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

Country	Australia	MDBRT	4090.0m	Cur. Hole Size	9.500in	AFE Cost	$40,292,054
Field	Gippsland Basin	TVDBRT	2517.8m	Last Casing OD	10.750in	AFE No.	LSDED01/0
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	2184.3m	Daily Cost	$286,060
Rig	OCEAN PATRIOT	Days from spud	43.37	Shoe MDBRT	2374.3m	Cum Cost	$35,957,089
Wtr Dpth (LAT)	56.7m	Days on well	45.00	FIT/LOT:	15.00ppg /	Days Since Last LTI	78
RT-ASL (LAT)	21.5m	Planned TD MD	5834.0m				
RT-ML	78.2m	Planned TD TVDRT	2458.0m				

Current Op @ 0600	Running in the hole at 925m MDRT
Planned Op	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	Top
300 sand	
200 sand	
100 sand	
Emperor Volcanics	
TD	

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

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	TP (DTF)	TO	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)	TO	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)	HBHA	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	P	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.

Operations For Period 0000 Hrs to 0600 Hrs on 24 Aug 2006

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Phse	Cls (RC)	Op	From	To	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)	HBHA	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 Data to 2400hrs, 23 Aug 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
PRODUCTION HOLE (1)(PH)	288	12 Aug 2006	23 Aug 2006	288.00	12.000	4090.0m

WBM Data

Cost Today $ 14686

Mud Type:	Petrofree	API FL:		Cl:	Solids(%vol):	15%	
Sample-From:	Active pit	Filter-Cake:		K+C*1000:	H2O:	14%	
Time:	21:30	HTHP-FL:	3.2cc/30min	Hard/Ca:	Oil(%):	71%	
Weight:	12.00ppg	HTHP-cake:	2/32nd"	MBT:	Sand:	0.25	
Temp:	38C°			PM:	pH:		
				PF:	PHPA:		

Viscosity	180sec/qt
PV	38cp
YP	24lb/100ft²
Gels 10s	55
Gels 10m	65
Fann 003	10
Fann 006	12
Fann 100	47
Fann 200	
Fann 300	62
Fann 600	100

Comment: Total product costs to date $ 1,703,947.33 Cummulative total $ 1,785,547.33 (including engineer)

Bit # 12

Wear	I	O1	D	L	B	G	O2	R
	0	0	NO	A	X	I	NO	DTF

Bitwear Comments:

Size (''):	9.500in	IADC#	M323	**Nozzles**		**Drilled over last 24 hrs**		**Calculated over Bit Run**	
Mfr:	SMITH	WOB(avg)		No.	Size	Progress	0.0m	Cum. Progress	10.0m
Type:	PDC	RPM(avg)		7	20/32nd"	On Bottom Hrs	0.0h	Cum. On Btm Hrs	0.5h
Serial No.:	JW8664	F.Rate				IADC Drill Hrs	0.0h	Cum IADC Drill Hrs	0.5h
Bit Model	M716PXC	SPP				Total Revs		Cum Total Revs	6
Depth In	4080.0m	HSI				ROP(avg)	N/A	ROP(avg)	20.00 m/hr
Depth Out	4090.0m	TFA	2.149						

Bit Comment: Anadril downhole tool failure.

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 Rotary Steerable System

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		

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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

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	12.00	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
3	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.	Mesh Size
Shaker1	VSM 100	10/260/260/230/230

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Shakers, Volumes and Losses Data

Active	415.8bbl	Centrifuge	81bbl
Hole	1,289.6bbl	Retained on cuttings	11bbl
Reserve	1,098.9bbl		
Petrofree ester	356bbl		

Equip.	Descr.	Mesh Size
Centrifuge1	Brandt HS 3400	
Shaker1	VSM 100	10/260/260/230/230
Centrifuge1	Brandt HS 3400	
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

Marine

Weather on 23 Aug 2006

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	4kn	250.0deg	1018.0mbar	12C°	1.0m	250.0deg	4s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
270.0deg	360.00klb	4878.00klb	1.0m	250.0deg	7s	

Comments

Rig Support

Anchors	Tension (klb)
1	247.0
2	157.0
3	247.0
4	284.0
5	370.0
6	273.0
7	214.0
8	234.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Far Grip	09:00hrs 20th Aug		At anchor

Bulks

Item	Unit	Used	Trf. to Rig	Qty. Remaining
Diesel	m3	2		590
Fresh Water	m3	5		105
Drill Water	m3			0
Cement G	mt			84
Cement HT (Silica)	mt			0
Barite Bulk	mt			86
Bentonite Bulk	mt			0
	bbls			0
Base Oil	bbls			0
Brine	bbls			3314

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Wrangler	1955hrs 23rd Aug		Off loading cargo

Bulks

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