

		From:	Chris Roots	/ Nathan Peri			
		OIM:	Dennis Gore				
Well Data							
Country	Australia	Measured Depth	1870.0m	Current Hole Size	315mm	AFE Cost	\$19,265,000
Field		TVD	1744.6m	Casing OD	340mm	AFE No.	5738085
Drill Contractor	DOGC	Progress	0.0m	Shoe MD	642.2m	Daily Cost	\$1,008,276
Rig	Ocean Patriot	Days from spud	11.71	Shoe TVD	642.2m	Cum Cost	\$14,299,789
Water Depth (LAT)	65.4m	Days on well	12.48	F.I.T. / L.O.T.	/ 2.12sg	Planned TD	2503.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Tripped into	o 893m with wiper BH	A.		
RT-ML	86.9m	Planned Op Make a wiper trip through the tight hole at 1763m. Wash and ream the sect					am the section and
Rig Heading	215.0deg		run to botto Rerun logg	om, circulate bottoms uing tools.	up, POH.		

Summary of Period 0000 to 2400 Hrs

POH logging tools run #1, unable to pass 1365m.

Picked up Wiper BHA and RIH. Tagged at 1365m, washed and reamed across 1237m to 1400m section until slick. Continued running wiper to bottom on elevators to 1556m. Washed and reamed down to TD at 1870m.

Circulated bottoms up. POH pumping out of the hole only to the Shoe.

RU wireline and run log #1 to 1763m.

Formations			
Name	Top (MD)	Top (TVD)	Comment
K85 Unconformity	1783.0m	1673.6m	38.6m low
Waarre A	1792.0m	1683.1m	48.1m low
Eumeralla Formation	1820.0m	1705.2m	43.2m low
Total Depth	1870.0m	1744.0m	

Operations For Period 0000 Hrs to 2400 Hrs on 26 Jul 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
EP	TP (HC)	LOG	0000	0200	2.00	1870.0m	Continued running logging tool run #1: PEX-HRLA-MSIP. Tagged up again at 1365m, unable to pass this depth after several attempts. POH.
EP	TP (HC)	LOG	0200	0300	1.00	1870.0m	Rigged down wireline. Static mud losses of 0.25 m³/hr (1.5 bbl/hr).
EP	TP (HC)	НВНА	0300	0500	2.00	1870.0m	Picked up new 311mm (12-1/4") bit and BHA to 230 mRT. Note: Tagged casing swedge at 92m, slow rotation and the bit passed through.
EP	TP (HC)	TI	0500	0600	1.00	1870.0m	Continued 311mm (12-1/4") wiper trip to 642 mRT.
EP	TP (HC)	TI	0600	0700	1.00	1870.0m	Continued RIH, observed 4.4 - 6.7 kdaNm (10-15 klbs) drag down to 1250m.
EP	TP (HC)	WTH	0700	0830	1.50	1870.0m	Made up TDS and washed and reamed down from 1250m to 1400m. Tagged at 1365m with 13.3 kdaNm (30 klbs), reamed through and wiped clear to 1400m. Parameters:150 rpm, 3785 L/min (1000gpm).
EP	TP (HC)	TI	0830	0900	0.50	1870.0m	Continued RIH on elevators to 1566m, noted 4.4 - 6.7 kdaNm (10-15 klbs) drag.
EP	TP (HC)	WTH	0900	1100	2.00	1870.0m	Drag increased, made up TDS and washed and reamed down from 1566m to 1870m. 150 rpm, 3785 L/min (1000gpm).
EP	TP (HC)	CHC	1100	1300	2.00	1870.0m	Circulated the hole clean.
EP	TP (HC)	то	1300	1330	0.50	1870.0m	POH from 1870m to 1760m on elevators, noted 22-26.7 kdaNm (50-60 klbs) drag.
EP	TP (HC)	тот	1330	1630	3.00	1870.0m	Made up TDS and circulated (no rotation required) out of hole from 1760m to 1100m.
EP	TP (HC)	то	1630	1800	1.50	1870.0m	Continued pulling out on the elevators from 1100m to the casing shoe at 642m.
EP	TP (HC)	CHC	1800	1830	0.50	1870.0m	Circulated bottoms up.
EP	TP (HC)	FC	1830	1845	0.25	1870.0m	Flow checked the well, static. Pumped a slug.
EP	TP (HC)	то	1845	1930	0.75	1870.0m	POH from 642m to 230m.
EP	TP (HC)	НВНА	1930	2030	1.00	1870.0m	Pulled and racked back BHA.
EP	TP (HC)	LOG	2030	2100	0.50	1870.0m	Held JSA, rigged up wireline.
EP	TP (HC)	LOG	2100	2400	3.00	0.0m	Picked up logging tools for run #1: PEX-DSI-HNGS Ran logging tools down to 1783m, unable to pass any deeper. Attempted several



DRILLING MORNING REPORT #13 Netherby-1 (26 Jul 2008)

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
							passing runs without success. Static mud losses of 0.25 m³/hr (1.5 bbl/hr).

