

28 Jul 2006

From: Simon Rodda/ Bryan Webb
To: John Ah-Cann

DRILLING MORNING REPORT # 19
Longtom 3

Well Data							
Country	Australia	MDBRT	3437.0m	Cur. Hole Size	9.500in	AFE Cost	\$40,292,054
Field	Gippsland Basin	TVDBRT	2580.6m	Last Casing OD	16.000in	AFE No.	LSDED01/0
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	995.3m	Daily Cost	\$547,843
Rig	OCEAN PATRIOT	Days from spud	17.37	Shoe MDBRT	995.3m	Cum Cost	\$22,536,194
Wtr Dpth (LAT)	56.7m	Days on well	18.60	FIT/LOT:	/ 13.50ppg	Days Since Last LTI	1167
RT-ASL (LAT)	21.5m	Planned TD MD	5834.0m				
RT-ML	78.2m	Planned TD TVDRT	2458.0m				
Current Op @ 0600		Logging with LWD Ecoscope @3230m MDRT (tool depth)					
Planned Op		Complete logging with Ecoscope. Drill ahead from 3437m MDRT to section TD.					

Summary of Period 0000 to 2400 Hrs
Complete PEX-XPT-CMR logging runs. Rigged down logging equipment. Made up BHA and ran in hole to shoe @995m MDRT. Slipped and cut drilling line, serviced TDS and blocks. Ran in hole to 2590m MDRT(tool depth), commenced logging with LWD/MWD to 2627m MDRT (tool depth).

FORMATION	
Name	Top
300 Sand	
200 Sand	
100 Sand	
Emperor Volcanics	3412.00m
TD	

Operations For Period 0000 Hrs to 2400 Hrs on 28 Jul 2006							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	LOG	0000	0930	9.50	3437.0m	Continue with XPT logging from 3290m up with toolstring #1. Tools at surface.
IH	P	LOG	0930	1130	2.00	3437.0m	Remove radioactive source, lay out tool string. Rig down logging equipment and clear rig floor.
IH	P	HBHA	1130	1530	4.00	3437.0m	Make up 9 1/2" BHA. Bit/ NB stab/ NM dc/ Ecoscope/ Telescope/ 5 x 6 1/2" DC/ 3 x HWDP/ Jars/ 12 x HWDP. Shallow test MWD prior to loading radio active source.
IH	P	PUP	1530	1600	0.50	3437.0m	Ran in hole from 223m MDRT to 338m MDRT picking up 5"dp off deck.
IH	P	TI	1600	1730	1.50	3437.0m	Ran in hole from 338m MDRT to 995m MDRT 16" shoe.
IH	P	SC	1730	1930	2.00	3437.0m	Slip and cut drilling line.
IH	P	RS	1930	2000	0.50	3437.0m	Service TDS & blocks.
IH	P	TI	2000	2300	3.00	3437.0m	Ran in hole from 995m MDRT to 2065m MDRT, 50klbs of drag, ream through. Continue to run in hole to 2580m MDRT no drag observed.
IH	P	LOG	2300	2400	1.00	3437.0m	Log with LWD Ecoscope from 2590m MDRT 2627m MDRT. 600gpm/ 3600psi/ 80rpm/ 7-8klbs tq/ @100m/hr. No hole problems observed while logging in hole.

Operations For Period 0000 Hrs to 0600 Hrs on 29 Jul 2006							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	LOG	0000	0200	2.00	3437.0m	Continue to log with LWD Ecoscope from 2627m MDRT to 2680m MDRT.
IH	P	TI	0200	0230	0.50	3437.0m	Ran in hole fom 2680m MDRT to 3025m MDRT
IH	P	LOG	0230	0600	3.50	3437.0m	(IN PROGRESS) Log with LWD Ecoscope from: 3025m MDRT to 3120m MDRT. 3195m MDRT to 3230m MDRT. 3280m MDRT to 3315m MDRT. 3355m MDRT to 3400m MDRT.

