DRILL PIPE SIZE	TYPE HW		Length	Mtrs
DRILL COLLAR SIZE (") 6.00 / 4.75			Length 69	Mtrs

CASING

7" SURFACE SET @	295	ft
	90	M
INT. SET @		ft
		M
PROD. or LNR Set @		ft
		M
MUD TYPE	GEL	

MUD VOLUME (BBL)

HOLE	PITS
10	84
TOTAL CIRCULATING VOL. 94	
IN STORAGE	

CIRCULATION DATA

PUMP SIZE 5.5 X 10 Inches		CIRCULATION PRESS (PSI)	1400 psi
PUMP MODEL CLARK	ASSUMED EFF 95.0	BOTTOMS UP (min)	min
BBL/STK 0.2670	STK / MIN 66	TOTAL CIRC. TIME (min)	8 min
BBL/MIN 7.28	GAL / MIN 306	ANN VEL. (ft/min) DP 125 / DCs 207	151

MUD PROPERTIES

SAMPLE FROM	FL	
TIME SAMPLE TAKEN	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/100ft²)	14	
GEL STRENGTHS (lb/100ft²) 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 / Mf)	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 BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	91
Premix (recire from sump)	60	Desilter			
Drill Water		Downhole	47	+ FLUID RECEIVED	60
Direct Recire Sump		Dumped		-FLUID LOST	57
Other (eg Diesel)		Other	10	+ FLUID IN STORAGE	
TOTAL RECEIVED	60	TOTAL LOST	57	FINAL VOLUME	94

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

Solids Control Equipment

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

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis

	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data

Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
$1,472.00	$2,487.00

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909989 049

RMN Drilling Fluids

DRILLING FLUID REPORT

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 Pie # 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 / 90 M	HOLE 10 / PITS 74	PUMP SIZE 5.5 X 10 Inches; CIRCULATION PRESS (PSI)
DRILL PIPE SIZE	TYPE #	Length Mtrs	INT. SET @ ft / M	TOTAL CIRCULATING VOL. 84	PUMP MODEL CLARK; ASSUMED EFF 95.0; BOTTOMS UP (min) psi
DRILL PIPE SIZE	TYPE HW	Length Mtrs	PROD. or LNR Set @ ft / M	IN STORAGE	BBL/STK; STK/MIN 66; TOTAL CIRC. TIME (min) min
DRILL COLLAR SIZE (")		Length Mtrs	MUD TYPE GEL		BBL/MIN; GAL/MIN; ANN VEL. DP / DCs (ft/min)

MUD PROPERTIES			
SAMPLE FROM		FL	
TIME SAMPLE TAKEN		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/100ft²)		14	
GEL STRENGTHS (lb/100ft²) 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.)		1.50	
METHYLENE BLUE CAPACITY (ppb equiv.)			
pH		8.0	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		0.50 0.80	
CHLORIDE (mg/L)		500	
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

CIRCULATED AND CONDITION HOLE FOR CASING

CEMENT WEIGHT 15.3 LBS/ GAL

OPERATIONS SUMMARY

RIG UP FOR RUNNING OF 9 5/8" CASING WITH CIRCULTING HEAD
RIG UP CEMENT EQUIPMENT .SAFTEY MEETING.
CIRCULATE AND CEMENTING. DISPLACE.
RIG DOWN CEMENT EQUIPMENT

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	94
Premix (recirc from sump)		Desilter		+ FLUID RECEIVED	
Drill Water		Downhole		-FLUID LOST	10
Direct Recirc 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

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	12
Degasser			Desilter			Shaker #2	20/80	12

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
	$2,487.00

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909989 050

RMN Drilling Fluids

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 Pie # 1	FIELD: Wildcat	LOCATION: Gippsland Basin / STATE: Victoria

