

**Well Site Manager: Dennis Bell / Kevin Monkhouse** **OIM: Rod Dotson**

Well Data							
Country	Australia	Total Planned Days	27.60	M. Depth	2912.0m	Current Hole Size	12.250in
Field	Otway Basin	Actual Days	17.00	TVD	2912.0m	Casing OD	13.375in
Rig Contractor	DOGC	Planned Days Completed	14.5	Progress	0.0m	Shoe TVD	1278.5m
Rig	OCEAN PATRIOT	Days +/- Curve	+ 1.5 (Behind)			FIT/LOT	/ 1.70sg
Water Depth(LAT)	503.0m	Spud Date	19 Oct 2009			Last BOP Test	23 Oct 2009
RT-ASL(LAT)	21.5m	Operations @ 0600	Circulating hole to 1.7sg (14.2ppg) mud.				
RT-ML	524.5m	Planned Op	Complete circulating hole to 1.7sg (14.2ppg) mud. Flow check well. Pump out of hole to shoe and flow check again.				

Cost Data	Daily Cost: \$739,015		
	AFE (D&C)	Actual Cost to Date (D&C)	EFC (D&C)
Mob/Demob	\$ 5,900,000	\$ 3,182,286	\$ 5,500,000
Drilling	\$ 23,100,000	\$ 13,230,138	\$ 21,900,000
Completion	\$ 0	\$ 0	\$ 0
Testing	\$ 0	\$ 0	\$ 0
Intervention	\$ 0	\$ 0	\$ 0
Well Total	\$ 29,000,000	\$ 16,412,424	\$ 27,400,000

**Summary of Period 0000 to 2400 Hrs**  
 Displaced riser to 1.58sg (13.2ppg). Bled off choke and kill pressures with minimal returns. Flushed BOPs and displaced choke & kill lines to 1.58sg (13.2ppg). Commenced hole displacement to 1.7sg (14.2ppg) down drill string and up riser.

**Operations For Period 0000 Hrs to 2400 Hrs on 31 Oct 2009**

CLS	PHSE	OP	From	To	Hrs	Depth	Activity Description
NPT (DHWC)	IH1	DA	0000	0300	3.00	2912.0m	Attempted to bleed 7.9m3 (50bbls) from choke. Total volume returned 6.4bbls/hr. Shut in choke and monitored pressures, SIDPP 550kPa (80psi), SICP 205kPa (30psi), KLM 1790kPa (260psi). Lined up to displace riser to 1.58sg (13.2ppg) mud.
NPT (DHWC)	IH1	DA	0300	0700	4.00	2912.0m	Displaced riser to 1.58sg (13.2ppg) mud at 1600L/min (10bpm), 1380kPa (200psi). Continued to monitor well pressures, SIDPP 1930kPa (280psi), SICP 1515kPa (220psi), KLM 3240kPa (470psi).
NPT (DHWC)	IH1	DA	0700	0830	1.50	2912.0m	Bled off 0.9m3 (5.4bbl) through choke (100% open) at 9.5 L/min (0.06bpm) rate of returns. Shut in choke.
NPT (DHWC)	IH1	DA	0830	1000	1.50	2912.0m	Closed lower pipe rams and opened middle pipe rams. Lined up to pump down drill string and flushed BOP's, choke line and kill line with 1.58sg (13.2ppg) mud.
NPT (DHWC)	IH1	DA	1000	1930	9.50	2912.0m	Hold pre-job JSA. Opened lower rams and circulated 1.58sg (13.2ppg) mud down drill string and flushed both choke and kill lines at 318L/min (2bpm), DP 6000kPa (870psi), CP 70kPa (10psi), KLM 70kPa (10psi). Total pumped 248m3 (1550bbls) with 3.8m3 (23.5bbls) gained during circulation.
NPT (DHWC)	IH1	DA	1930	2230	3.00	2912.0m	Stopped pumping and monitored choke and kill for returns. Weighted up active system to 1.7sg (14.2ppg) mud weight. Closed lower pipe rams. Lined up and flushed BOP's with seawater down choke and up kill line at 636L/min (4bpm), 3100kPa (450psi). Displaced choke line to 1.58sg (13.2ppg) mud. Opened up annulus, 1.58sg (13.2ppg) mud u-tubed up kill line to displace seawater.
NPT (DHWC)	IH1	DA	2230	2400	1.50	2912.0m	Opened lower pipe rams. Commenced well displacement to 1.7sg (14.2ppg) mud at 636L/min (4bpm), 19.3MPa (2800psi). Slacked off string 9mt (20 klbs) and worked free without difficulty. Rotated and reciprocated pipe 70 rpm, 2 kftlbs torque, 159mt (350klbs) RT weight, 159mt (350klbs) S/O weight, 163mt (360klbs) P/U weight. (Note: pump pressure reduced to 6895kPa (1000psi) when bit cleared while close to bottom).
Total Duration					24		

