

Last BOP Test: 21 Aug 2006

DRILLING MORNING REPORT # 45 Longtom-3 H

23 Aug 2006 From: John Wrenn/Webby To: John Ah-Cann

Well Data	1									
Country	Australia	MDBRT	4090.0m	Cur. Hole Size	9.500in	AFE Cost	\$40,292,054			
Field	Gippsland	TVDBRT	2517.8m	Last Casing OD	10.750in	AFE No.	LSDED01/0			
	Basin	Progress	0.0m	Shoe TVDBRT	2184.3m	Daily Cost	\$286,060			
Drill Co.	DOGC	Days from spud	43.37	Shoe MDBRT	2374.3m	Cum Cost	\$35,957,089			
Rig	OCEAN PATRIOT	Days on well	45.00	FIT/LOT:	15.00ppg /	Days Since Last LTI	78			
Wtr Dpth (LA	AT) 56.7m	Planned TD MD	5834.0m							
RT-ASL (LA	T) 21.5m	Planned TD TVDRT	2458.0m							
RT-ML	78.2m									
Current Op	@ 0600	Running in the hole at	925m MDRT							
Planned Op		Complete trip in hole a MDRT.	Complete trip in hole and drill ahead with rotary build assembly/ Ecoscope/ telescope. Drill ahead from 4090m MDRT.							

Summary of Period 0000 to 2400 Hrs

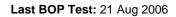
Pulled out of hole from 3905m MDRT to surface, hole in premium condition.

Commence diagnostic work with Anadrill down hole tools. Through testing and elimination found Xceed to be faulty. Model rotary build assembly while laying out Xceed.

FORMATION	
Name	Тор
300 sand	
200 sand	
100 sand	
Emperor Volcanics	
TD	

Operations For Period 0000 Hrs to 2400 Hrs on 23 Aug 2006

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
PH	TP (DTF)	ТО	0000	0230	2.50	4090.0m	Continue to pull out of the hole from 3905m MDRT to 3100m MDRT. No hole problems observed.
PH	TP (DTF)	ТО	0230	0930	7.00	4090.0m	Break circulation and test down hole tools. No communication observed between tools (10mins). Pull out of hole from 3100m MDRT to 62m MDRT. No hole problems observed on trip out of hole.
PH	TP (DTF)	НВНА	0930	1000	0.50	4090.0m	Pulled BHA out of hole and racked Jars and HWDP.
PH	TP (DTF)	OA	1000	1330	3.50	4090.0m	Removed radio-active source from Ecoscope, commenced trouble shooting of Anadril down hole tools. Plugged into data port and attempted to read tool, no success. Make up stand and shallow test tools, no success. Laid out Telescope picked up for last BHA.
PH	Р	RS	1330	1400	0.50	4090.0m	Service travelling blocks and top drive.
PH	TP (DTF)	OA	1400	2400	10.00	4090.0m	Picked up high hour Telescope and shallow tested same with existing Ecoscope and Xceed, no success. Laid out Ecoscope and picked up back up tool with uncalibrated densometer. Installed in string and shallow testted with high hour Telescope and existing Xceed, no success. Racked back high hour Telescope and Ecoscope in derrick. Laid out Xceed and bit. Ran Tele-Eco from derrick and made up x/o and bull nose to bottom. Shallow tested tools, working ok. Simulated several connections with pumps on /pumps off, working ok. Laid out high hour Telescope and un-calibrated Ecoscope. Modified service tool and removed extender from Xceed to test, extender tested ok when out of tool but un-serviceable when inside tool. Picked up Telescope/Ecoscope/ Xceed as pulled from hole but with no electrical connection from Ecoscope to Xceed. Shallow tested, Telescope/Ecoscope working ok. Received call from Stonehouse in England that data down loaded from Xceed showed unit was un-serviceable. Commence designing a rotary build assembly without Xceed.





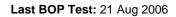
Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description	
PH	TP (DTF)	HT	0000	0100	1.00	4090.0m	Racked back Telescope and Ecoscope in derrick. Break off bit and laid out Xceed.	
PH	TP (DTF)	НВНА	0100	0400	3.00	4090.0m	Picked up new BHA. Bit12 (RR1)/ NB stab 9 3/8"/ 6 1/2" NMDC/ Ecoscope/ Telescope/ 1 x NM HWDP/ 1 x HWDP/ Jars/ 1 x HWDP. Load radio-active source. Shallow test tools,ok.	
PH	TP (DTF)	TI	0400	0600	2.00	4090.0m	Ran in hole from 65m MDRT to 925m MDRT.	
Phase	Phase Data to 2400hrs, 23 Aug 2006							

