

**CRC-1**

<b>Date :</b>	13 Mar 2007	<b>Well Site Manager :</b>	Kevin Murphy	<b>Rig Manager :</b>	Cesar Miaco
<b>Report Number</b>	27	<b>Drilling Supervisor :</b>	Kevin Murphy / Roy Dunne	<b>Drilling Company :</b>	Century Drilling Ltd
<b>Easting</b>	657913	<b>Northing</b>	5733761	<b>Geologist :</b>	Dave Horner

**Well Details**

Country:	Australia	Current Hole Size:	6.75in	Casing O.D.:	7.625in	Planned TD:	2250.0m
Field:	Otway (Naylor)	Measured Depth:	2249.0m	Casing MD:	512.0m	Last BOP Test:	19 Feb 2007
Rig:	CDL Rig 11	True Vertical Depth:	2249.0m	Casing TVD:	512.0m	FIT/LOT:	/ 13.30ppg
RT - AMSL:	50.00m	24 Hr Progress:	0.0m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	26.54	Liner MD:		LTI Free Days:	293
Datum:	GDA 94	Days On Well:	39.54	Liner TVD:			

Current Ops @ 0600: Continue to RIH with 4-1/2" production casing string.  
 Planned Operations: Continue to RIH with 4-1/2" production casing string. Prepare for cement job.

**Summary of Period 0000 to 2400 Hrs**

M/U BHA & make wiper trip. Circulate hole clean. POOH and L/O drill string. Change BOP rams and P/T bonnet seals. P/U PCS equipment and place on rig floor. Hold safety meeting. M/U and RIH with 4-1/2" production casing string.

**HSE Summary**

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening ( 2 )	13 Mar 2007	0 Days	Personnel blow into alcoholizer
Hazard Observation ( 1 )	13 Mar 2007	0 Days	Position of stab board.
Inspection ( 2 )	13 Mar 2007	0 Days	Lease inspection. Dropped equipment and house keeping.
Pre-Tour Meetings ( 2 )	13 Mar 2007	0 Days	Tripping pipe, running chrome casing.

**Operations For Period 0000 Hrs to 2400 Hrs on 13 Mar 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PC	P	HBHA	0000	0130	1.50	2249.0m	Continue to MU wiper trip BHA.
PC	P	WT	0130	0730	6.00	2249.0m	RIH with drill string, make wiper trip, P/U kelly and wash to bottom.
PC	P	WT	0730	0900	1.50	2249.0m	Pump sweep and circulate hole clean from 2249m.
PC	P	HBHA	0900	1930	10.50	2249.0m	POOH sideways and lay down drill string and BHA. Remove from pipe racks, clean and load into baskets.
PC	P	BOP	1930	2230	3.00	2249.0m	M/U test tool, recover wear bushing, land test tool in spool. Open BOP doors and change out pipe rams to 4-1/2". Close bonnet doors and P/T to 1500psi OK. R/U Stab board and secure in derrick. R/U PCS tong and casing running equipment.
PC	P	PT	2230	2330	1.00	2249.0m	Function rams, P/T pipe rams & bonnet door to 1500 psi OK. Pull test plug and L/O. P/U PCS casing handling equipment.
PC	P	SAF	2330	2400	0.50	2249.0m	Hold safety & ops meeting with PCS operators & rig crew.

**Operations For Period 0000 Hrs to 0600 Hrs on 14 Mar 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PC	P	CRN	0000	0600	6.00	2249.0m	M/U 4-1/2" casing string with marker joints and X nipples at depth required, install stabilizers and RIH.