DRILLING ASSEMBLY		JET SIZE	CASING	MUD VOLUME (BBL)	CIRCULATION DATA
BIT SIZE	TYPE		7" SURFACE 295 ft, SET @ 90 M	HOLE 10 / PITS 155	PUMP SIZE 5.5 X 10 Inches; CIRCULATION PRESS (PSI) psi
DRILL PIPE SIZE	TYPE #	Length Mtrs	INT. ft, SET @ M	TOTAL CIRCULATING VOL. 165	PUMP MODEL CLARK; ASSUMED EFF 95.0; BOTTOMS UP (min) min
DRILL PIPE SIZE	TYPE HW	Length Mtrs	PROD. or LNR Set @ ft, M	IN STORAGE	BBL/STK; STK / MIN 66; TOTAL CIRC. TIME (min) min
DRILL COLLAR SIZE (")		Length Mtrs	MUD TYPE GEL		BBL/MIN; GAL / MIN; ANN VEL. (ft/min) DP DCs

MUD PROPERTIES		
SAMPLE FROM	FL	
TIME SAMPLE TAKEN	10.00	
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/100ft²)	14	
GEL STRENGTHS (lb/100ft²) 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)		
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 / Mf)	0.50 0.80	
CHLORIDE (mg/L)	500	
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

FILLED DAY TANKS AND PITS WITH TRUCK LOAD
OF FRESH WATER

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

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	84
Premix (recirc from sump)		Desilter			
Drill Water	100	Downhole		+ FLUID RECEIVED	100
Direct Recirc Sump		Dumped		-FLUID LOST	19
Other (eg Diesel)		Other	19	+ FLUID IN STORAGE	
TOTAL RECEIVED	100	TOTAL LOST	19	FINAL VOLUME	95

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	
Degasser			Desilter			Shaker #2	20/80	

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Product	Price	Start	Received	Used	Close	Cost

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

909989 051

RMN Drilling Fluids

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)	
BIT SIZE	TYPE				7" SURFACE SET @	295 ft / 90 M	HOLE	PITS
							25	110
DRILL PIPE SIZE 3.5	TYPE G #	Length 27 Mtrs			INT. SET @	ft / M	TOTAL CIRCULATING VOL.	
							135	
DRILL PIPE SIZE	TYPE HW	Length Mtrs			PROD. or LNR Set @	ft / M	IN STORAGE	
DRILL COLLAR SIZE (")		Length			MUD TYPE			
4.75		83 Mtrs			KCl Pac			

CIRCULATION DATA			
PUMP SIZE			CIRCULATION PRESS (PSI)
5.5 X 10 Inches			psi
PUMP MODEL	ASSUMED EFF		BOTTOMS UP (min)
CLARK	80.0		min
BBL/STK	STK / MIN		TOTAL CIRC. TIME (min)
			min
BBL/MIN	GAL / MIN		ANN VEL. DP (ft/min) DCs

MUD PROPERTIES

SAMPLE FROM		FL	
TIME SAMPLE TAKEN		4.00	
DEPTH (ft) - (m)	Metres	180	
FLOWLINE TEMPERATURE	°C / °F		
WEIGHT	ppg / SG	8.50	1.020
FUNNEL VISCOSITY (sec/qt) API @	°C	36	
PLASTIC VISCOSITY cP @	°C	4	
YIELD POINT (lb/100ft²)		9	
GEL STRENGTHS (lb/100ft²) 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.)			
pH		9.5	
ALKALINITY MUD (Pm)			
ALKALINITY FILTRATE (Pf / Mf)		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 PROPERTY SPECIFICATIONS

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

OBSERVATIONS

INITIALLY BUILT MUD TO 2.5 % KCL AND STARTED DRILLING,
ADDING PAC L TO GIVE ADDITIONAL PROPERTIES
TREATED MUD TO CONTROL CEMENT CONTAMNATION

OPERATIONS SUMMARY

PRESSURE TEST BRADIN AND CHOKE
RUN IN BHA AND DRILLED OUT CEMENT SHOE AND PLUG
DRILL AHEAD TO 226M

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)	30	Desander		INITIAL VOLUME	165
Premix (recire from sump)		Desilter			
Drill Water		Downhole	5	+ FLUID RECEIVED	30
Direct Recire Sump		Dumped		-FLUID LOST	10
Other (eg Diesel)		Other	5	+ FLUID IN STORAGE	
TOTAL RECEIVED	30	TOTAL LOST	10	FINAL VOLUME	135

