

16 Dec 2005

From: Westman/ Webby
To: J Ah-Cann

| Well Data | | | | | | | |
|-------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------|----------------|----------|---------------------|-------------|
| Country | Australia | MDBRT | 650.0m | Cur. Hole Size | 36.000in | AFE Cost | \$ 22699889 |
| Field | Gippsland Basin | TVDBRT | 650.0m | Last Casing OD | | AFE No. | |
| Drill Co. | DOGC | Progress | 43.0m | Shoe TVDBRT | | Daily Cost | \$ 0 |
| Rig | OCEAN PATRIOT | Days from spud | 30.44 | Shoe MDBRT | | Cum Cost | \$ 6264112 |
| Wtr Dpth(MSL) | 585.0m | Days on well | 3.77 | FIT/LOT: | / | Days Since Last LTI | 934 |
| RT-ASL(MSL) | 607.0m | Planned TD MD | | | | | |
| RT-ML | 1,192.0m | Planned TD TVDRT | | | | | |
| Current Op @ 0600 | | Waiting on 30" cement surface samples to set. PGB heading 273deg, 2 x PGB bullseyes reading zero. Cement in place at 0530hrs, floats holding good. | | | | | |
| Planned Op | | Run and Cement 30" casing, POOH. Lay out 36" BHA. Make up 18 3/4" C.A.R.T, Pick up required Drill pipe, pick up 17 1/2" section BHA. | | | | | |

| Summary of Period 0000 to 2400 Hrs |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pick up 93 jnts of 5" dp. Make up 30" C.A.R.T. make up 36" BHA and RIH to 607m. Spud well and drill 36" hole from 607m to 650m. Circulate hole clean and displace. Drop Totco survey(0.5deg @ 643m). POOH. Rig up and ran 30" casing/PGB. Install guide lines. |

Operations For Period 0000 Hrs to 2400 Hrs on 16 Dec 2005

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|------|------|------|------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| SH | P | PUP | 0000 | 0300 | 3.00 | 0.0m | Pick up 20 stands DP. |
| SH | P | OA | 0300 | 0400 | 1.00 | 0.0m | Rack back 20 stands DP. |
| SH | P | PUP | 0400 | 0600 | 2.00 | 0.0m | Pick up DP |
| SH | P | HBHA | 0600 | 0730 | 1.50 | 0.0m | Picked up 18 jnts of HWDP and racked in derrick. |
| SH | P | HT | 0730 | 0930 | 2.00 | 0.0m | Made up and racked in derrick, 30" C.A.R.T. BOP hang off tool, 30" cementing stand. |
| SH | P | HBHA | 0930 | 1200 | 2.50 | 0.0m | Make up 36" drilling BHA and ran in hole to 192m. |
| SH | P | TI | 1200 | 1330 | 1.50 | 0.0m | Ran BHA in hole on DP to 607mRT. |
| SH | P | DA | 1330 | 1600 | 2.50 | 650.0m | Spud well and drill 36" hole from 607m to 650m. Pumped 75bbl sweep at mid stand and stand down, spotted 100bbls of hi-vis around BHA prior to connection. |
| SH | P | CHC | 1600 | 1630 | 0.50 | 650.0m | Displaced hole with 170bbls of pre-hydrated Bentonite. Dropped Totco single shot survey. |
| SH | P | TO | 1630 | 1730 | 1.00 | 650.0m | Pulled out of hole from 650m to 193m. No hole problems or overpull observed. |
| SH | P | HBHA | 1730 | 1830 | 1.00 | 650.0m | Pulled out of hole BHA from 193m to surface racking all BHA in derrick. |
| SC | P | RRC | 1830 | 1900 | 0.50 | 650.0m | Held Pre-casing JSA and rigged up for 30" casing. |
| SC | P | CRN | 1900 | 2100 | 2.00 | 650.0m | Ran 30" x 20" csg x/o joint, 2 x intermediate joints and housing joint. |
| SC | P | CRN | 2100 | 2300 | 2.00 | 650.0m | Ran 3 x dp stinger, made up 30" C.A.R.T to 30" housing joint and landed out in PGB. Install guide lines. |
| SC | TP (VE) | RO | 2300 | 2400 | 1.00 | 650.0m | Had rig welder manufacture 2 x "C" plates due to #1 & #2 guide line spears releasing and not latching correctly. |

