

09 Jul 2009

DRILLING MORNING REPORT #21 Basker 3 Workover

| Well Data | | | | | | | | | |
|---------------|---------------------|---|-------------------|----------------------|---------------------------|-----------------|-------------|--|--|
| Country | Australia | M. Depth | 0.00m | 0.00m Cur. Hole Size | | AFE Cost | \$ 32256870 | | |
| Permit | VIC/L26 | TVD | 0.00m | Casing OD | | AFE No. | DMGOD209D22 | | |
| Drill Co. | Diamond Offshore | Progress | 0.0m | 0.0m Shoe TVD | | Daily Cost | \$ 1017134 | | |
| Rig | Ocean Patriot | Days from spud | | FIT | | Cum Cost | \$ 19924170 | | |
| Wtr Dpth(MSL) | 152.90m | Days on well | 20.60 | LOT | | Planned TD | | | |
| RT-ASL(MSL) | 21.50m | Lat | 38° 17' 58.972" S | Long | 148° 42' 24.873" E | Datum | GDA94 | | |
| RT-ML | 174.40m | Current Op @ 06 | 00 Performing | perforatir | ng run #3 at 3665.45 m or | 2nd interval of | 4. | | |
| | | Planned Op Complete perforating run #3. Lay out E line. Slip and cut drill line. Perform post jarring derrick inspection and top drive service. Perform wellbore clean out trip. | | | | | | | |

Summary of Period 0000 to 2400 Hrs

Pulled out of hole with fishing BHA, 178 mm (7") production packer and lower completion from 1619 m to surface. Laid out 178 mm (7") production packer and lower completion from 32 m to surface. Ran in hole with E line and performed GR/USIT logs. Ran in hole with E line and performed 2 x perforation runs.

Operations For Period 0000 Hrs to 2400 Hrs on 09 Jul 2009

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|-------|-------------|------|------|------|------|-------|--|
| CMPLT | TP | FISH | 0000 | 0130 | 1.50 | 0.0m | Continued to pull out of hole with fishing BHA, 178 mm (7") production packer and lower completion on 127 mm (5") drill pipe from 1619 m to 697.15. Flow checked hole at 695 m - observed 5.7 m3/hr (36 bbl/hr) down hole loss rate. |
| CMPLT | TP | FISH | 0130 | 0230 | 1.00 | 0.0m | Continued to pull out of hole with fishing BHA, 178 mm (7") production packer and lower completion on 89 mm (3.5") drill pipe from 697.15 m to 64.16 m. |
| CMPLT | TP | FISH | 0230 | 0330 | 1.00 | 0.0m | Pulled out of hole with fishing BHA, 178 mm (7") production packer and lower completion from 64.16 m to surface. Overshot grapple had held 178 mm (7") production packer and lower completion fish. Broke out and laid out bumper sub and overshot. |
| CMPLT | Р | CMPL | 0330 | 0530 | 2.00 | 0.0m | Broke out and laid out 178 mm (7") production packer and lower completion components from 32 m to surface. Rigged down tubing handling equipment. |
| CMPLT | Р | COPS | 0530 | 0600 | 0.50 | 0.0m | Rigged up E line with GR/USIT logging tools c/w 127 mm (5") drift. |
| CMPLT | P | COPS | 0600 | 1130 | 5.50 | 0.0m | Ran in hole GR/USIT logging tools to 3250 m. Logged up with USIT from 3235 m to 3035 m. No indications for internal or external corrosion. Ran in hole and logged down GR/CCL to 3988 m. Tools hung up and dropped 91 kg (200 lbs) tension. Logged up with GR/USIT from 3982 m to 244 mm (9.625") x 178 mm (7") liner lap at 3425 m. Observed internal damage to casing at 3611m (gouge ~ 6 mm (1/4") deep & ~0.2m length) where production packer dropped to. Observed slight casing damage at packer set depth 3524m (< 3 mm (1/8") deep & 2m length). Observed perf penetration from 3541 to 3547m where tubing was perforated in original completion. Pulled out of hole GR/USIT logging tools from 3425 m to surface. |
| CMPLT | Р | COPS | 1130 | 1200 | 0.50 | 0.0m | Rigged down GR/USIT logging tools. |
| CMPLT | | COPS | 1200 | 1500 | 3.00 | 0.0m | Made up 114 mm (4 1/2") HSD perforating guns with Power-jet Omega 4505 HMX charges for run #1. Trouble shot earth on Gun #3. Change out gun for Gun #3 in Run #2. |
| | | | | | | | Note: Gun #1: 6m of 5 spf loaded, Gun #2: 4m of 5 spf loaded, Gun #3: 5m of 5 spf loaded. |
| CMPLT | P | COPS | 1500 | 1930 | 4.50 | 0.0m | Ran in hole perforating guns, run #1 to 3791 m. Correlated and perforated gun #1 from 3785 m to 3791 m. Good indication. Correlated and perforated gun #2 from 3764 m to 3768 m. Good indication. Correlated and perforated gun #3 from 3638 m to 3643 m. Good indication. Down hole losses constant at 4.8 M3/hr (30 bbls/hr). Pulled out of hole with perforating guns, run #1 from 3643 m. |
| CMPLT | Р | COPS | 1930 | 2000 | 0.50 | 0.0m | Laid out perforating guns, run #1. All shots fired. |
| CMPLT | Р | COPS | 2000 | 2030 | 0.50 | 0.0m | Made up 114 mm (4 1/2") HSD perforating guns with Power-jet Omega 4505 HMX charges for run #2. |
| | | | | | | | Note: Gun #1: 6m of 5 spf loaded, Gun #2: 3m of 5 spf loaded, Gun #3: 5m of 5 spf loaded. |
| CMPLT | Р | COPS | 2030 | 2400 | 3.50 | 0.0m | Ran in hole perforating guns, run #2 to 3791 m. Correlated and perforated gun #1 from |



