#### DRILLING MORNING REPORT # 16 Henry-2 (08 Sep 2008)

					F	rom :	Chris Roots	/ Nathan Pe	eri					
					C	DIM :	Dennis Gore							
Well [	Data							T			1			
Country	/		Australia		sured De	pth	1560.0m	Current Ho	le Size	311mm	AFE C		\$41,512,837	
Field				TVD			1471.0m	Casing OD		340mm	AFE N		5746043	
	ntractor	0.000	DOGC	0		ud	0.0m	Shoe MD		652.0m	Daily C		\$776,47	
Rig Mator F	Depth (LA		an Patrio 66.3m	-	s from sp s on well	ua	14.87 15.58	Shoe TVD F.I.T. / L.O.	т	652.0m / 2.20sg	Cum C Planne		\$18,676,90 2552.0m	
RT-SL	• •	.,	21.5n		ent Op @	0600		to POH from		0	Fianne	uid	2002.011	
RT-ML			87.8n		ned Op	0000			``	,	mm (12	25") Bit and	d FEWD tools, RI	
Rig Hea	adina		217.0deg					ead to TD ~1						
0	nary of													
Continu		g 311mm	n (12.25")	) hole to	1560 mF	RT. Circula	ated 6 x BU until	shakers were	e clean. Flu	ished choke	and kill	lines, cond	lucted SCR's. Flo	
Form	ations													
UIII		Name				Top (ME	))	Top (TVD)			(	Comment		
Pebble	Point	Nume			1132.5		1121.	• • • •	22	.1m Low		Johnnent		
	re Shale				1207.0		1189.			.3m Low				
Timboo					1222.0		1202.			.4m Low				
Paarrat		_			1443.0		1382.		28	.5 Low				
•							n 08 Sep 200	8						
Phse	Cls (RC)	Ор	From	То	Hrs	Depth			Ac	tivity Descri	ption			
PH	Ρ	DA	0000	0600	6.00	1393.0m	and reamed Parameters: kNm (10-25 l	Drilled ahead 311mm (12.25") hole from 1329m to 1393m RT (1341mTVD). Su and reamed on connections. Parameters: ROP 10.6m/hr, WOB 17.8-22.2 t (40-50klbs), 100-150 RPM, Tq 13 kNm (10-25 kftlbs), SPP 24.3 MPa (3475psi), flow rate 3785 L/min (1000gpm).						
PH	Ρ	DA	0600	1930	13.50	1560.0m	Continued dr Surveyed an Projected su	Last Survey: 1344 mRT, 1304 mTVD, 38.7° Incl, 112° Azi. Continued drilling ahead from 1393m to 1560 mRT, (1471 mTVD). Surveyed and reamed connections. Avg ROP: 12m/hr. Projected survey on bottom: 1560 mRT, (1471 mTVD), 37.96° Incl, 110° Azi.						
PH	Ρ	СНС	1930	2230	3.00	1560.0m	Circulated 6 during circula	Note: Reduced mud rheology properties prior to POH. Circulated 6 by bottoms up volumes until shakers were clean.Reciprocated pipe during circulation. Mud weight 1.21sg (10.1ppg). Flow 3785 L/min (1000gpm), 120 rpm.						
PH	Р	FC	2230	2300	0.50	1560.0m	Flushed out	Flushed out choke and kill lines. Conducted SCR's and flow checked the well.						
PH	Ρ	ТО	2300	2400	1.00	1560.0m			m. Maximu	um overpull	observe	d 31 kdaNn	n (70klbs).	
)pera	tions F	or Peri	iod 000	00 Hrs	to 060	0 Hrs o	n 09 Sep 200	8						
Phse	Cls (RC)	Ор	From	То	Hrs	Depth			Ac	tivity Descri	ption			
PH	Р	то	0000	0300	3.00	1560.0m	Continued to Observed 17	POH from 13						
PH	Ρ	WTH	0300	0330	0.50	1560.0m	Pulled tight a	t 1020m, wo	rked pipe t	hrough to 95			1 t (50-70klbs). min (600gpm).	
PH	Р	то	0330	0430	1.00	1560.0m		POH on elev	ators from	934m to the	` '			
PH	Р	FC	0430	0500	0.50	1560.0m	Flow checke	d at the shoe	. Pumped	a 1.4sg (12p	opg) slug	I.		
PH	Р	ТО	0500	0600	1.00	1560.0m			52m to 300	)m.				
WBM	Data						Cost Today	\$ 23000						
/lud Typ	e:	KCL/G	ILY API	FL:	40	cm <sup>3</sup> /30m	KCI:	10%	Solids:		6.48	Viscosity:	0se	
Sample	-From:	Flowl	line Filte	er-Cake:			Hard/Ca:	480	H2O:		94%	PV: YP:	0.023P 0.196M	
Time:		22	22:00 HTHP-FL:				MBT:	6	Oil:			Gels 10s:	0.0	
Weight:		1.2	1.21sg HTHP-Cake				PM:	0.3	Sand:		0.5	Gels 10m: Fann 003:	0.1	
Temp:		61.0		ound.	re. UMM		PF:				8.5	Fann 003: Fann 006:		
. omp.		01.0					г <b>г</b> .	0.1	pH:			Fann 100:		
									PHPA:		1ppb	Fann 200: Fann 300: Fann 600:		
Comme	ent		add moo PHF	itional JK dified prei PA).Take	261 to dil mix (redu	ution fluid. ced gels/6 bl KCl/Gly	Increase PHPA of Dump and dilute rpm and increase col brine.	active system			nd			

