



Report No. 05

REPORT PERIOD: 00:00 – 24:00 hrs, 17/05/2008

WELLSITE GEOLOGISTS: Simon Ward / Bill Leask

RIG:	West Triton	RT-ML (m):	77.5	DEPTH @ 24:00 HRS:	1446 mMDRT 1306.6 mTVDRT
RIG TYPE:	Jack-up	RT ELEV. (m, AMSL):	38.0	DEPTH LAST REPORT:	751 mMDRT 706.8 mTVDRT (@ 24:00 HRS)
SPUD DATE:	10 May 2008 @ 19:30hrs	LAST CSG/LINER: (mMDRT)	340mm (13.375") @ 747.2	24HR. PROGRESS:	695m
DAYS FROM SPUD:	7.19	MW (SG):	1.12	LAST SURVEY:	23.4° @ 1421.7m MDRT, 245.9° Azi 1283.9 mTVDRT
BIT SIZE:	311mm (12¼")	LAST LOT/FIT (SG):	1.57 @ 754m MD, 705mTVDRT (no leak-off)	EST. PORE PRESSURE:	

Operations Summary

24HRS. DRILLING SUMMARY:

Drilled out shoe track and casing shoe to 747.2m and cleaned out rathole to 751m MDRT. Displaced hole to 8.9 ppg KCl/Polymer/Clayseal mud while drilling out the shoe. Drilled 3m of new hole to 754m. Circulated and conditioned the mud system. Performed FIT to 1.57 SG (13.1 ppg) EMW (no leak-off). Drilled ahead 311mm (12¼") directional hole with rotary steerable assembly and LWD/MWD string to 1397m MDRT. Troubleshoot and rectified problem with drilling control system. Continued drilling to 1446m MDRT.

**CURRENT STATUS @
06:00HRS:
(18-05-2008)**

Drilling 311mm (12¼") directional hole with rotary steerable assembly at 1610m MDRT.

EXPECTED NEXT ACTIVITY:

Drill 311mm (12¼") directional hole to TD.



Cuttings Descriptions

DEPTH (MMDRT)		ROP (M/HR.)	DESCRIPTIONS (LITHOLOGY / SHOWS)	BG GAS (%)	
Top	Btm	Min.-Max. (Ave.)		Ave.	Max.
751	830	3.7–140.2 (59.5)	<p>CALCARENITE (60–80%): Light olive grey to olive grey in part, minor white to pale yellow, moderately hard to hard, very fine to coarse, angular to sub-angular, translucent to opaque sparry calcite, minor to common silt, minor rounded fine sand in parts, minor black lithics, trace glauconite in parts, highly calcareous, well cemented, poor visible porosity.</p> <p>LOOSE SAND (Trace – 10%): Fine to medium, moderately sorted, sub-rounded to rounded, translucent to transparent quartz, minor orange to yellow quartz, trace cryptocrystalline pyrite. Minor coarse to very coarse rounded clear to frosted quartz.</p> <p>SKELETAL FRAGMENTS (Trace – 5%): Pale yellow to orange to grey, dominantly bivalve fragments, minor bryozoans, echinoid.</p> <p>CALCISILTITE (5–40%, increasing downhole): Medium grey to olive grey to occasionally black, soft to hard, highly calcareous, minor to common clastic silt fraction grading in parts to fine sand.</p> <p>SANDSTONE (Trace): Moderate olive brown, hard, very fine, well sorted sub-rounded quartz and minor lithics, calcite cemented, silty matrix.</p>	0.002	0.002
830	982	17.7–171.8 (83.6)	<p>CALCARENITE (30–50%): as above, common clastic silt fraction, generally fine grained from 950m.</p> <p>CALCISILTITE (45–65%): Medium grey to olive grey to occasionally black (dominantly olive grey from 930m), dominantly soft to firm, minor hard, highly calcareous, minor to common clastic silt fraction grading in parts to fine sand.</p> <p>CALCILUTITE (Trace to 10% from 870m): White, hard, silty, amorphous.</p> <p>LOOSE SAND (Trace): Dominantly fine to medium grained, moderately sorted, rounded quartz, trace coarse to very coarse frosted rounded quartz.</p> <p>SKELETAL FRAGMENTS (Trace): Pale yellow to orange to grey, dominantly bivalve fragments, minor bryozoans, trace echinoid spine.</p>	0.002	0.003
982	1235	13.7–222.2 (109.7)	<p>Preliminary pick top LAKES ENTRANCE FORMATION @ 982m MDRT.</p> <p>CALCISILTITE (80–90%): Pale to medium grey to olive grey, dominantly firm to hard, blocky, moderately to highly calcareous, minor to common clastic silt fraction grading in parts to fine sand. Possible dolomitic cement indicated by slower HCl reaction. Trace very fine dark mafic grains. Rare pyrite.</p> <p>CALCILUTITE (10%): White to pale grey, hard, amorphous, slightly silty.</p> <p>CALCARENITE (10%): Light olive grey to olive grey in part, minor white to pale yellow, moderately hard to hard, very fine to fine, angular to sub-angular, translucent to opaque sparry calcite, minor silt, minor black lithics, highly calcareous, well cemented, poor visible porosity. Trace bryozoans, foraminifera, echinoid and shell fragments.</p>	0.008	0.018



