


**Anzon Australia**  
 LIMITED

Last BOP Test: 03 May 2006

**DRILLING MORNING REPORT # 8**  
**Basker-4**

04 May 2006

From: Simon Rodda/Geoff Webster  
To: John Ah-Cann

Well Data							
Country	Australia	MDBRT	1178.0m	Cur. Hole Size	12.250	AFE Cost	\$19,202,687
Field	Basker and Manta	TVDBRT	1154.0m	Last Casing OD	13 3/8"	AFE No.	3426-1600
Drill Co.	DOGC	Progress	168.0m	Shoe TVDBRT	987.2m	Daily Cost	\$0
Rig	OCEAN PATRIOT	Days from spud	66.50	Shoe MDBRT	988.5m	Cum Cost	\$0
Wtr Dpth(LAT)	154.5m	Days on well	6.44	FIT/LOT:	12.50ppg /	Days Since Last LTI	1080
RT-ASL(LAT)	21.5m	Planned TD MD	3636.0m				
RT-ML	176.0m	Planned TD TVDRT	3366.0m				
Current Op @ 0600		Drilling ahead 311mm (12 1/4") hole at 1198m MDRT					
Planned Op		Continue to drill ahead and survey 311mm (12 1/4")					

**Summary of Period 0000 to 2400 Hrs**

Drill out 13 3/8" shoe track. Perform FIT to 12.5 ppg EMW. Drill ahead and survey 311mm (12 1/4") hole to 1178m MDRT. POOH for failed GeoPilot. Lay out Geopilot BHA and pick up motor assembly

**FORMATION**

Name	Top
Reservoir Zone 6.2 Sand	
Reservoir Zone 7 Sand	
Volcanics (Unit 1)	
Reservoir Zone 8 Sand	
Total Depth	

**Operations for Period 0000 Hrs to 2400 Hrs on 04 May 2006**

Phase	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DFS	0000	0200	2.00	1013.0m	Drill shoe track from 993m MDRT to shoe @998m MDRT. Continue to drill rat hole to 1010m MDRT while displacing to 8.9ppg PHPA/KCL mud. Drill 3m of new hole from 1010m MDRT to 1013m MDRT. 900gpm/ 1800psi/ 60-65rpm/ 4-12klbs WOB/ 7-10klbs TQ.
IH	P	CHC	0200	0300	1.00	1013.0m	Circulate hole clean for FIT, adjust gpm's until cold mud warms up and shears at shakers.
IH	P	LOT	0300	0330	0.50	1013.0m	Perform F.I.T. 606psi/ 8.9ppg mud/ 988m TVD = 12.5ppg EMW. 2.62bbbls pumped/ 2.82bbbls returned.
IH	P	SC	0330	0600	2.50	1013.0m	Slip and cut drilling line.
IH	P	DA	0600	1230	6.50	1151.0m	Drill ahead 311mm (12 1/4") hole with rotary steerable assembly from 1013m MDRT to 1151m MDRT. WOB=13-23 klbs, 800-1000 GPM, 1700-2400 psi, 150-200 RPM, 12-19000 ft lbs torque. Unable to down link to GeoPilot
IH	TP (VE)	RO	1230	1300	0.50	1151.0m	Trouble shoot GeoPilot tools
IH	P	SC	1300	1500	2.00	1178.0m	Continue to drill ahead 311mm (12 1/4") hole with rotary steerable assembly from 1051m MDRT to 1178m MDRT. WOB=13-23 klbs, 800-1000 GPM, 1700-2400 psi, 150-200 RPM, 12-19000 ft lbs torque. GeoPilot not functioning
IH	TP (VE)	CHC	1500	1530	0.50	1178.0m	Circulate hole clean with 200 SPM, 1900 psi
IH	TP (VE)	TOT	1530	1600	0.50	1178.0m	Flow check and POOH from 1178m MDRT to 1078m MDRT, max overpull = 50 klbs
IH	TP (VE)	REA	1600	1630	0.50	1178.0m	Back ream from 1078m MDRT to 998m MDRT
IH	TP (VE)	CHC	1630	1700	0.50	1178.0m	Circulate hole clean with 200 SPM, 1600 psi
IH	TP (VE)	TO	1700	2000	3.00	1178.0m	Pump slug and POOH from 998m MDRT to BHA
IH	TP (VE)	HBHA	2000	2030	0.50	1178.0m	Download MWD data
IH	TP (VE)	HBHA	2030	2130	1.00	1178.0m	Break out bit (Graded 1-1-NO-A-X-IN-NO-DTF). Lay out Geopilot and DM tool.

