Anzon Australia LIMITED

Last BOP Test:

DRILLING MORNING REPORT # 7
Manta 2

21 Jan 2006

From: Simon Rodda/Webby
To: John Ah-Cann

Well Data

Country	Australia	MDBRT	971.0m	Cur. Hole Size		AFE Cost	$21,712,149
Field	Basker and Manta	TVDBRT	936.0m	Last Casing OD	13.375in	AFE No.	3426-1300
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	926.8m	Daily Cost	$0
Rig	OCEAN PATRIOT	Days from spud	4.61	Shoe MDBRT	961.0m	Cum Cost	$3,640,825
Wtr Dpth(LAT)	134.1m	Days on well	6.38	FIT/LOT:	/	Days Since Last LTI	979
RT-ASL(LAT)	21.5m	Planned TD MD	3,102.0m				
RT-ML	155.6m	Planned TD TVDRT	2,892.0m				

Current Op @ 0600	Making up Cameron well head running/test tool.
Planned Op	Trouble shoot leak in casing.

Summary of Period 0000 to 2400 Hrs

Cement 340mm (13 3/8") casing. Rig up and run BOP's. Land BOP's and attempt well head/ BOP integrity pressure test. No test. Unlatch BOP and recover VX gasket with ROV.

Operations For Period 0000 Hrs to 2400 Hrs on 21 Jan 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
SC	P	CMC	0000	0130	1.50	971.0m	Complete pumping of 170bbls of 15.8ppg tail slurry. Displace 20bbls of sea water with Dowell and witness top plug launching with 1800psi(9.3bbls pumped). Pumped 377bbls of displacement sea water with rig pumps @12bpm. Bumped plug @6bpm 700psi, pressured up to 1200psi (500psi over circulating pressure) for 5mins. Good test.
SC	TP (OTH)	CMC	0130	0200	0.50	971.0m	Proceeded to increase pressure for 2500psi casing test. Pop off on mud pump failed @1350psi (prematurely), changed over to Dowell. Dowell attempted to fill empty surface equipment due to pop off failure and fluid draining back, 9bbls pumped with zero pressure(not going down string). Problems on surface. Checked float equipment holding, all ok. No futher test on casing carried out.
SC	P	CRN	0200	0300	1.00	971.0m	Check bullseyes on RGB. Aft - 1/2deg FWD FWD - zero Remove cement hose and back out C.A.R.T. ROV inspect seal face on well head and install trash cap. SKID rig off location 12m Port POOH and lay out running tool and subsea launching assembly.
SC	P	CMC	0300	0400	1.00	971.0m	Run Dowell express head out of derrick and lay out same, service break as required.
BOP	P	BOP	0400	0530	1.50	971.0m	Rig up rig floor for BOP handling operations.
BOP	P	RR1	0530	1530	10.00	971.0m	make up double of riser and nipple up to BOP's. Splash BOPs and test choke and kill lines 300/5000psi 5/10minutes. Run riser and test choke and kills prior to picking up slip joint as above. All tests ok.
BOP	P	BOP	1530	1630	1.00	971.0m	Make up slip joint and landing joint to riser string.
BOP	P	BOP	1630	1830	2.00	971.0m	Nipple up choke, kill and boost lines to slip joint.
BOP	P	BOP	1830	1900	0.50	971.0m	Pressure test choke and kill goose necks 300/5000psi 5/10minutes, all ok.
BOP	P	BOP	1900	2030	1.50	971.0m	Latch SDL ring and install storm saddles and attach to slip joint.
BOP	P	BOP	2030	2100	0.50	971.0m	Land BOPs and confirm latch with 50klbs overpull test, all ok.
BOP	TP (CWR)	BOP	2100	2330	2.50	971.0m	Commence pressure testing of well head/ BOP connector and gasket. Unable to obtain any pressure against shear rams and casing volume. Flush through equipment again,re-test choke and kill lines, all OK. Attempt to test casing, no pressure observed. Original pumping rate 0.5bpm, increase to 2.5bpm, still no pressure build up. ROV monitoring well head and BOPs for any visible leaks. Mix flouroscene dye in cement unit. Pump surface line volume and kill line volume plus 10bbls, no dye observed. No further pumping carried out due to possiblity of washing well head sealing face if gasket was damaged. Pumped down kill line and up choke line with shear rams closed, no returns up choke line, no pressure observed.
BOP	TP (CWR)	BOP	2330	2400	0.50	971.0m	Unlatch BOPs and raise above guide base posts. Recover ROV for VX gasket installation/removal tool.

