

07 Aug 2008

From: B Openshaw/R Rossouw
To: R Oliver

| Well Data | | | | | | | |
|---------------|-------------|------------------|---------|-------------------|--|------------|----------------|
| Country | Australia | MDBRT | 3791.0m | Cur. Hole Size | 9.500in | AFE Cost | US\$81,987,600 |
| Field | Longtom | TVDBRT | 2626.8m | Last Casing OD | 10.750in | AFE No. | LSRDV01/6 |
| Drill Co. | Seadrill | Progress | 214.0m | Shoe TVDBRT | 2337.6m | Daily Cost | US\$650,000 |
| Rig | West Triton | Days from spud | 47.94 | Shoe MDBRT | 2590.8m | Cum Cost | US\$4,550,000 |
| Wtr Dpth(MSL) | 55.968m | Days on well | 7.00 | FIT/LOT: | 1.68sg / | | |
| RT-ASL(MSL) | 41.1m | Planned TD MD | 5822.0m | Current Op @ 0600 | Drilling ahead as per DD requirements at 3915m | | |
| RT-ML | 97.1m | Planned TD TVDRT | 2702.0m | Planned Op | Drill ahead as per DD requirements. | | |

Summary of Period 0000 to 2400 Hrs
 Changed out saver sub on TDS and continued RIH from 2577m to 3129m - hole tight. Worked tight spots and washed and reamed from 3129m to 3289m. Continued RIH from 3289m to 3555m. Washed and reamed to 3577m and drilled ahead as per DD from 3577m to 3791m (2626.8mTVD).

| HSE Summary | | | | |
|----------------|-------------|------------|--|---|
| Events | Num. Events | Days Since | Descr. | Remarks |
| Abandon Drill | | 11 Days | Held at 10.30 hours. | Rig alarms activated. Fire and Abandon drill conducted. |
| BOP Test | | 16 Days | Pressure test on nipple up | 14 Days - 5th August 21 Days - 12th August |
| Drills | 1 | 4 Days | Spill Drill | Spill drill conducted by QTEC and Tasman Oil Tools |
| Dropped Object | | 25 Days | Broken bolt on Link Tilt bracket. | When the link Tilt was retracted, the uneven piston movement caused the clamp bolt (on the Bail Arm) to break. The end of the bolt (10mm X 50mm) fell to the rig floor. Clamp remained coupled to the Bail Arm. |
| First Aid Case | | 2 Days | Mud technician cut hand on glass retort. | While trying to push paper towels down a retort tube to dry it, the mud technician used too much force which broke the retort causing his hand to slip down onto the retort thus cutting his hand. He received 3 stitches from the medic and is back at work. |
| Incident | | 0 Days | Environmental spill | Overflow at mud shaker at start-up of drilling caused 3bbl mud to be lost overboard. |
| PTW issued | 7 | 0 Days | | Permit to work issued for the day. |
| Safety Meeting | | 6 Days | Weekly Safety Meetings with crews. | Weekly safety meeting held at 1300 Saturday and 0045 on Sunday . |
| STOP Card | 19 | 0 Days | | Stop cards submitted for the day. |
| ToolBox Talk | 7 | 0 Days | Held Tool box talk with crews for related tasks. | Held Pretour safety meetings with crews. |