PH	TP (DTF)	TI	0400	060	00 2	2.00	4090.0m	Ran in h	ole fro	m 65ı	m MDR1	Γ to 925m I	MDRT.				
Phase	e Data	to 240	00hrs	s, 23 <i>F</i>	Aug 2	2006											
Phase								Phase Hrs	s S	Start C	n	Finish On	Cum	Hrs	Cum Days	Max	c Depth
PRODU	ICTION I	HOLE (1)(PH)						288 12	2 Aug	2006	23 Aug 20	06	288.00	12.	000	4090.0m
WBM	Data							Cost To	day	\$ 14	686						
Mud Ty	oe:	Petr	ofree	API FL	:			CI:				Solids(%vo	ol):	15%	Viscosity		180sec/qt
Sample	-From:	Acti	ve pit	Filter-C	Cake:			K+C*1000:	:			H2O:		14%	PV YP		38cp 24lb/100ft ²
Time:		2	21:30	HTHP-	FL:	3.2	2cc/30min	Hard/Ca:				Oil(%):		71%	Gels 10s		55
Weight:		12.0	0ppg	HTHP-	cake:		2/32nd"	MBT:				Sand:		0.25	Gels 10m Fann 003		65 10
Temp:			38C°					PM:				pH:			Fann 006		12
								PF:				PHPA:			Fann 100 Fann 200		47
Comme	nt					costs to	o date \$ 1,	703,947.33	Cummı	ulative	total \$ 1	1,785,547.3	3 (including		Fann 300		62
				engine	er)										Fann 600		100
Bit #	12							Wear	I		01	D	L	В	G	O2	R
									0		0	NO	Α	Χ	I	NO	DTF
								Bitwear Co	ommer	nts:							
Size (")	:		9	.500in	IADO	C#	M323	Noz	zles		Drille	ed over las	st 24 hrs	С	alculated o	ver Bit	Run
Mfr:			S	MITH	WOE	3(avg)		No.	Size		Progre	ss	0.0m	Cum. F	Progress		10.0m
Type:				PDC	RPM	1(avg)		7	20/32	2nd"	On Bot	tom Hrs	0.0h	Cum. 0	On Btm Hrs		0.5h
Serial N	lo.:		J۷	V8664	F.Ra	ate					IADC E	Orill Hrs	0.0h	Cum I	ADC Drill H	rs	0.5h
Bit Mod	lel		M71	6PXC	SPP						Total R	levs		Cum T	otal Revs		6
Depth I	n		40	80.0m	HSI						ROP(a	vg)	N/A	ROP(a	ıvg)	2	0.00 m/hr
Depth 0	Out		409	90.0m	TFA		2.149										
Bit Com	nment				Anac	dril dow	nhole tool	failure.									
вна ;	# 14						-					-			<u> </u>		
Weight	(Wet)		10	.00klb	Leng	gth		61.6	6m T	orque	e(max)	1	4500ft-lbs	D.C. (1) Ann Velo	city	
Wt Belo	w Jar(W	/et)	8	.00klb	Strin	g		250.00	klb T	orque	e(Off.Btr	n) 1	3300ft-lbs	D.C. (2	2) Ann Velo	city	
Drilling	Jar Houi	rs		0.5	Pick-	-Up			Т	orque	e(On.Btr	n) 1	1100ft-lbs	H.W.D	.P. Ann Vel	ocity	

BHA # 14							
Weight(Wet)	10.00klb	Length	61.6m	Torque(max)	14500ft-lbs	D.C. (1) Ann Velocity	
Wt Below Jar(Wet)	8.00klb	String	250.00klb	Torque(Off.Btm)	13300ft-lbs	D.C. (2) Ann Velocity	
Drilling Jar Hours	0.5	Pick-Up		Torque(On.Btm)	11100ft-lbs	H.W.D.P. Ann Velocity	
		Slack-Off				D.P. Ann Velocity	
BHA Run Description		PD Exceed R	otary Steerable Syster	m			

BHA Run Comment

Equipment	Length	OD	ID	Top Conn	Serial #	Comment
Bit	0.30m	9.500in		4 1/2 Reg pin	JW8664	Smith M716PXC
Power drive Xceed	7.65m	6.375in		5 1/2 FH box	CRSC-116	
Ecoscope	8.05m	9.375in		5 1/2 FH box	779	
Telescope x/o	8.48m	6.687in		NC50 box	MDC33514	
5" Non-mag HWDP	9.09m	6.375in	2.750in	NC50 box	4449	
5in HWDP	9.10m	6.250in	3.000in	NC50 box		
Drilling Jars	9.65m	6.375in	2.750in	NC50 box	DAH01904	
5in HWDP	9.30m	6.500in	3.000in	NC50 box		





Bulk Stocks					
Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	37.4	0	191.8
Bentonite Bulk	MT	0	0	0	21.8
Diesel	m3	0	14.1	0	360.2
Fresh Water	m3	28	28.9	0	316.9
Drill Water	m3	0	18	0	711.2
Cement G	MT	0	0	0	33.5
Cement HT (Silica)	MT	0	0	0	0.0
Brine	m3	0	0	0	0.0

