Anzon Australia LIMITED

Last BOP Test: 24 May 2006

DRILLING MORNING REPORT # 39

18 Jun 2006 **From:** Simon Rodda/Geoff Webster
To: John Ah-Cann

Basker-5

Well Data

Country	Australia	MDBRT	3640.0m	Cur. Hole Size	12.250	AFE Cost	$18,800,858
Field	Basker and Manta	TVDBRT	3383.7m	Last Casing OD	9 5/8"	AFE No.	3426-1800
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	3336.4m	Daily Cost	$1,295,929
Rig	OCEAN PATRIOT	Days from spud	112.60	Shoe MDBRT	3589.5m	Cum Cost	$22,061,978
Wtr Dpth(LAT)	153.6m	Days on well	33.69	FIT/LOT:	15.10ppg /	Days Since Last LTI	1125
RT-ASL(LAT)	21.5m	Planned TD MD	3690.0m				
RT-ML	175.1m	Planned TD TVDRT	3359.0m				

Current Op @ 0600	Pulling out SST to inspect connector profile
Planned Op	Pull and recover Basker 5 SST. Run in and recover Basker 2 SST

Summary of Period 0000 to 2400 Hrs

Move rig and SST from Basker 3 to Basker 5. Recover VX ring gasket and jet wellhead clean with ROV. Prepare to land out SST

FORMATION

Name	Top
Volcanics ZC5 Marker	3497.50m
Top of Volcanics Unit I	3505.00m
Reservoir Zone 8	3529.00m
Base Volcanics Unit 1	3585.00m
TD	3640.00m

Operations for Period 0000 Hrs to 2400 Hrs on 18 Jun 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
C	P	RM	1900	2000	1.00	3640.0m	Move rig and SST from Basker 3 to Basker 5. Install dust cap on Basker 3 wellhead. Rotate SST 180 degrees to orient for Basker 5 land out prior to land and latch. Re-establish guide lines to Baker 5 PGB. Remove dust cap with ROV. SOF's Ocean Patriot: Barite=1017 sx, Gel=940sx, G cement=133sx, HTB cement=392sx, Fuel=2669 bbl, D/water=4940 bbl, P/water=2795 bbl, P Wrangler; Gel=419sx, G cement=1736sx, HTB cement=69.2mt, Fuel=2239.4 bbl, D/water=0 bbl, P/water=1452.8 bbl Far Grip; Gel=496sx, G cement=1923sx, HTB cement=0 sx, Fuel=3408.8 bbl, D/water=0 bbl, P/water=2452.8 bbl, Enroute Melbourne
C	P	ROV	2000	2300	3.00	3640.0m	ROV to surface, install ring gasket retrieval tool. Deploy ROV and recover VX ring gasket from Basker 5 wellhead. Return ROV to surface, and install jetting tool and re deploy to jet wellhead. Hydaulics problems with ROV
C	TP (VE)	ROV	2300	2330	0.50	3640.0m	ROV to surface. Repair hydraulic leak and re deploy to wellhead
C	P	ROV	2330	2400	0.50	3640.0m	ROV continue jetting Basker 5 wellhead

Operations for Period 0000 Hrs to 0600 Hrs on 19 Jun 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
C	P	ROV	0000	0030	0.50	3640.0m	Continue to jet wellhead with ROV
C	TP (VE)	XT	0030	0230	2.00	3640.0m	Attempt to latch SST on Basker 5 with no success. Lift SST and inspect wellhead and SST profiles. Guide ring on SST fouling on wellhead body.
C	TP (VE)	RR2	0230	0530	3.00	3640.0m	Rig down surface lines and lay out flowhead, stiff joint, 45 ft bails, chain hoist and top drive pad eye sub. Rig down rucker tensioners in moonpool. Position rig port 12 m off location
C	TP (VE)	RR2	0530	0600	0.50	3640.0m	Pull out with SST on 5 1/2" production riser