Product	Price	Start	Received	Used	Close	Cost
AMC Pac-LV	$ 177.50	10		1	9	$ 177.50
Defoamer	$ 145.00	4		2	2	$ 290.00
KCl	$ 19.75	80		20	60	$ 395.00
Soda Ash	$ 28.00	3		1	2	$ 28.00

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	12
Degasser			Desilter			Shaker #2	20/80	12

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Solids Analysis

	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data

Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
$890.50	$3,377.50

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

909989 052

DRILLING FLUID REPORT

RMN Drilling Fluids

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

MUD PROPERTIES		
SAMPLE FROM	FL	
TIME SAMPLE TAKEN	12.00	
DEPTH (ft) - (m) Metres	290	
FLOWLINE TEMPERATURE °C / °F		
WEIGHT ppg / SG	8.90 1.068	
FUNNEL VISCOSITY (sec/qt) API @ °C	47	
PLASTIC VISCOSITY cP @ °C	8	
YIELD POINT (lb/100ft²)	31	
GEL STRENGTHS (lb/100ft²) 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.)		
pH	9.0	
ALKALINITY MUD (Pm)		
ALKALINITY FILTRATE (Pf / Mf)	0.50 0.90	
CHLORIDE (mg/L)	5,500	
TOTAL HARDNESS AS CALCIUM (mg/L)	600	
SULPHITE (mg/L)		
K+ (mg/L)		
KCl (% by Wt.)	2.0	
PHPA (ppb)		

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

OBSERVATIONS

DILUTED TO MAINTAIN MUD WEIGHT.
ADDED KCL , PAC R TO GIVE ADDITIONAL PROPERTIES.

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)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)	30	Desander		INITIAL VOLUME	135
Premix (recirc from sump)		Desilter			
Drill Water	20	Downhole	5	+ FLUID RECEIVED	50
Direct Recirc Sump		Dumped		-FLUID LOST	40
Other (eg Diesel)		Other	35	+ FLUID IN STORAGE	
TOTAL RECEIVED	50	TOTAL LOST	40	FINAL VOLUME	145

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	12
Degasser			Desilter			Shaker #2	20/80	12

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Product	Price	Start	Received	Used	Close	Cost
AMC Pac-R	$ 177.50	20		1	19	$ 177.50
KCl	$ 19.75	60		9	51	$ 177.75

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
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

909989 053

DRILLING FLUID REPORT

RMN Drilling Fluids

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 Pie # 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	295	ft	HOLE	PITS	PUMP SIZE		CIRCULATION	
6.125	REED				SET @	90	M	45	119	5.5 X 10	Inches	PRESS (PSI)	600 psi
DRILL PIPE	TYPE	Length			INT.		ft	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	BOTTOMS	
SIZE 3.5	G #	358 Mtrs			SET @		M	164		CLARK	80.0	UP (min)	min
DRILL PIPE	TYPE	Length			PROD. or		ft	IN STORAGE		BBL/STK	STK / MIN	TOTAL CIRC.	
SIZE	HW	Mtrs			LNR Set @		M			0.0935	48	TIME (min)	min
DRILL COLLAR SIZE (")		Length			MUD TYPE					BBL/MIN	GAL / MIN	ANN VEL. DP	
4.75		83 Mtrs			KCl Pac					3.59	151	(ft/min) DC's	

MUD PROPERTIES			
SAMPLE FROM		FL	
TIME SAMPLE TAKEN		7.00	
DEPTH (ft) - (m)	Metres	441	
FLOWLINE TEMPERATURE	°C / °F		
WEIGHT	ppg / SG	9.60 1.152	
FUNNEL VISCOSITY (sec/qt) API @	°C	40	
PLASTIC VISCOSITY cP @	°C	7	
YIELD POINT (lb/100ft²)		18	
GEL STRENGTHS (lb/100ft²) 10 sec/10 min		1 1	
FILTRATE API (cc's/30 min)		8.0	
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.)		3.00	
METHYLENE BLUE CAPACITY (ppb equiv.)		10.0	
pH		9.5	
ALKALINITY MUD (Pm)			
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 PROPERTY SPECIFICATIONS		
Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites

OBSERVATIONS

DILUTED TO MAINTAIN MUD WEIGHT.
ADDED KCL , PAC R TO GIVE ADDITIONAL PROPERTIES.
ADDED CAUSTIC TO MAINTAIN PH LEVEL

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

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)	30	Desander		INITIAL VOLUME	145
Premix (recire from sump)		Desilter			
Drill Water	60	Downhole	11	+ FLUID RECEIVED	90
Direct Recire Sump		Dumped		-FLUID LOST	71
Other (eg Diesel)		Other	60	+ FLUID IN STORAGE	
TOTAL RECEIVED	90	TOTAL LOST	71	FINAL VOLUME	164

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	12
Degasser			Desilter			Shaker #2	20/80	12

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Product	Price	Start	Received	Used	Close	Cost
AMC Pac-R	$ 177.50	19		5	14	$ 887.50
Caustic Soda	$ 35.00	17		1	16	$ 35.00
KCl	$ 19.75	51		33	18	$ 651.75

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
$1,574.25	$5,307.00

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

909989 C54

RMN Drilling Fluids

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 Pie # 1	FIELD: Wildcat	LOCATION: Gippsland Basin / STATE: Victoria

DRILLING ASSEMBLY			JET SIZE	CASING		MUD VOLUME (BBL)		CIRCULATION DATA		
BIT SIZE	TYPE / OPEN PIPE			7" SURFACE SET @	295 ft / 90 M	HOLE	PITS	PUMP SIZE		CIRCULATION PRESS (PSI)
						45	114	5.5 X 10 Inches		psi
DRILL PIPE SIZE 3.5	TYPE G #	Length 320 Mtrs		INT. SET @	ft / M	TOTAL CIRCULATING VOL.		PUMP MODEL	ASSUMED EFF	BOTTOMS UP (min)
						159		CLARK	80.0	min
DRILL PIPE SIZE	TYPE HW	Length Mtrs		PROD. or LNR Set @	ft / M	IN STORAGE		BBL/STK	STK / MIN	TOTAL CIRC. TIME (min)
								0.0935	48	min
DRILL COLLAR SIZE (")		Length Mtrs		MUD TYPE: KCl Pac				BBL/MIN	GAL / MIN	ANN VEL. (ft/min) DP / DCs
								3.59	151	

MUD PROPERTIES		
SAMPLE FROM	FL	
TIME SAMPLE TAKEN	10.30	
DEPTH (ft) - (m) Metres	320	
FLOWLINE TEMPERATURE ^0C / ^0F		
WEIGHT ppg / SG	9.60 1.152	
FUNNEL VISCOSITY (sec/qt) API @ ^0C	40	
PLASTIC VISCOSITY cP @ ^0C	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) @ ^0F		
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 / 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 PROPERTY SPECIFICATIONS		
Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites

OBSERVATIONS

CEMENT WEIGHT 15 LBS/GAL

FINAL STOCK TAKE PACK LAB UP

OPERATIONS SUMMARY

RUN IN OPEN PIPE TO 320M
CIRCULATE AND CONDITION HOLE
CEMENT AS PROGRAMED FOR P & A

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	164
Premix (recirc from sump)		Desilter			
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

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	3
Degasser			Desilter			Shaker #2	20/80	3

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Product	Price	Start	Received	Used	Close	Cost

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
	$5,307.00

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

RMN Drilling Fluids

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		MUD VOLUME (BBL)		CIRCULATION DATA			
BIT SIZE	TYPE				7" SURFACE 295 ft		HOLE	PITS	PUMP SIZE		CIRCULATION	
	OPEN PIPE				SET @ 90 M		45	114	5.5 X 10 Inches		PRESS (PSI)	psi
DRILL PIPE SIZE 3.5	TYPE G #	Length 320 Mtrs			INT. ft / SET @ M		TOTAL CIRCULATING VOL. 159		PUMP MODEL CLARK	ASSUMED EFF 80.0	BOTTOMS UP (min)	min
DRILL PIPE SIZE	TYPE HW	Length Mtrs			PROD. or LNR Set @ ft / M		IN STORAGE		BBL/STK 0.0935	STK / MIN 48	TOTAL CIRC. TIME (min)	min
DRILL COLLAR SIZE (")		Length Mtrs			MUD TYPE KCl Pac				BBL/MIN 3.59	GAL / MIN 151	ANN VEL. DP (ft/min) DC:	