| Phse | Cls (RC) | Op | From | То | Hrs | Depth | Activity Description |
|------|-------------|----|------|----|-----|-------|---|
| | | | | | | | 3682 m to 3688 m. Good indication. Correlated and perforated gun #2 from 3630.5 m to 3633.5 m. Poor surface shock indication but lost comms to switch for indication. Correlated and perforated gun #3 from 3588 m to 3593 m. Good indication. Down hole losses constant at 4.8 M3/hr (30 bbls/hr). Prepared to pull out of hole with perforating guns, run #2 from 3593 m. |

Operations For Period 0000 Hrs to 0600 Hrs on 10 Jul 2009

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|-------|-------------|------|------|------|------|-------|--|
| CMPLT | Р | COPS | 0000 | 0130 | 1.50 | 0.0m | Pulled out of hole with perforating guns, run #2 from 3593 m to surface. |
| CMPLT | Р | COPS | 0130 | 0230 | 1.00 | 0.0m | Laid out perforating guns, run #2. All shots fired. Changed out perforating running tools and cabel head to re-new weak point. |
| CMPLT | Р | COPS | 0230 | 0330 | 1.00 | 0.0m | Made up 114 mm (4 1/2") HSD perforating guns with Power-jet Omega 4505 HMX charges for run #3. Trouble shot water in selective adapter from poor handling of lift sub on catwalk. Cleaned and re-checked - good. |
| | | | | | | | Note: Gun #1: 2m of 5 spf loaded, Gun #2: 1m of 5 spf loaded, Gun #3: 3m of 5 spf loaded. Gun #4: 8m of 5 spf loaded. |
| CMPLT | Р | COPS | 0330 | 0600 | 2.50 | 0.0m | Ran in hole perforating guns, run #3 to 3620 m. Correlated and perforated gun #1 from 3576 m to 3584 m. Good indication. Down hole losses increased to 5.6 M3/hr (35 bbls/hr). Correlated perforation gun #2 on depth in preparation to shoot from 3673 m to 3675 m. |

Phase Data to 2400hrs, 09 Jul 2009

| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
|--------------------------|-----------|-------------|-------------|---------|----------|-----------|
| PRODUCTION SECTION(PROD) | 209.00 | 19 Jun 2009 | 29 Jun 2009 | 209.00 | 8.71 | 0.0m |
| COMPLETION(CMPLT) | 252.00 | 27 Jun 2009 | 09 Jul 2009 | 461.00 | 19.21 | 0.0m |

| WBM Data | | | Cost Toda | Cost Today \$ 24515 | | | | |
|--------------|---------|--------------|-----------------------------|---------------------|---------------|----------------------|--|--|
| Mud Type: | | API FL: | CI: | 25000mg/l | Solids(%vol): | Viscosity PV | | |
| Sample-From: | | Filter-Cake: | K+C*1000: | | H2O: | YP | | |
| Time: | | HTHP-FL: | Hard/Ca: | | Oil(%): | Gels 10s | | |
| Weight: | 1.03sg | HTHP-cake: | MBT: | | Sand: | Gels 10m | | |
| Temp: | 7C° | | PM: | | pH: | Fann 003 Fann 006 | | |
| | | | PF: | | PHPA: | Fann 100 Fann 200 | | |
| Comment | Comment | | 34 1.14 sg brine - Cl 105,0 | 000 | | Fann 300 | | |
| | | | | | | Fann 600 | | |

