

<b>From : Bryan Webb / Rohan Richardson</b>							
<b>OIM : Rod Dotson</b>							
<b>Well Data</b>							
Country	Australia	Measured Depth	1625.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831
Field		TVD	1534.0m	Casing OD	346mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	401.0m	Shoe MD	652.0m	Daily Cost	\$770,284
Rig	Ocean Patriot	Days from spud	42.87	Shoe TVD	652.0m	Cum Cost	\$42,120,667
Water Depth (LAT)	66.3m	Days on well	3.88	F.I.T. / L.O.T.	2.20sg / 2.20sg	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600 Drill ahead intermediate hole section from 1760 m					
RT-ML	87.8m	Planned Op Drill to section TD, circulate well clean and commence POOH.					
Rig Heading	217.0deg						

<b>Summary of Period 0000 to 2400 Hrs</b>							
Drilled 311 mm (12 1/4") hole from 1224 m to 1625 m.							

<b>Formations</b>							
Name		Top (MD)		Top (TVD)		Comment	
Pebble Point Fm		1131.0m		1123.2m		1.3 L	
Massacre Shale		1201.0m		1189.5m		0.4 L	
Timboon Fm		1214.5m		1202.4m		0.2 L	
Paaratte Fm		1413.0m		1380.0m		2.3 m H	

<b>Operations For Period 0000 Hrs to 2400 Hrs on 06 Oct 2008</b>							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	U (SCS)	DA	0000	1600	16.00	1413.0m	Drilled ahead Timboon Fm from 1224 m to 1413 m MD, (1380 m TVD) with 4.5-11.3 t (10-25 klbs) WOB, 160 RPM, 3710 L/min (980 GPM) flow rate and 6.8-27.1 kNm (5-20 kft.lbs) torque. Correlated pyrite stringers off pilot hole mud log and drilled with 100 RPM and 3.6-4.5 t (8-10 klbs) WOB.
IH	U (SCS)	DA	1600	2400	8.00	1625.0m	Drilled ahead Paaratte Fm from 1413 m to 1625 m MD, (1534 m TVD) with 9-11.3 t (20-25 klbs) WOB, 160 RPM, 3710 L/min (980 GPM) flow rate and 6.8-27.1 kNm (5-20 kft.lbs) torque.

<b>Operations For Period 0000 Hrs to 0600 Hrs on 07 Oct 2008</b>							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	U (SCS)	DA	0000	0600	6.00	1760.0m	Drilled ahead Paaratte Fm from 1625 m to 1760 m MD with 9-11.3 t (20-25 klbs) WOB, 160 RPM, 3710 L/min (980 GPM) flow rate and 6.8-27.1 kNm (5-20 kft.lbs) torque.

<b>WBM Data</b>				<b>Cost Today \$ 13909</b>					
Mud Type:	KCL/GLY	API FL:	4cm <sup>3</sup> /30m	KCl:	10%	Solids:	12.37	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:		Hard/Ca:	600	H <sub>2</sub> O:	88%	PV:	0.039Pa/s
Time:	20:00	HTHP-FL:		MBT:	5	Oil:		YP:	0.278MPa
Weight:	1.38sg	HTHP-Cake:	0mm	PM:	0.1	Sand:	1	Gels 10s:	0.057
Temp:	142.0C°			PF:	0.02	pH:	8.4	Gels 10m:	0.120
						PHPA:	2ppb	Fann 003:	12
								Fann 006:	15
								Fann 100:	58
								Fann 200:	82
								Fann 300:	97
								Fann 600:	136

Comment	Continued to add 6 sx calcium carbonate / std drilled. Added PHPA and KCL as required to maintain specs. Weighted up active to 11.5 ppg prior to 1400 m with additions weighted premix.
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<b>Bit # 12</b>				Wear	I	O1	D	L	B	G	O2	R
Size:	311mm	IADC#		<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>			<b>Calculated over Bit Run</b>			
Mfr:	SMITH	WOB(avg)	7.58mt	No.	Size	Progress	401.0m	Cum. Progress	575.0m			
Type:	PDC	RPM(avg)	177	2	16/32nd"	On Bottom Hrs	19.50h	Cum. On Btm Hrs	24.50h			
Serial No.:	JX7062	F.Rate	3619lpm	3	18/32nd"	IADC Drill Hrs	24.00h	Cum IADC Drill Hrs	31.50h			
Bit Model	MD519BPX	SPP	21236kPa				Total Revs	Cum Total Revs				
Depth In	1050.0m	TFA	1.138				ROP(avg)	20.56 m/hr	ROP(avg)			
Depth Out									23.47 m/hr			

BHA # 16							
Weight(Wet)	19.05mt	Length	212.0m	Torque(max)	17924.8Nm	D.C. (1) Ann Velocity	82.98mpm
Wt Below Jar(Wet)	17.24mt	String	106.59mt	Torque(Off.Btm)	2584.0Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up	104.33mt	Torque(On.Btm)	22712.0Nm	H.W.D.P. Ann Velocity	69.52mpm
		Slack-Off	102.06mt			D.P. Ann Velocity	57.11mpm

BHA Run Description Directional / FEWD

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.30m	311mm		JX7062	Smith MDi519
Powerdrive 900	9.05m	308mm	127mm	090	X5 assy (float, receiver sub and flex sub)
ARC-8	5.87m	231mm	76mm	1854	
In-Line Stabiliser	0.88m	291mm	111mm	242230733	
Telescope HF	8.13m	213mm	76mm	E1158	
NMDC	9.37m	226mm	71mm	SBD4466	
NMDC	8.55m	213mm	71mm	N688	
X/O	0.70m	203mm	67mm	ASQ8065	
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
1459.39	38.3	121.0	1417.44	204.61	2.76	-115.60	169.86	MWD
1487.80	40.8	120.6	1439.34	222.69	2.71	-124.86	185.40	MWD
1517.02	43.2	120.2	1461.04	242.24	2.44	-134.76	202.27	MWD
1546.81	45.9	121.2	1482.28	263.12	2.76	-145.42	220.23	MWD
1575.26	47.9	121.8	1501.73	283.86	2.17	-156.27	237.93	MWD
1604.83	49.9	120.7	1521.18	306.11	2.21	-167.83	256.96	MWD