MUD PROPERTIES			
SAMPLE FROM		FL	
TIME SAMPLE TAKEN		10.30	
DEPTH (ft) - (m)	Metres	320	
FLOWLINE TEMPERATURE	°C / °F		
WEIGHT	ppg / SG	9.60 1.152	
FUNNEL VISCOSITY (sec/qt) API @	°C	40	
PLASTIC VISCOSITY cP @	°C	7	
YIELD POINT (lb/100ft²)		18	
GEL STRENGTHS (lb/100ft²) 10 sec/10 min		1 1	
FILTRATE API (cc's/30 min)		8.0	
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.)		3.00	
METHYLENE BLUE CAPACITY (ppb equiv.)		10.0	
pH		9.5	
ALKALINITY MUD (Pm)			
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 PROPERTY SPECIFICATIONS		
Mud Weight	API Filtrate	HPHT Filtrate
Plastic Vis	Yield Point	pH
KCl	PHPA	Sulphites

OBSERVATIONS

CEMENT WEIGHT 15 LBS/GAL

FINAL STOCK TAKE PACK LAB UP

OPERATIONS SUMMARY

RUN IN OPEN PIPE TO 320M
CIRCULATE AND CONDITION HOLE
CEMENT AS PROGRAMED FOR P & A

Mud Accounting (bbls)

FLUID BUILT & RECEIVED		FLUID DISPOSED		SUMMARY	
Premix (drill water)		Desander		INITIAL VOLUME	164
Premix (recire from sump)		Desilter			
Drill Water		Downhole		+ FLUID RECEIVED	
Direct Recire Sump		Dumped		-FLUID LOST	5
Other (eg Diesel)		Other	5	+ FLUID IN STORAGE	
TOTAL RECEIVED		TOTAL LOST	5	FINAL VOLUME	159

Solids Control Equipment

	Type	Hrs		Cones	Hrs		Size	Hrs
Centrifuge			Desander			Shaker #1	20/80	3
Degasser			Desilter			Shaker #2	20/80	3

	Overflow (ppg)	Underflow (ppg)	Output (Gal/Min.)
Desander		0	
Desilter		0	

Product	Price	Start	Received	Used	Close	Cost

Solids Analysis	PPB	%
High Grav solids		
Total LGS		
Bentonite		
Drilled Solids		
Salt		
n @ Hrs		
K @ Hrs		

Bit Hydraulics & Pressure Data
Jet Velocity
Impact force
HHP
HSI
Bit Press Loss
CSG Seat Frac Press
Equiv. Mud Wt.
ECD
Max Pressure @ Shoe :

DAILY COST	CUMULATIVE COST
	$5,307.00

RMN ENGINEER KEN PIERCE CITY Adelaide Office TELEPHONE 08 8338 7266

APPENDIX 4

WELL LOCATION SURVEY

AUSTEC SURVEYING CONSULTANTS PTY LTD ACN 006 347 100
TITLE & ENGINEERING SURVEYORS :: LAND DEVELOPMENT CONSULTANTS

Ref 03300.C01
24/06/03

Lakes Oil N.L.
P.O. Box 300
Collins Street West
Melbourne, 8007.

Att: Mr J. Mulready
Re: Wellsite Surveys
Location: Bayview Road, Bairnsdale
And Bunga Creek, Lakes Entrance.

Further to your request we have completed the co-ordination of the bore holes at Bairnsdale and Lakes Entrance.

Jones Bay-1	E 559212.975	N 5809565.222	RL 2.200	PSF	0.99964318
Patties Pies-1	E 559321.145	N 5810466.907	RL 2.280	PSF	0.99964334
Datum:	Parish of Broadlands PM 35				
	Parish of Bairnsdale StMarys Spire				

Bunga Creek-1	E 589376.388	N 5809860.128	RL 60.600	PSF	0.99969839
Bunga Creek-2	E 591192.088	N 5810294.796	RL 43.890	PSF	0.99970242
Datum:	Parish of Colquhoun PM's 32 & 33				

- The above co-ords have been deduced from ground survey work to an estimated accuracy of +/- 0.02m.
- The co-ords are to the centre line at ground level of the bores, except for "Jones Bay-1" This bore has not yet been drilled. The co-ords are to the centre of the northern edge of a dirt ramp, at a distance of 7.45m on Magnetic Brg of about 7^0 from a steel (GI) stake placed on site.

