

		From:	Bryan Webb	/ Willie McKay			
		OIM:	Rod Dotson				
Well Data							
Country	Australia	Measured Depth	2050.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831
Field		TVD	1711.0m	Casing OD	346mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	0.0m	Shoe MD	652.0m	Daily Cost	\$1,078,754
Rig	Ocean Patriot	Days from spud	48.87	Shoe TVD	652.0m	Cum Cost	\$47,421,082
Water Depth (LAT)	66.3m	Days on well	9.88	F.I.T. / L.O.T.	2.20sg / 2.20sg	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Conducting	pressure tests on BO	P's.		
RT-ML	87.8m	Planned Op	Complete p	pressure testing BOP's	and surface	equipment.	
Rig Heading	217.0deg		Break dow Break dow	errick inspection and d n and lay out 311 mm n and lay out cement h nd RIH with 216 mm (8	(12 1/4") BHA nead.		
				ed pit cleaning for new mud chemicals in to c			

Summary of Period 0000 to 2400 Hrs

Completed running 245 mm (9 5/8") and 274 mm (10 3/4") casing and landed out in wellhead. Cemented casing as per programme. Commenced setting (10 3/4") casing seal assembly as directed by Cameron.

Formations			
Name	Top (MD)	Top (TVD)	Comment
Timboon	1214.5m	1202.4m	0.2 L
Paaratte	1413.0m	1380.0m	2.3 H
Skull Creek	1665.0m	1558.6m	5.4 H
Waarre A	2040.0m	1709.5m	5.0 H

Operations For Period 0000 Hrs to 2400 Hrs on 12 Oct 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
IC	U (SCS)	CRN	0000	0930	9.50	2050.0m	Continued running 245 mm (9 5/8") casing from 182 m to 1,541 m.
IC	U (SCS)	HT	0930	1100	1.50	2050.0m	Changed out handling equipment from 245 mm, (9 5/8) to 274 mm, (10 3/4").
IC	U (SCS)	CRN	1100	1130	0.50	2050.0m	Commenced running 274 mm (10 3/4") from 1,541 m to 1,635 m.
IC	TU (VE)	CRN	1130	1400	2.50	2050.0m	While coming off casing slips the blocks came in to contact with the casing stabbing arm. Stopped operations to inspect damage and to conduct visual inspection of blocks and travelling equipment.
IC	U (SCS)	CRN	1400	1800	4.00	2050.0m	Continued running 274 mm (10 3/4") from 1,635 m to 1,944.53 m.
IC	Р	HT	1800	1900	1.00	2050.0m	Changed out handling equipment from 274 mm, (10 3/4") casing to 127 mm (5") drill pipe. RIH with landing string. Work string as required. 26.7 kdaN (60 klbs) intermittent drag observed.
IC	Р	CIC	1900	2015	1.25	2050.0m	Rigged up cement hose to cement head and circulated hole with mud at 1,272 l/min, (336 gpm).
							SIMOPS: Held JSA with all crew members involved in the casing cement job.
IC	Р	CMC	2015	2300	2.75	2050.0m	Conducted the casing cementing programme as follows:
							20:30: Lined up cement unit and pumped 0.5 m3, (3 bbl) of sea water. 20:33:
							Closed low torque and P/Tested surface lines to 27.6 MPa, (4,000 psi). Good test. 20:43:
							Pumped 5.6 m3, (35 bbl) of sea water. 20:55:
							Released lower drill pipe dart from cement head.
							20:57: Pumped 0.4 m3, (2.8 bbl) of sea water to shear plug. Slowed down pump rate to 636 l/min, (4 bpm) to get an indication that the plug had sheared. Plug sheared at 20.7 MPa, (3,000 psi). 21:02:
							Mixed and pumped 10.5 m3, (66 bbl) of 1.5 SG, (12.5 ppg) lead slurry at 749 l/min, (4.5 bpm). 21:22:
							Mixed and pumped 8.6 m3, (54 bbl) of 1.9 SG, (15.8 ppg) tail slurry at 749 l/min, (4.5 bpm).



DRILLING MORNING REPORT # 10 Henry-2 DW1ST1 (12 Oct 2008)

Phse	Cls (RC)	Op	From	То	Hrs	Depth	Activity Description
							21:36: Released upper drill pipe dart from the cement head. 21:38: Displaced cement with 1.6 m3, (10 bbl) of drill water, slowing down to 676 l/min, (4 bpm) to get a pressure indication that the plug sheared. Plug sheared at 21.4 MPa, (3,100 psi). 21:41: Pumped 76.5 m3, (481.48 bbl) of mud and bumped plug with 6.9 MPa, (1,000 psi) over final circulating pressure. Plug bumped 29 strokes over theoretical value. 22:30: Pressure tested casing to 27.6 MPa, (4,000 psi) for 10 minutes. Good test.
IC	Р	HT	2300	2330	0.50	2050.0m	Rigged down cement hose and umbilicals for cement head.
IC	Р	WH	2330	2400	0.50	2050.0m	Commenced setting 274 mm (10 3/4") casing seal assembly. Slack off entire landing string weight 8.9 kdaN, (20 klbs).
Opera:							SIMOPS: Commenced pit cleaning for DIF. Filled empty containers with mud chemicals excess to requirement.