**Operations For Period 0000 Hrs to 0600 Hrs on 01 Nov 2009**

CLS	PHSE	OP	From	To	Hrs	Depth	Activity Description
NPT (DHWC)	IH1	DA	0000	0600	6.00	2912.0m	Continued well displacement to 1.7sg (14.2ppg) mud at 636L/min (4bpm). Rotated and reciprocated pipe 70 rpm, 2 kftlbs torque, 159mt (350klbs) RT weight, 159mt (350klbs) S/O weight, 163mt (360klbs) P/U weight. Pump pressure increased steadily as 1.7sg (14.2ppg) mud circulated up annulus.
Total Duration					6		

<b>Casing</b>													
OD(in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	LOT (ppg)	FIT (ppg)	Weight (lbs/ft)	Grade	KPI Score	Top of Liner					
30 "	569.44	569.44			310.0	X56							
13 3/8"	1278.57	1278.51	14.20		72.0	N80 BTC							
<b>Bit # 3</b>			Wear	I	O1	D	L	B	G	O2	R		
Size:	12.250in	IADC#	M423	<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>		<b>Calculated over Bit Run</b>					
Manf:	SMITH	WOB (avg)		No.	Size	Progress	0.0m	Cum. Progress	1629.0m				
Type:	PDC	RPM (avg)		10	12/32nd"	On Bottom Hrs	0.0h	Cum. On Btm Hrs	42.4h				
Serial No.:	JD0772	F. Rate	168.00gpm			IADC Drill Hrs	0.0h	Cum IADC Drill Hrs	114.0h				
Depth In	1284.0m	SPP				Total Revs		Cum Total Revs	236000				
Depth Out		HSI	0.02HSI			ROP (avg)	N/A	ROP (avg)	38.42 m/hr				
Bit Model	MDSi716	TFA	1.104in <sup>2</sup>										

<b>BHA # 3</b>							
Weight Below Jar	40.00klb	<b>Parameters</b>					
BHA Weight	65.00klb	Rot Weight	330.00klb	Torque (max)		D.P. Ann Velocity	0mpm
Bit to G.R Sensor Center	10.1m	Pick-Up Weight	340.00klb	Torque Off Bottom (avg)		D.C. (1) Ann Velocity	0mpm
Bit to Dir. Sensor Center	18.1m	Slack-Off Weight	330.00klb	Torque On Bottom (avg)		D.C. (2) Ann Velocity	0mpm

<b>BHA Objective</b>						
Equipment	Length	Cum. Length	OD	ID	Comment	
Bit	0.33m	0.33 m	12.250in		w/ Ported Float	
Near Bit Stab	2.56m	2.89 m	12.250in	2.875in		
Pony NMDC	2.90m	5.79 m	8.000in	2.188in		
Stabilizer	1.75m	7.54 m	12.250in	2.875in		
Saver Sub	0.38m	7.92 m	8.250in	3.000in		
ARC8	5.44m	13.36 m	9.000in	2.813in		
ILS	0.91m	14.27 m	12.125in	4.250in		
Telescope	7.68m	21.95 m	8.250in	5.938in		
Saver Sub	0.38m	22.33 m	8.250in	3.000in		
Stabilizer	0.98m	23.31 m	12.125in	3.000in		
Sonic 6	6.88m	30.19 m	9.063in	4.000in		
Saver Sub	0.32m	30.51 m	8.313in	4.250in		
ADN 8	6.37m	36.88 m	12.125in	3.250in		
Saver Sub	2.48m	39.36 m	9.125in	3.000in		
8in DC	54.68m	94.04 m	8.000in	2.750in		
Jars	9.75m	103.79 m	8.063in	3.000in		
8in DC	18.65m	122.44 m	8.500in	2.188in		
X/O	1.11m	123.55 m	8.250in	2.750in		
HWDP	142.17m	265.72 m	5.000in	3.000in		

WBM Data									
Mud Type:	Ultradril	API FL:	3.4cc/30min	Cl:	40000mg/l	Solids(%vol):	19.5%	Viscosity	65sec/L
Sample-From:	Active	Filter-Cake:	1/32nd"	K+C*1000:	7%	H2O:	81.0%	PV	24cp
Time:	10:00	HTHP-FL:		Hard/Ca:	900mg/l	Oil(%):	0.0%	YP	37lb/100ft²
Weight:	1.59sg	HTHP-cake:		MBT:	3	Sand:	0.5	Gels 10s	8
Temp:		Glycol:		PM:		pH:	8.5	Gels 10m	10
				PF:	0.3	PHPA:		Fann 003	8
								Fann 006	10
								Fann 100	35
								Fann 200	50
								Fann 300	61
								Fann 600	85
Comment								Density maintained with barite. Mud filtrate samples taken and tested every 1/2 hr when circulating, every 10 mins when influx returns seen. Active pit weighted to 1.70sg before circulating / weighting up system when circulating at 4 bpm. Received 58 Mt barite from Lewek Swift(QC Test : Pass). NPT(fluid related) - 0.	