Yours Faithfully,

Bruce Bowden.
Licensed Surveyor

Principal: BRUCE BOWDEN B.APP.Sc.(SURV.). L.S.
BN 58 006 347 100
Office: 43B NICHOLSON STREET
P.O. BOX 947, BAIRNSDALE, 3875
Email: austec@net-tech.com.au
Telephone (03) 5152 1197 Fax (03) 5152 2501
Mobile 0408 521 197

PE613639

This is an enclosure indicator page.
The enclosure PE613639 is enclosed within the container PE909989 at this location in this document.

The enclosure PE613639 has the following characteristics:

ITEM_BARCODE	= PE613639
CONTAINER_BARCODE	= PE909989
NAME	= Patties Pies-1 Composite Well Log. 1:500
BASIN	= GIPPSLAND
ONSHORE?	= Y
DATA_TYPE	= WELL
DATA_SUB_TYPE	= COMPOSITE_LOG
DESCRIPTION	= Patties Pies-1 Composite Well Log. 1:500. Lakes Oil N.L. October 2003
REMARKS	=
DATE_WRITTEN	= 31-OCT-2003
DATE_PROCESSED	=
DATE_RECEIVED	=
RECEIVED_FROM	= Lakes Oil N.L.
WELL_NAME	= Patties Pies-1
CONTRACTOR	=
AUTHOR	=
ORIGINATOR	= Lakes Oil N.L.
TOP_DEPTH	= 83
BOTTOM_DEPTH	= 439
ROW_CREATED_BY	= DH00_SW

(Inserted by DNRE - Vic Govt Mines Dept)

PE613640

This is an enclosure indicator page.
The enclosure PE613640 is enclosed within the container PE909989 at this location in this document.

The enclosure PE613640 has the following characteristics:

ITEM_BARCODE	PE613640
CONTAINER_BARCODE	PE909989
NAME	Patties Pies-1 Sonic Log. 1:200
BASIN	GIPPSLAND
ONSHORE?	Y
DATA_TYPE	WELL
DATA_SUB_TYPE	WELL_LOG
DESCRIPTION	Patties Pies-1 HALS-BHC-TLD-MCFL-CALI-CNL-GR-SP HALS-Sonic-PEX Log. 1:200. By Schlumberger for Lakes Oil N.L. March 2003
REMARKS	
DATE_WRITTEN	22-MAR-2003
DATE_PROCESSED	
DATE_RECEIVED	
RECEIVED_FROM	Lakes Oil N.L.
WELL_NAME	Patties Pies-1
CONTRACTOR	Schlumberger
AUTHOR	
ORIGINATOR	Lakes Oil N.L.
TOP_DEPTH	83
BOTTOM_DEPTH	439
ROW_CREATED_BY	DH00_SW

(Inserted by DNRE - Vic Govt Mines Dept)

PE613641

This is an enclosure indicator page.
The enclosure PE613641 is enclosed within the container PE909989 at this location in this document.

The enclosure PE613641 has the following characteristics:

ITEM_BARCODE	PE613641
CONTAINER_BARCODE	PE909989
NAME	Patties Pies-1 Sonic Log. 1:500
BASIN	GIPPSLAND
ONSHORE?	Y
DATA_TYPE	WELL
DATA_SUB_TYPE	WELL_LOG
DESCRIPTION	Patties Pies-1 HALS-BHC-TLD-MCFL-CALI-CNL-GR-SP HALS-Sonic-PEX Log. 1:500. By Schlumberger for Lakes Oil N.L. March 2003
REMARKS	
DATE_WRITTEN	22-MAR-2003
DATE_PROCESSED	
DATE_RECEIVED	
RECEIVED_FROM	Lakes Oil N.L.
WELL_NAME	Patties Pies-1
CONTRACTOR	Schlumberger
AUTHOR	
ORIGINATOR	Lakes Oil N.L.
TOP_DEPTH	83
BOTTOM_DEPTH	439
ROW_CREATED_BY	DH00_SW

(Inserted by DNRE - Vic Govt Mines Dept)