Operations For Period 0000 Hrs to 0600 Hrs on 27 Jul 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
EP	TP (HC)	LOG	0000	0030	0.50	1870.0m	Continued to run the logging tools #1 past an obstruction at 1763 mRT. Unable to make progress.
EP	TP (HC)	LOG	0030	0230	2.00	1870.0m	POH logging tools. Static mud losses of 0.25 m³/hr (1.5 bbl/hr).
EP	TP (HC)	LOG	0230	0300	0.50	1870.0m	Rigged down wireline.
EP	TP (HC)	НВНА	0300	0430	1.50	1870.0m	Picked up Wiper BHA and ran in hole to 230m. Note: Tagged the 340mm (13-3/8") casing swedge at 92m, rotated BHA through.
EP	TP (HC)	TI	0430	0600	1.50	1870.0m	(IN PROGRESS) Continued RIH Wiper BHA on drill pipe to 1700m. Maximum dragged observed was 8.9 kdaNm (20 klbs).

WBM Data				Cost Today	\$ 2000				
Mud Type:	KGLY	API FL:	4cm ³ /30m	KCI:	8%	Solids:	11.81	Viscosity:	0sec/L
Sample-From:	Pit	F:14 O 1	á		000	1100	000/	PV:	0.025Pa/s
Sample-i Tom.	гп	Filter-Cake:	1mm	Hard/Ca:	880	H2O:	88%	YP:	0.182MPa
Time:	13:00	HTHP-FL:		MBT:	6.3	Oil:		Gels 10s:	0.048
147 . 17	4.04							Gels 10m:	0.101
Weight:	1.34sg	HTHP-Cake:		PM:	0.1	Sand:	0.4	Fann 003:	10
Temp:	55.0C°			PF:	0.06	pH:	9.2	Fann 006:	13
•					0.00	pi i.		Fann 100:	38
						PHPA:	0ppb	Fann 200:	52
								Fann 300:	63
								Fann 600:	88
Comment		Troot active eve	tom to maintain	mud parameters				Fann 600:	

Comment Treat active system to maintain mud parameters.

Intermittent heavy Losses at shakers observed due to cuttings/filter caker returns and high

pumprate while KIH.

Observed increased fine cuttings and new cuttings on shakers while circ to bottom. Operate centrifuge while reaming to bottom to reduce LGS and MW. Once POOH reduced active surface Pit system to 11.0+ ppg with c/fuge. Receive 445 bbl of KCL/Glycol recycled mud (ex Pecten East1) from Nor Captain. Total losses while logging 3 bbl (1bbl/hr). Losses while tripping 6 bbl reported as OTHER.

			Wear	I	01	1	D	L	В	G	O2	R
				0	0		NO	Α	Χ	1	NO	LOG
311mm	IADC#	117	N	ozzles		Drille	ed over la	st 24 hrs	(Calculated	over Bit	Run
HUGHES	WOB(avg)	0.00mt	No.	Size	Pr	rogre	ss	0.0n	Cum.	Progress		0.0m
Rock	RPM(avg)	158	1	14/32nd	d" Or	n Bot	tom Hrs	0.00	Cum.	On Btm H	's	0.00h
5119202	F.Rate	3623lpm	3	20/32nd	IAI "E	DC E	Orill Hrs	0.00	Cum I	ADC Drill I	Hrs	0.00h
MXL-1X	SPP	13500kPa			To	otal R	levs	(Cum 7	Γotal Revs		0
1870.0m	TFA	1.071			RO	OP(a	vg)	N/A	ROP(a	avg)		0.00 m/hr
1870.0m												
Daily Comment Washed and reamed only as a wiper trip due to logging tools being unable to reach bottom.												
	Rock 5119202 MXL-1X 1870.0m	WOB(avg) Rock RPM(avg) F.Rate SPP TFA 1870.0m	IUGHES WOB(avg) 0.00mt Rock RPM(avg) 158 5119202 F.Rate 3623lpm MXL-1X SPP 13500kPa 1870.0m TFA 1.071	311mm IADC# 117 No. IUGHES WOB(avg) 0.00mt No. RPM(avg) 158 1 3 5119202 F.Rate 3623lpm 3 MXL-1X SPP 13500kPa 1870.0m TFA 1.071 1870.0m TFA 1.071 1870.0m TFA 1.071	0 117 Nozzles Nozz	0 0 0 0 311mm IADC# 117 Nozzles IUGHES WOB(avg) 0.00mt No. Size Property Size Size Property Size Size Property Size Size Property Size Siz	0 0 0 311mm IADC# 117 Nozzles Drilla 117 Nozzles Drilla 117 Nozzles Drilla 117 Nozzles Progres 128 129 1	0 0 NO NO 311mm IADC#	1	1	1	117 Nozzles Drilled over last 24 hrs Calculated over Bit

