

		From:	Peter Devine	/ 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	\$747,434
Rig	Ocean Patriot	Days from spud	13.71	Shoe TVD	642.2m	Cum Cost	\$15,763,659
Water Depth (LAT)	65.4m	Days on well	14.48	F.I.T. / L.O.T.	/ 2.12sg	Planned TD	2503.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Rigged dov	wn TCL tools.		-	
RT-ML	86.9m	Planned Op	Run a wipe	er trip to bottom. Rerur	wireline logs	S.	
Rig Heading	215.0deg						

Summary of Period 0000 to 2400 Hrs

Pulled logging tools run #1 to surface. Reconfigured the toolstring and rerun the tools. Still unable to pass the obstruction at 1792.5m. POH and reconfigured the tools to run them on TCL and drill pipe.

Rigged up TCL, run logging tools (PEX-HNGS) on drill pipe to 1730m. Made up the SE sub, run the wireline tools down drill pipe and latched and

landed tools. Confirmed downhole communication with the logging tools.

Logged down with drill pipe from 1730m to 1790m. Tagged HUD at 1790m and observed 0.9 - 4.4 kdaNm (2-10 klbs) compression on the logging tools.

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 28 Jul 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
EP	TP (HC)	LOG	0000	0230	2.50	1870.0m	Continued logging up with log run #1: PEX-DSI-HNGS (Trip #4)
EP	TP (HC)	LOG	0230	0400	1.50	1870.0m	Tools at surface, broke out tools and reconfigured the toolstring to include a centraliser and a knuckle joint on bottom of the tool string.
EP	TP (HC)	LOG	0400	0500	1.00	1870.0m	RIH logging tools #1: PEX-DSI-HNGS (Trip #5)
EP	TP (HC)	LOG	0500	0530	0.50	1870.0m	Tagged obstruction at 1792.5m, worked the logging tools to try and pass this depth. Unable to pass.
EP	TP (HC)	LOG	0530	0630	1.00	1870.0m	POH logging tools.
EP	TP (HC)	LOG	0630	0730	1.00	1870.0m	Tools at surface. Broke out tools.
EP	TP (HC)	LOG	0730	0930	2.00	1870.0m	Reconfigured the Tubing Conveyed Logging tools to run with drill pipe: TCL-PEX-HNGS. Rearranged the wireline sheave wheels in the derrick to enable drill pipe to be run.
EP	TP (HC)	LOG	0930	1130	2.00	1870.0m	Held JHA. Made up Schlumberger XO's from logging tools to drill pipe. Completed testing the latch mechanism for the socket. Loaded the radioactive source.
EP	TP (HC)	LOG	1130	1830	7.00	1870.0m	Made up 127mm (5") drill pipe to the TCL-PEX-HNGS tools (Trip 6) RIH to 1730 mRT, no problems running through the wellhead area, good open hole conditions.
EP	TP (HC)	LOG	1830	2030	2.00	1870.0m	Rigged up wireline SE Sub, run wireline down drill pipe and landed and latched into the TCL tools. Confirmed tools were communicating.
EP	TP (HC)	LOG	2030	2100	0.50	1870.0m	Started logging with TCL from 1730m to 1760m (1 x std).
EP	TU (RE)	LOG	2100	2330	2.50	1870.0m	Attempted to break the drill pipe connection, unable to break out the TDS. Changed out the dies, increased hydraulic pressure, still unable to break. Pulled the drill pipe up one single. Broke out the connection with tongs. Run the drill pipe back down and set the slips.
EP	TP (HC)	LOG	2330	2400	0.50	1870.0m	Made up the next stand of drill pipe. Logged down from 1760m to 1790m, tagged up with 0.9 - 4.4 kdaNm (2-10 klbs) compression indicated by the logging tools. Pulled back to 1781m, hole slick, run back down and tagged up at 1790m with the same compresssion.

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

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
PH	TP (HC)	LOG	0000	0200	2.00	1870.0m	Pulled back to the SE sub at 1730m. Pulled 2.2 kdaNm (5.5 klbs) tension on the wireline and held for ten minutes to shear the latching toolstring from the TCL logging tools. Pulled the latching toolstring back to the SE sub. Broke out the SE sub, pulled the latching toolstring from the drill pipe and laid out. Rigged aside the wireline sheave wheels.



DRILLING MORNING REPORT # 15 Netherby-1 (28 Jul 2008)

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
PH	TP (HC)	ТО	0200	0400	2.00	1870.0m	Pumped slug, POH to the casing shoe at 642m. Good hole conditions observed.
PH	TP (HC)	FC	0400	0415	0.25	1870.0m	Flow checked the well. OK.
PH	TP (HC)	ТО	0415	0530	1.25	1870.0m	Continued POH to surface.
PH	TP (HC)	LOG	0530	0600	0.50	1870.0m	Logging tools at surface, removed radioactive source. Continued rigging down logging tools.

