

18 Sep 2008 From: B. Openshaw/R. Rossouw

To: R Oliver

DRILLING MORNING REPORT # 49 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\$636,300 |
| Rig | West Triton | Days from spud | 89.74 | Shoe MDBRT | 4647.0m | Cum Cost | AUD\$88,192,500 |
| Wtr Dpth (MSL) | 55.968m | Days on well | 48.79 | FIT/LOT: | 1.68sg / | | |
| RT-MSL | 41.100m | Planned TD MD | 5822.000m | Current Op @ 0600 | | | |
| RT-ML | 97.068m | Planned TD TVDRT | 2702.000m | Planned Op | | | |

Summary of Period 0000 to 2400 Hrs

Offloaded boats, skidded in cantilever, jacked down rig for water integrity test, continued jacking down to moving draft and commenced tow at 18:00hrs. 1 mile away from Longtom-4 @ 19:00hrs - END OF WELL.

| HSE Summary | | | | | | | | | |
|----------------|-------------|------------|--|--|--|--|--|--|--|
| Events | Num. Events | Days Since | Descr. | Remarks | | | | | |
| Abandon Drill | | 0 Days | Held at 10:40 hours. | Abandon ship drill prior to rig move. Good response by all crews. | | | | | |
| BOP Test | 1 | 11 Days | Pressure tested BOPs. | 14 Days - 21 Sept 08 21 Days - 28 Sept 08 | | | | | |
| First Aid Case | | 22 Days | Third Party received a small laceration to top of right thumb. | | | | | | |
| Incident | | 1 Day | Locking pin on crane dropped. | A locking safety pin from the Crane Main Block latch dislodged itself from its position and fell to the rig floor. | | | | | |
| PTW issued | 8 | 0 Days | | Permit to work issued for the day. | | | | | |
| Safety Meeting | | 5 Days | Weekly safety meeting | Weekly safety meeting | | | | | |
| STOP Card | 16 | 0 Days | | Stop cards submitted for the day. | | | | | |

Operations For Period 0000 Hrs to 2400 Hrs on 18 Sep 2008

| Phse | Cls (RC) | Op | From | То | Hrs | Depth | Activity Description |
|------|-------------|----|------|------|-------|---------|--|
| P21 | Р | G1 | 0000 | 1100 | 11.00 | 4648.0m | Continued offloading 30in conductor casing and remaining containers from boat using stbd crane. Moved flare boom to cantilever deck. Lifted and set back H4 connector on deck. Commenced lifting Texas deck and general preparations for skidding rig. |
| | | | | | | | Port crane non-operational after 01:00hrs due to ongoing electrical problems. |
| P21 | Р | M2 | 1100 | 1500 | 4.00 | 4648.0m | Skidded in cantilever deck 5 ft, removed gumbo hose and pinned off Texas deck. Continued skidding in cantilever and secured same. |
| P21 | Р | М3 | 1500 | 1800 | 3.00 | 4648.0m | Connected lead boat (Battler), jacked down rig to 1.5m draft, performed water integrity test - OK and continued to jack rig down to full moving draft. |
| P21 | Р | M1 | 1800 | 1900 | 1.00 | 4648.0m | Commenced rig move to Bazzard-1. |
| | | | | | | | 1 mile away from Longtom-4 @ 19:00hrs. |
| | | | | | | | **** END OF LONGTOM - 4 @ 19:00hrs ON 18th SEPTEMBER 2008**** |

Operations For Period Hrs to Hrs on

| Phase Data to 2400hrs, 18 Sep 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) | 456 | 24 Aug 2008 | 12 Sep 2008 | 1,008.00 | 42.000 | 4648.0m | | | | |
| Well Test(P24) | 45 | 11 Sep 2008 | 13 Sep 2008 | 1,053.00 | 43.875 | 4648.0m | | | | |
| Suspend and Abandon(P21) | 118 | 13 Sep 2008 | 18 Sep 2008 | 1,171.00 | 48.792 | 4648.0m | | | | |

General Comments

00:00 TO 24:00 Hrs ON 18 Sep 2008

Rotary table elevation based on Fugro calculations;

Operational Comments RT above LAT = 41.062m.

RT above MSL/AHD 40.362m.



General 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?
- 2) Compensator for saver sub on TDS not operational resulting in excessive wear on saver sub threads.
- 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 plate
- 6) Number 4 main generator down. Exciter and generator sent ashore.

Operational Comments

- 7) Emergency generator fuel tank requires modification to drain line (no communication with tank through drain line).
- 8) Pumping pressure read-out at Cyber chair display not accurate. At 2800psi pump pressure, cyber display reads 3600psi.
- 9) Remote controller for Iron Roughneck not operational.
- 11) 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.
- 12) Port crane not operational due to ongoing electrical problems (battery charging).
- 13) Need to investigate possible misalignment of dolly beams and dolly rollers on Top Drive System.
- 14) Choke manifold pressure gauges require callibrating.
- 15) Large pressure discrepancy on operating pressure for annular between rig floor and unit.

