

From: John Wrenn/Geoff Webster

To: John Ah-Cann

| Well Data | | | | | |
|-------------|------------------|----------------------|--------|------------|-------------|
| Country | Australia | Water Depth(MSL) | 152.9m | AFE Cost | \$ 24722797 |
| Field | Basker and Manta | Water Depth-ASL(MSL) | 21.5m | AFE No. | 3426-1500 |
| Rig | OCEAN PATRIOT | RT-Mudline | 174.4m | Daily Cost | \$ 0 |
| Days On Ops | 41.58 | | | Cum. Cost | \$ 26545773 |

- Well Objective**
1. Drill development well to maximize future production from the oil reservoirs intersected in Basker-1 and Basker-2.
 2. Penetrate target area and ensure geological requirements are met.
 3. Update the Basker Field reserve estimates by acquiring all required data for evaluation of rock properties.
 4. Confirm interpreted hydrocarbon-water contacts and fluid types for the other reservoir Zones (0-8) intersected in Basker-1 and Basker-2.
 5. Explore for additional oil and gas reservoirs above, below and within the known reservoir interval.
 6. Determine formation pressure at the top and base of all hydrocarbon bearing sands and in clean water sands.
 7. Further assess the reservoir sandstone distribution and confirm the continuity and connectivity of the hydrocarbon reservoirs intersected in Basker-1 and Basker-2.
 8. Revise the structural model and predicted seismic velocities.
 9. Maintain an offset of at least 150m from the Basker Fault at the reservoir level.
 10. Infill palynological data, as an aid to reservoir correlation between the Basker, Manta and Gummy wells, using cuttings.

| | |
|--------------------------|---|
| Current Op @ 0600 | bullhead tubing with diesel |
| Planned Op | Perform SST suspension tests. Disconnect TRT from SST and move rig to Basker 2 for SST recovery |

Summary of Period 0000 to 2400 Hrs
 Latch SST. Pull ARH prong and plug. Open SSD and displace tubing to diesel. Open FBIV. Open and flow well to clean up.

| FORMATION | |
|---------------------|----------|
| Name | Top |
| Reservoir Zone 7 | 3976.00m |
| Top Volcanics | 4015.00m |
| Reservoir Zone 8 | 4053.00m |
| Volcanics continued | 4070.00m |
| TD | 4125.00m |

Operations For Period 0000 Hrs to 2400 Hrs on 27 Jun 2006

| Phse | Cls (RC) | Op | From | To | Hrs | Activity Description |
|------|----------|-----|------|------|------|--|
| C | P | XT | 0000 | 0230 | 2.50 | Land out and latch SST on Basker 3. Take 20 klb overpull. Rig up slickline BOP, lubricator and sheaves. Pressure test lubricator and riser against PSV to 500 psi/5 min and 5000 psi/10 min Pressure test control lines; SSSV to 7500 psi and VX to 5000 psi |
| C | P | CHC | 0230 | 0300 | 0.50 | Open PSV and circulate from AAL and displace riser with 20 bbl 9.0 ppg inhibited brine. |
| C | P | SLK | 0300 | 0400 | 1.00 | Rig up GS pulling tool and RIH with slickline and retrieve ARH prong and plug from tubing hanger. Make up tandem shifting tool and install lubricator. Close FSV |
| | | | | | | N.B. GS pulling tool cavities plugged with wax from recovery of the prong and plug. Suspect wax in 5 1/2" production riser due to Basker 5 flow period |
| C | P | XT | 0400 | 0430 | 0.50 | Open PSV and PMV. Pressure test SST and VX gasket against PWV, CIV and FBIV to 500 psi/5 min and 5000psi/10 min |
| C | P | SLK | 0430 | 0630 | 2.00 | Open FSV and RIH with tandem shifting tool and open SSD at 3504m Pressure test AAL against AWV to 500 psi/5 min and 4500 psi/10 min |
| | | | | | | Function test 3 X ESD stations; 7 seconds each |
| C | P | CHC | 0630 | 0830 | 2.00 | Displace tubing to 176 bbl diesel with Dowell. Final backpressure after completing pumping was 850 psi. |
| C | P | SLK | 0830 | 1000 | 1.50 | POOH with tandem shifting tool and close SSD. Pressure test tubing to 1000 psi to verify SSD |

| Phse | Cls (RC) | Op | From | To | Hrs | Activity Description |
|------|----------|-----|------|------|-------|--|
| C | P | PT | 1000 | 1330 | 3.50 | is closed. POOH with tandem shifting tool. Close FSV |
| C | P | FLO | 1330 | 2400 | 10.50 | Pressure test SSD to 4000 psi/10 min. GLV sheared opened prematurely after SSD pressure test. Cycle FBIV open with 9 X 4000 psi pressure cycles. FBIV opened on last bleed down. Hold Pre job safety meeting. Flow well to clean up as per program |

