

**CRC-1**

<b>Date :</b>	01 Mar 2007	<b>Well Site Manager :</b>	Kevin Murphy	<b>Rig Manager :</b>	Agus Nugroho
<b>Report Number</b>	15	<b>Drilling Supervisor :</b>	Kevin Murphy / Brian Assels	<b>Drilling Company :</b>	Century Drilling Ltd
<b>Easting</b>	657913	<b>Northing</b>	5733761	<b>Geologist :</b>	Dave Horner

**Well Details**

Country:	Australia	Current Hole Size:	6.75in	Casing O.D.:	7.625in	Planned TD:	2250.0m
Field:	Otway (Naylor)	Measured Depth:	1900.0m	Casing MD:	512.0m	Last BOP Test:	19 Feb 2007
Rig:	CDL Rig 11	True Vertical Depth:	1900.0m	Casing TVD:	512.0m	FIT/LOT:	/ 13.30ppg
RT - AMSL:	50.00m	24 Hr Progress:	11.0m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	14.54	Liner MD:		LTI Free Days:	281
Datum:	GDA 94	Days On Well:	27.54	Liner TVD:			

Current Ops @ 0600: RIH at 450m with coring BHA.  
 Planned Operations: Continue POH. RIH with coring assembly & cut core #4 in Belfast Mudstone. POH, recover core. RIH with new PDC bit.

**Summary of Period 0000 to 2400 Hrs**

Drill 6-3/4" hole 1889m to 1900m. Circ and conduct WLS - misrun. Wiper trip to 1200m working tight spots. RIH, circ and repeat WLS. POOH.

**HSE Summary**

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening ( 2 )	01 Mar 2007	0 Days	Personnel blow into alcoholizer
Hazard Observation ( 1 )	01 Mar 2007	0 Days	2nd fall arrest needed under sub base.
Hazard Observation ( 1 )	01 Mar 2007	0 Days	kelly hose safety clamp has no split pin or lock nut to prevent nut backing out of bolt - awaiting action.
Hazard Observation ( 1 )	01 Mar 2007	0 Days	Safety clamp on choke line of wrong size - not actioned yet.
Hazard Observation ( 1 )	01 Mar 2007	0 Days	Wheeled fire extinguisher being stored near fuel tank (inaccessible in event of fuel fire) - moved to edge of lease.
Hazard Observation ( 1 )	01 Mar 2007	0 Days	Dry chem spill (CaCO3) in chemical storage - cleaned up.
Inspection ( 2 )	01 Mar 2007	0 Days	Visually inspect d/line, d/man, brakes, koomey, BOP stack and Koomey pressures.
Other ( 1 )	01 Mar 2007	0 Days	Survey QC - Azimuth in magnetic surveys being re-read. Tool face was being reported.
Pre-Tour Meetings ( 2 )	01 Mar 2007	0 Days	Racking back DP & RIH/POH SOP
PTW issued ( 2 )	01 Mar 2007	0 Days	Digital photography & manrider for rig service

**Operations For Period 0000 Hrs to 2400 Hrs on 01 Mar 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	DA	0000	0200	2.00	1900.0m	Drill 6-3/4" hole f/ 1889m to 1900m.
PH1	P	CMD	0200	0330	1.50	1900.0m	Circ hole clean.
PH1	P	SVY	0330	0400	0.50	1900.0m	Flow check, rack kelly, run WLS at 1896m. - misrun.
PH1	P	WT	0400	0430	0.50	1900.0m	MU kelly, pump slug, rack kelly.
PH1	P	WT	0430	1530	11.00	1900.0m	POOH. Tight hole at 1711m - 1700m, 1633m, 1467m, 1380m - 1321m. PU kelly, circ and work tight spots. Con't POH to 1206m.
PH1	P	WT	1530	1830	3.00	1900.0m	RIH f/ 1206m to 1900m. Work tight spot at 1700m. PU singles with kelly, Tag bottom at 1900m - no fill.
PH1	P	CMD	1830	1930	1.00	1900.0m	Circ bottoms up.
PH1	P	SVY	1930	2000	0.50	1900.0m	Run WLS - 2 deg S52E (uncorr) - 139 deg azimuth (corrected - Note azimuth to be re-read in past surveys).
PH1	P	TO	2000	2400	4.00	1900.0m	Pump pill, flow check, rack kelly and POOH f/ 1900m to 873m.

