

19 Oct 2009 <u>DRILLING MORNING REPORT # 5</u> Somerset-1

Well Site Manager	: Dennis Bell / Kevin	Monkhouse					OIM: Dennis Gore
Well Data							
Country	Australia	Total Planned Days	27.60	M. Depth	572.5m	Current Hole Size	36.000in
Field	Otway Basin	Actual Days	5.00	TVD	572.5m	Casing OD	
Rig Contractor	DOGC	Planned Days Completed	5.42	Progress	48.0m	Shoe TVD	
Rig	OCEAN PATRIOT	Days +/- Curve	-0.42 (Ahead)			FIT/LOT	/
Water Depth(LAT)	503.0m	Spud Date	19 Oct 2009			Last BOP Test	
RT-ASL(LAT)	21.5m	Operations @ 0600	Cementing 76	2mm (30") o	conductor.		
RT-ML	524.5m	Planned Op		mm (36") Bl		nductor. Release runr nent head. RIH 445mr	

Cost Data				Da	ily Cost: \$752,884
		AFE	Actual Cost to Date		EFC
Mob/Demob	\$	5,900,000	\$ 3,282,226	\$	5,500,000
Drilling	\$	23,100,000	\$ 2,182,919	\$	18,400,000
Completion	\$	0	\$ 0	\$	0
Testing	\$	0	\$ 0	\$	0
Intervention	\$	0	\$ 0	\$	0
Well Total	\$	29,000,000	\$ 5,465,145	\$	23,900,000

Summary of Period 0000 to 2400 Hrs

Made up 914mm (36") spud BHA. Connected TGB to bit. Ran TGB to seabed on BHA. Spud Somerset-1 well and drill 914mm (36") hole from 524.5m to 572.5m. Circulated clean and displaced hole to PHG mud. POOH. Rigged up and ran 762mm (30") conductor. Stabbed conductor into PGB below drillfloor in moonpool.

Opera	tions	For P	eriod	0000 I	Hrs to	2400 Hr	rs on 19 Oct 2009
CLS	PHSE	OP	From	То	Hrs	Depth	Activity Description
Р	СН	PUB	0000	0200	2.00	0.0m	Made up 660mm (26") bit, 914mm (36") hole opener, float sub with solid float and 3 joints of 241mm (9.5") DCs.
Р	СН	PUB	0200	0400	2.00	0.0m	Held JSA in moonpool with drill crew. Positioned TGB in moopool. Aligned bit and engaged support dogs on TGB. Installed guide lines.
Р	СН	PUB	0400	0800	4.00	0.0m	Picked up TGB, skidded moonpool cart clear and ran TGB through splash zone. RIH TGB to 518m.
NPT (SBT)	СН	ССМ	0800	0900	1.00	0.0m	Continued to build spud mud. Move PGB to moonpool.
Р	SC	RCS	0900	0930	0.50	0.0m	Held shallow gas pre spud JSA.
Р	СН	ROV	0930	1130	2.00	0.0m	Positioned rig and landed TGB on seabed. ROV released support dogs. (Sea bed 503m LAT, RKB to mudline 524.5m LAT at rig draft of 23.5m)
							Bullseye before land out 1deg port forward - 230deg heading. Bullseye after land out 5deg+ port forward - 230deg heading (sloping seabed).
Р	СН	DA	1130	1530	4.00	572.5m	Drilled 660mm x 914mm (26" x 36") hole from 524.5m to 572.5m. Initial parameters 1890 litre/min (500gpm) at 2800kPa (400psi), 65 RPM, 0-2712N-m (0-2k ft-lbs) WOB. Increased to 3400litre/min (900gpm) at 8300kPa (1200psi), 70 RPM. Pumped 8m3 (50bbl) Guar Gum sweep every single and spotted 16m3 (100bbl) PHG pill around BHA on connections.
Р	СН	CHC	1530	1600	0.50	572.5m	Pumped 24m3 (150bbl) PHG sweep followed by 16m3 (100bbl) Guar and circulated well clean.
Р	CH	CCM	1600	1630	0.50	572.5m	Displaced well with 48m3 (300bbl) PHG.
Р	CH	RBH	1630	1800	1.50	572.5m	POOH. Racked back BHA.
Р	SC	RCS	1800	1900	1.00	572.5m	Rigged up to run 762mm (30") casing. Positioned PGB in moonpool under rig floor.
Р	SC	RCS	1900	2100	2.00	572.5m	Held JSA. Picked up 508mm x 763mm (20" x 30") shoe jt. Checked circulation through shoe - OK. Picked up and ran 762mm (30") conductor joints. Secured Leopard connections with heavy duty tack welds.
Р	SC	RCS	2100	2130	0.50	572.5m	Made up 43m of 127mm (5") DP stinger and ran inside 762mm (30") conductor using "C-plate".
Р	SC	RCS	2130	2200	0.50	572.5m	Made up 762mm (30") conductor Running Tool to cement stinger and engaged 762mm (30") conductor housing.



