

**From : Chris Roots / Nathan Peri**  
**OIM : Dennis Gore**

### Well Data

Country	Australia	Measured Depth	932.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831
Field		TVD	931.0m	Casing OD	340mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	275.0m	Shoe MD	652.0m	Daily Cost	\$718,942
Rig	Ocean Patriot	Days from spud	12.87	Shoe TVD	652.0m	Cum Cost	\$17,131,586
Water Depth (LAT)	66.3m	Days on well	13.58	F.I.T. / L.O.T.	/ 2.20sg	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Continued drilling ahead from 1063m RT				
RT-ML	87.8m	Planned Op	Drill ahead to ~1400m TVD. POH and change the bit.				
Rig Heading	217.0deg						

### Summary of Period 0000 to 2400 Hrs

Completed repairs to the choke and kill manifold valve. Pressure tested the repaired valve.  
Pulled the weight set test tool to surface and laid out. Completed pressure testing surface equipment.  
RIH picking up remaining BHA. Tagged cement at 619m, drilled out the shoe track and 3m of new formation to 660m.  
Conducted LOT to 2.2sg (18.4 ppg).  
Drilled ahead from 660m to 932m (272m).

### Formations

Name	Top (MD)	Top (TVD)	Comment
Mepunga	720.0m	720.0m	0.2m Low
Dilwyn	848.0m	847.9m	24.1m Low

### Operations For Period 0000 Hrs to 2400 Hrs on 06 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
SC	TP (RE)	BOP	0000	0400	4.00	657.0m	Continued stripping down valve #4, replaced all seals, seats and gate. Nipped up valve and pressure tested to 1.4 / 20.7 MPa (200/3000psi). Completed a body test to 34.5 MPa (5000psi) against LOK / UOK.
SC	P	BOP	0400	0430	0.50	657.0m	Function tested BOPs on the blue pod from the TP panel.
SC	P	BOP	0430	0530	1.00	657.0m	Unseated the weight set test tool from the wellhead and POH.
SC	P	PT	0530	0730	2.00	657.0m	Completed surface testing the TDS and standpipe to 1.4 / 34.5 MPa (200/5000psi) for 5/10 minutes.
SC	P	HBHA	0730	1100	3.50	657.0m	Continued picking up 127mm (5") HWDP and jars to 300m. Functioned diverter and flushed the overboard lines.
SC	P	DFS	1100	1530	4.50	660.0m	RIH and tagged cement at 619.6m. Displaced the well to SW/Pac-R while drilling out the shoe track and 3m of new formation to 660m. Parameters: WOB 4.4 - 22.2 t (10-50klbs), 90 RPM, Tq 2.7-10.8 kNm (2-8 kftlbs), SPP 8.3 MPa (1200psi).
SC	P	CS	1530	1600	0.50	660.0m	Circulated bottoms up, confirmed 90% new formation with Geologist. Pulled bit inside the casing shoe.
SC	P	LOT	1600	1700	1.00	660.0m	Lined out the cement unit to the kill line and the drill pipe. Pressured up to 13.8 MPa (2000psi) against the UOK fail safe, bled off pressure and lined out to the wellbore. Closed the upper pipe rams and conducted a LOT. 1.03 sg (8.6ppg) mud, 652m TVD, 7.658 MPa (1094psi) = EMW 2.20 sg (18.4ppg).
PH	P	DA	1700	2330	6.50	917.0m	Control drilled directional 311mm (12.25") hole from 660m to 917m RT (916 mTVD). Reduced flow rate to minimize the losses at the shakers while drilling through the Mepunga and Dilwyn formations. Surveyed on connections. Parameters: ROP 39m/hr, WOB 4.4 - 17.8 t (10-40klbs), 90-140 RPM, Tq 10.8-16.3 kNm (8-12 kftlbs), SPP 11.2 MPa (1600psi).
SC	P	DA	2330	2400	0.50	932.0m	Continued drilling ahead from 917m to 932m (931 mTVD) while displacing to 1.19sg (9.9ppg) KCL mud.

### Operations For Period 0000 Hrs to 0600 Hrs on 07 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	DA	0000	0600	6.00	1063.0m	Control drilled directional 311mm (12.25") hole from 932m to 1063m RT (1059.3mTVD). Surveyed on connections. Parameters: ROP 22m/hr, WOB 17.8 t (40klbs), 150 RPM, Tq 16.3 kNm (12 kftlbs), SPP 21.4 MPa (3100psi). Last Survey: 1026.48mRT, 1024.13 mTVD, 16.66 Incl, 146.40 Azi.