Printed on 21 Jan 2006

Anzon Australia LIMITED

Last BOP Test:

Phase Data to 2400hrs, 21 Jan 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
RIG MOVE/RIG-UP/PRESPUD(RM)	4	15 Jan 2006	15 Jan 2006	4.00	0.167	0.0m
ANCHORING(A)	25	15 Jan 2006	16 Jan 2006	29.00	1.208	0.0m
PRESPUD(PS)	13.5	16 Jan 2006	17 Jan 2006	42.50	1.771	0.0m
CONDUCTOR HOLE(CH)	1	17 Jan 2006	17 Jan 2006	43.50	1.812	189.0m
CONDUCTOR CASING(CC)	16.5	17 Jan 2006	18 Jan 2006	60.00	2.500	189.0m
SURFACE HOLE(SH)	57	18 Jan 2006	20 Jan 2006	117.00	4.875	971.0m
SURFACE CASING(SC)	16	20 Jan 2006	21 Jan 2006	133.00	5.542	971.0m
RISER AND BOP STACK(BOP)	20	21 Jan 2006	21 Jan 2006	153.00	6.375	971.0m

WBM Data

Cost Today $ 2675

Mud Type:	API FL:	Cl:	Solids(%vol):	Viscosity	
Sample-From:	Filter-Cake:	K+C*1000:	H2O:	PV	
Time:	HTHP-FL:	Hard/Ca:	Oil(%):	YP	
Weight:	HTHP-cake:	MBT:	Sand:	Gels 10s	
Temp:		PM:	pH:	Gels 10m	
		PF:	PHPA:	Fann 003	
				Fann 006	
				Fann 100	
				Fann 200	
				Fann 300	
				Fann 600	

Comment: Continue to mix KCL/PHPA/Polymer mud. 12 1/4" interval mud will be charged on tomorrows report to keep section costs seperate.

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	0	0	142.9
Bentonite Bulk	MT	0	13.73	0	39.9
Diesel	m3	0	8.7	0	364.6
Fresh Water	m3	26.9	29.9	0	182.8
Drill Water	m3		105.9	0	378.5
Cement G	MT	0	67.49	0	115.0

Pumps

Pump Data - Last 24 Hrs

No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (bpm)
1	Oilwell 1700PT						
2	National 12-P-160	6.000	8.60	97			
3	National 12-P-160	6.000	8.60	97			

Slow Pump Data

Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (bpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (bpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (bpm)

Casing

OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)
30 "	187.93	187.93	153.10	153.61	
13 3/8"	961.00	926.77	152.23		

Personnel On Board

Company	Pax	Comment
DOGC	53	All Diamond Personnel
ANZON AUSTRALIA LIMITED	5	Operator Personnel
ESS	8	Catering Personnel
DOWELL SCHLUMBERGER	2	Cementing
FUGRO SURVEY LTD	6	ROV personnel
M-1 AUSTRALIA PTY LTD	2	Mud Engineers
GEOSERVICES OVERSEAS S.A.	6	Mud Logging personnel
CAMERON AUSTRALIA PTY LTD	1	Wellhead personnel
HALLIBURTON AUSTRALIA PTY LTD - SPERRY SUN	6	Dir drilling and LWD personnel
WEATHERFORD AUSTRALIA PTY LTD	3	Casing running personnel

Anzon Australia LIMITED

Last BOP Test:

Personnel On Board

Total	92

HSE Summary

Events	Date of last	Days Since	Descr.	Remarks
Abandon Drill	15 Jan 2006	6 Days	Complete abandon rig drill	
Fire Drill	15 Jan 2006	6 Days	Rig fire drill	
JSA	21 Jan 2006	0 Days	Drill=2, Deck=10, Welder=0, Subsea=0, Mech=0	
Man Overboard Drill	30 Dec 2005	22 Days	Man overboard drill	
Safety Meeting	15 Jan 2006	6 Days	Weekly Safety Meetings	Held weekly Safety meetings 13:00, 19:00 & 01:00 hrs
STOP Card	21 Jan 2006	0 Days	Safe = 6, Unsafe = 8	

Shakers, Volumes and Losses Data

Available	**0bbl**	**Losses**	**484bbl**
		Dumped	284bbl
		Sweeps and displacement	200bbl

Comment: 200bbls of PHG kept for drilling cmt and shoe track.

Marine

Weather on 21 Jan 2006

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	16kn	90.0deg	1,012.0mbar	19C°	0.3m	90.0deg	-1s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
224.0deg	420.00klb	4,624.00klb	1.0m	67.0deg	-1s	

Comments

Rig Support

Anchors	Tension (klb)
1	168.0
2	265.0
3	165.0
4	176.0
5	254.0
6	212.0
7	240.0
8	218.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Far Grip			On location

Item	Unit	Used	Quantity
Diesel	M3		246
Fresh Water	M3		370
Drill Water	M3		650
Cement G	MT		0
Cement HT (Silica)	MT		
Barite Bulk	MT		0
Bentonite Bulk	MT		42

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Wrangler		1810	En-route to Melbourne, ETA 0200hrs 23/01/06 at pilot station.

Item	Unit	Used	Quantity
Diesel	M3		193.32
Fresh Water	M3		137
Drill Water	M3		0
Cement G	MT		0
Cement HT (Silica)	MT		0
Barite Bulk	MT		8.3
Bentonite Bulk	MT		
Brine	Bbls		0

Printed on 21 Jan 2006