

07 Aug 2006

From: Simon Rodda/Chris Roots  
To: John Ah-Cann

**DRILLING MORNING REPORT # 29**  
**Longtom-3 ST1**

Well Data							
Country	Australia	MDBRT	2563.0m	Cur. Hole Size	13.500in	AFE Cost	\$40,292,054
Field	Gippsland Basin	TVDBRT	2010.0m	Last Casing OD	16.000in	AFE No.	LSDED01/0
Drill Co.	DOGC	Progress	56.0m	Shoe TVDBRT	995.3m	Daily Cost	\$0
Rig	OCEAN PATRIOT	Days from spud	27.37	Shoe MDBRT	995.3m	Cum Cost	\$0
Wtr Dpth (LAT)	56.7m	Days on well	7.08	FIT/LOT:	/ 13.50ppg	Days Since Last LTI	63
RT-ASL (LAT)	21.5m	Planned TD MD	5834.0m				
RT-ML	78.2m	Planned TD TVDRT	2458.0m				
Current Op @ 0600		Electric wireline log #1 : XPT					
Planned Op		Electric wireline logging. Run the hole open ended DP to plug back.					

Summary of Period 0000 to 2400 Hrs
Drilled to section TD 2563mrt. Pulled back to 2384mrt. Relogged to TD w/ LWD. Circulated hole clean (zero trip gas. Pulled out of the hole.

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

**Operations For Period 0000 Hrs to 2400 Hrs on 07 Aug 2006**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	0830	8.50	2563.0m	Drilled 13 1/2" directional hole f/ 2507 to 2563mrt, holding a tangent angle of 52 deg. Backreamed connections.  Drilled gas levels dropped to <100 units (2%) f/ 2478mrt.  ROP reduced to <10 m/hr f/ 2554mrt (volcanics) further reducing to < 2m/hr f/ 2561mrt.  Cuttings on shakers had significantly reduced due to slow ROP.
IH	P	WT	0830	0930	1.00	2563.0m	Flow checked 20mins (static) Pulled a 5 stand wiper trip back to 2384mrt to check for swabbed gas and to facilitate repeat logging interval with LWD
IH	P	LOG	0930	1330	4.00	2563.0m	Ran in the hole f/ 2384 to 2403mrt. Washed & reamed to repeat log the interval f/ 2403 to 2563mrt.
IH	P	CHC	1330	1430	1.00	2563.0m	Circulated bottoms up (shakers clean) no swabbed gas observed. Background gas 13 units (0.26%)
IH	P	TO	1430	1500	0.50	2563.0m	Flow checked (static) Pumped slug.
IH	P	TO	1500	2230	7.50	2563.0m	Pulled out of the hole f/ 2563mrt (TD) to the BHA.  Encountered several overpulls up 30klb's, which wiped clear with 1 reciprocation. Worked through tight interval f/ 2198 to 2182mrt max overpull 30klb, 3 reciprocations required to clear.
IH	P	HBHA	2230	2300	0.50	2563.0m	Pulled the HWDP.
IH	P	HBHA	2300	2400	1.00	2563.0m	Removed RA source & laid out the MWD/LWD.

**Operations For Period 0000 Hrs to 0600 Hrs on 08 Aug 2006**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	HBHA	0000	0130	1.50	2563.0m	Completed laying out the BHA.
IH	P	LOG	0130	0200	0.50	2563.0m	Rigged up Logging sheaves.
IH	P	OA	0200	0400	2.00	2563.0m	Picked up logging tool #1 : XPT - GR In the hole @ 02:40hrs. Ran in the hole to hold up depth (HUD) 2144mrt.
IH	P	HBHA	0400	0500	1.00	2563.0m	Worked through HUD @ 2144, 2158, 2160 & unable to pass 2169mrt, zero overpulls

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	HBHA	0500	0600	1.00	2563.0m	required to pull back f/ HUD. Correlate w/ GR & commence to obtain nominated pressure points, whilst pulling out of the hole to reconfigure the tool string.

**Phase Data to 2400hrs, 07 Aug 2006**

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
INTERMEDIATE HOLE(IH)	170	31 Jul 2006	07 Aug 2006	170.00	7.083	3485.0m

**WBM Data**

**Cost Today \$ 22770**

Mud Type:	Petrofree	API FL:	Cl:	Solids(%vol):	18%	Viscosity	63sec/qt	
Sample-From:	Active pit	Filter-Cake:	K+C*1000:	H2O:	15%	PV	38cp	
Time:	14:30	HTHP-FL:	3.2cc/30min	Hard/Ca:		YP	19lb/100ft <sup>2</sup>	
Weight:	12.00ppg	HTHP-cake:	2/32nd"	MBT:		Gels 10s	46	
Temp:	75C°			PM:		Gels 10m	53	
				PF:		Fann 003	11	
						Fann 006	12	
						Fann 100	28	
						Fann 200		
Comment	Total product costs to date \$ 1,163,417.29 Cummulative total \$ 1,217,817.29 (including engineer)						Fann 300	57
						Fann 600	95	

**Bit # 10**

Wear	I	O1	D	L	B	G	O2	R
	1	8	RO	S	X	I	LT	TD
Bitwear Comments: Inner 2 rows of cutters 0 wear, 3rd row 1, 4th row 2.								
Shoulder rung out section -60mm x 60mm								