Operations For Period 0000 Hrs to 0600 Hrs on 28 Jun 2006

| Phse | Cls (RC) | Op | From | To | Hrs | Activity Description |
|------|----------|-----|------|------|------|---|
| C | P | FLO | 0000 | 0430 | 4.50 | Flow well and take fluid samples as per program |
| C | P | OA | 0430 | 0600 | 1.50 | Shut in well at choke and flowhead surface master valve. Open Expro choke manifold, line up with Dowell and pump 10 bbl diesel across surface flowhead, through to Expro choke manifold and port side flare boom to clean surface lines. Close in choke, pressure up on surface flowhead with Dowell and open flowhead master valve. Bullhead tubing with 105 bbls diesel |

Phase Data to 2400hrs, 27 Jun 2006

| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
|-----------------------------|-----------|-------------|-------------|---------|----------|-----------|
| CONDUCTOR HOLE(CH) | 3 | 01 Mar 2006 | 01 Mar 2006 | 3.00 | 0.125 | 210.0m |
| PRESPUD(PS) | 2.5 | 01 Mar 2006 | 01 Mar 2006 | 5.50 | 0.229 | 0.0m |
| RIG MOVE/RIG-UP/PRESPUD(RM) | 1 | 01 Mar 2006 | 01 Mar 2006 | 6.50 | 0.271 | 0.0m |
| CONDUCTOR CASING(CC) | 15.5 | 01 Mar 2006 | 01 Mar 2006 | 22.00 | 0.917 | 210.0m |
| SURFACE HOLE(SH) | 51.5 | 01 Mar 2006 | 04 Mar 2006 | 73.50 | 3.062 | 1112.0m |
| SURFACE CASING(SC) | 25 | 04 Mar 2006 | 05 Mar 2006 | 98.50 | 4.104 | 1112.0m |
| INTERMEDIATE HOLE(IH) | 376 | 02 Apr 2006 | 18 Apr 2006 | 474.50 | 19.771 | 3530.0m |
| INTERMEDIATE CASING(IC) | 43 | 18 Apr 2006 | 20 Apr 2006 | 517.50 | 21.562 | 3530.0m |
| PRODUCTION HOLE(PH) | 175.5 | 20 Apr 2006 | 27 Apr 2006 | 693.00 | 28.875 | 4125.0m |
| EVALUATION PHASE (1)(E1) | 61 | 27 Apr 2006 | 30 Apr 2006 | 754.00 | 31.417 | 4125.0m |
| PRODUCTION CASING/LINER(PC) | 46.5 | 30 Apr 2006 | 01 May 2006 | 800.50 | 33.354 | 4125.0m |
| EVALUATION PHASE (2)(E2) | 15 | 02 May 2006 | 02 May 2006 | 815.50 | 33.979 | 4125.0m |
| SUSPENSION(S) | 4 | 02 May 2006 | 02 May 2006 | 819.50 | 34.146 | 4125.0m |
| COMPLETION(C) | 178.5 | 31 May 2006 | 27 Jun 2006 | 998.00 | 41.583 | 4125.0m |

General Comments

00:00 TO 24:00 Hrs ON 27 Jun 2006

| Comments | Rig Requirements | Lessons Learnt |
|----------|---|----------------|
| | Subsea; 1; Insert packer lock down dogs will not lock or unlock from rig floor. Bag will function from floor Rig Floor; 1; Compensator stroke indicator not working 2; Lock bar indicator light not working. Require operational window to repair 3; Draw works high transmission gear chain parted while running up derrick. Repair pending operations Barge Capt 1; HD3 valve, strbd #3 ballast tank is leaking | |

| Drilling Fluid Data | | Cost Today | |
|-------------------------|--------------|---------------|---|
| Mud Type: Brine | API FL: | Cl: 67000mg/l | Solids(%vol): |
| Sample-From: Active pit | Filter-Cake: | K+C*1000: 13% | H2O: |
| Time: 1300 | HTHP-FL: | Hard/Ca: | Oil(%): |
| Weight: 9.00ppg | HTHP-cake: | MBT: | Sand: |
| Temp: 0C° | | PM: | pH: 10.5 |
| | | PF: | PHPA: Oppb |
| Comment | | | Viscosity PV YP Gels 10s Gels 10m Fann 003 Fann 006 Fann 100 Fann 200 Fann 300 Fann 600 |

Bulk Stocks

| Name | Unit | In | Used | Adjust | Balance |
|-------------|------|----|------|--------|---------|
| Barite Bulk | MT | 0 | 0 | 0 | 46.1 |

| Bulk Stocks | | | | | |
|--------------------|------|----|------|--------|---------|
| Name | Unit | In | Used | Adjust | Balance |
| Bentonite Bulk | MT | 0 | 0 | 0 | 42.4 |
| Cement G | MT | 0 | 0 | 0 | 5.7 |
| Cement HT (Silica) | MT | 0 | 0 | 0 | 93.4 |
| Diesel | m3 | 80 | 61.6 | 0 | 292.2 |
| Fresh Water | m3 | 32 | 32.6 | 0 | 435.5 |
| Drill Water | m3 | 0 | 42.1 | 0 | 571.2 |

