

		From:	Peter Devine	/ Rohan Richardso	n			
		OIM:	Dennis Gore					
Well Data								
Country	Australia	Measured Depth	1645.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831	
Field		TVD	1539.0m	Casing OD	340mm	AFE No.	5746043	
Drill Contractor	DOGC	Progress	34.0m	Shoe MD	652.0m	Daily Cost	\$900,585	
Rig	Ocean Patriot	Days from spud	21.87	Shoe TVD	652.0m	Cum Cost	\$24,812,638	
Water Depth (LAT)	66.3m	Days on well	22.58	F.I.T. / L.O.T.	/ 2.20sg	Planned TD	2552.0m	
RT-SL(LAT)	21.5m	Current Op @ 0600	Drill ahead	311 mm (12 1/4") hole	e from 1657 n	n.		
RT-ML	87.8m	Planned Op	Drill ahead 311 mm (12 1/4") hole as per programmed well path.					
Rig Heading	217.0deg		Note: Commenced Henry-2DW1 @ 0500hrs 16th Sept'08					

Summary of Period 0000 to 2400 Hrs

RIH 311 mm (12 1/4") BHA from 1220 m to 1611 m and commenced sidetrack from 1628 m to 1645 m.

Formations			
Name	Top (MD)	Top (TVD)	Comment
Pebble Point	1132.5m	1121.9m	22.1m Low
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

Operations For Period 0000 Hrs to 2400 Hrs on 15 Sep 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
IH	Р	TI	0000	0130	1.50	1600.0m	Continued to RIH from 1220 m to 1500 m. Worked and reamed through dogleg at 1300 m.
IH	Р	WIN	0130	0215	0.75	1600.0m	Downlinked to directional tool and set tool face to 100%. Washed down from 1500 m to 1550 m tagging ratty cement with 4.4 - 8.9 t (10-20 klbs) and rotating through. Green cement observed at shakers.
IH	TP (VE)	OA	0215	0315	1.00	1600.0m	Pneumatic lines from FAC tool in TDS service loop blown into dolly track due to high winds. Removed and resecured to service loop. Installed storm line to kelly hoses.
IH	Р	TI	0315	0400	0.75	1611.0m	Continued to wash down from 1550 m to 1611 m tagging ratty cement with 4.4 - 8.9 t (10-20 klbs) and rotating through. Green cement observed at shakers.
IH	Р	ST	0400	0500	1.00	1628.0m	Tagged with 11 t (25 klbs) cement at 1611 m. Attempted to dress TOC and sidetrack from 1611 m to 1628 m, unsuccessful. Predominately green cement at shakers and unable to set down weight with rotary at 80 rpm.
IH	Р	ST	0500	2400	19.00	1645.0m	Commenced time drilling from 1628 m to 1645 m at 1 m/hr with 0-7.1 t (0-16 klbs) WOB.

Operations For Period 0000 Hrs to 0600 Hrs on 16 Sep 2008

							. o oop 2000			
Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description			
IH	Р	ST	0000	0500	5.00	1652.0m	Continued to time drill off cement plug from 1645 m to 1652 m at 1 m/hr. 100% formation returns.			
IH	Р	DA	0500	0600	1.00	1657.0m	Drilled ahead 311 mm (12 1/4") hole from 1652 m to 1657 m.			

WBM Data				Cost Today \$ 68428							
Mud Type:	KCL/GLY	API FL:	5cm ³ /30m	KCI:	8%	Solids:	10.4	Viscosity:	0sec/L		
Sample-From:	Flow Line	Filter-Cake:		Hard/Ca:	820	H2O:	90%	PV: YP:	0.026Pa/s 0.139MPa		
Time:	22:00	HTHP-FL:		MBT:	8.5	Oil:		Gels 10s: Gels 10m:	0.053 0.110		
Weight:	1.32sg	HTHP-Cake:	0mm	PM:	1.7	Sand:	0.2	Fann 003:	9		
Temp:	125.0C°			PF:	0.6	pH:	10.5	Fann 006: Fann 100:	12 32		
						PHPA:	1ppb	Fann 200:	45		
								Fann 300:	55		
								Fann 600:	81		
Comment		Dusted active w	ith barite as req	uired. Treated the	active with 1.3	3 ppb citric acid a	nd 0.6 ppb				

Dusted active with barite as required. Treated the active with 1.3 ppb citric acid and 0.6 ppb sodium bicarbonate for cement contamination. Built 510 bbls of 11 ppg fluid with 1.5 ppb drispac SL, 1 ppb flowzan, 0.9 ppb JK-261 LV. Performed 325 bbl dump and dilute with 0.7 ppb JK-261 LV fluid in attempt to further reduce ph and dilute cement contamination.



