



Karoon Gas Australia Ltd. A.C.N. 107 001 338
Karoon Gas Pty. Ltd. ACN 056 976 642 (a subsidiary of Karoon Gas Australia Ltd)
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1st February 2007

Mr Terry McKinley
Manager-Petroleum Regulation
Department of Primary Industries, Minerals and Petroleum Regulation Branch
1 Spring St, Melbourne
Victoria, 3000

Dear Sir

RE : Request to Plug & Abandon Megascolides-2, PEP 162 / EL 4537

Due to well evaluation determining that poor quality reservoir was encountered, Karoon Gas request approval to Plug and Abandon Megascolides 2 in accordance with the following outline:

- Lay out BHA
- RIH cementing stinger on open-ended drillpipe to 985m
- Set 15 bbl Hi-vis pill at 925 - 985m
- POH to 925m. Circ & condition mud
- Set balanced plug 1 from 825 – 925m with 15.8 ppg Class G cement (recipe to be based on slurry testing).
- POH to 725m & reverse circ two pipe volumes mud inhibited with biocide
- POH to 610m
- Set 15 bbl Hi-vis pill at 550 - 610m
- POH to 550m. Circ & condition mud
- Set balanced plug 2 from 450 – 550m with 15.8 ppg Class G cement with 0.5 – 1.0% CaCl₂ (recipe to be based on slurry testing).
- POH to 350m & reverse circ two pipe volumes mud inhibited with biocide
- Wait on cement 4 hrs.
- RIH and tag TOC with 20,000 lbs.
- POH to 120m
- Set 15 bbl Hi –visc pill at 55 - 120m.
- POH to 55m
- Set balanced plug 3 from 5 – 55mRT with 15.8 ppgClass G cement with 2% CaCl₂.
- Cut off Bradenhead and casing at bottom of cellar.

Note – volume for plugs to be based on 31/1/07 caliper (average 8.75" hole) or 20% excess

Yours Faithfully

A handwritten signature in blue ink that reads 'Lino Barro'.

Lino Barro
Engineering Manager
Karoon Gas Australia Ltd