Operations For Period 0000 Hrs to 0600 Hrs on 17 Dec 2005

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|-----|------|------|------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SC | P | CRN | 0000 | 0200 | 2.00 | 650.0m | Ran 30" casing & PGB on drill pipe. |
| SC | TP (OTH) | SKR | 0200 | 0330 | 1.50 | 650.0m | Stabbed casing in open hole with ROV assistance and by moving the rig 4m stbd aft. |
| SC | P | CRN | 0330 | 0400 | 0.50 | 650.0m | Landed out casing with 5klbs of wt down. Circulate to ensure no fill. 2.1m stcik up, 2 x zero bullseye readings. Heading 273 deg. Circulate casing volume while holding JSA for cement job. |
| SC | P | CMC | 0400 | 0530 | 1.50 | 650.0m | Pumped 20bbls of S/W-Dye, mix and pump 200bbls of 15.8ppg cement slurry, displace with 64bbls of S/W. Check floats holding-ok. |
| SC | P | WOC | 0530 | 0600 | 0.50 | 650.0m | Waiting on surface cement samples to harden. |

Phase Data to 2400hrs, 16 Dec 2005

| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
|-----------------------------|-----------|-------------|-------------|---------|----------|-----------|
| RIG MOVE/RIG-UP/PRESPUD(RM) | 23 | 05 Nov 2005 | 06 Nov 2005 | 23.00 | 0.958 | 0.0m |

| Phase Data to 2400hrs, 16 Dec 2005 | | | | | | |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
| ANCHORING(A) | 33.5 | 14 Dec 2005 | 15 Dec 2005 | 56.50 | 2.354 | 0.0m |
| SURFACE HOLE(SH) | 28.5 | 15 Dec 2005 | 16 Dec 2005 | 85.00 | 3.542 | 650.0m |
| SURFACE CASING(SC) | 5.5 | 16 Dec 2005 | 16 Dec 2005 | 90.50 | 3.771 | 650.0m |

| WBM Data | | Cost Today \$ 7964 | | | |
|-------------------------|--------------|--------------------|---------------|-----------|-----------|
| Mud Type: PHB spud | API FL: | CI: | Solids(%vol): | Viscosity | 120sec/qt |
| Sample-From: Active pit | Filter-Cake: | K+C*1000: | H2O: | PV | |
| Time: 1600 | HHTP-FL: | Hard/Ca: | Oil(%): | YP | |
| Weight: 8.80ppg | HHTP-cake: | MBT: | Sand: | Gels 10s | |
| Temp: | | PM: | pH: | Gels 10m | |
| | | PF: | PHPA: | Fann 003 | |
| | | | | Fann 006 | |
| | | | | Fann 100 | |
| | | | | Fann 200 | |
| | | | | Fann 300 | |
| | | | | Fann 600 | |
| Comment | | | | | |

| Bit # 1 | Wear | I | O1 | D | L | B | G | O2 | R |
|-------------------------------------------------------|--------------|----------|----------|---------|----------|--------------------------|------------|-------------------------|------------|
| | | 0 | 0 | NO | A | 0 | I | NO | TD |
| Bitwear Comments: Bit has no signs of wear or damage. | | | | | | | | | |
| Size ("): | 17.500in | IADC# | 117 | Nozzles | | Drilled over last 24 hrs | | Calculated over Bit Run | |
| Mfr: | REED HYCALOG | WOB(avg) | 3.80klb | No. | Size | Progress | 43.0m | Cum. Progress | 43.0m |
| Type: | Rock | RPM(avg) | 110 | 1 | 16/32nd" | On Bottom Hrs | 1.5h | Cum. On Btm Hrs | 1.5h |
| Serial No.: | B73369 | F.Rate | 10.30bpm | 3 | 22/32nd" | IADC Drill Hrs | 2.5h | Cum IADC Drill Hrs | 2.5h |
| Bit Model | Titan T-11C | SPP | 1888psi | | | Total Revs | | Cum Total Revs | 0 |
| Depth In | 607.0m | HSI | | | | ROP(avg) | 28.67 m/hr | ROP(avg) | 28.67 m/hr |
| Depth Out | 650.0m | TFA | 1.31 | | | | | | |
| Bit Comment | | | | | | | | | |