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Phase	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	TP (VE)	HBHA	2130	2400	2.50	1178.0m	Pick up 12 1/4" directional BHA. Pick up 6/7 5 stage mud motor and set bend to 1.15 degrees. make up AGS and MWD tools

**Operations for Period 0000 Hrs to 0600 Hrs on 05 May 2006**

Phase	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	TP (VE)	HBHA	0000	0130	1.50	1178.0m	Continue to make up 12 1/4" BHA. Initialise MWD and function test AGS. Unable to acuate AGS with 950 GPM. Minor pressure increase and small pad movement noted on tool with no full actuation of gauge pads.
IH	TP (VE)	HBHA	0130	0200	0.50	1198.0m	Continue to RIH with BHA and HWDP
IH	TP (VE)	HBHA	0200	0430	2.50	1198.0m	RIH with 12 1/4" BHA on 5" DP to 1140m MDRT
IH	TP (VE)	TI	0430	0500	0.50	1198.0m	Wash in from 1140m to 1178m MDRT with 800-950 GPM, 1750-2350 psi
IH	P	DM	0500	0600	1.00	1198.0m	Drill ahead 311mm (12 1/4") hole from 1178m MDRT to 1198m MDRT with 5-10 klbs, 850-950 GPM, 2400-2750 psi, 5-10000 rlbs torque

**Phase Data to 2400hrs, 04 May 2006**

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
CONDUCTOR HOLE(CH)	21	27 Feb 2006	28 Feb 2006	21.00	0.875	210.0m
CONDUCTOR CASING(CC)	15.5	28 Feb 2006	05 Mar 2006	36.50	1.521	210.0m
SURFACE CASING(SC)	18	05 Mar 2006	07 Mar 2006	54.50	2.271	1010.0m
SURFACE HOLE(SH)	47	05 Mar 2006	07 Mar 2006	101.50	4.229	1010.0m
INTERMEDIATE HOLE(IH)	53	02 May 2006	04 May 2006	154.50	6.438	1178.0m

**WBM Data****Cost Today \$ 47776**

Mud Type: PHPA/KCL/Glycol	API FL:	8.2cc/30min	Cl:	39000mg/l	Solids(%vol):	6%	Viscosity	57sec/qt
Sample-From: Active pit	Filter-Cake:	1/32nd"	K+C*1000:	8%	H2O:	94%	PV	16cp
Time: 15:00	HTHP-FL:	16.5cc/30min	Hard/Ca:	180mg/l	Oil(%):	0%	YP	24lb/100ft <sup>3</sup>
Weight: 9.10ppg	HTHP-cake:	1/32nd"	MBT:	2.5	Sand:	0.1	Gels 10s	7
Tamp: 35C*			PM:	0.2	pH:	8.5	Gels 10m	10
			PF:	0.1	PHPA:		Fann 003	7
							Fann 008	9
							Fann 100	35
							Fann 200	34
							Fann 300	40
							Fann 600	58
Comment								