**Operations For Period 0000 Hrs to 0600 Hrs on 02 Mar 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	TO	0000	0230	2.50	1900.0m	Continue POOH F/- 873m to surface
PH1	P	HBHA	0230	0330	1.00	1900.0m	Break and lay out Bit,Stabs, Pony DC and Monel DC
PH1	P	HT	0330	0430	1.00	1900.0m	Make up and space out Core Barrel
PH1	P	TI	0430	0600	1.50	1900.0m	RIH W/- Core Barrel To Cut Core # 4 in Belfast Mudstone

WBM Data							
Daily Chemical Costs: \$ 652.00				Cost To Date: \$ 37601.00		Engineer : Peter N ARONETZ	
Mud Type:	Water Based	Flowline Temp:	43.2C°	pH:	9.8	Low Gravity Solids:	5.60%
Description:	KCl / PHPA / POLYMER	Nitrates:	0mg/l	PM:	0.68	High Gravity Solids:	0.00%
Sample From:	Past Shale Shakers	Sulphites:	180mg/l	PF:	0.8	Solids (corrected):	5.60%
Time:	19:30	API FL:	6.3cm³/30min	MF:	3.95	H2O:	94.4%
Weight:	9.20ppg	API Cake:	2/32nd"	Cl:	12400mg/l	Oil:	0.0%
ECD TD:	9.90ppg	PV	15cp	Hard/Ca:	40mg/l	Sand:	0.75 %
ECD Shoe:		YP	27lb/100ft²	MBT:	4.50	Barite:	0.00lb/bbl
Viscosity	57sec/qt	Fluoroscene	5.150ppm	KCl Equiv:	2.0%	CaCO3 Added:	19.3ppb
				PHPA Added:	1.33ppb		
				Fluoresceine:	6.400ppm		

**Comment:** No treatment of fluid system last 24 hours. CaCO3 addition only for 2 heavy pills. No Fluoresceine additions as no ongoing circulation - and product level at 6.4ppm. Received 2x5kg Fluoresceine fm SCHLUMBERGER, Dampier, WA. Dispatched 2x2.4lt mud samples to DOWELL-SLB, Welshpool, WA. No signs of receipt of 50x50lb MILGEL.

Shakers, Volumes and Losses Data							
Available	776bbl	Losses	97bbl	Equip.	Descr.	Mesh Size	Hours
Active	507bbl	Downhole	22bbl	1	Lin. Motion SHAKER	1 x 84 & 2 x 50	15
Hole	259bbl	Shakers & Equip.	50bbl	2	Lin. Motion SHAKER	1 x 84 & 2 x 50	15
Slug		Dumped	25bbl	3	De-Sander	2 x 8" Cones	0
Reserve	10bbl	Centrifuges		4	De-Silter	12 x 4" Cones	0
		Desander					
		De-Silter	0bbl				
Built	0bbl						

**Comment:** No treatment of fluid system last 24 hours. CaCO3 addition only for 2 heavy pills.

Bit Data							
<b>Bit # 2RR2</b>							
Size ("):	6.750	IADC#		<b>Nozzles</b>	<b>Drilled over last 24 hrs</b>	<b>Calculated over Bit Run</b>	
Mfr:	Stealth Tools	WOB(avg)	8.0klb	5 x 12(/32nd")	Progress	11.0m	Cum. Progress
Type:	PDC	RPM(avg)	110		On Bottom Hrs	1.20	Cum. On Btm Hrs
Serial No.:	6972	RPM (DH)(avg)	110		IADC Drill Hrs	2.00	Cum IADC Drill Hrs
Bit Model	M565	F.Rate	315.0gpm		Total Revs	9170	Cum Total Revs
Depth In	1270.0m	SPP	1250.0psi		OB-ROP(avg)	9.17m/hr	Cum. OB-ROP(avg)
Depth Out		TFA	0.552	HSI	HSI		
Bit Wear Comment	Bit in good condition. Gauge OK. One cutter chipped. Full description to follow.						

