

		From:	Chris Roots	/ Nathan Peri			
		OIM:	Dennis Gore				
Well Data							
Country	Australia	Measured Depth	657.0m	Current Hole Size	315mm	AFE Cost	\$41,512,831
Field		TVD	657.0m	Casing OD	340mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	0.0m	Shoe MD	652.0m	Daily Cost	\$839,001
Rig	Ocean Patriot	Days from spud	4.87	Shoe TVD	652.0m	Cum Cost	\$11,320,333
Water Depth (LAT)	66.3m	Days on well	5.58	F.I.T. / L.O.T.	/	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Standby w	aiting on ROV equipme	ent to be mob	ilised to the rig.	
RT-ML	87.8m	Planned Op	Standby w	aiting on ROV equipme	ent to be mob	ilised to the rig.	
Rig Heading	217.0deg						

Summary of Period 0000 to 2400 Hrs

Picked up 36m of Riser.

ROV became entangled in the guidelines. Attempted to free ROV, lost communication with ROV. Wait on equipment.

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
SC	Р	RR1	0000	0030	0.50	657.0m	Continued rigging up to run Riser.
SC	Р	RR1	0030	0300	2.50	657.0m	Picked up and made up 1 x 15m, 1 x 13.7m and 1 x 7.5m Riser joints. Riser joints hanging in the blocks (bottom of Riser 1m through RT).
							Concurrent Activities: Installed VX rig gastket on XT connextor with ROV.
SC	TP (VE)	ROV	0300	0800	5.00	657.0m	ROV became entangled in the guidewires after installing the VX gasket onto the XT. Lost the use of the starboard arm camera. The extra weight of the ROV on the guide wires caused the guidelines to jump off the sheaves. Moved the rig back over location to slacken the guidewire tension, ROV maintained depth while guidewires were reinstalled. Tensioned up the guidelines to take the slack out (ROV monitoring guidelines on the posts). All slack taken up and XT clear. ROV continued attempting to work free. Sheared out the #3 guideline from the guide post. Sheared off guide post with 5.2 t (13 klbs). When retrieving the guideline, the ROV was also pulled closer to surface, all stopped on retrieving. ROV situated 10m below SL. ROV manoeuvred around the guidewires and untangled the #3 guideline (still tangled in the other guidelines). Retrieved #3 guideline to surface. ROV descended and the remaining guidelines were slackened to allow the ROV to again try and untangle itself. During the slackening of the guidewires it was observed that the #1 guidewire was below the XT. While attempting to free itself the ROV lost all comms and power. All stop on the operation. Meeting held on the rig and discussions with town.
SC	TP (VE)	ROV	0800	0800	0.00	657.0m	STATUS: VX gasket installed. No debri cap on the XT. Guideline #3 retrieved to surface. Guideline #1, #2 & #4 still attached to the guide posts - #1 guideline was observed to be hanging below the XT, #2 & #4 positions are unknown. Guideline fleet angle heading aft. 2 x guideline C- clamps on each guideline. The rig is positioned over location. The Riser hanging in the blocks (36m). BOP still on the Normar carrier. ROV is positioned 15-20m aft, bearing 192° and in 44-47m of water depth. ROV negative buoyancy of ±200kg.
SC	TP (VE)	WOE	0800	1200	4.00	657.0m	Standby for observation class ROV equipment. Mobilised observation class via airfreight and work class ROV via road freight. Divers & diving support vessel on standby.
SC	TP (VE)	WOE	1200	1500	3.00	657.0m	Standby for equipment. Monitor guideline and ROV umbilical.
SC	TP (VE)	WOE	1500	1600	1.00	657.0m	Noted guideline fleet angle in the moonpool area had reduced to vertical and ROV umbilical. Pulled up on the ROV umbilical drum (no tension), umbilical to surface (cut). Unable to determine umbilical length remaining on the ROV.
SC	TP (VE)	WOE	1600	2400	8.00	657.0m	Continued standby for observation class ROV equipment.

Operations For Period 0000 Hrs to 0600 Hrs on 30 Aug 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
SC	TP (VE)	WOE	0000	0600	6.00	657.0m	Standby waiting on observation class ROV equipment.