Bitwear Comment Green bit, good for rerun.

BHA # 5							
Weight(Wet)	24.49mt	Length	230.0m	Torque(max)	34000.0Nm	D.C. (1) Ann Velocity	83.07mpm
Wt Below Jar(Wet)	13.61mt	String	104.33mt	Torque(Off.Btm)	13600.0Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up	104.33mt	Torque(On.Btm)	2720.0Nm	H.W.D.P. Ann Velocity	69.59mpm
		Slack-Off	104.33mt			D.P. Ann Velocity	57.17mpm
BHA Run Description		Wiper Trip					



DRILLING MORNING REPORT # 13 Netherby-1 (26 Jul 2008)

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.33m	311mm		5119202	3x20, 1x14 nozzles
12.25in Near Bit Stabiliser	1.25m	311mm	127mm	50204	
8in DC	9.08m	203mm	73mm	186-008	
8in DC	9.46m	203mm	73mm	186-0059	
12.125in String Stab	1.68m	308mm	73mm	XM778	
Drill Collar	37.65m	203mm	73mm		
8in Jar	10.11m	210mm	76mm	718096	
Drill Collar	18.91m	203mm	73mm		
X/O	1.09m	203mm	67mm	GUD1231-6	
HWDP	140.40m	175mm	76mm		

Bulk Stocks						Personnel On Board	
Name	Unit	In	Used	Adjust	Balance	Company	Pax
Barite	MT	0	0	0	8.0	Santos	4
Gel	MT	0	0	0	53.0	Santos	2
Cement	MT	0	0	0	140.0	DOGC	48
Fuel	М3	0	16.2	0	476.6	ESS	8
Potable Water	М3	0	25	0	366.0	BHI	6
Drill Water	М3	0	36	0	969.0	Dowell	2
						Rheochem	2
						TMT	3
						Cameron	3
						Anadrill	2
						Anadrill	2
						Schlumberger Wireline	9
						MI Swaco	1
						Schlumberger Testing	1
						Total	93

Casing			
OD	L.O.T. / F.I.T.	Casing Shoe (MD/TVD)	Cementing
762mm	/	130.90/130.90	As per cement data.
340mm	2.12 /	642.20/642.20	Class G lead slurry to surface. Class G tail TOC at ± 492m (150m).



HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	20 Jul 2008	6 Days	Abandonment drill completed after the fire drill. Completed full muster at lifeboat stations 2 and 3 in 6 minutes.
Fire Drill	1	20 Jul 2008	6 Days	Simulated a fire in the paint locker room. Muster complete within 8 minutes and incident under control in 7 minutes.
First Aid	1	23 Jun 2008	33 Days	IP was opening PPE locker in the sack room to exchange a dirty dust mask with a new mask. IP opened locker door harder than he expected and locker door swung open and struck him on the safety glasses. Safety glasses cut left eye brow (2.5 cm) from the impact. Hard hat had been taken off to exchange dust masks.
First Aid	1	27 Jul 2008	-1 Days	An IP on the supply vessel complained of chest pains and dizzyness. He was assisted off the boat to the rig and checked over by the medic. All clear given by medic with consultation with doctor. IP returned to the boat, boat headed for its scheduled trip to Portland.
JHA	22	26 Jul 2008	0 Days	
Lost Time Incident	1	30 May 2008	57 Days	Man had his left hand caught between an 8" drill collar and the casing tongs when he was trying to secure the tong. Preliminary checks on the rig deemed only stitches required and the hand was not broken. The person was medivac'd off the rig @ 23:00hrs. Man was released from Royal Hobart hospital with 12 stitches to the hand (no broken bones).
Medical Treatment Incident	0	13 May 2008	74 Days	No MTI since start of campaign
Medical Treatment Incident	1	24 Jul 2008	2 Days	IP sustained a deep cut to his left leg. This was caused by his foot slipping off a timber support and hitting his shin. The IP will be flown out on crew chopper. Note: IP received 7 stitches and has been given clearance to return to work. Resumed duties 25th Jul 08.
Pre-Tour Meeting	4	26 Jul 2008	0 Days	Discussed upcoming operations and associated hazards
PTW Issued	7	26 Jul 2008	0 Days	4 x hot work permits 3 x cold work permits
Rig Inspection	1	02 Jul 2008	24 Days	Conducted hazard hunt checking for flamable liquids in containers secuered properly and in correct place with signage.
Safety Meeting	3	20 Jul 2008	6 Days	Reviewed stop cards for the week and awarded Santos best stop card to Brendon Hayward. Discussed fire and abandonment drill and muster times. Played the Dodi Induction video.
Santos Induction	4	26 Jul 2008	0 Days	Completed Santos induction with new personnel to site.
Stop Observations	65	26 Jul 2008	0 Days	50 - Safe 15 - Corrective Actions
STOP Tour	1	24 Jul 2008	2 Days	1 x Dodi audits last 24hrs. Santos conducted a STOP audit of the welding room. All PPE worn during cutting/welding operations. Good ventilation. Hot work permit in place (14 Jul).
Trip/Pit Drill	1	24 Jul 2008	2 Days	Sounded the alram on the drill floor for a kick drill. Crew reacted and had the FOBV in place within 40 seconds.