Cuttings Descriptions (Cont.)

DEPTH (mMDRT)		ROP (M/HR.)	DESCRIPTIONS (LITHOLOGY / SHOWS)	BG GAS (%)	
Top	Btm	Min.-Max. (Ave.)		Ave.	Max.
1235	1440	15.8–380.0 (112.2)	Calcilutite with minor Calcisiltite (Top corresponds to increased LWD gamma and lower, more consistent resistivity).	0.033	0.081
<p>CALCILUTITE (60–95%): Very light to medium olive grey; by 1310m graded to greenish grey, firm to moderately hard, sub-blocky to sub-fissile, increasingly argillaceous, trace pyrite, rare loose forams in multiple taxa, both benthic and planktic, and echinoid spines; with rare very fine glauconite; at 1250–1330m trace loose glauconite nodules, rarely mammillated, medium lower to very coarse lower sized. Below 1420m, grading to calcareous Claystone.</p> <p>CALCISILTITE (40% decreasing to 5%): Olive grey, firm to moderately hard, blocky, argillaceous, with common sand-sized recrystallised shell material, rare pyrite, grading to Calcilutite.</p>					

Gas Data

DEPTH (mMDRT)	TYPE	% Total Gas	C1	C2	C3	iC4	nC4	iC5	nC5
		Min – Max (Avg)	ppm	ppm	ppm	ppm	ppm	ppm	ppm
751–982	BG	0.0019–0.0027 (0.0023)	2–7	0–3	0	0	0	0	0
982–1446	BG	0.0022–0.0813 (0.0198)	125	0–5	0–4	0–1	0–1	0	0

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

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**							

**See note in "Comments" below.



Mud Data @ 1381 mMDRT				
MUD TYPE	MW (SG)	VISCOSITY (SEC/QT)	PV / YP	Cl ⁻ (mg/l)
KCl / Polymer	1.12	58	13 / 30	33,000

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	10.98 D 11.15 M 11.28 S	17.68
Flow Rate Range for Pulsar 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	982	865.3	5.3 L	Change in resistivity character, slightly lower ROP, change to siltier cuttings
<i>Top Latrobe Group</i>						
- 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

Bill Leask, second WSG, arrived on board 17 May 2008.

Schlumberger WL arrived on board on 17 May 2008, surface check of equipment underway.

MPSR sample from West Seahorse-3 arrived on board for processing.
Schlumberger thermometers arrived as DG on helicopter.

20m sample interval to 1320m, 10m sample interval 1320–1520m, 5m sample interval 1520m–TD.

BHI Autocalcimeter unserviceable at present, unit disassembled and solenoid valve for gas exit port cleaned however unit still not holding pressure.

CaCO₃ added to mud system from 1425m.

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