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
IC	P	WH	0000	0300	3.00	2050.0m	Applied 34.5 MPa, (5,000 psi) with cement unit down through the 127 mm (5") drill pipe to observe indication that the retaining pins had sheared. No indication of shearing observed. Bled pressure off. Closed rams and pressured up annulus through choke line to 34.5 MPa, (5,000 psi) to confirm seal on casing assembly. Good test. Bled pressure off and rigged down high pressure hose. Remove and refit cement hose twice during this operation.
IC	P	PT	0300	0600	3.00	2050.0m	Commenced pressure testing BOP's as follows: Lower Pipe Rams: 1.4 MPa, (200 psi) for 5 min and 27.6 MPa, (4,000 psi) for 10 min. Lower Annular/Outr Choke: 1.4 MPa, (200 psi) for 5 min and 20.7 MPa, (3,000 psi) for 10 min. Lower Annular/Inner Choke: 1.4 MPa, (200 psi) for 5 min and 20.7 MPa, (3,000 psi) for 10 min. Lower Annular/CMV #1 Bottom Side: 1.4 MPa, (200 psi) for 5 min and 20.7 MPa, (3,000 psi) for 10 min. Lower Annular/CMV #2 Bottom Side: 1.4 MPa, (200 psi) for 5 min and 20.7 MPa, (3,000 psi) for 10 min. Changed cement line over to choke side of manifold and lined up same. Lower Annular, Upper Outer Kill, Lower Outer Kill: 1.4 MPa, (200 psi) for 5 min and 34.5 MPa, (5,000 psi) for 10 min. Upper Annular, Lower Inside Kill, Upper Inside Kill. 1.4 MPa, (200 psi) for 5 min and 34.5 MPa, (5,000 psi) for 10 min.

WBM Data				Cost Today	\$ 35702				
Mud Type:	KCL/GLY	API FL:	3cm ³ /30m	KCI:	11%	Solids:	14.64	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:	1mm	Hard/Ca:	720	H2O:	85%	PV: YP:	0.029Pa/s 0.163MPa
Time:	20:00	HTHP-FL:		MBT:	7.5	Oil:		Gels 10s:	0.038
Weight:	1.44sg	HTHP-Cake:		PM:	0.1	Sand:	0.75	Gels 10m: Fann 003:	0.096
Temp:	49.0C°			PF:	0	pH:	8.5	Fann 006: Fann 100:	11 40
						PHPA:	1ppb	Fann 100: Fann 200:	57
								Fann 300:	71
								Fann 600:	103
Comment		Continued clean	ing Pit 5. Disch	arged 594 bbls of	KCL				

mud for pit cleaning in preparation for next section.
Cleaned Pit 4. Received 674 bbls of Wellflow DIF from Nor Captain. No losses observed while

running casing and cementing.

Bit # 12				Wear	I	O1	D	L	В	G	O2	R
					0	8	WT	S	X	2	BT	TD
Size:	311mm	IADC#		N	ozzles	Dri	lled over la	ast 24 hrs		Calculated	l over Bi	Run
Mfr:	SMITH	WOB(avg)		No.	Size	Prog	ress	0.0r	n Cum.	Progress		1000.0m
Type:	PDC	RPM(avg)		2	16/32nd	" On B	ottom Hrs	0.00	h Cum.	On Btm H	rs	45.10h
Serial No.:	JX7062	F.Rate		3	18/32nd	" IADC	Drill Hrs	0.00	h Cum	IADC Drill	Hrs	76.04h
Bit Model	MD519BPX	SPP				Total	Revs		Cum	Total Revs		0
Depth In	1050.0m	TFA	1.138			ROP	(avg)	N/	A ROP(avg)		22.17 m/hr
Depth Out	2050.0m											



DRILLING MORNING REPORT # 10 Henry-2 DW1ST1 (12 Oct 2008)

BHA # 16									
Weight(Wet)	19.05mt	Length		212.0m	Torque(max) 16320.0Nr			D.C. (1) Ann Velocity	0mpm
Wt Below Jar(Wet)	17.24mt	String		106.59mt	Torque(Off.E	3tm) 6120.0	Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up		108.86mt	Torque(On.E	3tm) 11424.0	Nm	H.W.D.P. Ann Velocity	0mpm
		Slack-Off		95.25mt				D.P. Ann Velocity	0mpm
BHA Run Description		Directional / F	EWD						
Equ	uipment		Length	OD	ID	Serial #		Comment	
Bit			0.30m	311mm		JX7062	Smit	th MDi519	
Powerdrive 900			9.05m	308mm	127mm	090	X5 a	assy (float, receiver sub and	d 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						

Bulk	Stocks
------	--------

Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	0	0	0	54.0	
Gel	mT	0	0	0	31.0	
Cement	mT	0	16	0	30.0	
Fuel	m3	0	8.6	0	395.1	
Potable Water	m3	0	39	0	327.0	
Drill Water	m3	0	64	0	499.0	

