Anzon Australia LIMITED

Last BOP Test:

DRILLING MORNING REPORT # 49

Basker-3

05 Jul 2006

From: John Wrenn/Geoff Webster
To: John Ah-Cann

Well Data

Country	Australia	MDBRT	4125.0m	Cur. Hole Size		AFE Cost	$24,722,797
Field	Basker and Manta	TVDBRT	3353.5m	Last Casing OD	7 "	AFE No.	3426-1500
Drill Co.	DOGC	Progress	0.0m	Shoe TVDBRT	3352.7m	Daily Cost	$0
Rig	OCEAN PATRIOT	Days from spud	126.81	Shoe MDBRT	4124.0m	Cum Cost	$28,547,963
Wtr Dpth(LAT)	152.9m	Days on well	44.83	FIT/LOT:	/	Days Since Last LTI	1141
RT-ASL(LAT)	21.5m	Planned TD MD	4131.0m				
RT-ML	174.4m	Planned TD TVDRT	3341.0m				

Current Op @ 0600	See Basker 2 Workover 1 report # 13
Planned Op	See Basker 2 Workover 1 report # 13

Summary of Period 0000 to 2400 Hrs

Flow test well. Shut in and suspend well and SST. Perfrom SST suspension tests. LAy out flowhead and stiff joint. Pull production riser. Rig to, run, land, latch and test tree cap. Disconnect tre cap running tool from Basker 3

Rig released to Basker 2 at 24:00 hrs 05 July 2006

FORMATION

Name	Top
Reservoir Zone 7	3976.00m
Top Volcanics	4015.00m
Reservoir Zone 8	4053.00m
Volcanics continued	4070.00m
TD	4125.00m

Operations for Period 0000 Hrs to 2400 Hrs on 05 Jul 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
C	P	FLO	0000	0230	2.50	3640.0m	Flow test well and obtain samples as per program
C	P	OA	0230	0300	0.50	3480.0m	Shut in well at choke and monitor SITHP=2348 psi.
C	P	CHC	0300	0330	0.50	3640.0m	Open Expro choke manifold, line up with Dowell and pump 6 bbl diesel across surface flowhead, through to Expro choke manifold to clean surface lines.
C	P	CHC	0330	0400	0.50	3640.0m	Close in choke and and pressure up on surface flowhead with Dowell to 2348 psi and open flowhead master valve. Bullhead tubing with 105 bbls diesel at 3 BPM and 1482 psi final tubing pressure
C	P	PT	0400	0500	1.00	3640.0m	Close SSSV and bleed off tubing pressure to 200 psi. Perform inflow test on SSSV for 1 hour.
C	P	PT	0500	0630	1.50	3480.0m	Pressure up on tubing above SSSV to 1250 psi and close PMV. Perform inflow test on PMV. Pressure up on PMV to 1250 psi, open PMV and bleed tubing pressure above SSSV to 0 psi. Close PMV and perform Final SST suspension test #1 With Dowell to 500psi/5 min and 5000psi/ 10 min. Test #1; PMV downstream/XOV upstream/CIV1 upstream/CIV2 upstream.
C	P	CHC	0630	0800	1.50	3640.0m	Line up and flush across flowhead with 20 bbl SAPP, 20 bbl seawater and 20 bbl inhibited seawater. Line up and flush annulus access line, riser, flowhead and well test equipment with 20 bbl SAPP, 20 bbl seawater and 20 bbl inhibited 9.0 ppg brine. Line up and flush surface equipment across flowhead to Expro to clean all surface lines and separator equipment.
C	P	PT	0800	1130	3.50	3480.0m	Perform final SST suspension pressure testing with Dowell 500 psi/5 min and 5000psi/ 10 min Test #2; PWV upstreram Test #3; AMV downstream/AWV upstream/ACI upstream Test #4; AAV downstream Test #5; PSV upstream Test #6; PSV downstream
C	P	ROV	1130	1200	0.50	3480.0m	Disconnect UH 550 Annulus Access connector and hot stab from LD-1 receptacle with ROV and hang on stress joint hanger. Install UH 550 plug in annulus access line receptacle. Perform Final suspension test via IWOC Annulus Monitor Line to 500 psi/5 min and 5000 psi/10 min

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Last BOP Test:

