

27 May 2008 From: B Openshaw/S Schmidt

To: R Oliver

DRILLING MORNING REPORT # 3 Garfish-1

| Well Data | | | | | | | | |
|---------------|----------------------|------------------|---------|-------------------|--|------------|-----------------|--|
| Country | Australia | MDBRT | 0.0m | Cur. Hole Size | | AFE Cost | AUD\$30,111,800 | |
| Field | Garfish / Longtom | TVDBRT | 0.0m | Last Casing OD | | AFE No. | Garfish-1 | |
| Drill Co. | Seadrill | Progress | 0.0m | Shoe TVDBRT | | Daily Cost | AUD\$643,950 | |
| Rig | West Triton | Days from spud | | Shoe MDBRT | | Cum Cost | AUD\$7,720,500 | |
| Wtr Dpth(MSL) | 56.0m | Days on well | 2.06 | FIT/LOT: | / | | | |
| RT-ASL(MSL) | 39.9m | Planned TD MD | 2480.0m | Current Op @ 0600 | Picking up and making up 36" hole BHA. | | | |
| RT-ML | 95.9m | Planned TD TVDRT | 2522.9m | Planned Op | Pick up BHA. RIH. Spud and drill 36" hole to TE POOH. Run 30" conductor. | | | |

Summary of Period 0000 to 2400 Hrs

Completed two stage 100% preloading. Jacked up to air gap of 17m. Skidded out cantilever to drilling position. Rigged up service lines and Texas deck. Picked up drill pipe.

| HSE Summary | | | | | | | | |
|----------------|-------------|------------|--|---------------------|--|--|--|--|
| Events | Num. Events | Days Since | Descr. | Remarks | | | | |
| Abandon Drill | | 2 Days | | Abandon ship drill. | | | | |
| First Aid | | 0 Days | | | | | | |
| Incident | | 0 Days | | | | | | |
| Near Miss | | 0 Days | | | | | | |
| PTW issued | 9 | 0 Days | | | | | | |
| Safety Meeting | 2 | 2 Days | | | | | | |
| STOP Card | 24 | 0 Days | | | | | | |
| ToolBox Talk | 5 | 0 Days | Held Tool box talk with crews for related tasks. | | | | | |

Operations For Period 0000 Hrs to 2400 Hrs on 27 May 2008

| Phse | Cls (RC) | Op | From | То | Hrs | Depth | Activity Description |
|------|-------------|----|------|------|------|-------|---|
| P1 | Р | МЗ | 0000 | 0030 | 0.50 | 0.0m | Dumped 30% of preload. |
| P1 | Р | МЗ | 0030 | 0100 | 0.50 | 0.0m | Jacked up to 0m air gap. |
| P1 | Р | M3 | 0100 | 0300 | 2.00 | 0.0m | Preload to 100%. |
| P1 | Р | M3 | 0300 | 0900 | 6.00 | 0.0m | Held 100% preload. Final leg penetrations: Bow 1.60m, Starbord 1.70m, Port 1.55m. |
| P1 | Р | M3 | 0900 | 1000 | 1.00 | 0.0m | Dumped preload. |
| P1 | Р | M3 | 1000 | 1130 | 1.50 | 0.0m | Jacked hull down to 0m airgap, held for 10 minutes. Jacked up to operational air gap of 17m. |
| P1 | Р | M2 | 1130 | 1700 | 5.50 | 0.0m | Released Battler from tow bridlle at 11.30hrs. Prepare to skid out rig package to drilling postion. Skidded out rig package. While skidding out installed jumbo shute and lower Texas deck. |
| P1 | Р | M2 | 1700 | 2230 | 5.50 | 0.0m | Secured cantilever and installed rig securing wedges. Rigged up service lines. Rigged up stairways to cantilever deck. |
| P2 | Р | G2 | 2230 | 2400 | 1.50 | 0.0m | Picked up 3 stands drill pipe. |

Operations For Period 0000 Hrs to 0600 Hrs on 28 May 2008

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|----|------|------|------|-------|---|
| P2 | Р | G2 | 0000 | 0400 | 4.00 | 0.0m | Picked up total of 4 stands of 5.5in drill pipe. Picked up stand 8in drill collars. Picked up, made up and racked back in derrick cementing stand and 30in casing running tool. |
| P2 | Р | G2 | 0400 | 0600 | 2.00 | 0.0m | Picked up and made up 36in BHA. |

| Phase Data to 2400hrs, 27 May 2008 | | | | | | |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
| Mob/Demob(P1) | 48 | 25 May 2008 | 27 May 2008 | 48.00 | 2.000 | 0.0m |
| Conductor(P2) | 1.5 | 27 May 2008 | 27 May 2008 | 49.50 | 2.063 | 0.0m |

General Comments

00:00 TO 24:00 Hrs ON 27 May 2008



General Comments

Operational Comments

While preloading: Pressure tested upper and lower IBOP'S on top drive to 200/5000 psi, 5/10 mins, good tests. Slipped and cut drilling line. Servicing CTU unit.

