

**DRILLING MORNING REPORT # 33**  
**Longtom-3 ST1**

11 Aug 2006

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

Well Data							
Country	Australia	MDBRT	2384.0m	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	0.0m	Shoe TVDBRT	2184.3m	Daily Cost	\$201,915
Rig	OCEAN PATRIOT	Days from spud	31.37	Shoe MDBRT	2374.3m	Cum Cost	\$5,303,765
Wtr Dpth (LAT)	56.7m	Days on well	11.08	FIT/LOT:	/ 13.50ppg	Days Since Last LTI	
RT-ASL (LAT)	21.5m	Planned TD MD	5834.0m				
RT-ML	78.2m	Planned TD TVDRT	2458.0m				
Current Op @ 0600		Running Rotary Steerable BHA.					
Planned Op		Pick up additional drill pipe, slip & cut drilling line, change swivel packing, drill / ream cement f/ shoe track, FIT					

Summary of Period 0000 to 2400 Hrs
Completed 10 3/4" casing run, cemented casing, set seal assembly, layed out excess BHA.

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

**Operations For Period 0000 Hrs to 2400 Hrs on 11 Aug 2006**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	CRN	0000	0200	2.00	2384.0m	Continued to run 10 3/4" casing f/ 1974 to 2292mrt. No hole problems.
IH	P	RRC	0200	0230	0.50	2384.0m	Layed out the TAM packer & 350 ton side door elevators. Attached the drill pipe elevators.
IH	P	RRC	0230	0300	0.50	2384.0m	Made up the 10 3/4" casing hanger (Deep Sea Express plugs pre installed)
IH	P	RRC	0300	0330	0.50	2384.0m	Removed the Flush Mounted Spider & installed the master bushing.
IH	P	CRN	0330	0400	0.50	2384.0m	Ran & landed casing with 5" drill pipe landing string (previously drifted to 2.625"). Hole in good condition, final down wt : 370 klb's. Washed the last 15m to bottom pumping @ 100 gpm.
IH	P	CIC	0400	0600	2.00	2384.0m	Shoe set @ 2374.34mrt (2184.3 TVD) Float collar @ 2349.9mrt Circulate 150% casing capacity (1000bbl) @ 450 gpm. Concurrently weighing up MUDPUSH spacer.
IH	TP (VE)	RUC	0600	0700	1.00	2384.0m	Nippled up the cement line. Observed side outlet 1502 union on the cement head to be loose, after removal of the cement line was required due to the need to replace the 1502 union seal.
IH	P	CMC	0700	0730	0.50	2384.0m	Dowell : Pumped 5bbl Ester & pressure tested the cement line to 5,000 psi then pumped further 5bbl Ester followed by 50bbl MUDPUSH weighted to 13 ppg, released the bottom dart & displaced to the plug with 10bbl MUDPUSH, observed plug shear 2000 psi.
IH	P	CMC	0730	0830	1.00	2384.0m	Mixed & pumped 147bbl Lead slurry : 713 sks class G cement mixed w/ drill water @ 5.037 gal/sk to 15.8 ppg. Additives : Antifoam D047 @ 0.01 gal/sk, Dispersant D080 @ 0.07 gal/sk, Retarder D110 @ 0.04 gal/sk. Total mix fluid 5.157 gal/sk.  141bbl Tail slurry : 683 sks class G cement mixed w/ drill water @ 3.562 gal/sk to 15.8 ppg. Additives : Antifoam D175 @ 0.05 gal/sk, Dispersant D080 @ 0.08 gal/sk, GASBLOK D600G @ 1.5 gal/sk. Total mix fluid 5.192 gal/sk.
IH	P	CMC	0830	1000	1.50	2384.0m	Released the top dart, displaced w/ 10bbl drill water observing top plug shear @ 1100psi. Rig pump displaced the cement pumping 709bbls of 12.1ppg SBM @ 10bbl/min reducing to 4.5 bbl/min prior to bumping the plug. Pressure differential 725 psi. No losses. Increased pressure against the plug to 2000psi
IH	P	PT	1000	1030	0.50	2384.0m	Dowell equalised pressure in cement line to 2000psi, opened the Lo-Torq valve &

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	CRN	1030	1200	1.50	2384.0m	isolated the rig pumps. Cement unit pressured tested the casing to 4500psi / 15 mins against the plugs.
IH	P	WH	1200	1430	2.50	2384.0m	Released casing hanger running tool, pulled out of the hole, Layed out Deep Sea Express plug launcher & running tool.
IH	TP (PO)	WH	1430	1630	2.00	2384.0m	Picked up Cameron "Mill & Flush" tool, ran into the wellhead, jetted the casing hanger / seal assembly profile, pulled out of the hole & layed out the tool.
IH	TP (PO)	WH	1630	1730	1.00	2384.0m	Ran 10 3/4" seal assembly w/ 30klb's BHA below the tool, attempted to set the seal assembly without success (unable to shear the 4 pins).
IH	TP (PO)	WH	1730	1800	0.50	2384.0m	Closed the lower annular, Dowell applied 500psi pressure down the choke line attempting to shear the pins, without success.
IH	P	WH	1800	2030	2.50	2384.0m	Pulled the seal assembly to surface, removed 2 shear pins (2 remaining)
IH	P	WH	2030	2130	1.00	2384.0m	Ran the seal assembly & successfully sheared the pins. Dowell pressure tested 500 / 4500 psi, 5 mins each test. Pulled out of the hole layed out the running tool & racked the BHA.
IH	P	HBHA	2130	2400	2.50	2384.0m	Ran & set the wear bushing.
							Layed out excess BHA f/ Pilot hole & side track : 9 1/2" DC's, Stabilisers & Drilling jars.