WBM Data									
Daily Chemical Costs: \$ 1430.51				Cost To Date: \$ 60648.03				Engineer : Peter N ARONETZ	
Mud Type:	Water Based	Flowline Temp:	37.1C°	pH:	9	Low Gravity Solids:	7.20%	Gels 10s	3
Description:	KCl / PHPA / POLYMER	Nitrates:	0mg/l	PM:	0.1	High Gravity Solids:	0.00%	Gels 10m	6
Sample From:	Past Shale Shakers	Sulphites:	80mg/l	PF:	0.18	Solids (corrected):	7.20%	Fann 003	3
Time:	08:30	API FL:	5.6cm³/30min	MF:	3.2	H2O:	92.8%	Fann 006	4
Weight:	9.55ppg	API Cake:	1/32nd"	Cl:	31000mg/l	Oil:	0.0%	Fann 100	19
ECD TD:	9.91ppg	PV	16cp	Hard/Ca:	60mg/l	Sand:	0.5 %	Fann 200	28
ECD Shoe:		YP	19lb/100ft²	MBT:	6.50	Barite:	0.00lb/bbl	Fann 300	35
Viscosity	58sec/qt			KCl Equiv:	5.0%	CaCO3 Added:	25.2ppb	Fann 600	51
				PHPA Added:	1.36ppb				
				Fluoresceine:					

**Comment:** With fluid in hole not having been moved for 80hrs+, observe bacterial activity, when circulating out. Treat system w/- 2 cans Biocide. No further treatment carried out.

Shakers, Volumes and Losses Data							
Available	690bbl	Losses	39bbl	Equip.	Descr.	Mesh Size	Hours
Active	346bbl	Downhole	29bbl	1	Lin. Motion SHAKER	1 x 84 & 2 x 50	9
Hole	332bbl	Shakers & Equip.	0bbl	2	Lin. Motion SHAKER	1 x 84 & 2 x 50	9
Slug		Dumped	10bbl	3	De-Sander	2 x 8" Cones	0
Reserve	12bbl	Centrifuges		4	De-Silter	12 x 4" Cones	0
		Desander					
		De-Silter	0bbl				
Built	0bbl						

Bit Data											
Bit # 4RR1			Wear	I	O1	D	L	B	G	O2	R
Size ("):	6.750	IADC#		1	1	NO	A	X	I	NO	TD
Mfr:	Stealth Tools	WOB(avg)	10.0klb	<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>		<b>Calculated over Bit Run</b>			
Type:	PDC	RPM(avg)	110	4 x 12/(32nd")		Progress	0.0m	Cum. Progress	173.5m		
Serial No.:	6904	RPM (DH)(avg)	110			On Bottom Hrs	0.00	Cum. On Btm Hrs	10.00		
Bit Model	M46H4	F.Rate	250.0gpm			IADC Drill Hrs	0.00	Cum IADC Drill Hrs	14.00		
Depth In	2075.5m	SPP	1300.0psi			Total Revs	63500	Cum Total Revs	381000		
Depth Out		TFA	0.442	HSI	HSI	OB-ROP(avg)		Cum. OB-ROP(avg)	17.35m/hr		
Bit Run Comment	TD POOH TO Log										

BHA Data							
BHA # 12							
Weight(Wet)	25.0klb	Length	260.5m	Torque(max)	15000.0ft-lbs	D.C. (1) Ann Velocity	266fpm
Wt Below Jar(Wet)	20.0klb	String	120.0klb	Torque(Off.Btm)	4000.0ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	121.0klb	Torque(On.Btm)	10000.0ft-lbs	H.W.D.P. Ann Velocity	184fpm
		Slack-Off	116.0klb	Jar Hours	209.5	D.P. Ann Velocity	184fpm
BHA Run Comment	Units for torque not ft-lbs						

