

4.5 Pre-drilling Structure

The Flinders Prospect is located on the southwestern flank of the Pelican Trough and is one of a series of structures which are ideally positioned to trap hydrocarbons. The Flinders Prospect is a fault dependent closure mapped at the top middle *M.diversus* level, located on the upthrown side of two intersecting normal faults. Closure occurs at all mapped levels within the EVCM (Proposal to Drill: Flinders 1 June 1992 SAGASCO Resources Limited).

At top EVCM and top middle *M.diversus* levels closure occurs against a major normal fault trending NW and downthrown to the SW (Figure 5). At the deeper levels (top seismic amplitude anomaly, base lower *M.diversus*, and top undefined basement reflector) the closure is further controlled by an intersecting orthogonal normal fault trending NE and downthrown to the NW. The mapping (Proposal to Drill: Flinders 1 June 1992 SAGASCO Resources Limited) demonstrates that the Flinders structure is dominated by a Late Eocene age normal fault that penetrates through to basement, and trends in a north westerly direction.

4.6 Log Analysis

Summary

Flinders 1 is located in T/25P, approximately 2km SW of Pipipa 1 and 17km WSW of the Pelican Field. Flinders 1 was drilled to appraise the reservoir quality and hydrocarbon potential of the Upper Eastern View Coal Measures (EVCM) and to test the "Pelican Zone" reservoirs within a fault dependent closure.

A quicklook log interpretation was performed by SAGASCO Resources Limited using the HRI-MSFL-LSS and DSN-SDL-CSGR suites of logs. Interpretation was performed from 1550m (30m below the 9 5/8" casing shoe) to 2700m (23m above the drillers TD). The well was zoned:

Zone 1:	1550-2199.5m	EVCM
Zone 2:	2200-2290m	Dolerite Sill
Zone 3:	2290.5-2700m	EVCM

A tabular listing of the interpreted log analyses is attached and an analog plot of the data is presented.

Drilling proved the seismic anomaly to be a 70m thick dolerite sill and log analysis indicated that all sandstone units were water saturated.

Flinders 1 was plugged and abandoned.

1 Net Hydrocarbon Pay Summary

No zones of net pay greater than 0.5m were indicated at Flinders 1. Intervals defined in the net pay listing represent log anomalies due to coal bed shoulder effects and/or thin coal beds < 0.5m thick.