| BHA # 1 | | | | |
|-------------------|-----------|--------|-----------------|-----------------------|
| Weight(Wet) | Length | 192.6m | Torque(max) | D.C. (1) Ann Velocity |
| Wt Below Jar(Wet) | String | | Torque(Off.Btm) | D.C. (2) Ann Velocity |
| | Pick-Up | | Torque(On.Btm) | H.W.D.P. Ann Velocity |
| | Slack-Off | | | D.P. Ann Velocity |

BHA Run Description

BHA Run Comment

| Equipment | Length | OD | ID | Serial # | Comment |
|-------------|---------|----------|---------|------------|---------|
| Bit | 0.60m | 17.500in | | B73369 | |
| Hole Opener | 2.42m | 36.000in | 3.062in | 710163 | |
| Float Sub | 0.92m | 9.435in | 3.062in | 186-0029 | |
| Anderdrift | 3.09m | 9.500in | 3.000in | ADB 996 | |
| 9.5in DC | 27.18m | 9.500in | 3.000in | | |
| X/O | 1.16m | 9.500in | 2.812in | MSO 193-01 | |
| 8in DC | 17.74m | 8.000in | 2.812in | | |
| X/O | 1.16m | 8.500in | 2.812in | MSO 1930-2 | |
| 5in HWDP | 138.36m | 5.000in | 3.000in | | |

| Survey | | | | | | | | |
|--------|-------|-------|-----|-------|-----|-----|-----------|-----------|
| MD | Incl | Azim | TVD | Vsec | N/S | E/W | DLS | Tool Type |
| (m) | (deg) | (deg) | (m) | (deg) | (m) | (m) | (deg/30m) | |
| 643.00 | 0.5 | | | | | | | |

| Bulk Stocks | | | | | |
|-------------|------|-------|------|--------|---------|
| Name | Unit | In | Used | Adjust | Balance |
| Barite Bulk | MT | 80.63 | | 74.99 | 167.4 |

| Bulk Stocks | | | | | | |
|--------------------|------|------|-------|--------|---------|--|
| Name | Unit | In | Used | Adjust | Balance | |
| Bentonite Bulk | MT | | 22.89 | 35.43 | 59.5 | |
| Diesel | m3 | 0 | 10.8 | 0 | 221.9 | |
| Fresh Water | m3 | 31 | 24.9 | 0 | 153.5 | |
| Drill Water | m3 | 583 | 350.1 | 17.7 | 336.5 | |
| Cement G | MT | 63.7 | | -10.74 | 125.6 | |
| Cement HT (Silica) | MT | | 1.83 | 0 | 0.0 | |

| Pumps | | | | | | | | | | | | | | | | | |
|-------------------------|---------|------------|----------|---------|-----------|-----------|------------|----------------|------------|------------|-------------|------------|------------|-------------|------------|------------|-------------|
| Pump Data - Last 24 Hrs | | | | | | | | Slow Pump Data | | | | | | | | | |
| No. | Type | Liner (in) | MW (ppg) | Eff (%) | SPM (SPM) | SPP (psi) | Flow (bpm) | Depth (m) | SPM1 (SPM) | SPP1 (psi) | Flow1 (bpm) | SPM2 (SPM) | SPP2 (psi) | Flow2 (bpm) | SPM3 (SPM) | SPP3 (psi) | Flow3 (bpm) |
| 2 | A1700PT | 6.500 | 8.70 | 97 | 100 | 1800 | 11.90 | | | | | | | | | | |
| 3 | A1700PT | 6.500 | 8.70 | 97 | 100 | 1800 | 11.90 | | | | | | | | | | |