DRILLING MORNING REPORT #6 Henry-2 (29 Aug 2008)

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
SC	TP (VE)	WOE	0000	0600	6.00	657.0m	(IN PROGRESS) Standby waiting on ROV equipment to be mobilised to the rig. Cleared out BOP area for Sea Eye ROV. Prepared contingency equipment for guidelines and primary ROV recovery. Continued rig maintenance work.

WBM Data				Cost Today	\$ 1000				
Mud Type:	SW/PacR	API FL:	5cm ³ /30m	KCI:	9%	Solids:	5.5	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:		Hard/Ca:	1080	H2O:	95%	PV: YP:	0.017Pa/s 0.120MPa
Time:	23:00	HTHP-FL:		MBT:	8	Oil:		Gels 10s: Gels 10m:	0.024 0.072
Weight:	1.19sg	HTHP-Cake:	0mm	PM:	0.3	Sand:	.1	Fann 003:	4
Temp:				PF:	0.28	pH:	10	Fann 006: Fann 100:	6 23
						PHPA:	0ppb	Fann 200:	34
								Fann 300:	42
								Fann 600:	59

Centrifuge Pit 3 and Pit 4 recycled KCL/Glycol mud to reduce MW to 10.2 ppg. Treat mud in Pit 4 and 3 with 0.5ppb of Citric Acid after smelled ammonia (pH=11.5).

Blend Pits 3, 4, 5. Homogenous KCL/Glycol mud representative of Mud check #3. Mud check Comment

#1 on SW/Pac R from Pit 2.

Dress shaker with 84 mesh XL/HC screens.

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	0	0	0	148.0	
Gel	mT	0	0	0	33.0	
Cement	mT	0	0	0	63.0	
Fuel	m3	0	9.7	0	476.4	
Potable Water	m3	0	28	0	334.0	
Drill Water	m3	32	14	0	607.0	Received from water maker onboard.

Personnel On Board Comment Pax Santos 4 DOGC 52 ESS 8 BHI 6 Dowell 2 Rheochem 2 MI Swaco 1 TMT 6 Cameron 4 Schlumberger Drilling & Measurements 3 Santos 2 Santos 1 Schlumberger Drilling & Measurements 3 RPS 2			
Company	Comment	Pax	
Santos		4	
DOGC		52	
ESS		8	
BHI		6	
Dowell		2	
Rheochem		2	
MI Swaco		1	
ГМТ		6	
Cameron		4	
Schlumberger Drilling & Measurements		3	
Santos		2	
Santos		1	
Schlumberger Drilling & Measurements		3	
RPS		2	
	Total	96	

Casing			
OD	L.O.T. / F.I.T.	Casing Shoe (MD/TVD)	Cementing
762mm	/	131.70/131.70	Slurry: 30.8m³ (194bbl x 916sxs) of 1.9sg (15.8ppg) class G
340mm	/	652.00/652.00	Lead: 41m³ (256bbl x 532sx) of 1.5sg (12.5ppg) class G slurry. Tail: 17.8m³ (112bbl x 644sx) 150m of 1.9sg (15.8ppg) class G slurry.



