

<b>From : Peter Devine / Rohan Richardson</b>							
<b>OIM : Rod Dotson</b>							
<b>Well Data</b>							
Country	Australia	Measured Depth	1544.0m	Current Hole Size	311mm	AFE Cost	\$39,506,831
Field		TVD	1496.0m	Casing OD	340mm	AFE No.	5746046
Drill Contractor	DOGC	Progress	39.0m	Shoe MD	642.0m	Daily Cost	\$19,697,054
Rig	Ocean Patriot	Days from spud	0.12	Shoe TVD	642.0m	Cum Cost	\$19,697,054
Water Depth (LAT)	65.4m	Days on well	0.13	F.I.T. / L.O.T.	/ 2.12sg	Planned TD	2503.0m
RT-SL(LAT)	21.5m	Current Op @ 0600 Drill ahead 311 mm (12 1/4") production hole from 1650 m MD.					
RT-ML	86.9m	Planned Op Drill ahead 311 mm (12 1/4") production hole.					
Rig Heading	215.0deg						

**Summary of Period 0000 to 2400 Hrs**

Commenced Netherby-1DW sidetrack at 21:00 hrs and drilled ahead from 1505 m to 1544 m.

**Operations For Period 0000 Hrs to 2400 Hrs on 02 Aug 2008**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	DA	2100	2400	3.00	1544.0m	Drilled ahead 311 mm (12 1/4") production hole from 1505 m to 1544 m.

**Operations For Period 0000 Hrs to 0600 Hrs on 03 Aug 2008**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	DA	0000	0230	2.50	1608.0m	Continued to drill production hole from 1544 m to 1608 m MD.
PH	TP (DFC)	RO	0230	0330	1.00	1608.0m	Observed 4.1 MPa (600 psi) pressure drop, then 3.4 MPa (500 psi) pressure drop. Shut down pumps and flow checked well, ok. Tested surface equipment and MWD tools, ok. Pressure normal with pumps #2 and #1 running. Trouble shoot pump #3 and continued to drill ahead.
PH	P	DA	0330	0600	2.50	1915.0m	(IN PROGRESS) Drilled ahead production hole from 1608 m to 1915 m MD with 3527 l/min (932 gpm), 160 RPM and 6.7-51.7 kdaN (15-23 klbs) WOB. Back reamed as required and took surveys every connection.

**WBM Data**

**Cost Today \$ 3683**

Mud Type:	KGLY	API FL:	6cm <sup>3</sup> /30m	KCl:	8%	Solids:	11.17	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:	1mm	Hard/Ca:	1160	H2O:	89%	PV:	0.021Pa/s
Time:	15:00	HTHP-FL:		MBT:	0.8	Oil:		YP:	0.177MPa
Weight:	1.33sg	HTHP-Cake:		PM:	5	Sand:	0.2	Gels 10s:	0.053
Temp:	130.0C°			PF:	0.6	pH:	12	Gels 10m:	0.101
						PHPA:	Oppb	Fann 003:	10
								Fann 006:	13
								Fann 100:	36
								Fann 200:	49
								Fann 300:	58
								Fann 600:	79

Comment Prepared surface pits with 0.5 ppb powdered PHPA. Treated hardness with sodium bicarb and reduced PH with citric acid. Run centrifuge to reduce MW and cement particles.

**Bit # 1**

				Wear	I	O1	D	L	B	G	O2	R	
Size:	311mm	IADC#	M422	<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>			<b>Calculated over Bit Run</b>				
Mfr:	REED	WOB(avg)	5.44mt	No.	Size	Progress	39.0m	Cum. Progress					39.0m
Type:	PDC	RPM(avg)	120	6	15/32nd"	On Bottom Hrs	1.70h	Cum. On Btm Hrs					1.70h
Serial No.:	218712	F.Rate	3066lpm			IADC Drill Hrs	3.00h	Cum IADC Drill Hrs					3.00h
Bit Model	RSX616M-A16	SPP	23442kPa			Total Revs		Cum Total Revs					0
Depth In	1421.0m	TFA	1.035			ROP(avg)	22.94 m/hr	ROP(avg)					22.94 m/hr
Depth Out													

Run Comment Used to side track Netherby-1DW for production section from pilot hole.

