

Last BOP Test: 24 May 2006

DRILLING MORNING REPORT #43

From: Simon Rodda/Geoff Webster To: John Ah-Cann 17 Jun 2006

Basker-4

| Well Data | | | | | | | |
|-----------------|--------------|-----------------------|-----------|----------------|------------|---------------------|--------------|
| Country | Australia | MDBRT | 3480.0m | Cur. Hole Size | 12.250 | AFE Cost | \$19,202,687 |
| Field | Basker and | TVDBRT | 3301.2m | Last Casing OD | 9 5/8" | AFE No. | 3426-1600 |
| | Manta | Progress | 0.0m | Shoe TVDBRT | 3294.1m | Daily Cost | \$0 |
| Drill Co. | DOGC | Days from spud | 110.50 | Shoe MDBRT | 3472.8m | Cum Cost | \$26,699,105 |
| Rig OC | CEAN PATRIOT | Days on well | 39.90 | FIT/LOT: | 12.50ppg / | Days Since Last LTI | 1124 |
| Wtr Dpth(LAT) | 154.5m | Planned TD MD | 3636.0m | | | | |
| RT-ASL(LAT) | 21.5m | Planned TD TVDRT | 3366.0m | | | | |
| RT-ML | 176.0m | Talling 15 TV5KT | 5555.0111 | | | | |
| Current On @ 06 | 200 | Coo Dookor 2 report # | 40 | 1 | | 1 | |

Current Op @ 0600 See Basker 3 report # 43

Rig released from Basker 4 June 17, 2006 at 24:00 hrs

Planned Op

Summary of Period 0000 to 2400 Hrs

Perform final SST suspension testing. POOH with production riser. Run and pressure test tree cap. Release rig

| FORMATION | | |
|-----------------------|----------|--|
| Name | Тор | |
| Reservoir Zone 6.2 | 3394.60m | |
| Reservoir Zone 7 | 3426.20m | |
| Volcanics (Unit 1) | 3445.00m | |
| Reservoir Zone 8 Sand | | |
| Total Depth | 3480.00m | |

Operations for Period 0000 Hrs to 2400 Hrs on 17 Jun 2006

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|-----|------|------|------|---------|--|
| С | P | PT | 0000 | 0400 | 4.00 | 3480.0m | Perform final SST suspension pressure testing with Dowell 500 psi/5 min and 5000psi/10 min Test #1; PMV downstream/XOV upstream/CIV1 upstream/CIV2 upstream Test #2; PWV upstreram Test #3; AMV downstream/AWV upstream/ACI upstream Test #4; AAV downstream Test #5; PSV upstream Test #6; PSV downstream |
| С | Р | XT | 0400 | 0600 | 2.00 | 3480.0m | Disconnect UH 550 Annulus Access connector and hot stab from LD-1 receptacle with ROV and hang on stress joint hanger. Attempt to pull UH 550 plug from hook on stress joint with no success. The plug hook on the stress joint spinning preventing ROV from accessing plug. |
| | | | | | | | Rig down slickline lubricator and BOP. Rig down surface lines from flowhead. |
| С | TP (VE) | XT | 0600 | 0700 | 1.00 | 3480.0m | Return ROV to surface for spare UH 550 plug and re deploy ROV |
| С | Р | XT | 0700 | 0730 | 0.50 | 3480.0m | Install UH 550 plug in Annulus Access receptacle and perform Final suspension test via IWOC Annulus Monitor Line to 500 psi/5 min and 5000 psi/10 min Test #7; AA plug upstream |
| С | TP (VE) | XT | 0730 | 0900 | 1.50 | 3480.0m | ROV with camera problems. Return to surface. Hydraulics problem preventing recovery of ROV. Repair Hydraulics (low oil in reservoir) and camera (angle view) and re deploy ROV |
| С | Р | RR2 | 0900 | 1200 | 3.00 | 3480.0m | Disconnect Alpha plate with ROV Bleed down riser tensioners. Unlatch TRT. Remove riser tensioners and bullseye from riser. Lay down flow head and stiff joint |
| С | Р | RR2 | 1200 | 1300 | 1.00 | 3480.0m | Rig down 45 ft bails, air hoist and TD sub |
| С | Р | RR2 | 1300 | 1730 | 4.50 | 3480.0m | POOH with production riser. Remove hose clamps and disconnect umbillical lines. Remove lower bullseye and lay down TRT |
| С | Р | RS | 1730 | 1830 | 1.00 | 3480.0m | Service TDS and block rollers. Change out roller on block dolly. Inspect travelling equipment |