WBM Data									
Mud Type:	Ultradril	API FL:	3.8cc/30min	Cl:	41000mg/l	Solids(%vol):	23.0%	Viscosity	68sec/L
Sample-From:	Active	Filter-Cake:	1/32nd"	K+C*1000:	7%	H2O:	77.0%	PV	26cp
Time:	22:00	HTHP-FL:		Hard/Ca:	840mg/l	Oil(%):	0.0%	YP	44lb/100ft²
Weight:	1.70sg	HTHP-cake:		MBT:	3	Sand:	0.5	Gels 10s	8
Temp:		Glycol:		PM:		pH:	8.5	Gels 10m	9
				PF:	0.3	PHPA:		Fann 003	8
								Fann 006	11
								Fann 100	41
								Fann 200	59
								Fann 300	70
								Fann 600	96
Comment									

Bulk Stock									
Name	Unit	In	Used	Balance	Name	Unit	In	Used	Balance
'G' Cmt	MT	0	0	57.0	Drill Water	M3	0	12	342.0
Fuel	M3	0	8.7	252.2	Barite	MT	58	85	90.0
Pot Water	M3	41	27	364.0	Bentonite	MT	0	0	55.0
Fresh water	M3	0	0	0.0					

Supply Vessel															
Boats		Status			Bulks			Boats		Status			Bulks		
Lewek Swift	On route to Portland	Item	Unit	Quantity	Lewek Emerald	On Standby	Item	Unit	Quantity						
		Fuel	m3	657.8			Fuel	m3	298.7						
Pot Water	m3	477	Pot Water	m3	146										
Drill Water	m3	511	Drill Water	m3	425										
CEMENT G	mt	0	CEMENT G	mt	40										
CEMENT HT (SILICA)	mt	88	CEMENT HT (SILICA)	mt	0										
Barite	mt	0	Barite	mt	90										
Bentonite	mt	8	Bentonite	mt	0										
BRINE	bbbls	0	BRINE	bbbls	0										

Personnel On Board				Total : 97	
Company		Pax		Company	Pax
Diamond Offshore		53		MI Australia PTY LTD	2
ESS		8		Schlumberger DD	2
Woodside		7		Schlumberger MWD/LWD	3
BHI		6		Subsea 7	3
BJ Tubulars		5		Petrotech	2
Dowell Schlumberger		2		Schlumberger (Wireline)	3
Dril-Quip		1			

<b>Lagging Indicators</b>												
	HPI	LTI	RWC	MTC	TROI	FAC	Env Cat C	Env Non Comp	Dropped Objects	HPH	Env Cat D	Env Cat E
24hr	0	0	0	0	0	0	0	0	0	0	0	0
Well To Date	0	0	0	0	0	1	0	0	1	0	1	0
Month To Date	0	0	0	0	0	1	0	0	1	0	1	0
Year To Date	0	0	0	0	0	1	0	0	1	0	1	0
Comments/ Findings												

<b>Leading Indicators</b>										
	GSR Comp Checks	JSA Comp Checks	PTW Audit	Area Inspection	3rd Party Company Check	Mgt Visits	Drills	Number Observe Cards	ER Exercises	Env Insp Check
24hr	0	0	0	0	0	0	0	79	0	0
Well To Date	10	4	8	4	1	1	4	1586	1	3
Planned Targets per month	10/m	4/m	8/m	4/m	1/qtr	1/qtr	8	N/A	1 first month start up, 6 month after	1/m
Month Actual	10	4	8	4	1	1	4	1586	1	3
Year To Date	10	4	8	4	1	1	4	1586	1	3
Comments/ Findings	Number Observe Cards 79 - Safe/Unsafe: 65/14 (DODI - 32; ESS - 9; TPC - 30; WEL - 8).									

<b>Leading Indicators</b>									
	H&S INC/NM	Env NM							
24hr	0	0							
Well To Date	0	0							
Month To Date	0	0							
Year To Date	0	0							
Comments / Findings									

<b>General Comments</b>	
00:00 to 24:00 Hrs on 31 Oct 2009	
<b>Operational Comments</b>	<p>Ditch Magnet Reading: 0 grams. (Section Total: 1349 grams).  Hours on Jars: 24 hrs. (Well Total: 122.6hrs).</p> <p>CAR: 86/143 items closed (13 critical)  Top Stop Cards: #1 - A person was struggling with a drum on the crane. Stopped him and helped him put it where he needed it. #2 - Noticed a leak/crack in the high pressure washdown gun. Stopped the job and took equipment out of service. Took gun to mechanics and informed supervisor.</p> <p>Non-compliance trends: Mentioned the need for personnel to keep checking clothing for personal items (lefts in pockets) before sending to laundry.  DODI Supervisor audits conducted: 0  DODI Interventions conducted: 5  Woodside Interventions conducted: 3  Daily Environmental Checklist findings: Cleaned excess hydraulic oil from anchor machine rooms and moonpool levers. Assisted with cleaning duties around the rig. Sighted a large seal on the port fwd anchor, it is believed the same seal has been sighted a few times over the past week.</p>

<b>Performance Summary</b>																
Daily								Cumulative Well								
P		NPT		SCC		NSC		P		NPT		SCC		NSC		Total
Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hours
		24	100					290.5	71.2	115.5	28.31			2	0.49	408