Operations For Period 0000 Hrs to 2400 Hrs on 07 Aug 2008

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|-----|------|------|-------|---------|--|
| P12 | TP (RE) | G11 | 0000 | 0100 | 1.00 | 3577.0m | Continued with changing out saver sub and grabber dies on TDS. |
| P12 | TP (DH) | G8 | 0100 | 0230 | 1.50 | 3577.0m | Continued RIH from 2577m to 3129m. Hole tight. |
| P12 | TP (DH) | F1 | 0230 | 0700 | 4.50 | 3577.0m | Worked pipe through tight spots including washing and reaming from 3129m to 3289m. Max 40klbs over sliding weight to RIH without rotation. |
| P12 | TP (DH) | G8 | 0700 | 0800 | 1.00 | 3577.0m | Continued RIH from 3289m to 3555m. |
| P12 | TP (DH) | F1 | 0800 | 0830 | 0.50 | 3577.0m | Washed and reamed from 3555m to 3577m and established drilling parameters. |
| P12 | P | D4 | 0830 | 2400 | 15.50 | 3791.0m | Continued controlled drilling as per DD and geology requirements from 3577m to 3791m (2626.8mTVD). Drilling parameters: 150rpm, 5-12klbs WOB, 600-720gpm, 2400-3100psi, 10-14kft-lbs torq, 25-30m/hr max ROP. Intersected "100" sand at 3635m. |

Operations For Period 0000 Hrs to 0600 Hrs on 08 Aug 2008

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|----|------|------|------|---------|---|
| P12 | P | D4 | 0000 | 0600 | 6.00 | 3915.0m | Continued controlled drilling as per DD and geology requirements from 3791m to 3915m. |

Operations For Period Hrs to Hrs on



| Phase Data to 2400hrs, 07 Aug 2008 | | | | | | |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
| Production Hole (2)(P12) | 168 | 01 Aug 2008 | 07 Aug 2008 | 168.00 | 7.000 | 3791.0m |

| General Comments | |
|-----------------------------------|---|
| 00:00 TO 24:00 Hrs ON 07 Aug 2008 | |
| Operational Comments | Adjustments to rotary table elevation based on Fugro calculations; RT above LAT = 41.062m. RT above MSL/AHD 40.362m. |
| Operational Comments | West Triton Rig Equipment Concerns 1) Top drive rotating head has operating problems, to be able to rotate the IBOP must be operated first. This is impacting operational efficiency. New hydraulic pump on order? 3) CTU control panel has leaking valves, pressure regulator valve inoperable. Parts on order. 4) Link tilt clamps slipping on bails - need to rectify this issue. 5) Bail retaining plates on top drive bent, increasing time to change out bails by 1/2 hour. Require new retaining plates. 6) No spare UpperTop Drive IBOP or parts on board for Upper IBOP. 7.1) Engines 1,2,3 and 5 currently operational. 7.2) Number 4 main generator down. Exciter and generator sent ashore. 8) Emergency generator fuel tank requires modification to drain line (no communication with tank through drain line). 9) Pumping pressure read-out at Cyber chair display not accurate. At 2800psi pump pressure, cyber display reads 3600psi. 10) Remote controller for Iron Roughneck not operational. 11) Automatic drill pipe elevators not working. 12) Auto IBOP on TDS is sticky and does not operate smoothly - linkages distorted?? Drillers are not currently closing the IBOP while making connections as it is very difficult to re-open, |
| Operational Comments | Hours on jar ser. No 1416-1515: 89hrs |
| Operational Comments | Intersected "100" sands at 3635m. |
| Operational Comments | Magnetic material collected in flowline during 24hrs: 1.6kg Accumulated total: 3.45kg |

| SBM Data | | Cost Today US\$ 18079 | | | |
|-------------------------|---|-----------------------|-------------------|------------|-------------|
| Mud Type: ACCOLADE | HTHP-Temp: 120C° | Ex.Lime: | Solids(%vol): 18% | Viscosity | 81sec/qt |
| Oil Type: ACCOLADE BASE | HTHP: 500psi | Salinity: 272222mg/l | H2O: 22% | YP | 32lb/100ft² |
| Sample-From: Flowline | HTHP-FL: 5.0cc/30min | Elec.Stab.: 600mV | Oil(%): 58% | PV | 42cp |
| Time: 21:40 | HTHP-cake: 2/32nd" | | Sand: .25 | O/W Ratio: | 72.5/27.5 |
| Weight: 12.10sg | CaCl mud: 28.15 | | LGS: 5% | Gels 10s | 14 |
| Temp: 57C° | CaCl WP: | | Oil On Cut: 10% | Gels 10m | 25 |
| Comment | Run centrifuges in Barite recovery mode to reduce LGS. Seepage losses of up to 10bbl/hr in Admiral 100 sand, added 3ppb sized Calcium Carbonate to active to minimize losses with good results. | | | Fann 003 | 10 |
| | | | | Fann 006 | 13 |
| | | | | Fann 100 | 39 |
| | | | | Fann 200 | |
| | | | | Fann 300 | 74 |
| | | | | Fann 600 | 116 |