Size ("):	IADC#	Nozzles	Drilled over last 24 hrs	Calculated over Bit Run
Mfr: SMITH	WOB(avg) 20.00klb	No. Size	Progress 56.0m	Cum. Progress 836.0m
Type: PDC	RPM(avg) 180	7 18/32nd"	On Bottom Hrs 6.4h	Cum. On Btm Hrs 30.3h
Serial No.: JW0327	F.Rate 19.00bpm		IADC Drill Hrs 7.8h	Cum IADC Drill Hrs 42.6h
Bit Model MGR75	SPP 4400psi		Total Revs	Cum Total Revs 0
Depth In 1727.0m	HSI		ROP(avg) 8.75 m/hr	ROP(avg) 27.59 m/hr
Depth Out 2563.0m	TFA 1.74			

**Bit Comment**

**BHA # 11**

Weight(Wet)	30.00klb	Length	208.6m	Torque(max)	14000ft-lbs	D.C. (1) Ann Velocity
Wt Below Jar(Wet)	15.00klb	String	250.00klb	Torque(Off.Btm)	5400ft-lbs	D.C. (2) Ann Velocity
Drilling Jar Hours	215	Pick-Up	270.00klb	Torque(On.Btm)	12000ft-lbs	H.W.D.P. Ann Velocity
		Slack-Off	235.00klb			D.P. Ann Velocity

BHA Run Description Rotary Steerable System

**BHA Run Comment**

Equipment	Length	OD	ID	Top Conn	Serial #	Comment
Bit	0.48m	13.500in	3.750in	6 5/8 reg	JW0327	MGR75 13 1/2"
Power drive 900 BA	4.22m	9.000in	3.000in	6 5/8 reg	CU727	
Power drive Emag receiver	1.87m	9.625in	5.130in	6 5/8 reg	49487	
Flex collar	2.94m	8.062in	3.500in	6 5/8 FH	49688	
ARC 8	5.91m	9.100in	2.082in	6 5/8 FH	1697	
Power pulse HF w/IWOB	8.32m	8.410in	5.900in	6 5/8 FH	23326	
ADN-8	6.57m	8.410in	2.810in	6 5/8 FH	FL38	
X/O	1.17m	8.250in	3.000in	6 5/8 reg		
5in HWDP	55.71m	6.250in	3.000in	NC50		
Drilling Jars	9.68m	6.312in	2.750in	NC50	DAH0384	
5in HWDP		6.250in	3.000in	NC50		
	111.90m					

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite Bulk	MT	0	25.3	0	161.8	
Bentonite Bulk	MT	0	0	0	21.8	
Diesel	m3	0	29.2	0	489.4	
Fresh Water	m3	18	37.1	0	288.3	
Drill Water	m3	0	39.5	0	430.4	
Cement G	MT	0	0	0	126.7	
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	12.15	97		4400		2295.0	30	225		40	275		50	350	
2	12P 160	6.000	12.00	97		4400		2295.0	20			30			40		
3	12P 160	6.000	12.00	97		4400			20			30			40		

Personnel On Board		
Company	Pax	Comment
NEXUS	6	
DOGC	48	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	5	
CAMERON AUSTRALIA PTY LTD	1	
SCHLUMBERGER OILFIELD AUSTRALIA PTY LTD	6	
<b>Total</b>	<b>97</b>	

HSE Summary					
Events	Date of last	Days Since	Descr.	Remarks	
Last BOP Test	04 Aug 2006				
Abandon Drill	06 Aug 2006	1 Day	Weekly abandon rig drill		
Fire Drill	06 Aug 2006	1 Day	Weekly fire drill		
JSA	07 Aug 2006	0 Days	Drillcrew 6 , deckcrew 9, Mechanic 4, Marine 1		
Man Overboard Drill	21 Jul 2006	17 Days	Monthly man overboard drill		
Safety Meeting	06 Aug 2006	1 Day	Weekly crew safety meetings	0100/1300/1900hrs	
STOP Card	07 Aug 2006	0 Days	Safe 3, Unsafe 1		
Trip / Kick Drill	07 Aug 2006	0 Days	Trip drill	Held trip drill at shoe on trip in hole	

Shakers, Volumes and Losses Data						
Available	3,798bbl	Losses	117bbl	Equip.	Descr.	Mesh Size
Active	480bbl	Down-hole	70bbl	Shaker1	VSM100	10/230/230/200/200
Hole	1,660bbl	Centrifuge	19bbl	Shaker2	VSM100	10/230/260/200/200
Reserve	1,251bbl	Retained on cuttings	28bbl	Shaker3	VSM100	10/230/230/200/200
Petrofree	407bbl			Shaker4	VSM100	10/260/260/200/200

**Shakers, Volumes and Losses Data**

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**Marine**

Weather on 07 Aug 2006								Rig Support	
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Tension (klb)
10.0nm	0kn	0.0deg	1033.0mbar	16C°	0.0m	0.0deg		1	273.0
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments		2	181.0
270.0deg	300.00klb	5254.00klb	1.5m	135.0deg				3	256.0
Comments								4	251.0
								5	377.0
								6	342.0
								7	207.0
								8	205.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks				
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Far Grip		06:20hrs 6th August	In Port	Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Diesel	m3		200	286
				Fresh Water	m3			403
				Drill Water	m3			744
				Cement G	mt			0
				Cement HT (Silica)	mt			0
				Barite Bulk	mt			0
				Bentonite Bulk	mt			0
					bbls			54
				Brine	bbls			0

Pacific Wrangler	10:40hrs 5th August		Standby	Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Diesel	m3			609
				Fresh Water	m3			284
				Drill Water	m3			308
				Cement G	mt			73
				Cement HT (Silica)	mt			0
				Barite Bulk	mt			218
				Bentonite Bulk	mt			0
					bbls		625	1283
				Brine	bbls		333	0

Offloaded base oil & SBM to the rig

**Helicopter Movement**

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	/	0 / 0	Fuel remaining on board 5530 liters