

28 Aug 2008 From: S De Frietas/S Schmidt.

To: R Oliver

DRILLING MORNING REPORT # 28 Longtom-4 H

Well Data							
Country	Australia	MDBRT	4648.0m	Cur. Hole Size	9.500in	AFE Cost	AUD\$81,987,600
Field	Longtom	TVDBRT	2695.9m	Last Casing OD	7.000in	AFE No.	LSRDV01/6
Drill Co.	Seadrill	Progress	0.0m	Shoe TVDBRT	2590.8m	Daily Cost	AUD\$630,400
Rig	West Triton	Days from spud	68.94	Shoe MDBRT	4647.0m	Cum Cost	AUD\$66,186,600
Wtr Dpth (MSL)	55.968m	Days on well	28.00	FIT/LOT:	1.68sg /		
RT-ASL (MSL)	41.100m	Planned TD MD	5822.000m	Current Op @ 0600	•		on string. Depth at 06.00
RT-ML	97.068m	Planned TD TVDRT	2702.000m		hrs = 125r	n.	
				Planned Op	Op Continue to run 5in/7in completion Completion program.		ompletion string as per

Summary of Period 0000 to 2400 Hrs

Completed POOH and laying out 5.50in drill pipe. Made up jetting and bore retrieving assembly, RIH jetted SST, engaged and pull bore protector. Jetted bore protector seating area and displaced riser to 11.00ppg filtered inhibited brine. POOH and laid out jetting/retrieving assembly. Rigged up and run 5in completion string as per completion program.

HSE Summary				
Events	Num. Events	Days Since	Descr.	Remarks
Abandon Drill		4 Days	Held at 10.30 hours.	Rig alarms activated. Gas leak at well test area, all crews mustered at alternative muster stations.
BOP Test		14 Days	Pressure tested Bop's.	14 Days - 28 Aug 21 days 4 Sept
Environmental Incident		5 Days	SBM spill to ocean when back-loading to Supply Boat.	Synthetic Based Mud was leaked to the ocean when a Transfer hose failed, shortly after commencing back-loading to the Valkyrie Supply Boat. Approximately 5 minutes after commencing pumping, the rigs watch-stander observed discoloration in the water. The transfer pump was immediately shut down. Total volume of spill 21bbls SBM.
Medical Treatment Case		1 Day	Third Party received small laceration to top of right thumb.	The IP was walking between the bottom of the V door and cable spooling unit for the down hole gauge on the cantilever deck. As he did this he dragged his hand along the edge of the spooling unit and received a small laceration to the top of his right thumb. It should be noted that the IP was not wearing gloves at the time of the incident.
PTW issued	17	0 Days		Permit to work issued for the day.
Safety Meeting		5 Days	Weekly Safety Meetings.	Weekly safety meeting held on Sundays .
STOP Card	43	0 Days		Stop cards submitted for the day.

Operations For Period 0000 Hrs to 2400 Hrs on 28 Aug 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
P22	Р	G8	0000	0930	9.50	4648.0m	POOH laying out 5.50in drill pipe to 38.68m
							Note: Drill pipe "U" Tubing at 1073m: Pumped 30bbls unfiltered brine at 11.30ppg down string to stop "U" Tubing.
P22	Р	G8	0930	1000	0.50	4648.0m	Rigged down zip bails and 5.50in elevators and rigged up 5.50in elevators on drilling bails and racked back one stand 5.50in drill pipe in derrick.
P22	Р	G2	1000	1100	1.00	4648.0m	Laid out BHA, x/o, well patroller, 10.750in scraper, bit sub and bit.
							Note: Small pieces of rubber were observed in well patroller from riser brush assembly.
P22	Р	G6	1100	1200	1.00	4648.0m	Made up BHA, well patroller, ball catcher, circulation valve and bore protector retrieving tool.
P22	Р	G8	1200	1300	1.00	4648.0m	RIH with BHA to 92.38m.
P22	Р	G16	1300	1400	1.00	4648.0m	Dropped ball, positioned CCV above SST and jetted same with 550gpm, 100psi with 29bbls filtered and inhibited brine at 11.00ppg.
P22	Р	G16	1400	1430	0.50	4648.0m	RIH and set 16k down on bore protecter retrieving tool to engage bore protector at 92.38m. Pulled out bore protector. Note: No overpull observed when pulling bore protector.
							Positioned CCV at well head and jetted well head area with passes at 550gpm, 100psi, with 71bbls filtered and inhibited brine at 11.00ppg.



Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
P22	Р	G8	1430	1700	2.50	4648.0m	POOH and laid out well patroller, ball catcher, circulation valve and bore protecter retrieving tool and bore protector. Note: No wear obsevered on bore protector. Note: No debris or junk observed in well patroller.
P22	Р	G24	1700	1730	0.50	4648.0m	Cleared rig floor of excess equipment.
P22	Р	G1	1730	1800	0.50	4648.0m	Rigged down bails and 5.50in elevators and rigged up 15ft bails and 5in elevators.
P22	Р	G1	1800	2000	2.00	4648.0m	Rigged up completion string running equipment.
P22	Р	C4	2000	2330	3.50	4648.0m	Held JSA and run 5in completion string as per program. Picking up and making up mule shoe, sliding sleeve, 10.750in AHC packer, and assemblies 1A to 5A.
P22	Р	C4	2330	2400	0.50	4648.0m	Unable to achieve correct torque on blast joint #3 to #2. Laid out blast joint #3 and picked up and attempted to make up back up blast joint.

Operations For Period 0000 Hrs to 0600 Hrs on 29 Aug 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
P22	P	C4	0000	0500	5.00	4648.0m	Continued to pick up and attempting to make up blast joints to the required torque. A total of 6 joints failed to meet torque requirements. This operation involved the laying out of two blast joints and picking up two replacement joints each time. Two to three attempts were made to make up blast joints to required torque before changing them out.(Lost approximately 3.5 hours during this operation.)
P22	Р	C4	0500	0600	1.00	4648.0m	Picked up and made up 5in tubing completion string and RIH.

Operations For Period Hrs to Hrs on

Phase Data to 2400hrs, 28 Aug 2008						
Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
Production Hole (2)(P12)	260.5	01 Aug 2008	11 Aug 2008	260.50	10.854	4648.0m
Liner (1)(P19)	291.5	11 Aug 2008	23 Aug 2008	552.00	23.000	4648.0m
Completion/Recompletion(P22)	120	24 Aug 2008	28 Aug 2008	672.00	28.000	4648.0m

Completion/Recompletion(P22)	n(P22) 120 24 Aug 2008 28 Aug 2008 672.00 28.000 4648.0						
General Comments							
00:00 TO 24:00 Hrs ON 28 Aug 20	08						
Operational Comments	Rotary table elevation based on Fugro calculations; RT above LAT = 41.062m. RT above MSL/AHD 40.362m.						
Operational Comments	impacting operational 2) Compensator for sa 3) CTU control panel if 4) Link tilt clamps slipp 5) Bail retaining plates plate 6) Number 4 main ger 7) Emergency general line). 8) Pumping pressure if reads 3600psi. 9) Remote controller for 10) Automatic drill pipe 11) Auto IBOP on TDS closing the IBOP while 12) Auto slips not bein	ead has operating problems, to efficiency. New hydraulic pumparer sub on TDS not operational as leaking valves, pressure recoing on bails - need to rectify the on top drive bent, increasing the problems are recoing on the problems. Exciter and generator down. Exciter and generator fuel tank requires modification and the problems of the elevators not working. So is sticky and does not operate a making connections as it is verified used as profile of slips not composite the possible misalignment of dolors.	p on order? al resulting in e egulator valve in his issue. time to change erator sent asho ion to drain line or not accurate. conal. e smoothly - line ery difficult to re compatible with	xcessive wear or noperable. Parts out bails by 1/2 fore. (no communical At 2800psi pump kages distorted? e-open.	n saver sub threaton order. hour. Require nettion with tank threaton pressure, cyber	w retaining ough drain display	
Operational Comments	ROV operations: Dived and functioned Maintenance of equip	CTV valve when pulling bore p	protector.				



General Comments						
Operational Comments	Expro Well Testing: Rigging up equipment 80% of lines installed and equipment rigged up.					
Operational Comments	Average hole losses while running completion 1 - 2bbls/hr.					