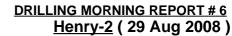
HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	24 Aug 2008	5 Days	Abandonment drill completed after the fire drill. Completed full muster after emergency under control in 25 minutes, initial muster completed in 11 min.
Fire Drill	1	24 Aug 2008	5 Days	Simulated fire in the paint locker. Emergency alarm sounded at 22:20hrs, emergency under control at 22:35hrs.
First Aid	1	13 Aug 2008	16 Days	During the relocation of a container on the port pipe deck, IP located hand on corner of a container to assist another roustabout to steady for placement. IP looked at the base of the container when it swung and caught his hand between the container and wall resulting in a bruised hand.
JHA	24	29 Aug 2008	0 Days	Drill crew - 2 Deck Crew - 11 Welder - 5 Subsea - 2 Mech - 3 Marine - 1
Lost Time Incident	1	30 May 2008	91 Days	Man had his left hand caught between an 8" drill collar and the casing tongs when he was trying to secure the tong. Preliminary checks on the rig deemed only stitches required and the hand was not broken. The person was medivac'd off the rig @ 23:00hrs. Man was released from Royal Hobart hospital with 12 stitches to the hand (no broken bones).
Medical Treatment Incident	1	13 Aug 2008	16 Days	During lifting operations of 3rd party tooling on the pipe deck, IP was assisting the dogman in attaching slings to the whip-line hook. During this process the hook swung and hit the IP in the side of the hardhat resulting in an injury to the IPs neck. The IP was immobilised as a precautionary measure, treated as per symptoms and in readiness for medivac to hospital for further assessment.
Pre-Tour Meeting	4	29 Aug 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	20	29 Aug 2008	0 Days	8 x hot work permits 12 x cold work permits
Rig Inspection	2	20 Aug 2008	9 Days	Conducted 2 by Santos STOP audits. 1 in moonpool: found several housekeeping issues with wire rope and hoses causing potential trip hazards. Wrapped blue pod line with caution tape and removed grease cans no longer required. 2 in sack room: conducted STOP audit during glycol handling operations. Good understanding of hazards, PPE and operations throughout job. Completed safely and efficiently.
Safety Audit	1	30 Jul 2008	30 Days	EHSMS audit conducted onboard.
Safety Meeting	1	26 Aug 2008	3 Days	Held a pre-spud meeting with all parties on the drill floor. Discussed the operation and also the shallow gas procedures.
Santos Induction	7	29 Aug 2008	0 Days	Conducted Santos induction to new personnel to site after DODI induction.
Stop Observations	60	29 Aug 2008	0 Days	42 - Safe 18 - Corrective Actions
STOP Tour	6	29 Aug 2008	0 Days	Submitted Diamond supervisor audits.

Available	325.6m ³	Losses	69.3m ³	Equip.	Descr.	Mesh Size	Hours
Active	0.0m³	Downhole		Centrifuge 1	MI SW FVS 518		
Mixing		Surf+ Equip	0.0m³	Centrifuge 1	MI SW FVS 518		
Ü				Centrifuge 2	MI SW FVS 518		
Hole	0.0m³	Dumped	69.3m³	Centrifuge 2	MI SW FVS 518		
Slug		De-Sander		Shaker 3	MI SW - BEM 650		
Reserve	106.0m ³	De-Silter		Shaker 3	MI SW - BEM 650	10/10/20/20/20/20	
Kill	0.0m³	Centrifuge		Shaker 4	MI SW - BEM 650		
		Centinuge		Shaker 4	MI SW - BEM 650	10/10/20/20/20/20	
KCL/Gly	219.6m³			Shaker 5	MI SW - BEM 650		
				Shaker 5	MI SW - BEM 650	10/10/20/20/20/20	
				Shaker 6	MI SW - BEM 650		
				Shaker 6	MI SW - BEM 650	10/10/20/20/20/20	

Comment Reserve volume = SW/PacR.

Shakers dressed with XL screens.

Sand traps full.



Bulks



Arrived (date/time)

Boats

Marine										
Weather ch	eck on 29 Aug	2008 at 24:0	00					Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	26km/h	135.0deg	1021.00bar	10.0C°	0.5m	135.0deg	3sec	1	1353.0	127.91
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1372.8	126.10
0.3deg	0.3deg	0.80m	1.5m	225.0deg	13sec			3	1386.8	128.82
0.sueg	0.sueg	0.80111	1.5111	225.0deg	13360			4	1414.0	130.18
Rig Dir.	Ris. Tension	VDL		Comments				5	1365.8	141.07
217.0deg	0.00mt	995.64mt						6	1389.9	132.00
217.0009	0.00111	000.0 11110						7	1393.9	131.09
								8	1389.9	132.90

Departed (date/time)

Status

Far Grip			23:40 hrs 27/08/08	Transit to Portland	Item	Unit	Quantity
					Fuel	m3	514
					Potable Water	m3	435
					Drill Water	m3	340
					Gel	mt	59
					Cement	mt	0
					Barite	mt	84
					KCI Brine	m3	156
					NaCl Brine	m3	0
						m3	117
Nor Captain	23:15hrs 27.08.08			On location Ocean Patriot	Item	Unit	Quantity
					Fuel	m3	469
					Potable Water	m3	235
					Drill Water	m3	305
					Gel	mt	0
					Cement	mt	0
					Barite	mt	80
					KCI Brine	m3	
					NaCl Brine	m3	
					Mud	m3	224
Helicopter	Movement	t					
Flight #	Time		Destination	(Comment		Pax
GYJ	11:08	Ocean Patriot					13
GYJ	11:29	Essendon					15