| Bit # 11 | Wear | I | O1 | D | L | B | G | O2 | R | |
|------------------|-------------------|---------|----|---|--------------------------|---|---|-------------------------|---|--|
| | Bitwear Comments: | | | | | | | | | |
| Size ("): 9.50in | IADC# | Nozzles | | | Drilled over last 24 hrs | | | Calculated over Bit Run | | |



| | | | | | | | | | |
|-------------|------------|----------|---------|-----|----------|----------------|------------|--------------------|------------|
| Mfr: | REED | WOB(avg) | 7.00klb | No. | Size | Progress | 214.0m | Cum. Progress | 214.0m |
| Type: | PDC | RPM(avg) | 150 | 6 | 16/32nd" | On Bottom Hrs | 9.8h | Cum. On Btm Hrs | 9.8h |
| Serial No.: | 216535 | F.Rate | 708gpm | | | IADC Drill Hrs | 15.5h | Cum IADC Drill Hrs | 15.5h |
| Bit Model | RSX616M-A4 | SPP | 3050psi | | | Total Revs | | Cum Total Revs | 0 |
| Depth In | 3577.0m | HSI | | | | ROP(avg) | 21.84 m/hr | ROP(avg) | 21.84 m/hr |
| Depth Out | | TFA | 1.178 | | | | | | |

Bit Comment

BHA # 13

| | | | | | | | |
|-------------------|----------|-----------|-----------|-----------------|-------------|-----------------------|--------|
| Weight(Wet) | 30.00klb | Length | 215.0m | Torque(max) | 14000ft-lbs | D.C. (1) Ann Velocity | 404fpm |
| Wt Below Jar(Wet) | 14.00klb | String | 218.00klb | Torque(Off.Btm) | 9000ft-lbs | D.C. (2) Ann Velocity | 375fpm |
| | | Pick-Up | 226.00klb | Torque(On.Btm) | 12000ft-lbs | H.W.D.P. Ann Velocity | 289fpm |
| | | Slack-Off | 210.00klb | | | D.P. Ann Velocity | 289fpm |

BHA Run Description 9.5in PDC bit, PD Xceed 675, Eco scope, Tele scope, NM HWDP, X/O, 6x 5.5" HWDP, X/O, Jar, X/O, 12x 5.5" HWDP.

BHA Run Comment

| Equipment | Length | OD | ID | Serial # | Comment |
|--------------|---------|--------|----|-----------|---------|
| PDC Bit | 0.22m | 9.50in | | 216535 | |
| PD Xceed 675 | 7.66m | 6.75in | | 267 | |
| ECO Scope | 8.05m | 9.13in | | 805 | |
| Tele Scope | 8.52m | 6.88in | | FU22 | |
| NM HWDP | 9.19m | 6.75in | | SBD 3170 | |
| X/O | 0.91m | 7.00in | | 508A67 | |
| HWDP | 56.23m | 7.06in | | | |
| X/O | 0.42m | 7.00in | | 115612 | |
| Jar | 9.62m | 6.25in | | 1416-1515 | |
| X/O | 1.22m | 7.00in | | SSD7142 | |
| HWDP | 112.76m | 7.00in | | | |