**BHA # 1**

Weight(Wet)	18.14mt	Length	183.1m	Torque(max)	29.9Nm	D.C. (1) Ann Velocity	70.31mpm
Wt Below Jar(Wet)	14.74mt	String	104.33mt	Torque(Off.Btm)	6.8Nm	D.C. (2) Ann Velocity	0mpm
		Pick-Up	108.86mt	Torque(On.Btm)	16.3Nm	H.W.D.P. Ann Velocity	53.05mpm
		Slack-Off	102.06mt			D.P. Ann Velocity	48.39mpm

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.29m	311mm	76mm	218712	
Powerdrive 900	8.60m	308mm	133mm	2	
ARC-8	5.87m	230mm	108mm	2724	
Power Pulse	8.47m	211mm	95mm	FB46	
NMDC	18.60m	213mm	83mm		
X/O	1.09m	203mm	67mm	GUD1231-6	
HWDP	84.26m	168mm	78mm		
Jar	9.32m	165mm	70mm	24670G	
HWDP	46.60m	168mm	70mm		

### Survey

MD (m)	Incl Deg (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (m)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
1517.00	35.0	105.0	1455.00	264.00	3.98	-124.65	232.80	MWD
1543.00	37.0	107.0	1476.03	279.00	2.21	-128.87	247.49	MWD

### Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite	MT	0	7	0	-7.0
Gel	MT	0	0	0	0.0
Cement	MT	0	0	0	0.0
Fuel	M3	0	18.4	0	-18.4
Potable Water	M3	34	26	0	8.0
Drill Water	M3	0	30	0	-30.0

### Personnel On Board

Company	Pax
Santos	4
Santos	2
DOGC	45
ESS	8
BHI	6
Dowell	2
Rheochem	2
TMT	3
Anadrill	2
Anadrill	3
Schlumberger Wireline	4
MI Swaco	1
Cameron	1
DOGC Service	7
<b>Total</b>	<b>90</b>

### 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).

<b>HSE Summary</b>				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	27 Jul 2008	6 Days	Abandonment drill completed after the fire drill. Completed full muster at lifeboat stations 1 and 2 in 10 minutes.
Additional Supervision	1	02 Aug 2008	0 Days	No night SOC on rig, unable to get a firm commitment from DODI to fill position.
Fire Drill	1	27 Jul 2008	6 Days	Simulated a fire on the stbd crane at 10:22. Fire under control at 10:30 (full lifeboat muster also completed).
First Aid	1	31 Jul 2008	2 Days	IP was bending down to pick up his shoes in his room when he hit his head on the desk. Very minor laceration under his left eye.
First Aid	1	31 Jul 2008	2 Days	IP was working on making up well test gear when the piece he was tightening slipped and caught his finger. Very minor laceration.
JHA	32	02 Aug 2008	0 Days	Drill crew - 15 Deck Crew - 10 Welder - 4 Mechanic - 3
Lost Time Incident	1	30 May 2008	64 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	1	24 Jul 2008	9 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	02 Aug 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	4	02 Aug 2008	0 Days	2 x hot work permits 2 x cold work permits
Safety Audit	1	30 Jul 2008	3 Days	EHSMS audit conducted onboard.
Safety Meeting	3	27 Jul 2008	6 Days	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 techniques.
Santos Induction	0	02 Aug 2008	0 Days	No new personal to site
Stop Observations	66	02 Aug 2008	0 Days	39 - Safe 27- Corrective Actions
STOP Tour	1	31 Jul 2008	2 Days	Diamond supervisor audits.
Trip/Pit Drill	1	31 Jul 2008	2 Days	Sounded the alarm on the drill floor for a kick drill. Crew reacted and had the FOSV in place within 35 seconds.

<b>Shakers, Volumes and Losses Data</b>				Engineer : Carissa Thompson / Fius Siregar			
Available	391.6m <sup>3</sup>	Losses	19.5m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	95.7m <sup>3</sup>	Downhole		Centrifuge 1	MI SW FVS 518		0
Mixing	0.0m <sup>3</sup>	Surf+ Equip	19.5m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		0
Hole	147.7m <sup>3</sup>	Dumped	0.0m <sup>3</sup>	Shaker 3	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Slug		De-Sander		Shaker 4	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Reserve	96.7m <sup>3</sup>	De-Silter		Shaker 5	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Kill		Centrifuge	0.0m <sup>3</sup>	Shaker 6	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Storage	51.5m <sup>3</sup>						
Comment	#2 Centrifuge repaired and back in the system.						

Marine								Rig Support		
Weather check on 02 Aug 2008 at 24:00										
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	28km/h	263.0deg	1018.00bar	12.0C°	0.5m	263.0deg	3sec	1	1382.9	94.80
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments		2	1382.9	97.07
0.5deg	0.4deg	0.70m	3.0m	248.0deg	12sec			3	1399.9	120.20
Rig Dir.	Ris. Tension	VDL		Comments				4	1376.8	102.06
215.0deg	124.74mt	1015.14mt						5	1410.9	135.17
								6	1421.0	133.81
								7	1410.9	125.19
								8	1414.0	120.20

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	18:00 hrs 02.08.08		Standby Ocean Patriot	Item	Unit	Quantity
Nor Captain	22:00 30 Jul 08		Standby Ocean Patriot	Item	Unit	Quantity

Helicopter Movement					
Flight #	Time	Destination	Comment	Pax	
GYJ		Ocean Patriot	No Helicopter to site		
GYJ		Essendon	No Helicopter to site		