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CLS	PHSE	OP	From	То	Hrs	Depth							Activ	ity Descri	otior	n				
Р	SC	RCS	2200	2400	2.00	572.5m							housing in	n PGB an	d lo	cked do	own sam	e. Conne	cted	
	Tota	al Durat	ion		24			•					•							
Opera	ations	For P	eriod	0000	Hrs to	0600 Hr	s on	20 O	ct 20	09										
CLS	PHSE	OP	From	То	Hrs	Depth							Activ	ity Descri	otior	n				
Р	SC	RCS	0000	0030	0.50	572.5m	Runn Skidd PGB	ing Stri ded mod to wate	ing we onpod er line	eight and a	82mt (ey clea oumpe	180 ar, i)klbs)). installed (eawater t	conductory guide lines o fill casir (Ogpm) to	s 1 a	and 2 in Closed	to PGB (Running	guide po: Tool ver	sts. Ra	an
Р	SC	RCS	0030	0200	1.50	572.5m		Ran 762mm (30") casing to 520m. (Checked bullseye readings while suspended. Aft bullseye indicated 0.5deg port. Port bullseye indicated 0.5deg starboard.)												
Р	SC	RCS	0200	0230	0.50	572.5m	Stabb	oed cor	nducto	r sho	e into	wel	ll with RO	V assista	nce.					
Р	SC	RCS	0230	0500	2.50	572.5m	RIH to 550m. Assembly started taking weight. Broke circulation and worked past obstructions at 550m and 557m. Continued working in hole until PGB landed out on TGB. (508mm (20") shoe depth 569.44m).													
Р	SC	RCS	0500	0530	0.50	572.5m	Slacked off entire conductor/PGB weight onto TGB funnel. Checked bullseyes. (Port bullseye showed 0.9deg - 320 heading. Aft bullseye showed 0.75deg - 280 heading). Circulated well with seawater at 1600litre/min (10bbl/min), with 1400kPa (200psi) and held pre cement job JSA.													
Р	SC	CMC	0530	0600	0.50	572.5m		ell pum _l Opsi) - (4m3	(40bbl) of	fseawate	r. Pressur	e te	sted su	ırface lin	es to 13.	800MI	Pa
	Tota	al Durat	ion		6															
Bit # '	1						V	Vear	I		01		D	L		В	G	02		R
									1		1									TD
Size: 26.000in IADC# 1				15	No	zzles		D	rille	ed over l	ast 24 hrs	8	(Calculate	ed over	3it Ru	ın			
Manf:			Varel	WOB (avg)	2.00k	lb No).	Size	!	Pro	gre	ess	48.0)m	Cum.	Progress	S		48.0m
Type:		Mill	tooth	RPM (a	avg)	7	70 3	2	:0/32n	d"	On	Bot	ttom Hrs	4.	0h	Cum.	On Btm	Hrs		4.0h
Serial N	lo.:			F. Rate)	700.00gp	m				IAD	C	Drill Hrs	4.	0h	Cum I	ADC Dri	ll Hrs		4.0h
Depth I	n	52	4.5m	SPP		1200p	si				Tot	al R	Revs	200	00	Cum -	Total Rev	VS		20000
Depth C	Out	57	2.5m	HSI		0.36H	SI				RO	P (a	avg)	12.00 m	/hr	ROP	(avg)		12.0	00 m/hr
Bit Mod	lel			TFA		0.920i	n²													
вна #	# 1																			
Weight	Below Ja	ar										Pa	rameters	5						
BHA W	eight				Rot Weig	ht		190.00	0klb	Torq	ue (ma	ax)		5000ft.	lbs	D.P. A	Ann Velo	city		0mpm
Bit to G	.R Sense	or Cent	er		Pick-Up \	Veight		200.00	0klb	Torq	ue Off	Bo	ttom (avg) 2500ft.	lbs	D.C. (1) Ann V	elocity/		0mpm
Bit to D	ir. Sensc	or Cente	er		Slack-Off	Weight		190.00	0klb	Torq	ue On	Bo	ttom (avg) 2500ft.	lbs	D.C. (2) Ann V	elocity/		0mpm
вна о	bjective																			
	Equ	uipment			Length	Cum. L	ength	10)	I	D					Comn	nent			
Bit					0.56m	0.56	m	26.00	00in											
Hole Op	pener				2.16m	2.72	m	36.00	00in	2.87	75in									
Float St					0.90m		62 m 9.500in 2.875in													
9 1/2" [C				28.53m	32.15		9.500			60in									
X/O					1.09m	33.24 m 9.500in 3.060in														
8in DC					27.98m															
X/O					1.11m	3 m	8.250			50in										
HWDP 113.61m 175.94 m 5.000in 3.060in																				