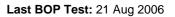
Ρι	ımps															
Pump Data - Last 24 Hrs								Slow Pump Data								
No.	Туре	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (bpm)	Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (bpm)	SPM2 (SPM)		SPM3 (SPM)		Flow3 (bpm)
1	A1700PT	5.500	12.00	97					30			40		50		
2	12P 160	6.000	12.00	97	75	4250	7.60		20		2.00	30	3.00	40		4.00
2	12P 160	6 000	12.00	97	75	4250	7.60		20		2.00	30	3 00	40		4.00

Casing					
OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)
10 3/4"	2374.30	2184.30	75.30	75.30	15.00

Personnel On Board			
Company		Pax	Comment
NEXUS		6	
DOGC		52	45 x DOGC 3x DOGC extra(, 1 x crane op, 1 x dogman, 1 x welder) 5 x DOGC other (2 x painter, 3 x union hydraulic,)
DOWELL SCHLUMBERGER		2	
FUGRO SURVEY LTD (ROV)		3	
SCHLUMBERGER ANADRIL		6	3 x MWD, 3 x DD.
BAROID		2	
ESS		8	
GEOSERVICES OVERSEAS S.A.		6	
Q-Tech		1	
K&M		2	
Brandt		1	
WEATHERFORD AUSTRALIA PTY LTD		2	
TRANSPEC		4	
	Total	95	

HSE Summary				
Events	Date of last	Days Since	Descr.	Remarks
Last BOP Test	21 Aug 2006			
Abandon Drill	20 Aug 2006	3 Days	Weekly abandon rig drill	
Environental Issue	22 Aug 2006	1 Day	Spill containment drill	Held drill with both crews.
Fire Drill	20 Aug 2006	3 Days	Weekly fire drill	
JSA	23 Aug 2006	0 Days	Drillcrew 9, deckcrew 6, Mechanic 3, Sub Sea	
Man Overboard Drill	21 Jul 2006	33 Days	Monthly man overboard drill	
Safety Meeting	20 Aug 2006	3 Days	Weekly crew safety meetings	0100/1300/1900hrs
STOP Card	23 Aug 2006	0 Days	Safe 4, Unsafe 17	
Trip / Kick Drill	13 Aug 2006	10 Days	Trip drill	Held trip drill at shoe on trip in hole

Shakers, Volumes and Losses Data									
Available	3,160.3bbl	Losses	92bbl	Equip. Descr. Mes		Mesh Size			
				Shaker1	VSM 100	10/260/260/230/230			





Active	415.8bbl	Centrifuge	81bbl	Equip.	Descr.	Mesh Size
Hole	1.289.6bbl	Retained on	11bbl	Centrifuge1	Brandt HS 3400	
Dagamia	,	cuttings		Shaker1	VSM 100	10/260/260/230/230
Reserve 1,098.9bbl			Centrifuge1	Brandt HS 3400		
Petrofree ester	356bbl			Shaker2	VSM 100	10/260/260/230/230
				Centrifuge2	Brandt HS 3400	
				Shaker2	VSM 100	10/260/260/230/230
				Centrifuge2	Brandt HS 3400	
				Shaker3	VSM 100	10/260/260/200/230
				Shaker3	VSM 100	10/260/260/200/230
				Shaker4	VSM 100	10/260/260/200/200
				Shaker4	VSM 100	10/260/260/200/200

					aker4 aker4		VSM 100 VSM 100				60/200/200 60/200/200
Marine											
Weather on	23 Aug 2006	i						Rig Support			
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors		Tension (klb)	
10.0nm	4kn	250.0deg	1018.0mbar	12C°	1.0m	250.0deg	4s	1		247.0	
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	2 157.0		7.0
_			-			1		3	3 247.0		7.0
270.0deg	360.00klb	4878.00klb	1.0m	250.0deg	7s			4		284	1.0
		Com	ments					5		370	0.0
								6		273	3.0
								7		214	1.0
								8		234	1.0
Vessel	Name A	rrived (Date/		Departed ate/Time)	Sta	itus		Bu	lks		
Far Grip		09:00hrs 20th Aug			At anchor		Item	Unit	Used	Trf. to Rig	Qty. Remaining
							Diesel	m3	2		590
							Fresh Water	m3	5		105
							Drill Water	m3			0
						L	Cement G Cement HT (Silica)	mt mt			84
						L	Barite Bulk	mt			86
						L	Bentonite Bulk	mt			0
								bbls			0

				bbls			0
			Base Oil	bbls			0
			Brine	bbls			3314
Pacific Wrangler	1955hrs 23rd Aug	Off loading cargo	Item	Unit	Used	Trf. to Rig	Qty. Remaining
			Diesel	m3			659.7
			Fresh Water	m3			349
			Drill Water	m3			300
			Cement G	mt			79.5
			Cement HT (Silica)	mt			0
			Barite Bulk	mt			217
			Bentonite Bulk	mt			0
				bbls			585
				bbls			240
			Brine	bbls			0