

DAILY GEOLOGICAL REPORT

DGR 15

Date:	9 th September 2008 06:00 EST	Licence / State:	VIC/P44
Report Period:	06:00 – 06:00 Hours EST	Rig:	OCEAN PATRIOT
Days From Spud:	15	RT - SEAFLOOR:	87.8m
Current Hole Size:	311mm (12¼")	WATER DEPTH	67.0m MSL
		RT:	20.8m MSL
Depth @ 06:00 Hrs EST:	1560m MDRT	PTD:	2047m MDRT
	1471.7m TVDRT		
	-1450.9m SS MSL	Spud Date:	03:15 hrs 25 th August,08
24 Hr Progress:	167m		
06:00 – 06:00 EST			
Current Operation:	Pulling out of the hole to change out the bit and LWD tools.		
Nope Cost (Drill)\$	(C&S)\$ 37.4 million	Cost To Date:	
	(P&A)\$		

Casing Data	Hole Size	Depth	Casing Size	Wt:	Type	Shoe Depth	LOT
	914 mm (36")	131.7m	762mm (30")	461 kg/m (310 lb/ft)	Conductor	131.7m	n/a
	445mm (17.5")	657m	340mm (13.375mm)	101 kg/m (68 lb/ft)	L80 BTC	652m	2.21sg (18.4ppg)
	311mm (12.25")						

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl:	Cl -:	PV/YP:	Rmf:
	KGlycol	10.1	64	4.2	8.5	9.8	56k	23/41	

Bit Data	No.	Make	Type	Size	Hours	Meters	Condition
Current	3	Hughes	Mill	MXL-1X 311mm (12¼")	33.3	903	In Hole
Previous							

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	MWD	1519.6	38	109	1439.9	278	123
	MWD	1537.8	38	110	1454.3	289	123

OPERATIONS SUMMARY

Previous 24 hrs Operations Summary at 06:00 hrs EST

Drill ahead 311mm (12¼") directional hole from 1393m to 1560m. Circulate hole clean. Pull out of hole working through tight spots. Bit depth 300m at 06:00hrs.

Anticipated Operations:

Continue to pull out of hole. Change out the bit and LWD tools. Run in hole with new PDC bit. Drill ahead 311mm (12¼") directional hole to total depth at +/-1984m.

FORMATION	FORMATION TOPS					
	ACTUAL TOP		High / Low	High / Low	PROGNOSED TOP	
	(mMDRT)	(mSS MSL)	Prognosis (m)	Henry 1	(MDmRT)	(mSS MSL)
SEA LEVEL	20.8	0.0			20.8	0.0
HEYTSBURY GP	87.8	-67.0	1.0 High	0.5 High	88.8	-68.0
MEPUNGA FM	720.0	-699.2	0.2 Low	56.1 High	720.0	-699.0
DILWYN FM / WANGERRIP GP	848.0	-827.1	24.1 Low	24.4 High	824.0	-803.0
PEMBER MUDSTONE	1092.5	-1066.1	12.1 Low	31.4 High	1086.7	-1054.0
PEBBLE POINT FM	1132.5	-1101.1	22.1 Low	21.8 High	1113.6	-1079.0
MASSACRE SHALE	1207.0	-1168.3	33.3 Low	18.6 High	1173.9	-1135.0
TIMBOON FM	1222.0	-1181.4	36.4 Low	17.2 High	1184.7	-1145.0
PAARATTE FM	1443.0	-1361.5	28.5 Low	37.0 High	1389.4	-1333.0
SKULL CREEK MDST					1637.1	-1524.0
K85 UNCONFORMITY					1885.8	-1658.0
WAARRE A					1885.8	-1658.0
EUMERALLA FM					1935.8	-1683.0
TOTAL DEPTH					1977.0	-1703.6

HYDROCARBON SHOW SUMMARY

INTERVAL	LITHOLOGY & HYDROCARBON FLUORESCENCE	GAS

GAS	MD (m)	Peak	Background	Chromatograph
Trip Gas				
Connection Gas				

GEOLOGICAL SUMMARY

INTERVAL ROP (m/hr)	LITHOLOGY	GAS (Peak / BG) Composition
1380 – 1420m 4 – 71 m/hr Av: 23 m/hr	SILTSTONE WITH INTERBEDDED SANDSTONE. <u>SANDSTONE</u> : clear, translucent, light grey, very fine to medium grained, sub angular to sub rounded, moderately sorted, rare weak siliceous cement, minor light grey argillaceous matrix, common nodular pyrite, trace fine grained glauconite, friable aggregates, predominately loose, fair inferred porosity, no fluorescence. <u>SILTSTONE</u> : medium grey, medium brownish grey, argillaceous with clay content washing from samples, very finely arenaceous, minor nodular pyrite, trace glauconite, trace lithics, trace forams, firm, dispersive in part, sub blocky to blocky.	10 U 97/2/1
1420 – 1443m 9 – 72 m/hr Av: 25 m/hr	INTERBEDDED SILTSTONE AND SANDSTONE <u>SANDSTONE</u> : translucent, clear, light grey, fine to medium grained, sub angular to sub rounded, fair to moderate sorting, rare siliceous cement, trace pyritic cement, rare light grey argillaceous matrix, abundant nodular pyrite, common glauconite, friable to moderately hard aggregates, predominately loose dis- aggregated quartz grains, fair inferred porosity, no fluorescence. <u>SILTSTONE</u> : medium brownish grey, light grey, occasionally dark grey, argillaceous with clay content easily washed from samples, rare nodular pyrite, common glauconite, firm, dispersive, sub blocky to blocky.	10 U 97/2/1
	PAARATTE FORMATION 1443.0m MDRT 1382.3m TVDRT (-1361.5m SS)	

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1443 – 1520m 7 – 47 m/hr Av: 18 m/hr	SILTSTONE WITH INTERBEDDED SANDSTONE. <u>SANDSTONE</u> : off white to pale grey, clear to translucent, fine to medium, minor coarse, moderately sorted, dominantly sub-angular to occasionally sub-round, weak siliceous cement, minor off white argillaceous matrix, rare glauconite grains and pyrite nodules, loose, rare friable aggregates, fair inferred porosity, poor to fair visual porosity, no fluorescence. <u>SILTSTONE</u> : pale to occasionally medium brown, commonly argillaceous, occasional to common glauconite grains, dispersive to very soft, firm in part, generally amorphous, occasionally sub-blocky to blocky.	10 U 99/1/trace
1520 – 1560m 8 – 78 m/hr Av: 15 m/hr	SILTSTONE WITH INTERBEDDED SANDSTONE. <u>SANDSTONE</u> : off white to light grey, clear to translucent, fine to coarse, dominantly fine, poorly sorted, sub-angular to sub-round, weak siliceous cement, minor off white argillaceous matrix, rare glauconite grains and pyrite nodules, loose, rare friable aggregates, fair inferred porosity, no fluorescence. <u>SILTSTONE</u> : light brown, occasionally medium to dark brown grey, commonly argillaceous, occasional to common glauconite grains, minor carbonaceous specks, dispersive, very soft to firm in part, occasionally moderately hard, generally amorphous, occasionally sub-blocky to blocky.	12 U 97/2/1/trace

REMARKS:LWD Sensor Offsets from the Bit:

GR: 11.53m
Resistivity: 11.48m
D & I: 19.38m
HeFar: 36.24m
Density: 35.19m
Caliper: 34.81m