DRILLING MORNING REPORT # 23 Henry-2 (15 Sep 2008)

)									<u>Henry</u>	<u>/-2</u> (15 Se	p 2008
Bit # 6				Wea	r I		01	D	L		В	G	O2	R
					1		3	BT	N2		E	2	CT	TD
Size:	311mm	IADC#	117		Nozzles	;	Dri	lled ove	r last 24 hi	rs	Cal	culated	d over B	it Run
Mfr:	SMITH	WOB(avg)	2.00mt	No.	Siz	е	Progr	ress	34	.0m	Cum. Pro	ogress		34.0m
Type:	Rock	RPM(avg)	124	1	16	/32nd"	On B	ottom Hr	s 15.	60h	Cum. On	Btm H	rs	15.60h
Serial No.:	MZ9473	F.Rate	2585lpm	3	20	/32nd"	IADC	Drill Hrs	19.	00h	Cum IAD	C Drill	Hrs	19.00h
Bit Model	XR+ VCPS	SPP	12500kPa				Total	Revs			Cum Tot	al Revs	i.	0
Depth In	1611.0m	TFA	1.117				ROP	(avg)	2.18 r	n/hr	ROP(avg	g)		2.18 m/hr
Depth Out														
BHA # 6														
Weight(Wet)	19.05mt	Length		2	211.3m	Torque	e(max))	12.2	Nm	D.C. (1)	Ann Ve	locity	59.29mpm
Wt Below Jar(Wet)	15.88mt	String				Torque	e(Off.B	8tm)	0.0	Nm	D.C. (2)	Ann Ve	locity	0mpm
		Pick-Up				Torque	e(On.B	8tm)	10.9	Nm	H.W.D.P	. Ann V	elocity/	49.67mpm
		Slack-Off									D.P. Anr	n Veloci	ty	40.8mpm
BHA Run Description		Directional	/ FEWD								-1			
E	quipment		Leng	jth	OD	I	D	Se	erial #			Com	ment	
Bit			0.3	3m	311mm	1		MZ9473	3					
Powerdrive 900			8.6	52m	308mm	12	7mm	016		_	nk float in eed survey		m from t	he bit.
ARC-8			5.9	00m	231mm	7	6mm	1871		Re bit.	sistivity &	Gama =	= 11.36m	from the
In-Line Stabiliser			0.8	3m	291mm	11	1mm	ASQ80	62					
Telescope HF			8.1	5m	213mm	7	6mm	E0005		Por bit.	werpulse s	survey =	= 19.25m	from the
NMDC			9.3	37m	226mm	7	1mm	SBD446	66					
NMDC			8.5	55m	213mm	7	1mm	N688						
X/O				9m	203mm		7mm	GUD12	3-1					
HWDP			121.3		175mm		6mm							
6.375in Jars HWDP			9.7 37.3	'3m	162mm	1 7	0mm	DAH016	628					
			37.3	oum										
Bulk Stocks														
	Name		Uı	nit		In	L	Jsed	Adjust		Balance		Comr	nent
Barite			mT -			0		64		0	73.0			
Gel			mT			0		0		0	33.0			
Cement Fuel			mT m3			0		0 22.7		0	0.0 442.3			
Datable Weter			1110			0		22.1			070.0			

Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	0	64	0	73.0	
Gel	mT	0	0	0	33.0	
Cement	mT	0	0	0	0.0	
Fuel	m3	0	22.7	0	442.3	
Potable Water	m3	30	30	0	370.0	
Drill Water	m3	0	117	0	570.0	

Personne	l On Board
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Company	Comment	Pax
Santos		4
DOGC		48
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		6
Taylor Brothers		2
Other		4
		Total 99



