

**From : Peter Devine/ Nathan Peri**  
**OIM : Dennis Gore**

**Well Data**

Country	Australia	Measured Depth	1904.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831
Field		TVD	1689.0m	Casing OD	340mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	219.0m	Shoe MD	652.0m	Daily Cost	\$887,586
Rig	Ocean Patriot	Days from spud	17.87	Shoe TVD	652.0m	Cum Cost	\$21,447,069
Water Depth (LAT)	66.3m	Days on well	18.58	F.I.T. / L.O.T.	/ 2.20sg	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600 Drill ahead from 1951 mRT.					
RT-ML	87.8m	Planned Op Continue drilling ahead to section TD ~ 2050m.					
Rig Heading	217.0deg						

**Summary of Period 0000 to 2400 Hrs**

Drilled 311mm (12.25") hole from 1685m to 1904m (219m).

**Formations**

Name	Top (MD)	Top (TVD)	Comment
Massacre Shale	1207.0m	1189.1m	33.3m Low
Timboon Fm	1222.0m	1202.2m	36.4m Low
Paarratte Fm	1443.0m	1382.3m	28.5m Low
Skull Creek Mudstone	1682.0m	1564.0m	19.7m Low

**Operations For Period 0000 Hrs to 2400 Hrs on 11 Sep 2008**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	DA	0000	0600	6.00	1747.0m	Drilled ahead 311mm (12.25") hole from 1685m to 1747m RT (1606mTVD). Surveyed and reamed on connections. Parameters: ROP 10 m/hr, WOB 18-22.7 t (40-50klbs), 100-150 RPM, Tq 6.8-27 kNm (5-20 kftlbs), SPP 25.5 MPa (3700psi), flow rate 3610 L/min (950gpm). Last Survey: 1720 mRT, 1587mTVD, 49.5° Incl, 115° Azim  Note: Dumped and diluted 63.6m³ (400bbls) to reduce LGS, Gels and MBT. Mud weight maintained at 1.32 sg (11.0ppg).
PH	P	DA	0600	1200	6.00	1808.0m	Continued drilling ahead from 1747m to 1808 mRT (1640 mTVD). ROP = 10m/hr
PH	P	DA	1200	2400	12.00	1904.0m	Continued drilling ahead from 1808m to 1904 mRT (1689 mTVD). Parameters: ROP 8 m/hr, WOB 18-22.7 t (40-50klbs), 100-150 RPM, Tq 6.8-27 kNm (5-20 kftlbs), SPP 25.6 MPa (3750psi), flow rate 3610 L/min (950gpm). Last Survey: 1924 mRT, 1698mTVD, 60.08° Incl, 118.95° Azim

**Operations For Period 0000 Hrs to 0600 Hrs on 12 Sep 2008**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	DA	0000	0600	6.00	1951.0m	Continued drilling ahead from 1904m to 1951 mRT (1712 mTVD). Reamed and surveyed connections. Parameters: ROP 8 m/hr, WOB 18-22.7 t (40-50klbs), 100-150 RPM, Tq 6.8-27 kNm (5-20 kftlbs), SPP 25.6 MPa (3750psi), flow rate 3610 L/min (950gpm). Last Survey: 1924 mRT, 1698mTVD, 60.08° Incl, 118.95° Azim

