3D Oil Limited
Wardie-1

DAILY GEOLOGICAL REPORT

Report No. 04

REPORT PERIOD: 00:00 – 24:00 hrs, 16/05/2008

WELLSITE GEOLOGISTS: Simon Ward

RIG:	West Triton	**RT-ML (m):**	77.5	**DEPTH @ 24:00 HRS:**	751 mMDRT 706.8 mTVDRT
RIG TYPE:	Jack-up	**RT ELEV. (m, AMSL):**	38.0	**DEPTH LAST REPORT :** (@ 24:00 HRS)	751 mMDRT 706.8 mTVDRT
SPUD DATE:	10 May 2008 @ 19:30hrs	**LAST CSG/LINER: (mMDRT)**	340mm (13.375") @ 747.2	**24HR. PROGRESS:**	0 m
DAYS FROM SPUD:	6.19	**MW (SG):**	1.06	**LAST SURVEY:**	34.4° @ 722.5 m MDRT, 239.9° Azi 683.3 mTVDRT
BIT SIZE:	311mm (12¼")	**LAST LOT/FIT (SG):**	N/A	**EST. PORE PRESSURE:**	

Operations Summary

24HRS. DRILLING SUMMARY:	Completed nipple up of Diverter and BOP stack. Pressure tested BOP's and associated valves and hoses. Pressure tested casing and wellhead connector to 2000 psi. Ran wear bushing. Made up 311mm (12¼") bit and directional BHA. Shallow tested LWD tools – OK. RIH to 703m MDRT. Made up TDS and washed down to 732m, reaming through cement stringer at 719m. Rectified problem with TDS. Tagged TOC at 732.5m. Drilled out cement, plugs, float collar and shoe track with seawater to 737m.
CURRENT STATUS @ 06:00HRS: (17-05-2008)	Drilling 311mm (12¼") directional hole with rotary steerable assembly since 04:00hrs. Currently at 820m MDRT.
EXPECTED NEXT ACTIVITY:	Drill 311mm (12¼") directional hole as per well plan.

Cuttings Descriptions

DEPTH (MMDRT) Top	Btm	ROP (M/HR.) Min.-Max. (Ave.)	DESCRIPTIONS (LITHOLOGY / SHOWS)	BG GAS (%) Ave.	Max.

No new formation drilled.

Gas Data

DEPTH (MMDRT)	TYPE	% Total Gas Min – Max (Avg)	C1 ppm	C2 ppm	C3 ppm	iC4 ppm	nC4 ppm	iC5 ppm	nC5 ppm
N/A									

Type: P-Peak, C–Connection T–Trip, W-Wiper Trip, BG-Background Gas, FC-Flow Check, *P-Pumps off, SWG-Swab Gas

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Oil Show

Depth (mMDRT)	Oil stain	Fluor% / Colour	Fluor Type	Cut Fluor	Cut Type	Res Ring	Gas Peak	BG
N/A								

Calcimetry Data

Sample Depth (mMDRT)	Calcite (%)	Dolomite (%)	Total Carbonate (%)	Sample Depth (mMDRT)	Calcite (%)	Dolomite (%)	Total Carbonate (%)
N/A							

Mud Data @ 751 mMDRT

Mud Type	MW (SG)	Viscosity (sec/qt)	PV / YP	Cl^- (mg/l)
Seawater PHG*	1.06	100	24 / 103	-

*Note: Hole will be displaced to a KCl-Polymer mud system while drilling the casing shoe.

Tracer Data

Depth	Type	Concentration	Additions Started (Depth / Date)
N/A			No tracer in use

MWD / LWD Tool Data

Tool Type	Powerdrive / GVR / Stethoscope		
Sub Type	Gamma	Resistivity	Survey
RT Memory Sample Rate (sec)	5	5	N/A
Bit to Sensor Offset (m)	10.51	10.77 Ring 10.98 Deep 11.15 Med 11.28 Shallow	17.68
Flow Rate Range for Pulser Configuration	600-1200 gpm		

Provisional Formation Tops

Formation (Seismic Horizon)	Prognosed* (mMDRT)	Prognosed (mSS)	Actual (mMDRT)	Actual (mSS)	Difference (High/Low) (m)	Based on
Mudline	77.0	39.0	77.5	39.5	0.5 L	Tagged with drill string**
Gippsland Limestone	80.0	45.0				
Lakes Entrance Formation	977.85	860.0				
Top Latrobe Group						
- Gurnard Formation	1531.6	1345.0				
- Top N1	1585.5	1398.0				
- Top N2.3	1641.2	1453.0				
- Top N2.6	1668.5	1480.0				
- Top P1	1702.9	1514.0				
Total Depth	1790.0	1600.0				

*Prognosed depth (MDRT) assumes a RT elevation of 38m above MSL and is based on **Directional Plan Wardie-1 Rev 06**.

**Seabed actually tagged at 76.8m with drill string due to a mound of cement being present from the adjacent WSH-3 well (Mudline encountered at 77.5mMDRT).

***Surveyed final RT elevation is actually 37.68m (38m is carried in Report headers).

Comments

Second WSG and Schlumberger WL crew due on board on 17 May 2008.

Schlumberger basket of wireline tools on rig 16 May 2008.

BHI Autocalcimeter recalibrated with 10% HCl as insufficient 20% HCl available on rig to complete well.
BHI CO_2 sensor calibrated with 10% cal gas.

BHI checked MTO with thermometer, MTI and MTO sensor recalibrated (upper temperature point on MTO sensor set 30% too high). MTI presently measured in Pit 6 whereas Pit 1 is now being used as the active pit.
All other BHI systems fully functional.

----------END OF REPORT----------