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Bit # 3					W	ear	I		01	D	L		В	G	O2	R
Cizo		311mm	IADC#		7	Na			D''		leat 04 h					it Dum
Size: Mfr:	311mm  IADC# 117 Hughes Christensen  WOB(avg) 14.97mt				NO	zzles		4		last 24 h				d over B	672.0m	
	Hugnes Chi					1	Size		Progr			.0m	5			
Туре:		Rock								ottom Hrs		00h		-		19.91h
Serial No.:		5127797		3483lpn			18/:	32nd"	4	Drill Hrs		0.00h Cum IADC Drill Hrs				31.00h
Bit Model MXL-1X SPP 19471kPa									Total		105	300		otal Rev	S	239600
Depth In 657.0m TFA 0.942									ROP(	avg)		N/A	ROP(a	avg)		33.75 m/hr
Depth Out																
BHA # 3																
Weight(Wet)	Weight(Wet) 38.10mt Length					300	.8m	Torque	e(max)		28560.0	Nm	D.C. (	1) Ann Ve	elocity	79.86mpm
Wt Below Jar	(Wet)	35.38mt	String			115.6	7mt	Torqu	e(Off.B	tm)	16320.0	Nm	D.C. (2	2) Ann Ve	elocity	0mpm
			Pick-Up			122.4	7mt	Torque	e(On.B	tm)	8160.0	Nm	H.W.C	D.P. Ann V	Velocity	66.9mpm
			Slack-Off			108.8	6mt						D.P. A	nn Veloc	ity	54.96mpm
BHA Run Des	scription		Directiona	al / FEWD												
BHA Run Cor	nment			ms to the E			able t	o dowr	nlink bu	it no surv	ey data. S	urve	y data s	still being	transmitt	ed from the
			ACR-8 ar	nd projecte					_			1				
	Equipn	nent			ngth		D		D		rial #		Comment			
Bit				-	.35m		1mm		_	5127797	7	_				
Powerdrive 900					.65m	5m 308mm 127			7mm	O31		Ported float installed. Xceed directional survey = 5.14m from the bit.				14m from
ARC-8				5	.77m	23	1mm	7	6mm	1106 F		Res	sistivity	& Gama	= 11.1m	from the bit.
In-Line Stabili	ser			0	.83m	308mm			1mm	ASQ8062						
Telescope HF 8					.15m	21	3mm	7	6mm				Powerpulse directional survey = 19.21m from the bit.			
In-Line Stabili	ser				.87m		8mm			2422807	'30					
Sonic					.20m	-	1mm		3mm	34888			nic = 28			
ADN					.57m		:6mm					Density = 35.09m. Neutron is 36.06m from the bit.			oit.	
NMDC					.55m		3mm		1mm	N688						
Drill Collar				_	.37m		3mm		3mm 7							
X/O HWDP					.09m .38m	-	3mm 5mm		7mm 6mm	GUD123	5-1					
6.375in Jars									0mm	DAH016	28					
HWDP					.30m											
Survey				÷												
MD (m)	Incl Deg (deg)		r. Az eg)	TVD (m)	'V' Sect (m)				, ,		<b>/S</b> n)		E/W Tool Type (m)			ре
1402.20	40.1	111.2	13	348.27										MWD		
1431.69	39.4	110.9	13	370.95										MWD		
1460.30	38.7	109.8	13	393.17										MWD		
1488.25	25 37.5 109.1 1415.17											MWD				
1519.61	519.61 38.2 109.5 1439.93											MWD				
1537.83	38.1	110.0	14	154.27										MWD		
Bulk Stock	ks															
	Name	•			Jnit			In	U	sed	Adjust		Balanc	e	Comr	nent
Barite				mT				0		0		0	148	3.0		
Gel				mT				0		0		0	33	3.0		
Cement				mT				0		0		0		3.0		
Fuel				m3				0		21.6		0	368			
Potable Wate	r			m3				30		20		0	339			
Drill Water m3								0	0 12				0 667.0			