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| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|----|------|------|------|---------|---|
| С | Р | XT | 1830 | 2100 | 2.50 | 3480.0m | Make up and RIH with tree cap on running tool and two arm guide |
| С | Р | RM | 2100 | 2130 | 0.50 | 3480.0m | Reposition rig over Basker 4 |
| С | Р | XT | 2130 | 2330 | 2.00 | 3480.0m | Land and latch tree cap on Basker 4. Pressure test cap with 500 psi/5 min and 5000 psi/10 min |
| С | Р | XT | 2330 | 2400 | 0.50 | 3480.0m | POOH and lay out tree cap running tool. Unlatch and recover guidelines. Prepare to move rig to Basker 3 |
| | | | | | | | Rig released from Basker 4 at 24:00hrs 17 June 2006 |

| Phase Data to 2400hrs, 17 Jun 2006 | | | | | | |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
| PRESPUD(PS) | 3 | 27 Feb 2006 | 27 Feb 2006 | 3.00 | 0.125 | 0.0m |
| RIG MOVE/RIG-UP/PRESPUD(RM) | 1 | 27 Feb 2006 | 27 Feb 2006 | 4.00 | 0.167 | 0.0m |
| CONDUCTOR HOLE(CH) | 17 | 27 Feb 2006 | 28 Feb 2006 | 21.00 | 0.875 | 210.0m |
| CONDUCTOR CASING(CC) | 14.5 | 28 Feb 2006 | 28 Feb 2006 | 35.50 | 1.479 | 210.0m |
| SURFACE HOLE(SH) | 43.5 | 05 Mar 2006 | 06 Mar 2006 | 79.00 | 3.292 | 1010.0m |
| SURFACE CASING(SC) | 22.5 | 06 Mar 2006 | 07 Mar 2006 | 101.50 | 4.229 | 1010.0m |
| PRODUCTION HOLE(PH) | 411.5 | 02 May 2006 | 19 May 2006 | 513.00 | 21.375 | 3480.0m |
| PRODUCTION CASING/LINER(PC) | 46 | 22 May 2006 | 24 May 2006 | 559.00 | 23.292 | 3480.0m |
| EVALUATION PHASE (1)(E1) | 70.5 | 19 May 2006 | 25 May 2006 | 629.50 | 26.229 | 3480.0m |
| COMPLETION(C) | 328 | 24 May 2006 | 17 Jun 2006 | 957.50 | 39.896 | 3480.0m |

General Comments

00:00 TO 24:00 Hrs ON 17 Jun 2006

Ocean Patriot Equipment Down List :-

Sub Sea;

- -BOP Upper annular open pilot line, Blue pod.
- -Diverter lockdown dog function from rig floor panel.
 -Insert packer lock down dogs will not lock and un-lock from rig floor, bag will function from the rig floor.

Rig Floor;

Rig Requirements

- -Compensator stroke indicator.
 -RBS deployed warning light not working(on order), audible working ok.
 -Compensator lock bar indicator light.

Barge Capt;

-HD3 ballast tank discharge valve.

Electrical;

-Helicoptor non-directional beacon not working.

| WBM Data | | | Cost Today | y | | | | |
|--------------|------------|---------------------------|------------|-----------|---------------|------|----------------------|--|
| Mud Type: | Brine | API FL: | CI: | 66500mg/l | Solids(%vol): | | Viscosity | |
| Sample-From: | Active pit | Filter-Cake: | K+C*1000: | 12% | H2O: | | PV YP | |
| Time: | | HTHP-FL: | Hard/Ca: | | Oil(%): | | Gels 10s | |
| Weight: | 9.00ppg | HTHP-cake: | MBT: | | Sand: | | Gels 10m Fann 003 | |
| Temp: | 0C° | | PM: | | pH: | 10.5 | Fann 006 | |
| | | | PF: | | PHPA: | | Fann 100 | |
| Comment | | No mud engineer on board. | | | | | Fann 200 Fann 300 | |
| | | | | | | | Fann 600 | |

| Bulk Stocks | | | | | |
|--------------------|------|-----|------|--------|---------|
| Name | Unit | In | Used | Adjust | Balance |
| Barite Bulk | MT | 0 | 0 | 0 | 46.2 |
| Bentonite Bulk | MT | 0 | 0 | 0 | 42.6 |
| Cement G | MT | 0 | 0 | 0 | 5.7 |
| Cement HT (Silica) | MT | 0 | 0 | 0 | 93.3 |
| Diesel | m3 | 0 | 22.4 | -0.2 | 424.9 |
| Fresh Water | m3 | 30 | 24.5 | 0 | 416.9 |
| Drill Water | m3 | 580 | 73.3 | -0.1 | 639.0 |