WBM Data						
Mud Type:	PHG / Guar	API FL:	CI:	Solids(%vol):	Viscosity	130sec/L
Sample-From:		Filter-Cake:	K+C*1000:	H2O:	PV	
Time:	16:00hrs	HTHP-FL:	Hard/Ca:	Oil(%):	YP	
Weight:	1.04sg	HTHP-cake:	MBT:	Sand:	Gels 10s	
Temp:	1.0 109	Glycol:	PM:	pH:	Gels 10m	
remp.		Glycol.		'	Fann 003 Fann 006	
			PF:	PHPA:	Fann 100	
Comment			supply boats. Only receiving by		Fann 200	
Began mixing gel into pits 4 and 5 at 08:30 am. Both pits ready by 11:00 hrs. Pumped 50 bbl Guar Gum sweeps each single. Spotted 100 bbl PHG on connection. Swept						
		hole at TD with 150 bbl PHG PHG. 20 sx calcium chloride	Fann 600			
		NPT(fluid related) - 0.				

Bulk Stock									
Name	Unit	In	Used	Balance	Name	Unit	In	Used	Balance
'G' Cmt	MT	69	0	69.0	Drill Water	МЗ	331	172	493.0
Fuel	МЗ	0	9.1	289.2	Barite	MT	109	0	109.0
Pot Water	МЗ	26	23	207.0	Bentonite	MT	108	63	45.0
Fresh water	МЗ	0	0	0.0					

Boats	Status	E	Bulks		Boats	Status	E	Bulks	
Lewek Swift	In Portland	Item	Unit	Quantity		On Standby	Item	Unit	Quantity
		Fuel	m3	580.9	Emerald		Fuel	m3	597.7
			ltrs.	0			Pot Water	m3	61
		Pot Water	m3	196			Drill Water	m3	53
		Drill Water	m3	0			CEMENT G	mt	65
		CEMENT G	mt	0			CEMENT HT	mt	0
		CEMENT HT	mt	0			(SILICA)		
		(SILICA)					Barite	mt	96
		Barite	mt	91			Bentonite	mt	38
		Bentonite	mt	0			BRINE	bbls	1500
		BRINE	bbls	1500			L	1	

Personnel On Board			Total : 94
Company	Pax	Company	Pax
Diamond Offshore	51	Dril-Quip	1
ESS	8	MI Australia PTY LTD	2
Woodside	8	Schlumberger DD	2
ВНІ	6	Schlumberger MWD/LWD	2
BJ Tubulars	3	Subsea 7	6
Dowell Schlumberger	2	OTHER	3

Lagging Indica	Lagging Indicators												
	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	0	0	0	0	
Month To Date	0	0	0	0	0	1	0	0	0	0	0	0	
Year To Date	0	0	0	0	0	1	0	0	0	0	0	0	
Comments/ Findings													

Leading	Indicat	tors
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	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	1	0	0	0	0	1	91	0	0
Well To Date	2	1	2	2	0	0	1	510	1	1
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	2	1	2	2	0	0	1	510	1	1
Year To Date	2	1	2	2	0	0	1	510	1	1

Comments/ Findings

JSA Comp Checks 1 - Good crew paticipation in JSA held for moving TGB into the Moonpool. Recommended some changes to the Master JSA.

Drills 1 - Gas alarm and abandon rig drills held.

Number Observe Cards 91 - Safe/Unsafe: 57/34 (DODI - 47; ESS - 7; TPC - 27; WEL - 10)

Leading Indicators

	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						

General Comments

00:00 to 24:00 Hrs on 19 Oct 2009

CAR: 42/143 items closed (11 critical)

Operational Comments

Top Stop Cards: #1 During boat drill noticed that lifejacket light was out of date. Conducted a survey of other life jackets in cabin and found all of them out of date also. Informed SDR. #2 Observed leaking Diesel fuel from the nozzle box under the Port Crane. Small valve had not been closed properly and fitting was loose. Drained diesel from box and cleaned up spill with soaker pads. Tightened the fitting and shut valve properly to prevent reoccurence.

Non-compliance trends: Housekeeping at the end of jobs, and failing to follow safe work procedures.

DODI Supervisor audits conducted: 1 DODI Interventions conducted: 5 Woodside Interventions conducted: 3

Performance Summary

Daily								Cumulative Well								
Р		NPT		SCC		NSC		Р		NPT		SCC		NSC		Total
Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hours
23	95.83	1	4.17					107	89.17	13	10.83					120