Bulk Stocks Name Unit In Used Adjust Balance Fuel МЗ 0 8.6 0 462.2 Potable Water М3 0 19 0 294.0 **Drill Water** МЗ 32 10 0 537.0 Cement MT 0 0 0 49.0

| Pu | Pumps | | | | | | | | | | | | | | | |
|-----|-------------------------|---------------|------------|---------|--------------|--------------|----------------|--------------|---------------|---------------|----------------|---------------|---------------|---------------|--|----------------|
| Pu | Pump Data - Last 24 Hrs | | | | | | Slow Pump Data | | | | | | | | | |
| No. | Туре | Liner (mm) | MW (sg) | Eff (%) | SPM (SPM) | SPP (kPa) | Flow (lpm) | Depth (m) | SPM1 (SPM) | SPP1 (kPa) | Flow1 (lpm) | SPM2 (SPM) | SPP2 (kPa) | SPM3 (SPM) | | Flow3 (lpm) |
| 1 | NATIONAL 12P - 160 | 152.40 | | 97 | | | | | | | | | | | | |
| 2 | NATIONAL 12P - 160 | 152.40 | | 97 | | | | | | | | | | | | |
| 3 | NATIONAL 12P - 160 | 152.40 | | 97 | | | | | | | | | | | | |

| Personnel On Board | | | |
|----------------------------|----------------|-----------------------------|-----|
| Job Title | Personnel | Company | Pax |
| Senior Drilling Supervisor | Ivan Parkhurst | Anzon Australia Pty Limited | 1 |
| Drilling Supervisor | Philip Burr | Anzon Australia Pty Limited | 1 |
| Logistics Coordinator | Lindsay Taylor | Anzon Australia Pty Limited | 1 |
| HSE | Gordon Drew | Anzon Australia Pty Limited | 1 |



| Personnel On Board | | | | |
|------------------------|--------------|----------------------------|----------|-----|
| Subsea Supervision | AGR | Anzon Australia 3rd Party | 1 | |
| OIM | Rod Dotson | Diamond Offshore | 1 | |
| Mudlogging | ВНІ | Anzon Australia 3rd Party | 2 | |
| Drilling Fluids | MI | Anzon Australia 3rd Party | 2 | |
| Wellhead | Cameron | Anzon Australia 3rd Party | 1 | |
| ROV | Subsea 7 | Anzon Australia 3rd Party | 3 | |
| Filtration | Scottech | Anzon Australia 3rd Party | 2 | |
| Cementing | Dowell | Anzon Australia 3rd Party | 2 | |
| Fishing | Smith | Anzon Australia 3rd Party | 1 | |
| Rig Crew | Drilling | Diamond Offshore 3rd Party | 47 | |
| Other | | Diamond Offshore 3rd Party | 1 | |
| Catering | ESS | Diamond Offshore 3rd Party | 8 | |
| Completion Supervision | AWT | Anzon Australia 3rd Party | 3 | |
| TBG | BJ | Anzon Australia 3rd Party | 4 | |
| E Line | Schlumberger | Anzon Australia 3rd Party | 6 | |
| Completions | Baker | Anzon Australia 3rd Party | 6 | |
| Well Clean-up | Baker | Anzon Australia 3rd Party | 1 | |
| | | · | Total 95 | · · |

