

08 Aug 2006

From: John Wrenn/Chris Roots
To: John Ah-Cann

DRILLING MORNING REPORT # 30
Longtom-3 ST1

Well Data							
Country	Australia	MDBRT	2563.0m	Cur. Hole Size	13.500in	AFE Cost	\$40,292,054
Field	Gippsland Basin	TVDBRT	2299.0m	Last Casing OD	16.000in	AFE No.	LSDED01/0
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	995.3m	Daily Cost	\$0
Rig	OCEAN PATRIOT	Days from spud	28.37	Shoe MDBRT	995.3m	Cum Cost	\$3,367,457
Wtr Dpth (LAT)	56.7m	Days on well	8.08	FIT/LOT:	/ 13.50ppg	Days Since Last LTI	1173
RT-ASL (LAT)	21.5m	Planned TD MD	5834.0m				
RT-ML	78.2m	Planned TD TVDRT	2458.0m				
Current Op @ 0600		Pulling out of the hole					
Planned Op		Run in the hole w/ 13 1/2" bit & dress cement plug to 2380mrt. Pull out of the hole. Pull the wear bushing & commence running 10 3/4" casing.					

Summary of Period 0000 to 2400 Hrs

Abandoned logging program due to inability to get logging tools into the hole. Ran in the hole and plugged back to 2375mrt.

FORMATION

Name	Top
300 sand	
200 sand	
100 sand	
Emperor Volcanics	
TD	

Operations For Period 0000 Hrs to 2400 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	LOG	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	TP (HC)	LOG	0400	0500	1.00	2563.0m	Worked through HUD @ 2144, 2158, 2160 & unable to pass 2169mrt, zero overpulls required to pull back f/ HUD.
IH	P	LOG	0500	0830	3.50	2563.0m	Correlated w/ GR & commenced to record pressure readings f/ 2141 & 1831mrt, whilst pulling out of the hole to reconfigure the tool string.
IH	TP (HC)	LOG	0830	1000	1.50	2563.0m	Log #1 run #2 XPT - GR: Reconfigured the logging toolstring by adding the MDT tools to the bottom of the XPT for the purpose of additional weight (MDT was not powered or intended for data aquisition).
IH	TP (HC)	LOG	1000	1100	1.00	2563.0m	Ran in the hole to HUD 1000mrt. All attempts to pass 1000mrt were unsuccessful. Pulled the tool string out of the hole. Tool string returned to surface with part of the rubber hole finder "lost in hole" measuring ~ 500mm x 100mm.
IH	TP (HC)	LOG	1100	1200	1.00	2563.0m	Layed out the logging tool string.
IH	P	LOG	1200	1230	0.50	2563.0m	Rigged down the logging sheaves.
IH	P	TI	1230	1430	2.00	2563.0m	Made up cement distribution sub & ran in the hole to 629mrt.
IH	TP (RE)	RR	1430	1500	0.50	2563.0m	Repaired ruptured hydraulic hose on the derrick racking arm.
IH	P	TI	1500	1700	2.00	2563.0m	Continued to run in the hole f/ 629 to 1378mrt.
IH	TP (RE)	RR	1700	1730	0.50	2563.0m	Repaired leaking hydraulic fitting on the derrick racking arm.
IH	P	TI	1730	2000	2.50	2563.0m	Continued to run in the hole f/ 1378 to tag bottom @ 2563mrt (TD).
IH	P	CMD	2000	2130	1.50	2563.0m	Circulated bottoms up. Maximum gas 134units (2.7%).
IH	P	CMP	2130	2200	0.50	2563.0m	Nippled up cement line & pressure tested to 1500 psi.
IH	P	CMP	2200	2400	2.00	2563.0m	Set cement plug f/ 2563 (TD) to 2375mrt.
							Dowell pumped 10bbl Ester & 30bbl MUDPUSH spacer weighted to 13ppg ahead of

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
							cement. Mixed & pumped 120bbl cement slurry @ 15.8 ppg : 582 sacks class G cement mixed w/ drill water @ 3.562 gal/sk (yield 1.16 cuft/sk). Additives : Anti-foam D175 @ 0.05 gal/sk, Dispersant D080 @ 0.08 gal/sk, GASBLOK D600G @ 1.50 gal/sk (total mix fluid 72bbl @ 5.192 gal/sk). Pumped 3.2 bbl MUDPUSH behind the cement.