WBM Data				Cost Today \$ 50000							
Mud Type:	KCL/GLY	API FL:	4cm <sup>3</sup> /30m	KCl:	8%	Solids:	10.17	Viscosity:	0sec/L		
Sample-From:	Flowline	Filter-Cake:		Hard/Ca:	420	H2O:	90%	PV:	0.031Pa/s		
Time:	22:00	HTHP-FL:		MBT:	7.5	Oil:		YP:	0.225MPa		
Weight:	1.32sg	HTHP-Cake:	0mm	PM:	0.1	Sand:	0.5	Gels 10s:	0.048		
Temp:	656.0C°			PF:	0.04	pH:	8.5	Gels 10m:	0.101		
						PHPA:	47ppb	Fann 003:	11		
								Fann 006:	14		
								Fann 100:	46		
								Fann 200:	64		
								Fann 300:	78		
								Fann 600:	109		
<p>Comment</p> <p>Centrifuge left online to control LGS/DS, and active dusted with Barite to hold Mud Weight. Built 220 bbl 11ppg KCl/Glycol/PHPA fluid with 1.65 ppb Drispac SL, 1.1 ppb Flowzan and 0.6 ppb JK261 to be used for the Dump and Dilute. Performed 'D and D', dumping 421 bbl fluid from the sandtraps and shakers. Treated active with KCl for cutting integrity, Drispac SL to for fluid loss control and</p> <p>Drillpol. Commenced 2 bbl/hr drillwater bleed into the active to compensate for evaporation. Drop in YP and 6 rpm reading noticed and treated initially with 0.4 ppb Flowzan direct to the active. Other surface losses due to Desander (11 bbl/hr) which was online prior to 'D and D'.</p> <p>Built a further 750 bbl KCl/Glycol/PHPA fluid for volume with 1.55 ppb Drispac SL, 1.1 ppb Flowzan, 0.8 ppb PHPA. Fined up screens to 40/30 scalpers &amp; 270/230s as flow allowed. New screens used: 4x30, 1x40, 8x230 &amp; 4 x 270.</p> <p>Losses increased to 25bbl/hour. Prepared a 70 bbl LCM pill with 20ppb Omyacarb20</p>											

Bit # 5				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)	20.41mt	No.	Size	Progress	219.0m	Cum. Progress	344.0m			
Type:	Rock	RPM(avg)	131	1	14/32nd"	On Bottom Hrs	21.02h	Cum. On Btm Hrs	28.32h			
Serial No.:	5146318	F.Rate	3607lpm	3	20/32nd"	IADC Drill Hrs	24.00h	Cum IADC Drill Hrs	33.25h			
Bit Model	MXL-1X	SPP	24442kPa			Total Revs	165000	Cum Total Revs	222800			
Depth In	1560.0m	TFA	1.071			ROP(avg)	10.42 m/hr	ROP(avg)	12.15 m/hr			
Depth Out												

BHA # 5							
Weight(Wet)	19.05mt	Length	216.5m	Torque(max)	21760.0Nm	D.C. (1) Ann Velocity	82.72mpm
Wt Below Jar(Wet)	18.14mt	String	104.33mt	Torque(Off.Btm)	14960.0Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up	113.40mt	Torque(On.Btm)	8840.0Nm	H.W.D.P. Ann Velocity	69.3mpm
		Slack-Off	108.86mt			D.P. Ann Velocity	56.93mpm

BHA Run Description      Directional / FEWD

BHA Run Comment          6" Jar hours: 60.0

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.33m	311mm		5146318	
Powerdrive 900	8.62m	308mm	127mm	16	Blank float installed.
ARC-8	5.90m	231mm	76mm	1871	Xceed survey = 5.10m from the bit.
In-Line Stabiliser	0.83m	291mm	111mm	ASQ8062	Resistivity & Gama = 11.36m from the bit.
Telescope HF	8.15m	213mm	76mm	E0005	Powerpulse survey = 19.25m from the bit.
In-Line Stabiliser	0.83m	308mm	111mm	ASQ8-61	
Sonic	7.21m	231mm	83mm	FE75	Sonic = 28.89m
ADN	6.57m	226mm	213mm	43150	Density = 35.06m.
NMDC	8.55m	213mm	71mm	N688	Neutron is 36.04m from the bit.
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
1720.65	49.5	115.3	1587.26					MWD
1751.15	52.2	116.2	1606.53					MWD
1779.05	55.0	116.7	1623.09					MWD
1807.62	57.4	116.7	1638.99					MWD
1836.56	59.3	117.7	1654.16					MWD
1865.80	59.3	117.8	1669.09					MWD

Bulk Stocks							
Name	Unit	In	Used	Adjust	Balance	Comment	
Barite	mT	0	61	0	85.0		
Gel	mT	0	0	0	33.0		
Cement	mT	0	0	0	63.0		
Fuel	m3	0	19.4	0	521.2		
Potable Water	m3	34	22	0	357.0		
Drill Water	m3	0	36	0	716.0		