WBM Data				Cost Today \$ 13500							
Mud Type:	KCL/GLY	API FL:	4cm³/30m	KCl:	11%	Solids:	5.22	Viscosity:	0sec/L		
Sample-From:	Pit	Filter-Cake:		Hard/Ca:	480	H2O:	95%	PV:	0.021Pa/s		
Time:	23:30	HTHP-FL:		MBT:	7	Oil:		YP:	0.148MPa		
Weight:	1.19sg	HTHP-Cake:	1mm	PM:	0.4	Sand:	0.1	Gels 10s:	0.043		
Temp:				PF:	0.1	pH:	8.5	Gels 10m:	0.072		
						PHPA:	Oppb	Fann 003:	9		
								Fann 006:	12		
								Fann 100:	31		
								Fann 200:	42		
								Fann 300:	52		
								Fann 600:	73		
Comment Increase 6rpm in Pac/SW system with Flowzan additions. Displace hole to PAC/SW system at 650m. Continue mix 875 bbl SeaWater/PacR. Dump all SeaWater mud. Increase PHPA concentration after displacement.											

Bit # 3				Wear	I	O1	D	L	B	G	O2	R
Size:	311mm	IADC#	117	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	Hughes Christensen	WOB(avg)	11.39mt	No.	Size	Progress			Cum. Progress			
Type:	Rock	RPM(avg)	122	1	16/32nd"	On Bottom Hrs			Cum. On Btm Hrs			
Serial No.:	5127797	F.Rate	2760lpm	3	18/32nd"	IADC Drill Hrs			Cum IADC Drill Hrs			
Bit Model	MXL-1X	SPP	9225kPa			Total Revs			Cum Total Revs			
Depth In	657.0m	TFA	0.942			ROP(avg)			ROP(avg)			
Depth Out												

BHA # 3							
Weight(Wet)	38.10mt	Length	300.8m	Torque(max)	16320.0Nm	D.C. (1) Ann Velocity	63.28mpm
Wt Below Jar(Wet)	35.38mt	String	106.59mt	Torque(Off.Btm)	4080.0Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up	106.59mt	Torque(On.Btm)	10880.0Nm	H.W.D.P. Ann Velocity	53.01mpm
		Slack-Off	106.59mt			D.P. Ann Velocity	43.55mpm

BHA Run Description		Directional / FEWD					
Equipment	Length	OD	ID	Serial #	Comment		
Bit	0.35m	311mm		5127797			
Powerdrive 900	8.65m	308mm	127mm	O31	Ported float installed. Xceed directional survey = 5.14m from the bit.		
ARC-8	5.77m	231mm	76mm	1106	Resistivity & Gama = 11.1m from the bit.		
In-Line Stabiliser	0.83m	308mm	111mm	ASQ8062			
Telescope HF	8.15m	213mm	76mm	E0005	Powerpulse directional survey = 19.21m from the bit.		
In-Line Stabiliser	0.87m	308mm	111mm	242280730			
Sonic	7.20m	231mm	83mm	34888	Sonic = 28.92m		
ADN	6.57m	226mm	213mm	VC73	Density = 35.09m. Neutron is 36.06m from the bit.		
NMDC	8.55m	213mm	71mm	N688			
Drill Collar	84.37m	203mm	73mm				
X/O	1.09m	203mm	67mm	GUD123-1			
HWDP	121.38m	175mm	76mm				
6.375in Jars	9.73m	162mm	70mm	DAH01628			
HWDP	37.30m						

Survey								
MD (m)	Incl Deg (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (m)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
740.06	0.5	140.4	740.03					MWD
768.28	0.8	157.8	768.24					MWD
797.08	2.5	141.9	797.03					MWD
826.15	3.4	139.3	826.06					MWD
854.44	3.4	141.1	854.30					MWD
883.67	3.9	140.6	883.47					MWD

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	10.8	0	409.1	
Potable Water	m3	32	29	0	321.0	
Drill Water	m3	0	36	0	529.0	

Personnel On Board		
Company	Comment	Pax
Santos		4
DOGC		54
ESS		8
BHI		6
Dowell		3
Rheochem		2
MI Swaco		1
TMT		7
Cameron		1
Schlumberger Drilling & Measurements	MWD / LWD	3
Santos	Geologist	2
Schlumberger Drilling & Measurements	Directional	3
DOGC Service	Scaffolders	3
<b>Total</b>		<b>97</b>