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Bit # 3				Wear	I	O1	D	L	B	G	O2	R
					1	1	NO	A	X	I	NO	DTF
Bitwear Comments:												
Size ("):	12.250in	IADC#	M422	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	REED HYCALOG	WOB(avg)	13.60klb	No.	Size	Progress	188.0m	Cum. Progress		168.0m		
Type:	PDC	RPM(avg)	143	3	18/32nd"	On Bottom Hrs	4.7h	Cum. On Btm Hrs		4.7h		
Serial No.:	212369	F.Rate	898.00gpm	3	20/32nd"	IADC Drill Hrs	8.5h	Cum IADC Drill Hrs		8.5h		
Bit Model	RSX616M-A9	SPP	1699psi			Total Revs	55000	Cum Total Revs		55000		
Depth In	1010.0m	HSI	1.50HSI			ROP(avg)	35.74 m/hr	ROP(avg)		35.74 m/hr		
Depth Out	1178.0m	TFA	1.666									
Bit Comment												
Bit # 4				Wear	I	O1	D	L	B	G	O2	R
Bitwear Comments:												
Size ("):	12.250in	IADC#	M422	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	REED HYCALOG	WOB(avg)		No.	Size	Progress		Cum. Progress		0.0m		
Type:	PDC	RPM(avg)		3	20/32nd"	On Bottom Hrs		Cum. On Btm Hrs		0.0h		
Serial No.:	211927	F.Rate		3	18/32nd"	IADC Drill Hrs		Cum IADC Drill Hrs		0.0h		
Bit Model	RSX616M-A3	SPP				Total Revs		Cum Total Revs		0		
Depth In	1177.0m	HSI				ROP(avg)	N/A	ROP(avg)		0.00 m/hr		
Depth Out		TFA	1.67									
Bit Comment												


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**BHA # 4**

Weight(Wet)	50.00klb	Length	274.2m	Torque(max)	10000ft-lbs	D.C. (1) Ann Velocity	286fpm
Wt Below Jar(Wet)	20.00klb	String	200.00klb	Torque(Off.Btm)	8000ft-lbs	D.C. (2) Ann Velocity	
Drilling Jar Hours	13	Pick-Up	200.00klb	Torque(On.Btm)	7000ft-lbs	H.W.D.P. Ann Velocity	197fpm
		Slack-Off	200.00klb			D.P. Ann Velocity	197fpm

BHA Run Description Rotary steerable assembly.

## BHA Run Comment

Equipment	Length	OD	ID	Top Conn	Serial #	Comment
Bit	0.80m			6 5/8 Reg Box	212369	
Geo_Pilot	6.61m	12.250in		6 5/8 Reg	GP1225066	12 1/8" stab
Non-Mag Flex collar	2.80m	9.500in	3.000in	6 5/8 Reg	CP938745	
DGR-EWD-PWD-XHCIM	9.69m	8.000in	1.938in	6 5/8 Reg	DM90099426	12 1/16" stabilizer
HOC	3.10m	8.000in	1.938in	6 5/8 Reg	106450	
Float Sub	0.68m	8.000in	2.813in	6 5/8 Reg	DA8011	
8in DC	26.78m	7.813in	2.875in	6 5/8 Reg		
Drilling Jars	9.86m	8.250in	3.000in	6 5/8 Reg	48907C	
8in DC	17.80m	7.813in	3.000in	6 5/8 Reg		
X/O	1.17m	8.250in	2.938in	4 1/2 IF	MSO205602	
5in HWDP	195.13m	5.000in	3.000in	4 1/2 IF		

**BHA # 5**

Weight(Wet)	55.00klb	Length	280.7m	Torque(max)		D.C. (1) Ann Velocity	286fpm
Wt Below Jar(Wet)	25.00klb	String		Torque(Off.Btm)		D.C. (2) Ann Velocity	
Drilling Jar Hours	13	Pick-Up		Torque(On.Btm)		H.W.D.P. Ann Velocity	197fpm
		Slack-Off				D.P. Ann Velocity	197fpm