| WBM Data | | Cost Today AU | Cost Today AUD\$ 1980 | | | | |
|--------------|--------------|---------------|-----------------------|----------------------------------|--|--|--|
| Mud Type: | API FL: | CI: | Solids(%vol): | Viscosity | | | |
| Sample-From: | Filter-Cake: | K+C*1000: | H2O: | PV YP | | | |
| Time: | HTHP-FL: | Hard/Ca: | Oil(%): | Gels 10s | | | |
| Weight: | HTHP-cake: | MBT: | Sand: | Gels 10m Fann 003 | | | |
| Temp: | | PM: | pH: | Fann 003 Fann 006 | | | |
| | | PF: | PHPA: | Fann 100 | | | |
| Comment | | | | Fann 200 Fann 300 Fann 600 | | | |

| Bulk Stocks | | | | | | | | | |
|--------------------|------|----|------|--------|---------|--|--|--|--|
| Name | Unit | In | Used | Adjust | Balance | | | | |
| Drill Water | MT | 0 | 0 | 0 | 340.0 | | | | |
| Rig Fuel | m3 | 0 | 12 | 0 | 175.0 | | | | |
| POTABLE WATER | MT | 14 | 24 | 0 | 214.0 | | | | |
| Cement class \'G\' | MT | 0 | 0 | 0 | 52.0 | | | | |
| Bentonite | MT | 0 | 0 | 0 | 45.0 | | | | |
| Barite | MT | 0 | 0 | 0 | 65.0 | | | | |
| Brine | m3 | 0 | 0 | 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 "HTB" grade cement slurry at 15.0 ppg through perforations at 4560m - 4558m. Theoretical top of cement in 7in liner at 4520m |
| | | | Second cement job "HTB" grade cement slurry at 15.0 ppg through perforations at 2675m - |



| Casing | | | |
|--------|-----------|-------------------|---|
| OD | LOT / FIT | Csg Shoe (MD/TVD) | Cementing |
| | | | 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 | 4 | | | | | |
| Seadrill | 15 | | | | | |
| Seadrill Services. | 43 | | | | | |
| Catering | 9 | | | | | |
| Halliburton - Sperry | 2 | | | | | |
| Baker Hughes Inteq | 2 | | | | | |
| Halliburton - Sperry | 2 | | | | | |
| Tamboritha | 4 | | | | | |
| National OilWell | 3 | | | | | |
| Dril-Quip | 1 | | | | | |
| Fugro Survey | 2 | | | | | |
| OPC | 2 | | | | | |
| Total | 89 | | | | | |

| Mud Volumes, Mud Losses and Shale Shaker Data | | | | Engineer : Gerald Lange/Tim Waldhuter | | | | |
|--|--------|---|--------|---------------------------------------|-------------|-----------|----------------|--|
| Available | 0.0bbl | Losses | 0.0bbl | Equipment | Description | Mesh Size | Comments | |
| Active Mixing | | Downhole Surf+ Equip | | Shaker 1 | VSM-300 | 280 | Well Complete. | |
| Mixing | Mixing | | 0.0bbl | Shaker 1 | VSM-300 | 89 | | |
| Hole | | Rumped Cassor | | Shaker 2 | VSM-300 | 280 | | |
| Hole Slug Reserve Kill | | Dumped De-Gasser De-Sander De-Silter Centrifuge | | Shaker 2 | VSM-300 | 89 | | |
| Kili | | Centrifuge | | Shaker 3 | VSM-300 | 280 | | |
| | | | | Shaker 3 | VSM-300 | 89 | | |
| | | | | Shaker 4 | VSM-300 | 280 | | |
| | | | | Shaker 4 | VSM-300 | 89 | | |

Marine Weather on 18 Sep 2008 Air Temp. Visibility Wind Speed Wind Dir. Pressure Wave Height Wave Dir. Wave Period 1006.0mbar 3s 10.0nm 5kn 240.0deg 14C° 0.4m 240.0deg Ris. Tension Swell Height Swell Period Rig Dir. VDL Swell Dir. Weather Comments 2191.00klb 0.7m 240.0deg Wave and swell heights 24.1deg 3s are estimates. Comments

| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | | Bulks | | |
|------------------|---------------------|----------------------|--------|---------------|-------|------|----------|
| Pacific Battler | | | At rig | Item | Unit | Used | Quantity |
| | | | | Rig Fuel | m3 | | 390.97 |
| | | | | Potable Water | Mt | | 45 |
| | | | | Drill Water | Mt | | 167 |
| | | | | CEMENT G | Mt | | 42 |
| | | | | Barite | Mt | | 43 |
| | | | | Bentonite | Mt | | 42 |
| | | | | SOBM | m3 | | 110 |
| | | | | Brine | m3 | | 0 |
| Pacific Valkyrie | | | At rig | Item | Unit | Used | Quantity |
| | | | | Rig Fuel | m3 | | 430.48 |
| | | | | Potable Water | Mt | | 320 |
| | | | | Drill Water | m3 | | 277 |
| | | | | CEMENT G | Mt | | 0 |
| | | | | Barite | Mt | | 70 |
| | | | | Bentonite | Mt | | 34.8 |
| | | | | SOBM | m3 | | 0 |
| | | | | Base Oil | m3 | | 0 |
| | | | | Brine | m3 | | 0 |



| Helicopter Movement | | | | | | | |
|---------------------|--|---------------|------------|---|--|--|--|
| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment | | | |
| BWJ | BRISTOW HELICOPTERS AUSTRALIA PTY LTD | 0843 / 0901 | 7 / 10 | Crew Change De-mob of Well Test Crew | | | |