### Bulk Stocks

Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	43	69	0	127.0	
Gel	mT	0	2	0	31.0	
Cement	mT	0	0	0	46.0	
Fuel	m3	0	21.6	0	490.3	
Potable Water	m3	31	25	0	357.0	
Drill Water	m3	0	84	0	469.0	

### Personnel On Board

Company	Comment	Pax
Santos		4
DOGC		50
ESS		8
BHI		6
Dowell		2
Rheochem		2
MI Swaco		1
TMT		6
Cameron		1
Santos	Geologist	2
Schlumberger Drilling & Measurements	Directional	6
Premium Casing Services		6
<b>Total</b>		<b>94</b>

HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	05 Oct 2008	1 Day	Abandon drill completed after the simulated fire drill under control. Alarm sounded at 10:31 hrs, initial muster completed at 10:41 hrs, full muster completed at 10:49 hrs.
Environmental Audit	1	03 Sep 2008	33 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	05 Oct 2008	1 Day	Simulated a fire in the cement unit room. Alarm sounded at 10:31 hrs, emergency under control at 10:41 hrs. Rescue and fire teams discussed scenario and resolution.
First Aid	1	01 Oct 2008	5 Days	IP struck on upper lip when removing float valve from float sub.
JHA	21	06 Oct 2008	0 Days	Drill crew - 9 Deck Crew - 7 Welder - 3 Mechanic - 2
Lost Time Incident	1	30 May 2008	129 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	54 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 Oct 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	4	06 Oct 2008	0 Days	4 x hot work
Safety Audit	1	29 Jul 2008	69 Days	Santos environment audit conducted.
Safety Audit	1	30 Jul 2008	68 Days	EHSMS audit conducted onboard.
Safety Meeting	3	05 Oct 2008	1 Day	Reviewed stop cards for the week and awarded Santos Stop card winner to Hayden S, PCS. Discussed the fire drill and the scenario of a fire in the cement unit room. Reviewed abandon rig scenario. Discussed fire systems on rig.
Santos Induction	1	06 Oct 2008	0 Days	Inducted new personnel to site after DODI rig wide induction.
Stop Observations	32	06 Oct 2008	0 Days	18 - Safe 14 - Corrective Actions
STOP Tour	5	04 Oct 2008	2 Days	Submitted 5 by Diamond supervisor Stop audit.

Shakers, Volumes and Losses Data				Engineer : Kellie Jericho / Carissa Thompson			
Available	371.4m <sup>3</sup>	Losses	48.9m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	94.8m <sup>3</sup>	Downhole	5.7m <sup>3</sup>	Centrifuge 1	MI SW FVS 518		2
Mixing		Surf+ Equip	39.4m <sup>3</sup>	Centrifuge 1	MI SW FVS 518		4
Hole	126.4m <sup>3</sup>	Dumped	0.0m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		2
Slug	0.0m <sup>3</sup>	De-Sander		Centrifuge 2	MI SW FVS 518		
Reserve	82.0m <sup>3</sup>	De-Silter		Shaker 3	MI SW - BEM 650	30/10 270/200	24
Kill	0.0m <sup>3</sup>			Shaker 3	MI SW - BEM 650	30/20 200 HC x 4	24
Storage	68.2m <sup>3</sup>	Centrifuge	3.8m <sup>3</sup>	Shaker 4	MI SW - BEM 650	30/10 200HC x 4	24
				Shaker 4	MI SW - BEM 650	40/20 165 HC x 4	24
				Shaker 5	MI SW - BEM 650	30/10 200HC x 4	24
				Shaker 5	MI SW - BEM 650	40/20 165 HC x 4	24
				Shaker 6	MI SW - BEM 650	30/10 270/200	24
				Shaker 6	MI SW - BEM 650	30/20 200 HC x 4	24

Marine								Rig Support		
Weather check on 06 Oct 2008 at 24:00										
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
14.8km	43km/h	220.0deg	1016.00bar	9.0C°	1.3m	220.0deg	3sec	1	1353.0	132.00
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments				
0.6deg	0.5deg	1.00m	4.0m	230.0deg	12sec					
Rig Dir.	Ris. Tension	VDL	Comments							
217.0deg	136.08mt	1073.65mt								
								8	1389.9	98.88

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	17:00 hrs 04/10/03		Running standby, Ocean Patriot	Item	Unit	Quantity
				Fuel	m3	440
				Potable Water	m3	250
				Drill Water	m3	740
				Gel	mt	59
				Cement	mt	84
				Barite	mt	41
				KCl Brine	m3	9
				NaCl Brine	m3	0
				Mud	m3	131
				m3	0	
Nor Captain		17:30 hrs 04/10/08	Portland - Figures not updated since the 4th due to lack of reports.	Item	Unit	Quantity
				Fuel	m3	470
				Potable Water	m3	335
				Drill Water	m3	319
				Gel	mt	42
				Cement	mt	0
				Barite	mt	42
				KCl Brine	m3	41.8
				NaCl Brine	m3	0
				Mud	m3	104

Helicopter Movement				
Flight #	Time	Destination	Comment	Pax
BYV	11:15	Essendon		4
BYV	11:24	Ocean Patriot		4