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| Casing | | | | | |
|---------|-----------------|------------------|--------------------------|------------------------------|---------------|
| OD (in) | Csg Shoe MD (m) | Csg Shoe TVD (m) | Csg Landing Depth MD (m) | Csg Landing Depth TVD (m) | LOT/FIT (ppg) |
| 30 " | 208.60 | 208.60 | 208.60 | 208.60 | |
| 13 3/8" | 998.85 | 987.20 | 998.85 | 987.20 | 12.50 |
| 9 5/8" | 3472.80 | 3294.07 | 173.13 | 173.13 | |

| Personnel On Board | | | | | | | |
|-------------------------------|------|--------------------------------|--|--|--|--|--|
| Company | Pax | Comment | | | | | |
| ANZON AUSTRALIA LIMITED | 10 | | | | | | |
| DOGC | 50 | | | | | | |
| ESS | 8 | | | | | | |
| DOWELL SCHLUMBERGER | 2 | | | | | | |
| FUGRO ROV LTD | 6 | | | | | | |
| PETROLAB | 2 | | | | | | |
| CAMERON AUSTRALIA PTY LTD | 4 | | | | | | |
| WEATHERFORD AUSTRALIA PTY LTD | 2 | | | | | | |
| EXPRO GROUP | 14 | 4 x slick line, 7 x well test. | | | | | |
| Tota | I 98 | | | | | | |

| HSE Summary | | | | |
|---------------------|--------------|------------|--|---|
| Events | Date of last | Days Since | Descr. | Remarks |
| Last BOP Test | 24 May 2006 | | | |
| Abandon Drill | 17 Jun 2006 | 0 Days | | |
| Fire Drill | 17 Jun 2006 | 0 Days | | |
| JSA | 17 Jun 2006 | 0 Days | Drill crew=6, Deck= 6, Marine= 1, Welder= 2, Subsea= 2 | |
| Man Overboard Drill | 06 Jun 2006 | 11 Days | | |
| Safety Meeting | 11 Jun 2006 | 6 Days | Weekly safety meetings | Hold safety meetings at 1300/1900/0100hrs |
| STOP Card | 17 Jun 2006 | 0 Days | Safe=3 Un-safe=21 | |

| Shakers, V | olumes and | d Losses Dat | ta |
|------------|------------|--------------|------|
| Available | 619.1bbl | Losses | 0bbl |
| Active | 382.1bbl | | |
| Reserve | 237bbl | | |



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| Marine | · | | | · | | · | | | · | · |
|------------|--------------|---------------|--------------|------------------------|--------------|-----------|--------------------------------|-------------|------|------------|
| Weather on | 17 Jun 2006 | | | | | | | Rig Support | | |
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period | Anchors | Tens | sion (klb) |
| 10.0nm | 24kn | 250.0deg | 1032.0mbar | 12C° | 1.0m | 250.0deg | 2s | 1 | 2 | 51.0 |
| Rig Dir. | Ris. Tension | VDL | Swell Height | Swell Dir. | Swell Period | Weather | Comments | 2 | 2 | 80.0 |
| | 1 | | 1 | I | | | | 3 | 1 | 65.0 |
| 253.0deg | 0.00klb | 4276.00klb | 2.0m | 240.0deg | 8s | | | 4 | 4 | 19.0 |
| | | Com | ments | | | | | 5 300.0 | | 0.00 |
| | | | | | | | | 6 | 3 | 81.0 |
| | | | | | | | | 7 | 2 | 45.0 |
| | | | | | | | | 8 | 2 | 14.0 |
| Vessel I | Name A | rrived (Date/ | | Departed Date/Time) | Sta | tus | | Bulks | | |
| Far Grip | | 1755hrs 14th | June | | On location | | Item | Unit | Used | Quantity |
| | | | | | | Ī | Diesel | m3 | | 548 |
| | | | | | | L | Fresh Water | m3 | | 394 |
| | | | | | | | Drill Water | m3 | | 0 |
| | | | | | | <u> </u> | Cement G | mt | | 82 |
| | | | | | | L | Cement HT (Silica) Barite Bulk | mt mt | | 0 |

| | | | Bentonite Bulk | mt | | 22.5 |
|------------------|-------------------|--|--------------------|------|------|----------|
| Pacific Wrangler | 1430hrs 11th june | Close stand by for well test operations. | Item | Unit | Used | Quantity |
| | | | Diesel | m3 | | 366.5 |
| | | | Fresh Water | m3 | | 235 |
| | | | Drill Water | m3 | | (|
| | | | Cement G | mt | | 74 |
| | | | Cement HT (Silica) | mt | | 69 |
| | | | Barite Bulk | mt | | C |
| | | | Bentonite Bulk | mt | | 19 |
| | | | Brine | bbls | | 0 |
| | | + | | | | |
| | | | | | | |

| Helicopter Movement | | | | | | | |
|---------------------|---------------------|---------------|------------|------------------------|--|--|--|
| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment | | | |
| 1 | BRISTOW HELICOPTERS | / | 1 | Helifuel = 4470 litres | | | |