Casing			
OD	L.O.T. / F.I.T.	Casing Shoe (MD/TVD)	Cementing
762mm	/	131.70/131.70	Slurry: 30.8m <sup>3</sup> (194bbl x 916sxs) of 1.9sg (15.8ppg) class G
340mm	2.20 /	652.00/652.00	Lead: 41m <sup>3</sup> (256bbl x 532sx) of 1.5sg (12.5ppg) class G slurry. Tail: 17.8m <sup>3</sup> (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	31 Aug 2008	6 Days	Abandon drill completed after the simulated fire was under control. Completed full muster at the forward lifeboats at 11:02hrs.
Environmental Audit	1	03 Sep 2008	3 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	31 Aug 2008	6 Days	Simulated a fire in the paint locker. Emergency alarm sounded at 10:31hrs, emergency under control at 10:45hrs. Full muster complete in the Temporary Refuge (Galley) at 10:41hrs
First Aid	1	13 Aug 2008	24 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.
First Aid	1	06 Sep 2008	0 Days	IP was needle gunning when his right hand slipped off the gun and the right index finger went under the needles of the gun causing a 3cm laceration. The finger was treated and the IP resumed full duties.
JHA	28	06 Sep 2008	0 Days	Drill crew - 5 Deck Crew - 13 Welder - 3 Marine - 2 Subsea - 1 Mech - 4
Lost Time Incident	1	30 May 2008	99 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	24 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 IP's 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	06 Sep 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	13	06 Sep 2008	0 Days	9 x hot work permits 4 x cold work permits
Rig Inspection	1	30 Aug 2008	7 Days	Conducted 1 by Santos STOP audit. Welding Shop: Stopped welder from working and inspected his permit for validity, OK. We then inspected the workshop for any hazards, found a steel plate leaning against a fire extinguisher. Removed plate away, no other changes required.
Safety Audit	1	30 Jul 2008	38 Days	EHSMS audit conducted onboard.
Safety Meeting	3	31 Aug 2008	6 Days	Reviewed stop cards for the week and awarded Santos best stop card to Brendan Palmer. Reviewed 3 safety alerts and 2 Tech alerts. Discussed the fire drill in the shale shaker house.
Santos Induction	0	06 Sep 2008	0 Days	Conducted Santos induction to new personnel to site after DODI induction.
Stop Observations	76	06 Sep 2008	0 Days	52 - Safe 24 - Corrective Actions
STOP Tour	5	06 Sep 2008	0 Days	Submitted Diamond supervisor audits.

Shakers, Volumes and Losses Data				Engineer : Paul Marshall / Fius Siregar			
Available	165.9m <sup>3</sup>	Losses	0.0m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	64.4m <sup>3</sup>	Downhole		Centrifuge 1	MI SW FVS 518		
Mixing		Surf+ Equip	0.0m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		
Hole	77.7m <sup>3</sup>	Dumped	0.0m <sup>3</sup>	Shaker 3	MI SW - BEM 650	10/20/84/84/84/84	
Slug		De-Sander		Shaker 4	MI SW - BEM 650	10/20/84/84/84/84	
Reserve	23.8m <sup>3</sup>	De-Silter		Shaker 5	MI SW - BEM 650	10/20/84/84/84/84	
Kill	0.0m <sup>3</sup>	Centrifuge		Shaker 6	MI SW - BEM 650	10/20/84/84/84/84	
Comment	Dumped all SW/PacR while displacing to KCL/Gly.						

Marine								Rig Support		
Weather check on 06 Sep 2008 at 24:00										
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	15km/h	200.0deg	1018.00bar	12.0C°	0.0m	200.0deg	0sec	1	1353.0	122.92
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments				
0.3deg	0.3deg	1.00m	2.5m	230.0deg	13sec					
Rig Dir.	Ris. Tension	VDL	Comments							
217.0deg	122.47mt	983.39mt								
								8	1389.9	128.82

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	21:45 hrs 3/09/08		On location Ocean Patriot	Item	Unit	Quantity
				Fuel	m3	540
				Potable Water	m3	395
				Drill Water	m3	340
				Gel	mt	59
				Cement	mt	45.5
				Barite	mt	84
				KCl Brine	m3	113
				NaCl Brine	m3	0
				Mud	m3	117
Nor Captain	04:15 hrs 1/09/08		On location Ocean Patriot	Item	Unit	Quantity
				Fuel	m3	379
				Potable Water	m3	265
				Drill Water	m3	495
				Gel	mt	0
				Cement	mt	0
				Barite	mt	82
				KCl Brine	m3	0
				NaCl Brine	m3	0
				Mud	m3	80

Helicopter Movement				
Flight #	Time	Destination	Comment	Pax
1			No flights today	