Phase Data to 2400hrs, 28 Jul 2006						
Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
RIG MOVE/RIG-UP/PRESPUD(RM)	9.5	10 Jul 2006	10 Jul 2006	9.50	0.396	0.0m

Phase Data to 2400hrs, 28 Jul 2006						
Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
ANCHORING(A)	19	10 Jul 2006	11 Jul 2006	28.50	1.188	0.0m
CONDUCTOR HOLE(CH)	5.5	11 Jul 2006	13 Jul 2006	34.00	1.417	112.0m
CONDUCTOR CASING(CC)	32	11 Jul 2006	13 Jul 2006	66.00	2.750	112.0m
SURFACE HOLE(SH)	51.5	13 Jul 2006	15 Jul 2006	117.50	4.896	1005.0m
SURFACE CASING(SC)	26.5	15 Jul 2006	16 Jul 2006	144.00	6.000	1005.0m
INTERMEDIATE HOLE(IH)	302.5	16 Jul 2006	28 Jul 2006	446.50	18.604	3437.0m

WBM Data		Cost Today \$ 0					
Mud Type:	Petrofree	API FL:	CI:	Solids(%vol):	20%	Viscosity	87sec/qt
Sample-From:	Active pit	Filter-Cake:	K+C*1000:	H2O:	16%	PV	42cp
Time:	21:00hrs	HTHP-FL:	3.0cc/30min	Hard/Ca:		YP	21lb/100ft ²
Weight:	12.15ppg	HTHP-cake:	2/32nd"	MBT:		Gels 10s	29
Temp:				PM:	0.8	Gels 10m	50
				PF:		Fann 003	13
						Fann 006	14
						Fann 100	31
						Fann 200	
Comment	Total product costs to date \$ 833,924.85 Cumulative total \$ 871,324.85 (including engineer) zero mud costs for today.					Fann 300	63
						Fann 600	105

Bit # 8		Wear	I	O1	D	L	B	G	O2	R
Bitwear Comments:										
Size ("):	IADC#	517X	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run		
Mfr:	SMITH	WOB(avg)	No.	Size	Progress			Cum. Progress		
Type:	Rock	RPM(avg)	3	28/32nd"	On Bottom Hrs			Cum. On Btm Hrs		
Serial No.:	MY 3657	F.Rate			IADC Drill Hrs			Cum IADC Drill Hrs		
Bit Model	GF21OD 9 1/2"	SPP	3600psi		Total Revs			Cum Total Revs		
Depth In	3437.0m	HSI			ROP(avg)			N/A		
Depth Out		TFA	1.804					0.00 m/hr		
Bit Comment										

BHA # 9		Weight(Wet)	36.00klb	Length	223.5m	Torque(max)	9ft-lbs	D.C. (1) Ann Velocity
Wt Below Jar(Wet)	16.00klb	String		Torque(Off.Btm)	8ft-lbs	D.C. (2) Ann Velocity		
Drilling Jar Hours		Pick-Up		Torque(On.Btm)	3ft-lbs	H.W.D.P. Ann Velocity		
		Slack-Off				D.P. Ann Velocity		

BHA Run Description

BHA Run Comment

Equipment	Length	OD	ID	Top Conn	Serial #	Comment
Bit	0.26m	9.500in			MY3657	9 1/2" OD
Near Bit Stab	1.58m	9.375in	2.870in		207A22	
NMDC	9.29m	6.750in	2.870in		SBD2265	
X/O	0.48m	6.875in				
Ecoscope	8.05m	8.250in			779	8 1/4 sleeve
Telescope x/o	8.53m	6.875in	2.875in		FA28	
6 3/4	46.34m	6.500in	3.000in			
5in HWDP	27.47m	5.000in	3.000in			
Drilling Jars	9.68m	6.375in	2.750in			
5in HWDP		5.000in	3.000in		DAH03584	
	111.86m					

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite Bulk	MT	0	0	0	143.5	

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Bentonite Bulk	MT	0	0	0	21.8	
Diesel	m3	0	5.4	0	474.1	
Fresh Water	m3	17	25.3	0	390.4	
Drill Water	m3	0	14.4	0	711.4	
Cement G	MT	0	0	0	178.6	
Cement HT (Silica)	MT	0	0	0	51.4	
Brine	m3	0	0	0	0.0	

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	5.500	12.15	97					30		3.00	40		4.00	50		5.00
2	12P 160	6.000	12.15	97	70	3600	7.14		20		2.00	30		3.00	40		4.00
3	12P 160	6.000	12.15	97	70	3600	7.14		30	0	3.00	40	0	4.00	50	0	5.00