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Phase Data to 2400hrs, 18 Jun 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
RIG MOVE/RIG-UP/PRESPUD(RM)	2.5	25 Feb 2006	25 Feb 2006	2.50	0.104	0.0m
ANCHORING(A)	14.5	25 Feb 2006	26 Feb 2006	17.00	0.708	0.0m
PRESPUD(PS)	8.5	26 Feb 2006	26 Feb 2006	25.50	1.062	0.0m
CONDUCTOR HOLE(CH)	2.5	26 Feb 2006	26 Feb 2006	28.00	1.167	208.5m
CONDUCTOR CASING(CC)	25.5	26 Feb 2006	01 Mar 2006	53.50	2.229	208.5m
SURFACE HOLE(SH)	71.5	07 Mar 2006	10 Mar 2006	125.00	5.208	1012.0m
SURFACE CASING(SC)	24.5	10 Mar 2006	11 Mar 2006	149.50	6.229	1012.0m
RISER AND BOP STACK(BOP)	23	11 Mar 2006	12 Mar 2006	172.50	7.187	1012.0m
PRODUCTION HOLE(PH)	358	12 Mar 2006	27 Mar 2006	530.49	22.104	3640.0m
EVALUATION PHASE (1)(E1)	77.5	27 Mar 2006	30 Mar 2006	607.99	25.333	3640.0m
PRODUCTION CASING/LINER(PC)	62.5	30 Mar 2006	02 Apr 2006	670.49	27.937	3640.0m
SUSPENSION(S)	6	02 Apr 2006	02 Apr 2006	676.49	28.187	3640.0m
COMPLETION(C)	132	26 May 2006	18 Jun 2006	808.49	33.687	3640.0m

WBM Data

Cost Today $ 0

Mud Type:	Brine/ Sea water	API FL:		Cl:	66000mg/l	Solids(%vol):	
Sample-From:	Active pit	Filter-Cake:		K+C*1000:	13%	H2O:	
Time:	11:00	HTHP-FL:		Hard/Ca:		Oil(%):	
Weight:	9.00ppg	HTHP-cake:		MBT:		Sand:	
Temp:				PM:	0	pH:	
				PF:		PHPA:	

Viscosity	
PV	
YP	
Gels 10s	
Gels 10m	
Fann 003	
Fann 006	
Fann 100	
Fann 200	
Fann 300	
Fann 600	

Comment

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	0	0	46.1
Bentonite Bulk	MT	0	0	0	42.6
Cement G	MT	0	0	0	5.6
Cement HT (Silica)	MT	0	0	0	93.3
Diesel	m3	0	324.7	422	261.3
Fresh Water	m3	0	378.7	443.4	443.5
Drill Water	m3	0	418.4	783.5	783.0

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 "	207.60	207.60	207.60	207.60	
13 3/8"	1001.27	989.00	1001.27	989.00	15.10
9 5/8"	3589.52	3336.43	173.44	173.44	

Personnel On Board

Company	Pax	Comment
ANZON AUSTRALIA LIMITED	10	
CAMERON AUSTRALIA PTY LTD	4	
ESS	8	
DOWELL SCHLUMBERGER	2	
FUGRO ROV LTD	6	
DOGC	50	
WEATHERFORD AUSTRALIA PTY LTD	4	
EXPRO GROUP	14	
Total	98	

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HSE Summary

Events	Date of last	Days Since	Descr.	Remarks
Last BOP Test	24 May 2006			
Abandon Drill	17 Jun 2006	1 Day		
Fire Drill	17 Jun 2006	1 Day		
JSA	18 Jun 2006	0 Days	Drill crew=5 , Deck=7 , Welder=3	
Man Overboard Drill	06 Jun 2006	12 Days		
Safety Meeting	18 Jun 2006	0 Days	Weekly safety meetings	Hold safety meetings at 1300/1900/0100hrs
STOP Card	18 Jun 2006	0 Days	Safe=7 Un-safe=3	

Marine

Weather on 18 Jun 2006

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	15kn	248.0deg	1028.0mbar	13C°	0.5m	248.0deg	5s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
253.0deg	0.00klb	4485.00klb	2.0m	180.0deg	7s	

Comments

Rig Support

Anchors	Tension (klb)
1	207.0
2	238.0
3	150.0
4	342.0
5	377.0
6	434.0
7	194.0
8	205.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Far Grip		10:30 18 Jun 2006	Enroute Melbourne ETA 07:45 19 Jun 2006

Bulks

Item	Unit	Used	Quantity
Diesel	m3		542
Fresh Water	m3		390
Drill Water	m3		0
Cement G	mt		82
Cement HT (Silica)	mt		0
Barite Bulk	mt		0
Bentonite Bulk	mt		22.5
Brine	bbls		0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Wrangler			En-route to melbourne

Bulks

Item	Unit	Used	Quantity
Diesel	m3		355.6
Fresh Water	m3		230
Drill Water	m3		0
Cement G	mt		74
Cement HT (Silica)	mt		69.2
Barite Bulk	mt		0
Bentonite Bulk	mt		19
Brine	bbls		

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	/	/	Fuel on board 4470 litres.