**Phase Data to 2400hrs, 11 Aug 2006**

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
INTERMEDIATE HOLE(IH)	266	31 Jul 2006	11 Aug 2006	266.00	11.083	3485.0m

**WBM Data**

**Cost Today \$ 17549**

Mud Type:	Petrofree	API FL:	CI:	Solids(%vol):	19%	Viscosity	100sec/qt	
Sample-From:	Active pit	Filter-Cake:	K+C*1000:	H2O:	17%	PV	45cp	
Time:	20:00	HTHP-FL:	3.2cc/30min	Oil(%):	63%	YP	17lb/100ft²	
Weight:	12.30ppg	HTHP-cake:	2/32nd"	Sand:	0.25	Gels 10s	49	
Temp:						Gels 10m	56	
						Fann 003	11	
						Fann 006	12	
						Fann 100	28	
						Fann 200		
						Fann 300	62	
						Fann 600	107	
Comment	Total product costs to date \$ 1,194,230.70 Cummulative total \$ 1,255,430.70 (including engineer)							

**Bulk Stocks**

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	12.7	0	207.1
Bentonite Bulk	MT	0	0	0	21.8
Diesel	m3	0	17.7	0	434.9
Fresh Water	m3	16	36.9	0	230.6
Drill Water	m3	0	36	0	525.6
Cement G	MT	0	54.9	0	76.0
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		

**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	

**Personnel On Board**

Company	Pax	Comment

Personnel On Board		
NEXUS	6	2 NEXUS enviromental auditors onboard
DOGC	50	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	
CAMERON AUSTRALIA PTY LTD	1	
West Engineering	1	
Total		89

HSE Summary					
Events	Date of last	Days Since	Descr.	Remarks	
Last BOP Test	04 Aug 2006				
Abandon Drill	06 Aug 2006	5 Days	Weekly abandon rig drill		
Fire Drill	06 Aug 2006	5 Days	Weekly fire drill		
JSA	11 Aug 2006	0 Days	Drillcrew 11 , deckcrew 6, Mechanic 4, Marine 0		
Man Overboard Drill	21 Jul 2006	21 Days	Monthly man overboard drill		
Safety Meeting	06 Aug 2006	5 Days	Weekly crew safety meetings	0100/1300/1900hrs	
STOP Card	11 Aug 2006	0 Days	Safe 3, Unsafe 3		
Trip / Kick Drill	09 Aug 2006	2 Days	Trip drill	Held trip drill at shoe on trip in hole	

Shakers, Volumes and Losses Data						
Available	2,521bbl	Losses	409bbl	Equip.	Descr.	Mesh Size
Active	290bbl	Down-hole	57bbl	Shaker1	VSM100	10/230/230/200/200
Hole	799bbl	Centrifuge	58bbl	Shaker1	VSM100	10/230/230/200/200
Reserve	1,070bbl	Casing annulus	294bbl	Shaker2	VSM100	10/260/260/200/200
Petrofree ester	362bbl			Shaker2	VSM100	10/260/260/200/200
				Shaker3	VSM100	10/230/230/200/200
				Shaker3	VSM100	10/230/230/200/200
				Shaker4	VSM100	10/260/230/200/200
				Shaker4	VSM100	10/260/230/200/200
Comment Pit #4 reserve mud centrifuged f/ 12.0 to 10.5ppg						

Marine									
Weather on 11 Aug 2006							Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Tension (klb)
10.0nm	20kn	240.0deg	1028.0mbar	11C°	0.5m	240.0deg		1	344.0
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments		2	185.0
270.0deg	300.00klb	4663.00klb	2.0m	230.0deg				3	245.0
Comments							4	289.0	
							5	370.0	
							6	344.0	
							7	214.0	
							8	212.0	

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks				
Far Grip	18:20hrs 9th August		At anchor on location	Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Diesel	m3			675
				Fresh Water	m3			356
				Drill Water	m3			744

				Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Cement G	mt			0
				Cement HT (Silica)	mt			0
				Barite Bulk	mt			0
				Bentonite Bulk	mt			0
					bbls			54
					bbls			0
				Brine	bbls			0
<b>Pacific Wrangler</b>		19:00	In port	Item	Unit	Used	Trf. to Rig	Qty. Remaining
				Diesel	m3			529
				Fresh Water	m3			274
				Drill Water	m3			88
				Cement G	mt			37
				Cement HT (Silica)	mt			0
				Barite Bulk	mt			136
				Bentonite Bulk	mt			0
					bbls			2012
					bbls			0
				Brine	bbls			0

Helicopter Movement				
Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	11:21 / 11:37	11 / 17	Fuel remaining on board 4742 liters