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 "	110.80	110.80	110.80	110.80	0.00	
16 "	995.32	995.32	995.32	995.32		

Personnel On Board		
Company	Pax	Comment
NEXUS	6	
DOGC	54	45 x DOGC 3x DOGC extra (, 1 x crane op, 1 x dogman, 1 x welder) 6 x DOGC other (2 x painter, 3 x union hydraulic, 1 x crane cab man)
DOWELL SCHLUMBERGER	2	
FUGRO SURVEY LTD (ROV)	3	
SCHLUMBERGER ANADRIL	4	2 x MWD, 2 x DD.
BAROID	2	
ESS	8	
GEOSERVICES OVERSEAS S.A.	6	
Q-Tech	1	
K & M	2	
Brandt	1	
WEATHERFORD AUSTRALIA PTY LTD	2	
SCHLUMBERGER OILFIELD AUSTRALIA PTY LTD	6	
Total	97	

HSE Summary					
Events	Date of last	Days Since	Descr.	Remarks	
Last BOP Test	17 Jul 2006				
Abandon Drill	23 Jul 2006	5 Days	Weekly abandon rig drill		
Fire Drill	23 Jul 2006	5 Days	Weekly fire drill		
JSA	28 Jul 2006	0 Days	Drillcrew 8, deckcrew 15, mechanic 0, subsea 0, Painters 0, welder 0, marine 0, catering 0, 3rd party 0.		
Man Overboard Drill	21 Jul 2006	7 Days	Monthly man overboard drill		
Safety Meeting	23 Jul 2006	5 Days	Weekly crew safety meetings	0100/1300/1900hrs	
STOP Card	28 Jul 2006	0 Days	Safe 5 un-safe 5		
Trip / Kick Drill	28 Jul 2006	0 Days	Trip drill	Held trip drill at shoe on trip in hole	

Shakers, Volumes and Losses Data						
Available	2,595.7bbl	Losses	0bbl	Equip.	Descr.	Mesh Size
Active	499bbl			Shaker1	VSM100	10/200/200/200/200
Hole	1,384.1bbl			Shaker1	VSM100	10/200/200/200/200
Reserve	531.8bbl			Shaker2	VSM100	10/200/200/200/200
Slug	25.8bbl			Shaker2	VSM100	10/200/200/200/200
Petrofree ester	155bbl			Shaker3	VSM100	10/200/200/200/200
				Shaker3	VSM100	10/200/200/200/200
				Shaker4	VSM100	10/200/200/200/200
				Shaker4	VSM100	10/200/200/200/200

Marine									
Weather on 28 Jul 2006							Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Tension (klb)
10.0nm	8kn	315.0deg	1017.0mbar	11C°	0.1m	315.0deg		1	216.0
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments		2	181.0
270.0deg	292.00klb	5012.00klb	0.5m	90.0deg	-1s			3	260.0
Comments								4	245.0
								5	326.0
								6	326.0
								7	207.0
								8	205.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks								
Item	Unit	Used	Trf. to Rig	Qty. Remaining								
Far Grip		0710hrs 28th July	En-route to Melbourne	Diesel	m3	2		388				
				Fresh Water	m3	2	0	422				
				Drill Water	m3	0	0	174				
				Cement G	mt	0	0	0				
				Cement HT (Silica)	mt	0	0	0				
				Barite Bulk	mt	0	0	0				
				Bentonite Bulk	mt	0	0	0				
				Brine	m3	0	0	0				
					bbls	0	0	1005				
Pacific Wrangler	1940hrs 27th July		Stand by.	Diesel	m3	1.6	0	437.6				
				Fresh Water	m3	5	8	248				
				Drill Water	m3	0	0	308				
				Cement G	mt	0	0	0				
				Cement HT (Silica)	mt	0	0	0				
				Barite Bulk	mt	0	0	0				
				Bentonite Bulk	mt	0	0	0				
				Brine	m3	0	0	0				
					m3	0	0	0				
					m3	0	0	428				

Helicopter Movement				
Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	1000 / 1014	8 / 9	Fuel remaining on board 3480 liters