Survey

| MD (m) | Incl (deg) | Azim (deg) | TVD (m) | Vsec (deg) | N-S (m) | E-W (m) | DLS (deg/30m) | Tool Type |
|-----------|---------------|---------------|------------|---------------|------------|------------|------------------|-----------|
| 3564.74 | 91.4 | 180.9 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | |
| 3594.59 | 91.5 | 181.0 | 2569.54 | -1929.5 | -1929.5 | -130.0 | 0.2 | |
| 3624.29 | 91.5 | 182.6 | 2568.79 | -1959.3 | -1959.3 | -130.5 | 0.1 | |
| 3653.86 | 91.7 | 184.3 | 2568.01 | -1989.0 | -1989.0 | -131.5 | 1.6 | |
| 3684.08 | 90.3 | 183.8 | 2567.18 | -2018.5 | -2018.5 | -133.2 | 1.7 | |
| 3711.90 | 89.7 | 185.0 | 2566.66 | -2048.6 | -2048.6 | -135.4 | 1.5 | |
| 3740.99 | 88.5 | 184.9 | 2566.66 | -2076.4 | -2076.4 | -137.5 | 1.4 | |
| 3770.39 | 88.5 | 184.6 | 2567.11 | -2105.4 | -2105.4 | -140.0 | 1.2 | |
| 3799.79 | 85.5 | 184.6 | 2568.65 | -2134.6 | -2134.6 | -142.5 | 3.1 | |
| 3799.79 | 83.8 | 184.6 | 2571.39 | -2163.8 | -2163.8 | -144.8 | 1.7 | |
| 3829.12 | 82.9 | 183.9 | 2574.79 | -2192.8 | -2192.8 | -147.0 | 1.2 | |
| 3859.22 | 84.0 | 183.2 | 2578.22 | -2222.7 | -2222.7 | -148.8 | 1.3 | |

Bulk Stocks

| Name | Unit | In | Used | Adjust | Balance |
|----------------|------|----|------|--------|---------|
| DRILL WATER | MT | 0 | 6 | 0 | 199.0 |
| Rig Fuel | m3 | 0 | 13 | 0 | 263.0 |
| POTABLE WATER | MT | 91 | 27 | 0 | 313.0 |
| Cement Class G | MT | 0 | 0 | 0 | 52.0 |
| Bentonite | MT | 0 | 0 | 0 | 45.0 |
| Barite | MT | 0 | 0 | 0 | 135.0 |
| SOBM | m3 | 0 | 0 | 0 | 119.0 |
| Brine | m3 | 0 | 0 | 0 | 192.0 |



| Pumps | | | | | | | | | | | | | | | | | |
|-------------------------|-------------------|------------|---------|---------|-----------|-----------|------------|----------------|------------|------------|-------------|------------|------------|-------------|------------|------------|-------------|
| Pump Data - Last 24 Hrs | | | | | | | | Slow Pump Data | | | | | | | | | |
| No. | Type | Liner (in) | MW (sg) | Eff (%) | SPM (SPM) | SPP (psi) | Flow (gpm) | Depth (m) | SPM1 (SPM) | SPP1 (psi) | Flow1 (gpm) | SPM2 (SPM) | SPP2 (psi) | Flow2 (gpm) | SPM3 (SPM) | SPP3 (psi) | Flow3 (gpm) |
| 1 | National 14 P-220 | 6.50 | 1.44 | 97 | 60 | 3100 | 350 | 3584.0 | 20 | 200 | 117 | 30 | 240 | 176 | 40 | 400 | 234 |
| 2 | National 14 P-220 | 6.50 | 1.44 | 97 | 60 | 3100 | 350 | 3584.0 | 20 | 190 | 117 | 30 | 240 | 176 | 40 | 400 | 234 |
| 3 | National 14 P-220 | 6.50 | 1.44 | 97 | | | | 3437.0 | 30 | 340 | 176 | 40 | 500 | 234 | 50 | 680 | 293 |

| Casing | | | |
|---------------|-----------|---------------------|--|
| OD | LOT / FIT | Csg Shoe (MD/TVD) | Cementing |
| 30 " | / | 128.80m / 128.80m | 168bbl class G at 15.9ppg, 200% excess. |
| 16 " | / | 750.03m / 750.03m | Lead 516 bbls "G" class at 12.5ppg. Tail 229 bbls "G" class at 15.80 ppg |
| 10 3/4" | / 1.68sg | 2590.78m / 2337.57m | 200bbl class "G" at 15.8ppg, TOC at 1900m |