BHA Run Description

## BHA Run Comment

Equipment	Length	OD	ID	Top Conn	Serial #	Comment
Bit	0.25m	12.250in		6 5/8 Reg	211927	DSX 813M-E3
X/Over	0.39m	9.625in	3.000in	7 5/8 Reg	050693	
Down Hole Motor	8.58m	9.625in		7 5/8 Reg	963400	1.15 degree bend c/w 12" stabiliser sleeve.
X/O	1.17m	9.625in	3.000in	6 5/8 Reg	MSO2056-01	
Float Sub	0.68m	8.000in		6 5/8 Reg	DA8011	Ported float
AGS	3.26m	8.000in	3.000in	6 5/8 Reg	513037	12 1/4" full gauge. 11 1/2" under gauge. Bit to blade centre = 12.71m
MWD	2.80m	8.000in	3.500in	6 5/8 Reg	PM10603355	
DGR-EWD-PWD-XHCIM	7.19m	8.000in	1.938in	6 5/8 Reg	DM90099426	
PWD Sub	2.50m	8.000in	1.920in	6 5/8 Reg	DM90101913	
HOC	3.10m	8.082in	1.938in	6 5/8 Reg	106450	
8in DC	26.78m	8.250in	3.000in	6 5/8 Reg		
Drilling Jars	9.86m	8.000in	3.000in	6 5/8 Reg		
8in DC	17.80m	8.000in	3.000in	6 5/8 Reg		
X/O	1.17m	8.375in	2.938in	4 1/2IF	MSO 2056-02	
HWDP	195.13m	5.000in	3.000in	4 1/2IF		



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Survey									
MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N-S (m)	E-W (m)	DLS (deg/30m)		Tool Type
1008.03	18.2	263.2	984.03	92.2	-9.8	-91.7	0.3		MWD
1029.04	18.5	263.9	1015.87	99.4	-10.6	-98.9	0.4		MWD
1059.64	20.1	264.1	1044.75	109.5	-11.6	-108.0	1.6		MWD
1091.79	21.2	264.1	1074.83	120.9	-12.8	-120.2	1.0		MWD
1120.29	22.1	264.4	1101.32	131.4	-13.8	-130.7	0.9		MWD
1148.74	23.5	265.1	1127.55	142.4	-14.8	-141.7	1.6		MWD

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite Bulk	MT			0	65.2	
Bentonite Bulk	MT			0	42.6	
Cement G	MT	0	0	0	5.7	
Cement HT (Silica)	MT			0	165.9	
Diesel	m3	85.5	0	0	409.4	
Fresh Water	m3		12	0	360.7	
Drill Water	m3	33	33.1	12.6	673.5	
		400	105.1	0		

Pumps																	
Pump Data - Last 24 Hrs										Slow Pump Data							
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (bpm)	Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (bpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (bpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (bpm)
1	A1700PT	6.000	8.70	97	80	2450	8.14	1073.0	30	150	3.05	40	200	4.07	50	225	5.09
2	12P160	6.000	8.70	97	80	2450	8.14	1073.0	30	150	3.05	40	200	4.07	50	225	5.09
3	12P160	6.000	8.70	97	80	2450	8.14	1073.0	30	150	3.05	40	200	4.07	50	225	5.09

Casing						
OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)	
30"	208.60	208.60	208.60	208.60		
13 3/8"	998.85	987.20	998.85	987.20		

Personnel On Board		
Company	Pax	Comment
ANZON AUSTRALIA LIMITED	5	1 x scr, 1 x crane cab, 1 x anchor winches, 1 x compensator, 1 x electrical boss.
DOWELL SCHLUMBERGER	2	
FUGRO SURVEY LTD	3	
MI AUSTRALIA PTY LTD	2	
DOGC	53	
HALLIBURTON AUSTRALIA PTY LTD - SPERRY SUN	4	
GEOSERVICES OVERSEAS S.A.	6	
CAMERON AUSTRALIA PTY LTD	1	
ESS	8	
<b>Total</b>	<b>84</b>	

HSE Summary					
Events	Date of last	Days Since	Descr.	Remarks	
Last BOP Test	03 May 2006				
Abandon Drill	30 Apr 2006	4 Days			
Fire Drill	30 Apr 2006	4 Days			
JSA	04 May 2006	0 Days	Drill crew=5, Deck=9, Mech=2, Welder=3, Sub sea=2		
Man Overboard Drill	05 Apr 2006	29 Days			
Safety Meeting	30 Apr 2006	4 Days	Weekly safety meetings	Hold safety meetings at 1300/1900/0100hrs	
STOP Card	04 May 2006	0 Days	Safe=4 Un-safe=7		