Equipment	Length	OD	ID	Serial #	Hours	Comment
Bit	1 x 0.18m	6.75in		6904	24.5	Tasman
Near Bit Stab	1 x 1.51m	6.75in	2.43in	5475-1	161.5	
Pony DC	1 x 2.90m	4.75in	2.25in	502-A32	161.5	
String Stabiliser	1 x 1.54m	6.75in	2.06in	5415-2	161.5	
NMDC	1 x 9.19m	4.75in	2.31in		161.5	
4.75" DC	1 x 9.49m	4.75in	2.31in		209.5	
String Stabiliser	1 x 1.54m	6.75in	2.00in	475-3	161.5	
4.75" DC	15 x 9.43m	4.75in	2.31in		209.5	
Drilling Jars	1 x 9.37m	4.75in	2.31in	380-47763-03	209.5	
4 3/4 DC	3 x 9.50m	4.75in	2.31in		209.5	
3 1/2" HWDP	6 x 9.14m	3.50in	2.12in		241.5	
<b>Total Length:</b>	<b>260.51m</b>					

Survey								
MD (m)	Incl. (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (m)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
1808.00	2.00	139.00	1807.6	25.98	0.04	-25.98	17.38	Hofco single shot
1896.00	2.00	137.00	1895.5	28.27	0.02	-28.27	19.44	Hofco single shot
2022.00	0.75	86.00	2021.5	29.82	0.39	-29.82	21.76	Hofco single shot
2236.00	1.00	266.00	2235.5	29.85	0.24	-29.85	21.29	Hofco single shot

Summary	
Company	Pax On
Upstream Petroleum	3
Century Drilling Ltd	22
BHI	2
Schlumberger Oilfield Australia	3
RMN Drilling Fluids	1
Premium Casing Services Pty Ltd	2
<b>Total on Rig</b>	<b>33</b>

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
AMC Biocide G	25L can	0	2	0	2.0	
AMC Defoamer	25L can	0	0	0	14.0	
AMC PAC-R	25kg sack	0	0	0	66.0	
AMC PHPA	25kg sack	0	0	0	42.0	
AUS-BEN	25kg sack	0	0	0	34.0	
AUS-DEX	25kg sack	0	0	0	0.0	
AUS-GEL	25kg sack	0	0	0	168.0	
Baryte	25kg sack	0	0	0	686.0	
CaCl	25kg sack	0	0	0	2.0	
Calcium Carbonate 40µ	25 kg sacks	0	10	0	821.0	
Caustic Soda	25kg pail	0	0	0	32.0	
Citric Acid	25kg sack	0	0	0	34.0	
Cement - Class A	40kg sack	0	0	0	0.0	
Fluoresceine (5 kg)	5 kg	0	0	0	2.0	
Fluoresceine (1 pint)	1 pint	0	0	0	0.0	
Kwik-seal C	40lb sack	0	0	0	30.0	
Kwik-seal F	40lb sack	0	0	0	32.0	
Kwik-seal M	40lb sack	0	0	0	32.0	
Lime	20kg sack	0	0	0	8.0	
KCl	25kg sack	0	23	0	336.0	
Rod-free 205L	205L drum	0	0	0	1.0	
Rod-free 25L	25L can	0	0	0	0.0	
NaCl	25kg sack	0	0	0	0.0	
SAPP	25kg sack	0	0	0	30.0	
Soda Ash	25kg sack	0	0	0	44.0	
Sodium Sulfite	25kg sack	0	0	0	34.0	
Xanthan Gum	25kg sack	0	1	0	20.0	
Xtra-sweep	12lb box	0	1	0	3.0	
Liqui-Sperse	25L can	0	0	0	32.0	
Diesel fuel		0	1500	0	9,500.0	

Pumps													
Pump Data - Last 24 Hrs								Slow Pump Data					
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM	SPP (psi)	Flow (gpm)	Depth (m)	Ck. Line (psi)	SPM		SPP (psi)	Flow (gpm)
1	GD PZ-7	5.50	9.40	97	120	1300.00	250.00	2083.0		1.	70	500.00	
										2.	100	740.00	
2	GD PZ-7	5.50	9.50	97						1.			
										2.			
3	GD PZ-7	5.51	9.50	97				2083.0		1.	70	500.00	
										2.	100	700.00	