Personne	l On Board
----------	------------

Company	Comment	Pax
Santos		6
DOGC		53
ESS		8
BHI		6
Dowell		2
Rheochem		2
MI Swaco		1
TMT		6
Cameron		1
Schlumberger Drilling & Measurements	Directional	6
Premium Casing Services		6
·	To	tal 97



HSE Summary							
Events	Num Events	Date of Last	Days Since	Remarks			
Abandon Drill	1	12 Oct 2008	0 Days	Abandon drill completed after the simulated fire drill under control. A full muster was achived in 6 minutes.			
Environmental Audit	1	03 Sep 2008	39 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.			
Fire Drill	1	05 Oct 2008	7 Days	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	09 Oct 2008	3 Days	IP turned his left foot while entering the shaker house.			
JHA	431	11 Oct 2008	1 Day	Drill crew - 6 Deck Crew - 16 Welder - 6 Mechanic - 2 Electrician - 0 3rd Party - 0 Subsea-1			
Lost Time Incident	1	30 May 2008	135 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	60 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	12 Oct 2008	0 Days	Discussed the next 24 hr operation. Pressure tesing BOP's. Pit cleaning. Breaking down 12 1/4" BHA.			
PTW Issued	16	12 Oct 2008	0 Days	7 x hot work 9 x cold work			
Safety Audit	1	29 Jul 2008	75 Days	Santos environment audit conducted.			
Safety Audit	1	30 Jul 2008	74 Days	EHSMS audit conducted onboard.			
Safety Meeting	3	12 Oct 2008	0 Days	Reviewed stop cards for the week. Discussed the fire drill. The crews were paised for their participation in the STOP card programme			
Santos Induction	3	08 Oct 2008	4 Days	Inducted new personnel to site after DODI rig wide induction.			
Stop Observations	58	20 Jan 2009	-100 Days	35 - Safe 23 - Corrective Actions			
STOP Tour	3	12 Oct 2008	0 Days	Submitted 3 by Diamond supervisor Stop audit.			
Shakers, Volumes and	d Losses D	ata	Engineer:	Julian Chapman / Carissa Thompson			
Available 333.2m ³	Losses	125.0m³	Equi	ip. Descr. Mesh Size Hours			

Shakers, Volumes and Losses Data Engineer: Julian Chapman / Carissa Thompson								
Available	333.2m³	Losses	125.0m³	Equip.	Descr.	Mesh Size	Hours	
Active	89.2m³	Downhole		Centrifuge 1	MI SW FVS 518			
Mixing		Surf+ Equip	0.0m³	Centrifuge 2	MI SW FVS 518			
wiixirig		Suii+ Equip	0.01119	Shaker 3	MI SW - BEM 650	40/20 230 HC x 4	4	
Hole	91.6m³	Dumped	98.4m³	Shaker 4	MI SW - BEM 650	30/20 200 HC x 4	4	
Slug	0.0m³	De-Sander		Shaker 5	MI SW - BEM 650	30/20 200 HC x 4	4	
Reserve	28.1m³	De-Silter		Shaker 6	MI SW - BEM 650	40/20 165 HC x 4	4	
Kill	0.0m ³	Centrifuge						
Storage	124.3m³	Left Down Hole	26.6m³					



BYV

10:14

Ocean Patriot

DRILLING MORNING REPORT # 10 Henry-2 DW1ST1 (12 Oct 2008)

Marine										
Weather ch	eck on 12 Oct	2008 at 24:0	0					Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
22.2km	30km/h	300.0deg	1012.00bar	19.0C°	0.5m	300.0deg	2sec	1	1353.0	132.00
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1372.8	132.00
								3	1386.8	127.01
0.3deg	0.3deg	0.50m	2.5m	225.0deg	12sec			4	1414.0	127.91
Rig Dir.	Ris. Tension	VDL		Comments				5	1365.8	121.11
217.0deg	110.22mt	938.48mt						6	1389.9	127.01
217.0dcg	110.221110	300.40III						7	1393.9	138.80
								8	1389.9	106.14

Boats	Arrived (date/time)	Departed (date/time)	Status	1	Bulks	
Far Grip				Running Standby.	Item	Unit	Quantity
					Fuel	m3	500
					Potable Water	m3	207
					Drill Water	m3	615
					Gel	mt	59
					Cement	mt	84
					Barite	mt	41
					KCI Brine	bbl	52
					NaCl Brine	bbl	0
						bbl	823
Nor Captain			Running Standgy.	Item	Unit	Quantity	
				Offloaded DIF for 8 1/2" section.	Fuel	m3	554
					Potable Water	m3	373
					Drill Water	m3	319
				Gel	mt	42	
				Cement	mt	0	
				Barite	mt	0	
				KCI Brine	bbl	0	
					NaCl Brine	bbl	0
						bbl	657
Helicopter	Movement						
Flight #	Time		Destination	Con	nment		Pax
BYV	10:06	Essendon		Todays Helicopter Was Carry	ring Freight Only.		0

0