| HSE Summary | | | | |
|-----------------------|--------------|------------|----------|--|
| Events | Date of last | Days Since | Descr. | Remarks |
| LTI | | 135 | | |
| Abandon Drill | 05 Jul 2009 | 4 Days | | Full muster at 10:50 hrs |
| Fire Drill | 05 Jul 2009 | 4 Days | | Simulated in roustabout locker. Full muster at 10:42 hrs |
| First Aid Case | 09 Jul 2009 | 0 Days | | While working on the rig floor rigging up wireline IP slipped on a thin layer of brine and water from previous operations of pulling tubing out of the hole. IP struck knee on the deck. Minor bruise to right knee. Treated with icepack and non-prescription anti-inflammitories. |
| JSA | 09 Jul 2009 | 0 Days | | Drill crew - 1 Crane crew - 17 Mechanic - 1 Welder - 3 Sub Sea - 3 Marine - 0 Pump room - 4 Electrician - 2 |
| Lost Time Incident | 15 Jun 2009 | 24 Days | 135 days | LTI = 135 days since start of rig assignment on 25 Feb 2009. |
| Permit To Work | 09 Jul 2009 | 0 Days | | Hot - 10 Cold - 14 |
| Pre-Tour Meetings | 09 Jul 2009 | 0 Days | | 0545 hrs 1145 hrs 1745 hrs 2345 hrs |
| STOP Card | 09 Jul 2009 | 0 Days | | Safe - 75 Unsafe - 28 |
| Weekly Safety Meeting | 28 Jun 2009 | 11 Days | | 13:00 hrs 19:00 hrs 00:30 hrs |

| Rig Data | | | | | | | | | | |
|------------------|------------------|------------------|----------------|-------------|--|--|--|--|--|--|
| Company Name | Rig Name | Max Deck Load | VDL @ Midnight | Rig Heading | | | | | | |
| Diamond Offshore | Ocean Patriot | mt | 1974mt | 249.0deg | | | | | | |



| Shakers, Volui | nes and Loss | es Data | Engineer : Graeme Garrick | | | | |
|----------------|--------------|-----------|--|-----------------------------|--|------------------------|---|
| Equip. | Descr. | Mesh Size | Available Active Mixing Hole Slug Reserve Kill | 481.77m³ 481.77m³ | Losses Downhole Surf+ Equip Dumped De-Gasser De-Sander De-Silter | 85.07m³ 85.07m³ 0.00m³ | Comments Downhloe losses at approximately 4.8 m3/hr (30 bbls/hr). Continued to filter all 8.6 ppg brine in pits. Kept hole full with filtered brine. Recieved 637 bbls, 9.4 ppg brine from Emerald. Used sand traps for brine storage. |
| | | | | | Centrifuge | | |

| Marine | | | | | | | | | |
|------------------------|--------------|-----------|--------------|------------|--------------|-----------|-------------|-------------|----------------|
| Weather on 09 Jul 2009 | | | | | | | Rig Support | | |
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period | Anchors | Tension (mt) |
| 10nm | 25kn | 23.0deg | 1029.0mbar | 14C° | 1m | 23.0deg | 3s | 1 | 106.0 |
| Roll | Pitch | Heave | Swell Height | Swell Dir. | Swell Period | Weather | Comments | 2 | 110.0 |
| 0.3deg | 0.3deg | 0m | 1m | 45.0deg | 10s | | | - 3 4 | 108.0 108.0 |
| Rig Dir. | Ris. Tension | VDL | Comments | | | | | 5 | 115.0 |
| 249.0deg | 185mt | 1974mt | | | | | | 6 | 118.0 |
| | | | | | | | | 7 | 112.0 |
| | | | | | | | | 8 | 119.0 |

| Helicopter Movement | | | | | | | |
|---------------------|-----------------|---------------|------------|---------|--|--|--|
| Flight # | Helicopter Type | Arr/Dep. Time | Pax In/Out | Comment | | | |
| XC | S61 | 1007 / 1012 | 7/6 | | | | |

| Boats | Arrived (date/time) 07:55 hrs, 06-07-09 | Departed (date/time) | Status On standby at location | Bulks | | |
|-------------|---|----------------------|-------------------------------|---------------|------|----------|
| Lewek | | | | Item | Unit | Quantity |
| Emerald | | | | Fuel | M3 | 523 |
| | | | | Potable Water | M3 | 104 |
| | | | | Drill Water | M3 | 0 |
| | | | | Barite | MT | |
| | | | | Gel | MT | |
| | | | | Cement | MT | 0 |
| | | | | Brine | M3 | 77.4 |
| Lewek Swift | | 17:15 hrs 03-07-09 | Off hire. Undergoing HRP | Item | Unit | Quantity |
| | | | repairs. | Fuel | M3 | 644.7 |
| | | | | Potable Water | M3 | 305 |
| | | | | Drill Water | M3 | 255 |
| | | | | Barite | MT | |
| | | | | Gel | MT | |
| | | | | Cement | MT | 40.6 |
| | | | | Brine | M3 | 206.67 |
| Pacific | | | Enroute to Rig. | Item | Unit | Quantity |
| Protector | | | | Diesel | M3 | 518 |
| | | | | Potable Water | M3 | 314 |