Shakers, '	Volumes and	d Losses Dat	a	Engineer : Carissa Thompson / Wojciech Czarny				
Available	383.0m³	Losses	44.2m³	Equip.	Descr.	Mesh Size	Hours	
Active	85.7m³	Downhole	3.3m³	Centrifuge 1	MI Swaco			0
Mixing	0.0m³	Surf+ Equip	31.7m³	Centrifuge 2	MI Swaco			8
			31.7111	Shaker 3	Bem 650 - MI Swacd	10/20/230/230/230		20
Hole	154.2m³	Dumped		Shaker 4	Bem 650 - MI Swacd	10/20/230/230/230		20
Slug		De-Sander		Shaker 5	Bem 650 - MI Swacd	10/20/230/230/230		20
Reserve	73.1m³	De-Silter		Shaker 6	Bem 650 - MI Swacd	10/20/230/230/230		20
Kill		Centrifuge	9.2m³					
Brine	70.0m³							
Comment #2 Centrifuge needs repair done (awaiting spare parts).								



DRILLING MORNING REPORT # 13 Netherby-1 (26 Jul 2008)

Marine										
Weather check on 26 Jul 2008 at 24:00								Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	28km/h	230.0deg	1014.00bar	15.0C°	0.5m	230.0deg	3sec	1	1382.9	102.06
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1382.9	107.05
					1.0			3	1399.9	110.22
0.3deg	0.2deg	0.50m	1.5m	235.0deg	12sec			4	1376.8	104.78
Rig Dir.	Ris. Tension	VDL		Comments				5	1410.9	111.13
215.0deg	122.02mt	957.53mt						6	1421.0	106.14
210.0009	122.02111	307.00111						7	1410.9	120.20
								8	1414.0	122.02

Boats	Arrived (date/time)	Departed (date/time)	Status		Bulks	
Far Grip	22:30 26 Jul 08		On Location	Item	Unit	Quantity
				Fuel	m3	69
			Note: Mud volume is for the	Potable Water	m3	19
			8-1/2" section.	Drill Water	m3	45
			6-1/2 Section.	Cement	mt	43.
				Barite	mt	8-
				Gel	mt	5
				KCI Brine	m3	14
				NaCl Brine	m3	18
				NaCl Brine Mud	m3 m3	18: 12
Nor Captain	21:40 23 Jul 2008		On location.			
Nor Captain	21:40 23 Jul 2008		On location.	Mud	m3	12
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item	m3 Unit	12 Quantity
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item Fuel	Unit m3	Quantity 54
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item Fuel Potable Water	Unit m3 m3 m3	12' Quantity 54:
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item Fuel Potable Water Drill Water	m3 Unit m3 m3 m3 m3	12 Quantity 54 300 8
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item Fuel Potable Water Drill Water Cement	m3 Unit m3 m3 m3 m3 m1	12 Quantity 54 30 8
Nor Captain	21:40 23 Jul 2008		On location.	Mud Item Fuel Potable Water Drill Water Cement Barite	m3 Unit m3 m3 m3 m3 mt mt	12 Quantity 54 300 8

Flight #	Time	Destination	Comment	Pax
GYJ			No Helicopters	0