General Comments							
Comments	Rig Requirements	Lessons Learnt					
ROV confirmed the SST heading with Gyro was 212°.							
Schlumberger Well Testing 5.0% rigged up.							
No BHI screen information available from midday.							

		Cost Today	\$ 1000				
Y API FL:	4cm ³ /30m	KCI:	8%	Solids:	10.89	Viscosity:	0sec/L
Pit Filter-Ca	ke: 1mm	Hard/Ca:	800	H2O:	000/		0.024Pa/s 0.187MPa
00 HTHP-FI	L:	MBT:	7.5	Oil:		Gels 10s:	0.048
sg HTHP-C	ake:	PM:	0.1	Sand:			0.091
C°		PF:	0.04	pH:	8.7		11
				PHPA:	0ppb		34 46
						Fann 300:	55
						Fann 600:	77
3	Pit Filter-Ca :00 HTHP-Fi 3sg HTHP-C	Pit Filter-Cake: 1mm :00 HTHP-FL: HTHP-Cake: OC°	Pit Filter-Cake: 1mm Hard/Ca: HTHP-FL: MBT: HTHP-Cake: PM: PF:	Pit Filter-Cake: 1mm Hard/Ca: 800 :00 HTHP-FL: MBT: 7.5 HTHP-Cake: PM: 0.1 PF: 0.04	Pit Filter-Cake: 1mm Hard/Ca: 800 H2O: :00 HTHP-FL: MBT: 7.5 Oil: 3S9 HTHP-Cake: PM: 0.1 Sand: DC° PF: 0.04 pH: PHPA:	Pit Filter-Cake: 1mm Hard/Ca: 800 H2O: 89% :00 HTHP-FL: MBT: 7.5 Oil: 33sg HTHP-Cake: PM: 0.1 Sand: 0.2 DC° PF: 0.04 pH: 8.7 PHPA: 0ppb	Pit Filter-Cake: 1mm Hard/Ca: 800 H2O: 89% PV: YP: :00 HTHP-FL: MBT: 7.5 Oil: Gels 10s: Gels 10m: 3S9 HTHP-Cake: PM: 0.1 Sand: 0.2 PF: 0.04 PH: 8.7 Fann 006: Fann 100: Fann 200: Fann 300: Fann 600:

***Mud Check #1 & #3 Active Surface Pit 3 after c/fuge to 11.0ppg.
***Mud Check #2 indicative of mud down hole.

11bbl Losses while Logging.

BHA # 6							
Weight(Wet)	Length		34.4m	Torque(max))	D.C. (1) Ann Velocity	NaNmpm
Wt Below Jar(Wet)	String	String 104.33mt			8tm)	D.C. (2) Ann Velocity	NaNmpm
	Pick-Up		104.33mt	Torque(On.B	8tm)	H.W.D.P. Ann Velocity	NaNmpm
	Slack-Off		104.33mt			D.P. Ann Velocity	NaNmpm
BHA Run Description	Tubing Conve	yed Logging	Tools: PE	X-HNGS			
BHA Run Comment	TCL tools were run in on 5" drill pipe. Tagged up at 1790m, unable to push past this depth due to compression indications from the logging tools (2-10 klbs). POH						
Equipment	Length	OD	ID	Serial #	Comment		

Equipment	Lengui	OD	טו	Seliai #	Comment
Logging Tool	0.61m	86mm			HF
Logging Tool	3.20m	86mm			AH
Logging Tool	7.38m	92mm			HRLT/W Rubber Stab
Logging Tool	6.60m	122mm			HILTH
Logging Tool	0.60m	86mm			AH-107
Logging Tool	1.07m	86mm			HNGC-B
Logging Tool	2.50m	86mm			HNGS-BA
Logging Tool	1.98m	92mm			EDTC-B/w Rub Stab
Logging Tool	0.44m	86mm			AH-369
Logging Tool	0.43m	86mm			SPA-A
Logging Tool	1.16m	86mm			HTCS-A
Logging Tool	1.48m	86mm			SAH-F
Logging Tool	0.61m	86mm			AH-107-2840
Logging Tool	5.18m	86mm			DWCH
X/O	1.11m	168mm			4-1/2" x 3-1/2" IF



DRILLING MORNING REPORT # 15 Netherby-1 (28 Jul 2008)

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	49	
Fuel	М3	0	21.6	-0.4	584.4	ESS	8	
Potable Water	М3	23	27	1	344.0	BHI	7	
Drill Water	М3	0	18	-1	926.0	Dowell	2	
						Rheochem	2	
						TMT	3	
						Anadrill	2	
						Anadrill	3	
						Schlumberger Wireline	9	
						MI Swaco	1	
						Schlumberger Testing	4	
						Schlumberger Wireline	1	
						Total	97	