| Personnel On Board | | |
|------------------------------------|-----|---------|
| Company | Pax | Comment |
| DOGC | 45 | |
| DOGC | 3 | extra |
| ESS | 8 | |
| DOGC | 1 | other |
| NEXUS | 3 | |
| FUGRO SURVEY LTD (ROV) | 6 | |
| DOWELL SCHLUMBERGER | 3 | |
| CAMERON AUSTRALIA PTY LTD | 1 | |
| M-1 AUSTRALIA PTY LTD | 2 | |
| FUGRO SURVEY LTD (RIG POSITIONING) | 2 | |
| GEOSERVICES OVERSEAS S.A. | 2 | |
| Total | | 76 |

| HSE Summary | | | | |
|-------------|--------------|------------|--------------------------------------------|---------|
| Events | Date of last | Days Since | Descr. | Remarks |
| JSA | 16 Dec 2005 | 0 Days | Deck = 12, Mech = 1, Drill = 3, Sub Sea =2 | |
| STOP Card | 16 Dec 2005 | 0 Days | Safe = 6, Un-safe = 5 | |

| Marine | | | | | | | | | |
|------------------------|--------------|-------------|--------------|------------|--------------|------------------|-------------|---------|---------------|
| Weather on 16 Dec 2005 | | | | | | | Rig Support | | |
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period | Anchors | Tension (klb) |
| 10.0nm | 4kn | 225.0deg | 1,012.0mbar | 19C° | 0.1m | 225.0deg | 2s | 1 | 243.0 |
| Rig Dir. | Ris. Tension | VDL | Swell Height | Swell Dir. | Swell Period | Weather Comments | | | |
| 272.0deg | | 4,862.00klb | 2.0m | 225.0deg | 6s | | | | |
| Comments | | | | | | | 2 | 273.0 | |
| | | | | | | | 3 | 216.0 | |
| | | | | | | | 4 | 295.0 | |
| | | | | | | | 5 | 331.0 | |
| | | | | | | | 6 | 331.0 | |
| | | | | | | | 7 | 337.0 | |
| | | | | | | | 8 | 317.0 | |

| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | Bulks | | | |
|--------------------|---------------------|----------------------|-------------------------------------|-------------|-------|------|----------|
| Far Grip | | | on standby | Item | Unit | Used | Quantity |
| | | | | Diesel | CuMtr | | 254 |
| Fresh Water | CuMtr | | 313 | | | | |
| Drill Water | CuMtr | | 40 | | | | |
| Cement G | Mt | | 80 | | | | |
| Cement HT (Silica) | Mt | | 54 | | | | |
| Barite Bulk | Mt | | 89 | | | | |
| Pacific Wrangler | | | En-route to town, ETA 0630 17/12/05 | Item | Unit | Used | Quantity |
| | | | | Diesel | CuMtr | | 178.7 |
| | | | | Fresh Water | CuMtr | | 116 |

| | | | | Item | Unit | Used | Quantity |
|--|--|--|--|--------------------|-------|------|----------|
| | | | | Drill Water | CuMtr | | |
| | | | | Cement G | Mt | | |
| | | | | Cement HT (Silica) | Mt | | |
| | | | | Barite Bulk | Mt | | |
| | | | | Bentonite Bulk | Mt | | |

| Helicopter Movement | | | | |
|----------------------------|---------------------------------------|---------------|------------|---------------------------------------------------------------------------------------------------------------|
| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment |
| 1 | BRISTOW HELICOPTERS AUSTRALIA PTY LTD | 1313 / 1328 | 8 / 10 | First chopper had mechanical problems and had to turn back. Loan chopper from woodside completed crew change. |