| Boats | Arrived (date/time) | Departed (date/time) | Status | Bulks | | |
|------------------|---------------------|----------------------|-------------------|--------------------|------|----------|
| Far Grip | | | On Standby | Item | Unit | Quantity |
| | | | | Diesel | m3 | 429 |
| | | | | Fresh Water | m3 | 510 |
| | | | | Drill Water | m3 | 720 |
| | | | | Cement G | mt | 82 |
| | | | | Cement HT (Silica) | mt | 0 |
| | | | | Barite Bulk | m3 | 85 |
| | | | | Bentonite Bulk | mt | 22.5 |
| Brine | bbls | 0 | | | | |
| Pacific Wrangler | | 09:30 27 Jun 2006 | Enroute Melbourne | Item | Unit | Quantity |
| | | | | Diesel | m3 | 176.9 |
| | | | | Fresh Water | m3 | 188 |
| | | | | Drill Water | m3 | 0 |
| | | | | Cement G | mt | 74 |
| | | | | Cement HT (Silica) | mt | 69 |
| | | | | Barite Bulk | mt | 0 |
| | | | | Bentonite Bulk | mt | 19 |
| Brine | bbl | | | | | |

| Casing | | | |
|---------|------------|---------------------|-----------|
| OD | LOT / FIT | Csg Shoe (MD/TVD) | Cementing |
| 30 " | / | 207.90m / 207.90m | |
| 13 3/8" | 12.50ppg / | 1102.30m / 999.15m | |
| 9 5/8" | 13.00ppg / | 3519.98m / 2826.90m | |
| 7 " | / | 4124.00m / 3352.69m | |

| Personnel On Board | | | |
|---------------------------|-----------|-------------------------------|-----|
| Job Title | Personnel | Company | Pax |
| Operator | | ANZON AUSTRALIA LIMITED | 10 |
| Contractor | | DOGC | 46 |
| Catering | | ESS | 8 |
| Cementers | | DOWELL SCHLUMBERGER | 2 |
| ROV | | FUGRO ROV LTD | 7 |
| Wellhead Tech | | CAMERON AUSTRALIA PTY LTD | 4 |
| Casing crew | | WEATHERFORD AUSTRALIA PTY LTD | 2 |
| Testing crew | | EXPRO GROUP | 14 |
| Fluids Sampling | | PETROLAB | 2 |
| Mud Engineer | | MI AUSTRALIA PTY LTD | 1 |
| Solids Control Technician | | TASMAN OIL TOOLS | 1 |
| Total | | | 97 |

| HSE Summary | | | | |
|---------------------|--------------|------------|------------------------|---|
| Events | Date of last | Days Since | Descr. | Remarks |
| Abandon Drill | 25 Jun 2006 | 2 Days | | |
| Fire Drill | 25 Jun 2006 | 2 Days | | |
| JSA | 27 Jun 2006 | 0 Days | Drill crew=5 , Deck=8 | |
| Man Overboard Drill | 06 Jun 2006 | 21 Days | | |
| Safety Meeting | 25 Jun 2006 | 2 Days | Weekly safety meetings | Hold safety meetings at 1300/1900/0100hrs |
| STOP Card | 27 Jun 2006 | 0 Days | Safe=5 Un-safe=6 | |

| Shakers, Volumes and Losses Data | | | Engineer : Swab | | | | |
|----------------------------------|--------|-----------|-----------------|----------|-------------|---------|----------|
| Equip. | Descr. | Mesh Size | Available | 247.4bbl | Losses | 18.0bbl | Comments |
| | | | Active | 150.4bbl | Downhole | 0.0bbl | |
| | | | Mixing | 0.0bbl | Surf+ Equip | 0.0bbl | |
| | | | Hole | 0.0bbl | Dumped | | |
| | | | Slug | 0.0bbl | De-Gasser | 0.0bbl | |
| | | | Reserve | 97.0bbl | De-Sander | 0.0bbl | |
| | | | Kill | 0.0bbl | De-Silter | 0.0bbl | |
| | | | | | Centrifuge | 0.0bbl | |
| | | | | 18.0bbl | | | |

| Marine | | | | | | | |
|------------------------|--------------|------------|--------------|------------|--------------|------------------|-------------|
| Weather on 27 Jun 2006 | | | | | | | |
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period |
| 10.0nm | 28kn | 270.0deg | 1026.0mbar | 12C° | 1.5m | 270.0deg | 4s |
| Roll | Pitch | Heave | Swell Height | Swell Dir. | Swell Period | Weather Comments | |
| 0.3deg | 0.3deg | 0.3m | 1.5m | 270.0deg | 7s | | |
| Rig Dir. | Ris. Tension | VDL | Comments | | | | |
| 253.0deg | 40.00klb | 4556.00klb | | | | | |

| Helicopter Movement | | | | |
|---------------------|---------------------------------------|---------------|------------|---------------------------|
| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment |
| 1 | BRISTOW HELICOPTERS AUSTRALIA PTY LTD | 10:28 / 10:51 | 12 / 12 | Fuel remaining = 1659 ltr |