Personnel On Board		
Company	Comment	Pax
Santos		4
DOGC		50
ESS		8
BHI		6
Dowell		2
Rheochem		2
MI Swaco		1
TMT		6
Cameron		2
Schlumberger Drilling & Measurements	MWD / LWD	3
Santos	Geologist	2
Schlumberger Drilling & Measurements	Directional	3
Premium Casing Services		1
DOGC Service		1
Total		91

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 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.
340mm	2.20 /	652.00/652.00	

HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	31 Aug 2008	11 Days	Abandon drill completed after the simulated fire was under control. Completed full muster at the forward lifeboats at 10:48hrs.
Environmental Audit	1	03 Sep 2008	8 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	07 Sep 2008	4 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	5 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	27	11 Sep 2008	0 Days	Drill crew - 2 Deck Crew - 16 Welder - 2 Painter - 2 Mech - 2 Elect - 1 Galley - 1
Lost Time Incident	1	30 May 2008	104 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	29 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	11 Sep 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	9	11 Sep 2008	0 Days	7 x hot work permits 2 x cold work permits
Safety Audit	1	30 Jul 2008	43 Days	EHSMS audit conducted onboard.
Safety Meeting	3	07 Sep 2008	4 Days	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	2	11 Sep 2008	0 Days	Conducted Santos induction to new personnel to site after DODI induction.
Stop Observations	55	11 Sep 2008	0 Days	40 - Safe 15- Corrective Actions
STOP Tour	3	11 Sep 2008	0 Days	Submitted Diamond supervisor audits.

Shakers, Volumes and Losses Data				Engineer : Kellie Jericho / Fius Siregar			
Available	366.2m <sup>3</sup>	Losses	124.6m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	92.2m <sup>3</sup>	Downhole	23.8m <sup>3</sup>	Centrifuge 1	MI SW FVS 518		22
Mixing		Surf+ Equip	14.3m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		
Hole	148.3m <sup>3</sup>	Dumped	66.9m <sup>3</sup>	Shaker 3	MI SW - BEM 650	10/20/200/200/200/200	11
Slug	11.1m <sup>3</sup>	De-Sander		Shaker 4	MI SW - BEM 650	10/20/200/200/200/200	13
Reserve	59.3m <sup>3</sup>	De-Silter		Shaker 5	MI SW - BEM 650	10/20/200/200/200/200	17
Kill	0.0m <sup>3</sup>	Centrifuge	19.6m <sup>3</sup>	Shaker 6	MI SW - BEM 650	10/20/200/200/200/200	7
Brine	55.3m <sup>3</sup>						

Marine								Rig Support		
Weather check on 11 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	46km/h	0.0deg	1003.00bar	12.0C°	0.5m	0.0deg	3sec	1	1353.0	120.20
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments				
0.3deg	0.3deg	0.80m	1.5m	225.0deg	12sec					
Rig Dir.	Ris. Tension	VDL	Comments							
217.0deg	122.47mt	939.84mt								
								8	1389.9	128.82

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	17:55 hrs 11/09/08		On location Ocean Patriot	Item	Unit	Quantity
				Fuel	m3	503
				Potable Water	m3	367
				Drill Water	m3	560
				Gel	mt	59
				Cement	mt	45.5
				Barite	mt	84
				KCl Brine	m3	9
				NaCl Brine	m3	0
				Mud	m3	117
Nor Captain		18:55 hrs 11/09/08	Transit to Portland for 0700hrs Pilot.	Item	Unit	Quantity
				Fuel	m3	246
				Potable Water	m3	195
				Drill Water	m3	321
				Gel	mt	0
				Cement	mt	0
				Barite	mt	0
				KCl Brine	m3	0
				NaCl Brine	m3	0
				Mud	m3	12

Helicopter Movement				
Flight #	Time	Destination	Comment	Pax
GYJ	11:10	Ocean Patriot		11
GYJ	11:24	Essendon		12