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	2.20 /	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	14 Sep 2008	1 Day	Abandon drill completed after the simulated fire was under control. Completed full muster at the forward lifeboats at 10:49 hrs.
Environmental Audit	1	03 Sep 2008	12 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	14 Sep 2008	1 Day	Simulated a fire in the purifier flat. Emergency alarm sounded at 10:30 hrs, emergency under control at 10:44 hrs. Full muster complete at 10:49 hrs
First Aid	1	06 Sep 2008	9 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	23	15 Sep 2008	0 Days	Drill crew - 7 Deck Crew - 12 Mech - 4
Lost Time Incident	1	30 May 2008	108 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	33 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	15 Sep 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	11	15 Sep 2008	0 Days	9 x hot work permits 2 x cold work permits
Safety Audit	1	30 Jul 2008	47 Days	EHSMS audit conducted onboard.
Safety Meeting	3	14 Sep 2008	1 Day	Reviewed stop cards for the week. Discussed the fire drill and the scenario of a fire in the purifier flat. Reviewed fire extinguisher location, housekeeping and availability.
Santos Induction	1	15 Sep 2008	0 Days	Inducted new personnell to site after DODI rig wide induction.
Stop Observations	82	15 Sep 2008	0 Days	50 - Safe 32- Corrective Actions
STOP Tour	11	14 Sep 2008	1 Day	Submitted Diamond supervisor audits.

Shakers, V	olumes and	d Losses Data	3	Engineer : Kellie Jericho / Fius Siregar					
Available	295.6m³	Losses	89.4m³	Equip.	Descr.	Mesh Size	Hours		
Active	87.8m³	Downhole	3.8m³	Centrifuge 1	MI SW FVS 518		0		
Mixing		Surf+ Equip	78.1m³	Centrifuge 1	MI SW FVS 518		6		
			70.1111	Centrifuge 2	MI SW FVS 518				
Hole	129.6m³	Dumped		Centrifuge 2	MI SW FVS 518				
Slug	0.0m³	De-Sander		Shaker 3	MI SW - BEM 650	10/20 230/240 x 4	0		
Reserve	41.5m³	De-Silter		Shaker 3	MI SW - BEM 650	10/20 230/200 x 4	24		
Kill	0.0m³	Centrifuge	7.5m³	Shaker 4	MI SW - BEM 650	40/30 270/230 x 4	16		
		J	7.0111	Shaker 4	MI SW - BEM 650	40/30 270/230 x4	24		
Storage	36.7m³			Shaker 5	MI SW - BEM 650	10/20 230/240 x 4	0		
				Shaker 5	MI SW - BEM 650	40/30 270/230 x 4	24		
				Shaker 6	MI SW - BEM 650	40/30 270/230 x 4	16		
				Shaker 6	MI SW - BEM 650	10/20 230/200 x 4	24		



Marine										
Weather check on 15 Sep 2008 at 24:00								Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
11.1km	93km/h	270.0deg	1006.00bar	10.0C°	7.0m	270.0deg	4sec	1	1353.0	130.18
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1372.8	132.00
2.5deg	1.5deg	2.50m	8.0m	248.0deg	4sec			3	1386.8	126.10
z.sueg	1.5deg	2.50111	0.0111	246.0uey	4560			4	1414.0	127.91
Rig Dir.	Ris. Tension	VDL		Comments				5	1365.8	127.01
217.0deg	122.47mt	907.64mt						6	1389.9	126.10
		0011011111						7	1393.9	127.91
								8	1389.9	127.01

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip		20:00 hrs 14/09/08	Released to Portland	Item	Unit	Quantity
				Fuel	m3	468
				Potable Water	m3	338
				Drill Water	m3	340
				Gel	mt	59
				Cement	mt	45.5
				Barite	mt	0
				KCI Brine	m3	9
				NaCl Brine	m3	0
					m3	117
				Mud	m3	
Nor Captain	20:00 hrs 14/09/0	8	Ocean Patriot Standby.	Item	Unit	Quantity
				Fuel	m3	429
				Potable Water	m3	239
				Drill Water	m3	393
				Gel	mt	42
				Cement	mt	0
				Barite	mt	42
				KCI Brine	m3	0
				NaCl Brine	m3	0
				Mud	m3	139
Helicopter	Movement					
Flight #	Time	Destination		Comment		Pax
BYV	11:27 Ocean Patri	ot				8
BYV	11:54 Essendon					
DIV	11.04 ESSENDON					6