Operations For Period 0000 Hrs to 0600 Hrs on 09 Aug 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	CMP	0000	0030	0.50	2563.0m	Dowell displaced cement plug to balance f/ 2563 (TD) to 2375mrt. Pumped 128 bbl @ 8 bbl/min, pressure profile began to steadily increase after 70 bbl's displaced, appeared to plateau after 122 bbl's reduced the pump rate to 3 bbl/min with a final pump pressure of 200 psi. No losses & no back flow.
IH	P	TO	0000	0000	0.00	2563.0m	Pulled out of the hole.
IH	P	CMP	0030	0130	1.00	2563.0m	Nipped down the cement line & pulled (slowly) out of the cement to 2347mrt.
IH	P	CMP	0130	0300	1.50	2563.0m	Circulated bottoms up. Observed spacer & trace of cement at the shakers.
IH	P	CMP	0300	0600	3.00	2563.0m	Flow checked (static) Pumped slug & commenced pulling out of the hole.

Phase Data to 2400hrs, 08 Aug 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
INTERMEDIATE HOLE(IH)	194	31 Jul 2006	08 Aug 2006	194.00	8.083	3485.0m

WBM Data Cost Today \$ 12253

Mud Type:	Petrofree	API FL:	Cl:	Solids(%vol):	18%	Viscosity	72sec/qt
Sample-From:	Active pit	Filter-Cake:	K+C*1000:	H2O:	15%	PV	38cp
Time:	20:00	HTHP-FL:	3.2cc/30min	Oil(%):	65%	YP	19lb/100ft²
Weight:	12.00ppg	HTHP-cake:	2/32nd"	Sand:	0.25	Gels 10s	46
Temp:			PM:	pH:		Gels 10m	53
			PF:	PHPA:		Fann 003	11
						Fann 006	12
						Fann 100	28
						Fann 200	
Comment	Total product costs to date \$ 1,173,970.25					Fann 300	57
	Cumulative total \$ 1,230,070.25 (including engineer)					Fann 600	95

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	82	11.9	0	231.9
Bentonite Bulk	MT	0	0	0	21.8
Diesel	m3	0	14.2	0	475.2
Fresh Water	m3	15	23	0	280.3
Drill Water	m3	0	0	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	49	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,)

Personnel On Board		
DOWELL SCHLUMBERGER	2	3 x MWD, 3 x DD.
FUGRO SURVEY LTD (ROV)	3	
SCHLUMBERGER ANADRIL	6	
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	
West Engineering	1	
M-1 AUSTRALIA PTY LTD	1	
Total	100	

HSE Summary				
Events	Date of last	Days Since	Descr.	Remarks
Last BOP Test	04 Aug 2006			
Abandon Drill	06 Aug 2006	2 Days	Weekly abandon rig drill	
Fire Drill	06 Aug 2006	2 Days	Weekly fire drill	
JSA	08 Aug 2006	0 Days	Drillcrew 9 , deckcrew 8, Mechanic 4, Marine 1	
Man Overboard Drill	21 Jul 2006	18 Days	Monthly man overboard drill	
Safety Meeting	06 Aug 2006	2 Days	Weekly crew safety meetings	0100/1300/1900hrs
STOP Card	08 Aug 2006	0 Days	Safe 7, Unsafe 12	
Trip / Kick Drill	07 Aug 2006	1 Day	Trip drill	Held trip drill at shoe on trip in hole

Shakers, Volumes and Losses Data						
Available	3,061bbl	Losses	0bbl	Equip.	Descr.	Mesh Size
Active	455bbl			Shaker1	VSM100	10/230/230/200/200
Hole	1,605bbl		Shaker1	VSM100	10/230/230/200/200	
			Shaker2	VSM100	10/230/260/200/200	
Reserve	604bbl		Shaker2	VSM100	10/230/260/200/200	
Petrofree ester	397bbl		Shaker3	VSM100	10/230/230/200/200	
			Shaker3	VSM100	10/230/230/200/200	
			Shaker4	VSM100	10/260/260/200/200	
			Shaker4	VSM100	10/260/260/200/200	

Marine							
Weather on 08 Aug 2006							
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	8kn	45.0deg	1033.0mbar	14C°	0.0m	0.0deg	
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments	
270.0deg	300.00klb	5233.00klb	0.5m	157.0deg			
Comments							

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks				
Far Grip		06:20hrs 6th August	En route to Rig ETA 19:00hrs 9th Aug	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

				Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Barite Bulk	mt			0
				Bentonite Bulk	mt			0
					bbls			54
					bbls			0
				Brine	bbls			0
Pacific Wrangler	10:40hrs 5th August		Standby	Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Diesel	m3			598.6
				Fresh Water	m3			279
				Drill Water	m3			308
				Cement G	mt			73
				Cement HT (Silica)	mt			0
				Barite Bulk	mt		82	136
				Bentonite Bulk	mt			0
					bbls			2012
					bbls			0
				Brine	bbls			0
Backloaded 116m3 SBM to the Wrangler								

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	10:22 / 10:44	12 / 9	Fuel remaining on board 4976 liters