



Essential
Petroleum
Resources
Limited

PEP 152 Port Fairy – 1

Abandonment Report

(27th January 2006)

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1. Well Chronology and Current Status

January 2002	Port Fairy – 1 drilled with 9.625" Casing set at 821m and cemented to surface with 7" casing set at 1536m with top of cement at 660m
March 2002	<p>A packer was run and the intervals from 1402 – 1406m and 1443 – 1452m perforated. A total of 5.4bbl water was recovered from the test – no hydrocarbons. The well was dead. An EZSV was run to 1400m and tested to 2000psi to abandon the perforated interval.</p> <p>The packer was re-set at 842m and the interval from 862 – 866m was perforated. The interval flowed 240 BWPD and the well was shut in.</p>
August 2002	Testing was re-commenced and the Flaxman Fm perforated underbalanced from 1356.5 – 1358m, 1352.5 – 1354m and 1347 – 1348m with a slight airblow at surface and minor influx of water in the test tubing. The well was swabbed to catch a sample and the well shut in.
September 2002	The wellhead pressure had risen to 900 psi. A static gradient indicated 223m gas, 15m oil and 1120m completion brine in the tubing.
February 2003	A static gradient was conducted and a sample of light hydrocarbon liquids taken from 384m within an approximate 12m column of hydrocarbon above water.
March 2003	A packer was set at 1328m and the flaxman was re-perforated with TCP guns from 1343 – 1359m. No influx was recorded. The well was swabbed down to 1121.5m with a total recovery of 2.75bbl of gas cut water. The fluid level recovered 100m overnight to 1021m but no further fluids could be recovered. The well was shut in and the Christmas Tree secured.
December 2004	SGS Expertest on site, run 1.92" gauge ring. Run impression block. Impression of drop bar fishing neck. No accurate data of drop bar fish neck. I believe they were Schlumberger TCP guns & drop bar.
November 2005	SGS Expertest on site, Set wire line plug in Sliding Sleeve at 1311m. Check plug integrity. Cut tubing at 1310m. Set cement plug from 1310m to 1260m, WOC. Tag Plug. POH and convert to waterwell. Install waterwell head.

2. Abandonment Procedure

2.1 Sunday 27th November 2005

Check annulus pressure, (zero) and Tubing pressure, (1400psi). Bleed down tubing pressure. Remove wellhead cage, prepare for arrival of Wireline crew.

2.2 Monday 28th November 2005.

Rig up Expertest wireline lubricator on Christmas Tree and pressure test.

Run wireline gauge ring and then attempted to fish Schlumberger Drop Bar from fouling X-nipple. Unable to latch on. Run and set 1.875" PX Plug in x-profile at 1311mkb. Bleed off tubing pressure to test plug integrity, top up tubing with brine.

Nipple down Christmas Tree. Move in Crane.

Install 2 3/8" landing pup joint with crossover to 2 7/8" EUE and release tubing hanger tie downs and pick up with 2 3/8" slip type elevators. Set spider and slips, remove hanger and re-install tubing landing joint.

Pick up buoyed weight of tubing, (approx 16,000lbs) plus 5000lbs overpull, RIH with Owen tubing cutter cut at +- 1310m. Pick up to ensure tubing cut.

Rig down Expertest and release.

2.3 Tuesday 29th November 2005

Using JF Mahony Pty Ltd (waterwell drillers), circulate tubing and casing contents and set a balanced cement plug #1 from 1310m to 1260 mkb. POH to 1170m and circulate to clear tubing contents. WOC & tag cement 1254m.

POH laying down tubing, filling hole with brine.

Transfer waterwell ownership and responsibility to landowner, Mr Bill McLaren

JF Mahoney install waterwell head, and develop the well.

The well is currently Licenced by Southern Rural Water, (Licence No 9021158)

Demobilise equipment and prepare to re-habilitate site.

2.4 Friday 27th January 2006

Waldoo Pty Ltd rehabilitate Port Fairy-1 Drill and Camp site to Landowners satisfaction. Remove gravel from site for re-seeding in accordance with the Environmental Plan.

EPRL

27th January 2006.

APPENDIX A

CONTACT NAMES AND NUMBERS

(a) OPERATOR/PROJECT MANAGER / CONTACTS

Company/Address/Contact	Office Tel.	Office Fax.	Home Tel.	Mobile
Essential Petroleum Resources Limited Level 2 226 Albert Road, South Melbourne VIC 3205 Contacts: John Remfry – <i>Managing Director</i>	03 9699 3009	03 9699 3110		
	03 9699 3009	03 9699 3110	03 9592 9588	0419 517 294
Kelly Down Consultants Pty Ltd Locked Bag 8 Chatswood NSW 2057 Contacts: Jim Slater - <i>Drilling Manager</i>	02 9415 1244	02 9415 1299		
			02 9452 2780	0412 446 440
Water-bore Driller Paul Mahoney 6 Corbett Street, Port Fairy Victoria Contacts: Manager : Paul Mahoney	03 556 81729	03 556 81199		0429 044 660
SGS/Expertest Pty Ltd 104 Francis Road Wingfield. SA 5013 Contacts: Jason Gale / Alan Grindlay	088 243 0700	088 268 1491		0419 034 349

(b) WATER AUTHORITY

Address/Contact	Office Tel.	Office Fax.	Home Tel.	Mobile
Southern Rural Water PO Box 153 Maffra VIC 3860	03 5159 3100	03 5139 3150		