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Personnel	On Board					
	Company		Comment	Pax		
Santos				4		
DOGC				54		
ESS				8		
BHI				6		
Dowell				3		
Rheochem				2		
MI Swaco				1		
ТМТ				7		
Cameron				1		
Schlumberger	Drilling & Measureme	ents MWD / LWD		3		
Santos		Geologist		2		
Schlumberger	Drilling & Measureme	ents Directional		3		
DOGC Service	e	Scaffolders		3		
			Total	97		
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: 41m³ (256bbl x 532sx) of 1.5sg (12.5ppg) class G slur   Tail: 17.8m³ (112bbl x 644sx) 150m of 1.9sg (15.8ppg) class G Compare 1.5sg (12.5ppg) class G Compare 1.5sg (12.5ppg) class G						

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# **Santos**

HSE Summa	ry									
Ever	nts	Num Events	Date of Last	Days Since	Remarks					
Abandon Drill		1	31 Aug 2008	8 Days	Abandon drill completed after the simulated fire was under control. Completed full muster at the forward lifeboats at 10:48hrs.					
Environmental A	udit	1	03 Sep 2008	5 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.					
Fire Drill		1	31 Aug 2008	8 Days	Simulated a fire in the subsea shop. Emergency alarm sounded at 10:28hrs, emergency under control at 10:39hrs. Full muster complete at 10:38hrs					
First Aid		1	06 Sep 2008	2 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		36	08 Sep 2008	0 Days	Drill crew - 11 Deck Crew - 9 Welder - 7 Subsea - 1 Mech - 5 Elect - 3					
Lost Time Incide	nt	1	30 May 2008	101 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 Treatme	nt Incident	1	13 Aug 2008	26 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	08 Sep 2008	0 Days	Discussed upcoming operations and associated hazards prior to each sh starting.					
PTW Issued		19	08 Sep 2008	0 Days	8 x hot work permits 11 x cold work permits					
Rig Inspection		1	30 Aug 2008	9 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	40 Days	EHSMS audit conducted onboard.					
Safety Meeting		3	07 Sep 2008	1 Day	Reviewed stop cards for the week and awarded Santos best stop card to Brendan Haywood. Discussed the fire drill in the subsea shop. Reviewed fire fighting equipment and where to find them on the rig.					
Santos Induction		0	08 Sep 2008	0 Days	Conducted Santos induction to new personnel to site after DODI induction.					
Stop Observation	าร	59	08 Sep 2008	0 Days	38 - Safe 21 - Corrective Actions					
STOP Tour		2	08 Sep 2008	0 Days	Submitted Diamond supervisor audits.					
Shakers, Vol	umes and	l Losses Da	ata	Engineer : P	aul Marshall / Fius Siregar					