| Personnel On Board | |
|---------------------------|------------|
| Company | Pax |
| ADA | 10 |
| Seadrill | 12 |
| Seadrill Services. | 39 |
| Catering | 9 |
| Halliburton | 2 |
| Baker Hughes Inteq | 7 |
| Halliburton | 1 |
| Tamboritha | 3 |
| Q Tech | 1 |
| Tasman Oil Tools | 2 |
| Schlumberger | 6 |
| K&M | 1 |
| Cameron | 2 |
| Reach | 1 |
| Baker Atlas | 4 |
| Total | 100 |

| Mud Volumes, Mud Losses and Shale Shaker Data | | | | Engineer : Brian Auckram/James Munford | | | |
|--|-------------|-----------|-------------|--|----------|--|--|
| Available | Losses | Equipment | Description | Mesh Size | Comments | | |
| 2405.5bbl | 163.0bbl | Shaker 1 | VSM-300 | 255 | | | |
| 377.0bbl | 55.0bbl | Shaker 2 | VSM-300 | 280 | | | |
| | 88.0bbl | Shaker 3 | VSM-300 | 280 | | | |
| | | Shaker 4 | VSM-300 | 280 | | | |
| Active | Downhole | | | | | | |
| Mixing | Surf+ Equip | | | | | | |
| Hole | Dumped | | | | | | |
| Slug Reserve | De-Gasser | | | | | | |
| 1070.0bbl | De-Sander | | | | | | |
| Kill | De-Silting | | | | | | |
| | Centrifuge | | | | | | |
| | Evaporation | 20.0bbl | | | | | |

| Marine | | | | | | | |
|------------------------|---------------------|----------------------|--------------|------------|--------------|---------------------------------------|-------------|
| Weather on 07 Aug 2008 | | | | | | | |
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period |
| 10.0nm | 6kn | 140.0deg | 1009.0mbar | 9C° | 0.3m | 120.0deg | 2s |
| Rig Dir. | Ris. Tension | VDL | Swell Height | Swell Dir. | Swell Period | Weather Comments | |
| 24.1deg | 440.00klb | 3005.00klb | 1.6m | 120.0deg | 6s | Wave and swell heights are estimates. | |
| Comments | | | | | | | |
| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | Bulks | | | |



| Pacific Battler | | | At rig | Item | Unit | Used | Quantity |
|-----------------|----|--|--------|----------|------|------|----------|
| | | | | Rig Fuel | m3 | | 451.3 |
| Potable Water | Mt | | 355 | | | | |
| Drill Water | Mt | | 150 | | | | |
| CEMENT G | Mt | | 0 | | | | |
| Barite | Mt | | 84 | | | | |
| Bentonite | Mt | | 0 | | | | |
| Base Oil | m3 | | 0 | | | | |
| Brine | m3 | | 118 | | | | |

| Pacific Valkyrie | | | At Geelong | Item | Unit | Used | Quantity |
|------------------|----|--|------------|----------|------|------|----------|
| | | | | Rig Fuel | m3 | | 422 |
| Potable Water | Mt | | 448 | | | | |
| Drill Water | m3 | | 618 | | | | |
| CEMENT G | Mt | | 0 | | | | |
| Barite | Mt | | 105 | | | | |
| Bentonite | Mt | | 34.8 | | | | |
| SOBM | m3 | | 74 | | | | |
| Base Oil | m3 | | 0 | | | | |
| Brine | m3 | | 119 | | | | |

Helicopter Movement

| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment |
|----------|--|---------------|------------|--|
| 1 | BRISTOW HELICOPTERS AUSTRALIA PTY LTD | 1012 / 1144 | 14 / 8 | Crew Change Due to fog aircraft shutdown on rig |