WBM Data			Cost Today	AUD\$ 104	71		
Mud Type:	Calcium Chloride Brine	API FL:	CI:	292547mg/l	Solids(%vol):	Viscosity PV	
	Chioride Brille	Filter-Cake:	K+C*1000:		H2O: 100		
Sample-From:	Pit #8	HTHP-FL:	Hard/Ca:		Oil(%):	Gels 10s	
Time:	20:00	HTHP-cake:	MBT:		Sand:	Gels 10m	
Weight:	11.10sg	HTHP-cake.				Fann 003	
	· ·		PM:		pH:	0 Fann 006	
Temp:	22C°		PF:		PHPA:	Fann 100	
						Fann 200	
Comment		Prepared further 166bbl of inhib				Fann 300	
	11.3ppg brine to be used as a slug to prevent u-tubing when POOH at company man's request. Transferred further 89bbl of brine from rig storage and blended with clean brine returns from pit						
		#5. Re-filtered further 89bbl of brir #5. Re-filtered further 505bbl br inhibited. Fill trip tank as require	ine. Transferred 1	20bbl filtered b	orine from pit #4 to pit #8 and	oit —	

Bulk Stocks					
Name	Unit	In	Used	Adjust	Balance
Drill Water	MT	0	21	0	324.0
Rig Fuel	m3	100	8	0	293.0
POTABLE WATER	MT	12	15	0	293.0
Cement class \'G\'	MT	0	0	0	52.0
Bentonite	MT	0	0	0	45.0
Barite	MT	0	0	0	65.0
SOBM	m3	0	0	0	2.0
Brine	m3	0	25	0	10.0
BLENDED CEMENT	MT	0	0	0	43.0

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
7 "	/	4647.00m / 2699.37m	Mixed and pumped 138 bbls "HBT" grade cement slurry at 15.0 ppg through perforations at 4560m - 4558m. Theoretical top of cement in 7in liner at 4520m
			Second cement job "HBT" grade cement slurry at 15.0 ppg through perforations at 2675m - 2673.5m. Theoretical top of cement in 7in liner/10.75in casing at 2569m Theoretical bottom of cement in 7in liner/9.5in hole at 2675m

Personnel On Board						
Company	Pax					
ADA	10					
Seadrill	12					
Seadrill Services.	34					
Catering	9					
Halliburton	2					
Baker Hughes Inteq	2					
Halliburton	3					
Tamboritha	3					
Tasman Oil Tools	2					
Reach	1					
Expro Group	12					
Well Dynamics	4					
BHI	2					
Schlumberger (Testing)	2					
Rigcool	2					
Weatherford	4					



Personnel On Board					
Cameron	3				
Scottech	2				
Total	109				

Mud Volumes, Mud Losses and Shale Shaker Data				Engineer : Brian	Auckram/Tim Waldhut	er	
Available	2620.2bbl	Losses	124.0bbl	Equipment	Description	Mesh Size	Comments
Active	206.0bbl	Downhole	48.0bbl	Shaker 1	VSM-300	280	
Mixing		Surf+ Equip	25.0bbl	Shaker 1 Shaker 2	VSM-300 VSM-300	280 280	
Hole	1117.2bbl	Dumped	51.0bbl	Shaker 2	VSM-300	280	
Slug Reserve	1297.0bbl	De-Gasser De-Sander		Shaker 3	VSM-300	280	
	1297.0001			Shaker 3	VSM-300	280	
Kill		De-Silter Centrifuge		Shaker 4	VSM-300	280	
				Shaker 4	VSM-300	280	

				Sna	Kei 4	V SIVI-300	
Marine							
Weather on	28 Aug 2008						
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	10kn	45.0deg	1028.0mbar	12C°	1.0m	270.0deg	1s
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather 0	Comments
24.1deg	440.00klb	2634.00klb	1.0m	270.0deg	6s		swell heights
Comments				are est	imates.		

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status		Bulks		
Pacific Battler			At Geelong.	Item	Unit	Used	Quantity
				Rig Fuel	m3		523.925
				Potable Water	Mt		360
				Drill Water	Mt		190
				CEMENT G	Mt		0
				Barite	Mt		42
				Bentonite	Mt		0
				SOBM	m3		110
				Brine	m3		96

SBM Onboard. SBM Dirty = 63m3 SBM Slops = 56m3									
Pacific Valkyrie	On location.	Item	Unit	Used	Quantity				
		Rig Fuel	m3		358.69				
		Potable Water	Mt		250				
		Drill Water	m3		166				
		CEMENT G	Mt		(
		Barite	Mt		70				
		Bentonite	Mt		34.8				
		SOBM	m3		67				
		Base Oil	m3		(
		Brine	m3		C				

SBM Slops: 57m3.

Helicopter	Movement
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Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
BWJ	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	1003 / 1018	10 / 8	