| Bulk Stocks | | | | | | | | | | |
|----------------|------|----|------|--------|---------|--|--|--|--|--|
| Name | Unit | In | Used | Adjust | Balance | | | | | |
| DRILL WATER | MT | 0 | 123 | 0 | 150.0 | | | | | |
| Rig Fuel | m3 | 0 | 5 | 13 | 160.0 | | | | | |
| POTABLE WATER | MT | 0 | 26 | 50 | 160.0 | | | | | |
| Cement Class G | MT | 0 | 0 | 0 | 40.0 | | | | | |
| Bentonite | MT | 0 | 0 | 0 | 41.0 | | | | | |
| Barite | MT | 46 | 0 | 0 | 168.0 | | | | | |

| Ρι | ımps | | | | | | | | | | | | | | | | |
|-----|-------------------------|---------------|------------|---------|--------------|--------------|----------------|--------------|---------------|----------------|----------|-----------------|---------------|----------------|---------------|---------------|----------------|
| Pu | Pump Data - Last 24 Hrs | | | | | | Slow Pump Data | | | | | | | | | | |
| No. | Type | Liner (in) | MW (sg) | Eff (%) | SPM (SPM) | SPP (psi) | Flow (gpm) | Depth (m) | SPM1 (SPM) | SPP1F (psi) | low1(gpr | n)SPM2 (SPM) | SPP2 (psi) | Flow2 (gpm) | SPM3 (SPM) | SPP3 (psi) | Flow3 (gpm) |
| 1 | National 14 P-220 | 6.50 | | 97 | | | | | 30 | | 176 | 40 | | 234 | 50 | | 293 |
| 2 | National 14 P-220 | 6.50 | | 97 | | | | | 30 | | 176 | 40 | | 234 | 50 | | 293 |
| 3 | National 14 P-220 | 6.50 | | 97 | | | | | 20 | | 117 | 30 | | 176 | 40 | | 234 |

| Personnel On Board | | | | | | |
|----------------------|-----|--|--|--|--|--|
| Company | Pax | | | | | |
| ADA | 4 | | | | | |
| Seadrill | 11 | | | | | |
| Seadrill Services. | 41 | | | | | |
| Catering | 9 | | | | | |
| Halliburton | 2 | | | | | |
| Baker Hughes Inteq | 2 | | | | | |
| Halliburton | 2 | | | | | |
| Tamboritha | 7 | | | | | |
| Fugro Survey LTD | 2 | | | | | |
| Schlumberger MWD/LWD | 3 | | | | | |
| Cameron | 2 | | | | | |
| Total | 85 | | | | | |

| Marine |
|------------------------|
| Weather on 27 May 2008 |

| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period |
|------------|--------------|------------|--------------|------------|--------------|------------------|---------------|
| 10.0nm | 3kn | 90.0deg | 1029.0mbar | 12C° | 0.5m | 190.0deg | 4s |
| Rig Dir. | Ris. Tension | VDL | Swell Height | Swell Dir. | Swell Period | Weather Comments | |
| 111.4deg | | 2194.00klb | 1.0m | 190.0deg | 8s | Wave and s | swell heights |

Comments

Wave and swell heights are estimates.

| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | | Bulks | | |
|------------------|---------------------|----------------------|-------------------------|---------------|-------|------|----------|
| Pacific Battler | | | On location | Item | Unit | Used | Quantity |
| | | | | Rig Fuel | m3 | | 495.04 |
| | | | | Potable Water | Mt | - | 319 |
| | | | | Drill Water | Mt | - | 342 |
| | | | | CEMENT G | Mt | - | 84 |
| | | | | Barite | Mt | - | 26 |
| | | | | Bentonite | Mt | - | 58 |
| | | | | MUD | m3 | - | 0 |
| | | | | | m3 | | 0 |
| Pacific Valkyrie | | 12.45 | On route to location at | Item | Unit | Used | Quantity |
| | | | 20.00hrs | Rig Fuel | m3 | | 463.9 |
| | | | | Potable Water | Mt | | 458 |
| | | | | Drill Water | m3 | | 617 |



| | | | Item | Unit | Used | Quantity |
|--------------------|-------|-------------------------|---------------|------|------|----------|
| | | | CEMENT G | Mt | | 42.5 |
| | | | Barite | Mt | | 42.5 |
| | | | Bentonite | Mt | | 42.5 |
| Sirus Cove | | Released at 12.30 | 14 | 11-4 | Head | 0 |
| Sirus Cove | | | Item | Unit | usea | Quantity |
| | | hours | FUEL | Ltrs | | 18200 |
| | | | Potable Water | Ltrs | | 15500 |
| Paciffic Protector | 11.30 | On location, offloading | Item | Unit | Used | Quantity |
| | | cargo. | FUEL | m3 | | 634.177 |
| | | | Potable Water | m3 | | 375 |

| Helicopter Movement | | | | |
|---------------------|--|---------------|------------|-------------|
| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment |
| 1 | BRISTOW HELICOPTERS AUSTRALIA PTY LTD | 1145 / 1200 | 6 / 12 | Crew Change |