Available	364.3m <sup>3</sup>	Losses	37.7m <sup>3</sup>	Equi	p. Descr. Mesh Size Hours					
Active	58.7m³	Downhole	2.4m <sup>3</sup>	Centrifuge 1	MI SW FVS 518 16					
Mixing		Surf+ Equip	15.4m³	Centrifuge 1						
Hole	121.9m³	Dumped	5.6m³	Centrifuge 2 Centrifuge 2						
Slug		De-Sander	3.5m <sup>3</sup>	Shaker 3	MI SW + VS 518 8 MI SW - BEM 650 10/20/200/200/200 24					
Reserve	109.1m³	De-Silter		Shaker 3	MI SW - BEM 650 10/20/200/200/200 22					
Kill	0.0m <sup>3</sup>	Centrifuge	10.8m³	Shaker 4	MI SW - BEM 650 10/20/200/200/200 24					
Brine	74.6m <sup>3</sup>	Continugo	10.011	Shaker 4	MI SW - BEM 650 10/20/200/200/200 22					
	7 1.011			Shaker 5	MI SW - BEM 650 10/20/200/200/200 24					
				Shaker 5 Shaker 6	MI SW - BEM 650 10/20/200/200/200 22 MI SW - BEM 650 10/20/200/200/200 24					
				Shaker 6 Shaker 6	MI SW - BEM 650 10/20/200/200/200/200 24 MI SW - BEM 650 10/20/200/200/200/200 22					
Comment D	aily ditch may	gnet = 25gms.		2.12101 0						

Comment Daily ditch magnet = 25gms. Total = 75gms

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Marine													
Weather che	eck on 08 Sep	2008 at 24:0	00							Rig Support			
Visibility	Wind Speed Wind Dir. Pres		Pres	sure	re Air Temp. Wave Hei		ght Wave Di	Dir. Wave Period		Anchors Chain or		ut (m)	ension (mt)
18.5km	22km/h	180.0deg	0.0deg 1024.00bar			1.0m	180.0de	ea	4sec	1	1353.0		121.11
Roll	Pitch	Heave	-			Swell Peri		5		2	1372.8		128.82
	1			•	Swell Dir.		ou weau	od weather Comments			- 3 1386.8		127.91
0.4deg	0.3deg	1.00m	.00m 3.0m		230.0deg	13sec				4	1414	.0	127.01
Rig Dir.	Ris. Tension	VDL			Comments				5	1365	.8	128.82	
217.0deg	122.47mt	934.40mt								6	1389		130.18
										7	1393	.9	127.01
										8	1389	.9	127.01
Boats	Arrive	ed (date/time	)	Dej	parted (date	/time)	S	tatu	IS		Bull	ks	
Far Grip		21:45 hrs 3/0	09/08				On location Oc	cear	n Patriot	ltem		Unit	Quantity
										Fuel		m	
										Potable Water Drill Water		m: m:	
										Gel		m	
										Cement		m	
										Barite		m	
										KCI Brine		m	
										NaCl Brine		m	
										Mud		m: m:	
Nor Captain					16:40 h	rs 8/09/08	Portland			ltem		Unit	Quantity
										Fuel		m	-
										Potable Water		m	
										Drill Water		m	
										Gel		m	t 0
										Cement		m	
										Barite		m	
										KCI Brine		m	
										NaCl Brine Mud		m: m:	
Helicopte	er Moveme	nt										III	12
Flight #	Time			Destir	nation					mont			Pax
•	Time			Destil	auun		Comment						гах
1							No flights too	day					