BHA Data							
<b>BHA # 6</b>							
Weight(Wet)	25.0klb	Length	260.6m	Torque(max)	13000.0ft-lbs	D.C. (1) Ann Velocity	336fpm
Wt Below Jar(Wet)	20.0klb	String	107.0klb	Torque(Off.Btm)	2000.0ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	112.0klb	Torque(On.Btm)	9000.0ft-lbs	H.W.D.P. Ann Velocity	232fpm
		Slack-Off	105.0klb	Jar Hours	134.5	D.P. Ann Velocity	232fpm
BHA Run Comment	Units for torque not ft-lbs						

Equipment	Length	OD	ID	Serial #	Hours	Comment
Bit	1 x 0.26m	6.75in		6972	120	Tasman
Near Bit Stab	1 x 1.51m	6.75in	2.43in	5475-1	134.5	
Pony DC	1 x 2.90m	4.75in	2.25in	502-A32	134.5	
String Stabiliser	1 x 1.54m	6.75in	2.06in	5415-2	134.5	
NMDC	1 x 9.19m	4.75in	2.31in		134.5	
4.75" DC	1 x 9.49m	4.75in	2.31in		134.5	
String Stabiliser	1 x 1.54m	6.75in	2.00in	475-3	134.5	
4.75" DC	15 x 9.43m	4.75in	2.31in		134.5	
Drilling Jars	1 x 9.37m	4.75in	2.31in	380-47763-03	134.5	
4 3/4 DC	3 x 9.50m	4.75in	2.31in		134.5	
3 1/2" HWDP	6 x 9.14m	3.50in	2.12in		166	
Total Length:	260.59m					

Survey								
MD (m)	Incl. (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (m)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
1574.00	1.50	156.00	1573.8	-6.64	0.80	6.64	17.52	Hofco single shot
1691.00	2.00	252.00	1690.7	-4.61	0.67	4.61	16.20	Hofco single shot
1808.00	2.00	186.00	1807.7	-1.95	0.56	1.95	14.04	Hofco single shot
1896.00	2.00	139.00	1895.6	0.73	0.54	-0.73	14.89	Hofco single shot

Summary	
Company	Pax On
Upstream Petroleum	4
Century Drilling Ltd	28
BHI	2
Corpro Systems Ltd	2
RMN Drilling Fluids	1
Total on Rig	37

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
AMC Biocide G	25L can	0	0	0	9.0	
AMC Defoamer	25L can	0	0	0	15.0	
AMC PAC-R	25kg sack	0	0	0	81.0	
AMC PHPA	25kg sack	0	0	0	58.0	
AUS-BEN	25kg sack	0	0	0	38.0	
AUS-DEX	25kg sack	0	0	0	0.0	
AUS-GEL	25kg sack	0	0	0	168.0	
Baryte	25kg sack	0	0	0	686.0	
CaCl	25kg sack	0	0	0	2.0	
Calcium Carbonate 40µ	25 kg sacks	0	56	0	723.0	
Caustic Soda	25kg pail	0	0	0	36.0	
Citric Acid	25kg sack	0	0	0	34.0	
Cement - Class A	40kg sack	0	0	0	0.0	
Fluoresceine (5 kg)	5 kg	2	0	0	2.0	
Fluoresceine (1 pint)	1 pint	0	0	0	8.0	
Kwik-seal C	40lb sack	0	0	0	30.0	
Kwik-seal F	40lb sack	0	0	0	32.0	
Kwik-seal M	40lb sack	0	0	0	32.0	
Lime	20kg sack	0	0	0	8.0	
KCl	25kg sack	0	0	0	346.0	
Rod-free 205L	205L drum	0	0	0	1.0	
Rod-free 25L	25L can	0	0	0	0.0	
NaCl	25kg sack	0	0	0	0.0	
SAPP	25kg sack	0	0	0	30.0	
Soda Ash	25kg sack	0	0	0	48.0	
Sodium Sulfite	25kg sack	0	0	0	39.0	
Xanthan Gum	25kg sack	0	0	0	33.0	
Xtra-sweep	12lb box	0	0	0	5.0	
Diesel fuel		0	2000	0	10,400.0	

Pumps													
Pump Data - Last 24 Hrs								Slow Pump Data					
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM	SPP (psi)	Flow (gpm)	Depth (m)	Ck. Line (psi)	SPM		SPP (psi)	Flow (gpm)
1	GD PZ-7	5.50	9.00	97	75	1250.00	157.00	1888.0		1.	70	460.00	
										2.	100	780.00	
2	GD PZ-7	5.50		97	75					1.			
										2.			
3	GD PZ-7	5.51	9.00	97	0	1250.00	157.00	1888.0		1.	70	460.00	
										2.	100	780.00	