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	27 Jul 2008	1 Day	Abandonment drill completed after the fire drill. Completed full muster at lifeboat stations 1 and 2 in 10 minutes.
Fire Drill	1	27 Jul 2008	1 Day	Simulated a fire on the stbd crane at 10:22. Fire under control at 10:30 (full lifeboat muster also completed).
First Aid	1	23 Jun 2008	35 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 Day	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. IP cleared to work after visit to Portland hospital.
JHA	26	28 Jul 2008	0 Days	Drill crew - 10 Deck Crew - 12 Mech - 4
Lost Time Incident	1	30 May 2008	59 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	76 Days	No MTI since start of campaign
Medical Treatment Incident	1	24 Jul 2008	4 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	28 Jul 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	14	28 Jul 2008	0 Days	7 x hot work permits 7 x cold work permits
Rig Inspection	1	02 Jul 2008	26 Days	Conducted hazard hunt checking for flamable liquids in containers secuered properly and in correct place with signage.
Safety Meeting	3	27 Jul 2008	1 Day	Reviewed stop cards for the week and awarded Santos best stop card to Tim Stone. Discussed fire and abandonment drill and muster times. Reviewed open water Rescue techiques.
Santos Induction	4	28 Jul 2008	0 Days	Completed Santos induction with new personnel to site.
Stop Observations	86	28 Jul 2008	0 Days	51 - Safe 35 - Corrective Actions
STOP Tour	1	28 Jul 2008	0 Days	Diamond supervisor audits.
STOP Tour	1	28 Jul 2008	0 Days	Conducted a STOP audit of the mud pump room. Person working on the mud pumps had all PPE on and permit in place. Discussed what fluid isolations he had in place. No procedure available to determine what valves should be closed while working on the pumps. Reviewed the area and all valves were closed. JSA will be updated and Dodi informed of the findings
Trip/Pit Drill	1	24 Jul 2008	4 Days	Sounded the alram on the drill floor for a kick drill. Crew reacted and had the FOBV in place within 40 seconds.

Shakers, V	olumes and	d Losses Data	ì	Engineer : Carissa Thompson / Wojciech Czarny				
Available	359.8m³	Losses	1.7m³	Equip.	Descr.	Mesh Size	Hours	
Active	79.5m³	Downhole	1.7m³	Centrifuge 1	MI Swaco			0
Mixing	0.0m ³	Surf. Equip	0.0m³	Centrifuge 2	MI Swaco			0
Ü		Surf+ Equip	0.01119	Shaker 3	Bem 650 - MI Swacd	10/20/230/230/230		0
Hole	154.2m³	Dumped		Shaker 4	Bem 650 - MI Swacd	10/20/230/230/230		0
Slug		De-Sander		Shaker 5	Bem 650 - MI Swacd	10/20/230/230/230		0
Reserve	56.1m³	De-Silter		Shaker 6	Bem 650 - MI Swacd	10/20/230/230/230/230		0
Kill		Centrifuge						
Brine	70.0m³							
Comment	#2 Centrifuge	needs repair done	e (awaiting sp	pare parts).				



DRILLING MORNING REPORT # 15 Netherby-1 (28 Jul 2008)

Marine										
Weather ch	eck on 28 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	19km/h	45.0deg	1020.00bar	10.0C°	0.5m	45.0deg	3sec	1	1382.9	99.79
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1382.9	107.05
0.4deg	0.3deg	0.50m	1.0m	230.0deg	12sec			3	1399.9	113.85
0.4ueg	0.5deg	0.50111	1.0111	230.0deg	12360			4	1376.8	103.87
Rig Dir.	Ris. Tension	VDL		Comments				5	1410.9	112.04
215.0deg	122.02mt	1014.69mt						6	1421.0	110.22
								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	529
			Note: Mud volume is for the	Potable Water	m3	170
			8-1/2" section.	Drill Water	m3	450
			0-1/2 Section.	Cement	mt	43.5
				Barite	mt	84
				Gel	mt	59
				KCI Brine	m3	140
				NaCl Brine	m3	185
				Mud	m3	127
Nor Captain		05:00 27 Jul 08	Dockside Portland	Item	Unit	Quantity
				Fuel	m3	532
				Potable Water	m3	374
				Drill Water	m3	193
				Cement	mt	42
				Barite	mt	84
				Gel	mt	42
				Mud	m3	69
				KCI Brine	m3	0

Flight #	Time	Destination	Comment	Pax
GYJ	11:32	Ocean Patriot		7
GYJ	11:40	Essendon		4