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**Shakers, Volumes and Losses Data**

Available	2,162bbl	Losses	915bbl	Equip.	Descr.	Mesh Size
Active	391.8bbl	Equipment	400bbl	Shaker1	VSM 100	145/145/84/84
Hole	656.2bbl	Dumped	230bbl	Shaker2	VSM 100	120/120/120/120
Reserve	1,114bbl	Desander	45bbl	Shaker3	VSM 100	120/120/120/120
			240bbl	Shaker4	VSM 100	165/165/165/165

**Marine**

Weather on 04 May 2006

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Rig Support	
5.0nm	30kn	260.0deg	1015.0mbar	16C°	2.5m	260.0deg	3s	Anchors	Tension (kib)
Rig Dir.	Ria. Tension	VDL	Swall Height	Swall Dir.	Swall Period	Weather Comments		1	243.0
253.0deg	478.00kib	4934.00kib	2.5m	260.0deg	8s			2	238.0
Comments								3	286.0
								4	304.0
								5	248.0
								6	328.0
								7	207.0
								8	203.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks																																				
Far Grp	17:45hrs 02 May, 200		Running standby.	<table border="1"> <thead> <tr> <th>Item</th> <th>Unit</th> <th>Used</th> <th>Quantity</th> </tr> </thead> <tbody> <tr><td>Diesel</td><td>m3</td><td></td><td>335</td></tr> <tr><td>Fresh Water</td><td>m3</td><td></td><td>425</td></tr> <tr><td>Drill Water</td><td>m3</td><td></td><td>0</td></tr> <tr><td>Cement G</td><td>mt</td><td></td><td>82</td></tr> <tr><td>Cement HT (Silica)</td><td>mt</td><td></td><td>0</td></tr> <tr><td>Brine</td><td>bbbl</td><td></td><td>470</td></tr> <tr><td>Bentonite Bulk</td><td>mt</td><td></td><td>0</td></tr> <tr><td>Bentonite Bulk</td><td>mt</td><td></td><td>22.5</td></tr> </tbody> </table>	Item	Unit	Used	Quantity	Diesel	m3		335	Fresh Water	m3		425	Drill Water	m3		0	Cement G	mt		82	Cement HT (Silica)	mt		0	Brine	bbbl		470	Bentonite Bulk	mt		0	Bentonite Bulk	mt		22.5
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Pacific Wrangler		2230hrs 02 May	Melbourne.	<table border="1"> <thead> <tr> <th>Item</th> <th>Unit</th> <th>Used</th> <th>Quantity</th> </tr> </thead> <tbody> <tr><td>Diesel</td><td>m3</td><td></td><td>152.11</td></tr> <tr><td>Fresh Water</td><td>m3</td><td></td><td>250</td></tr> <tr><td>Drill Water</td><td>m3</td><td></td><td>320</td></tr> <tr><td>Cement G</td><td>mt</td><td></td><td>74</td></tr> <tr><td>Bentonite Bulk</td><td>mt</td><td></td><td>10</td></tr> <tr><td>Brine</td><td>mt</td><td></td><td>0</td></tr> <tr><td>Brine</td><td>bbbl</td><td></td><td>475</td></tr> <tr><td>Cement HT (Silica)</td><td>mt</td><td></td><td>89.2</td></tr> </tbody> </table>	Item	Unit	Used	Quantity	Diesel	m3		152.11	Fresh Water	m3		250	Drill Water	m3		320	Cement G	mt		74	Bentonite Bulk	mt		10	Brine	mt		0	Brine	bbbl		475	Cement HT (Silica)	mt		89.2
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**Helicopter Movement**

Flight #	Company	Arr/Dep. Time	Pax in/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	07:26 / 07:55	9 / 13	Fuel on board 4561 litres