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
							Test #7; AA plug upstream Disconnect Alpha plate with ROV and hang on stress joint hanger
C	P	RR2	1200	1300	1.00	3480.0m	Bleed down riser tensioners. Unlatch TRT. Remove riser tensioners and bullseye from riser. Remove guidelines. Lay down flow head and stiff joint. Rig down 45 ft bails, air hoist and TD sub Install workover bridging plate and dust cap with ROV Move rig 12 m aft of Basker 3
C	P	RR2	1300	1630	3.50	3480.0m	POOH with production riser. Rig down umbilical lines, ROV hooks and bullseye from Stress joint.
C	P	ROV	1630	1800	1.50	3480.0m	Remove umbilical sheaves from moonpool area. Rig down and lay out stress joint and TRT
C	P	CRF	1800	1830	0.50	3640.0m	Rig down Weatherford equipment and prepare rig floor to run tree caps
C	P	XT	1830	2030	2.00	3640.0m	Make up Tree cap to running tool. Lower tree cap to moonpool and connect 2 arm guide to running tool. Install guidelines to 2 arm guide.
C	P	XT	2030	2130	1.00	3640.0m	Run tree cap running tool on 5" DP banding 4 core umbilical to DP
C	P	XT	2130	2200	0.50	3640.0m	Position rig over Basker 3
C	P	XT	2200	2400	2.00	3640.0m	Land and latch tree cap. Pressure test to 500 psi/5 min and 5000 psi/10 min. Disconnect stabs from tree cap. Unlatch running tool from tree cap. Disconnect guidelines Rig released from Basker 3 at 24:00 05 July 2006 SOF's Ocean Patriot: Barite=1017 sx, Gel=940sx, G cement=133sx, HTB cement=2393sx, Fuel=2032.5 bbl, D/water=800 bbl, P/water=2754 bbl, P Wrangler; At port in Melbourne Gel=1058sx, G cement=1736sx, HTB cement=1784mt, Fuel=1855.3 bbl, D/water=4779.6 bbl, P/water=1591.2 bbl Far Grip; Gel=1131sx, Barite= 1874sx, G cement=1923sx, HTB cement=0sx, Fuel=1823.8 bbl, D/water=4528.3 bbl, P/water=2955.8 bbl

Phase Data to 2400hrs, 05 Jul 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
CONDUCTOR HOLE(CH)	3	01 Mar 2006	01 Mar 2006	3.00	0.125	210.0m
PRESPUD(PS)	2.5	01 Mar 2006	01 Mar 2006	5.50	0.229	0.0m
RIG MOVE/RIG-UP/PRESPUD(RM)	1	01 Mar 2006	01 Mar 2006	6.50	0.271	0.0m
CONDUCTOR CASING(CC)	15.5	01 Mar 2006	01 Mar 2006	22.00	0.917	210.0m
SURFACE HOLE(SH)	51.5	01 Mar 2006	04 Mar 2006	73.50	3.062	1112.0m
SURFACE CASING(SC)	25	04 Mar 2006	05 Mar 2006	98.50	4.104	1112.0m
INTERMEDIATE HOLE(IH)	376	02 Apr 2006	18 Apr 2006	474.50	19.771	3530.0m
INTERMEDIATE CASING(IC)	43	18 Apr 2006	20 Apr 2006	517.50	21.562	3530.0m
PRODUCTION HOLE(PH)	175.5	20 Apr 2006	27 Apr 2006	693.00	28.875	4125.0m
EVALUATION PHASE (1)(E1)	61	27 Apr 2006	30 Apr 2006	754.00	31.417	4125.0m
PRODUCTION CASING/LINER(PC)	46.5	30 Apr 2006	01 May 2006	800.50	33.354	4125.0m
EVALUATION PHASE (2)(E2)	15	02 May 2006	02 May 2006	815.50	33.979	4125.0m
SUSPENSION(S)	4	02 May 2006	02 May 2006	819.50	34.146	4125.0m
COMPLETION(C)	256.5	31 May 2006	05 Jul 2006	1,076.00	44.833	4125.0m

WBM Data

Cost Today

Mud Type:	Brine	API FL:		Cl:	67000mg/l	Solids(%vol):		Viscosity	
Sample-From:	Active pit	Filter-Cake:		K+C*1000:	13%	H2O:		PV	
Time:	1300	HTHP-FL:		Hard/Ca:		Oil(%):		YP	
Weight:	9.00ppg	HTHP-cake:		MBT:		Sand:		Gels 10s	
Temp:	0C°			PM:		pH:	10.5	Gels 10m	
				PF:		PHPA:	0ppb	Fann 003	
								Fann 006	
								Fann 100	
								Fann 200	
								Fann 300	
								Fann 600	

Comment

Printed on 05 Jul 2006

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Last BOP Test:

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	0	0	46.1
Bentonite Bulk	MT	0	0	0	42.4
Cement G	MT	0	0	0	5.7
Cement HT (Silica)	MT	0	0	0	93.4
Diesel	m3	0	33.6	0	323.1
Fresh Water	m3	31	31	28.9	437.8
Drill Water	m3	0	258.2	0	127.2

Casing

OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)
30 "	207.90	207.90	207.90	207.90	
13 3/8"	1102.30	999.15	1102.30	999.15	12.50
9 5/8"	3519.98	2826.90	3519.98	2826.65	13.00
7 "	4124.00	3352.69	4124.00	3352.69	

Personnel On Board

Company	Pax	Comment
ANZON AUSTRALIA LIMITED	7	
DOGC	49	
ESS	8	
DOWELL SCHLUMBERGER	2	
FUGRO ROV LTD	6	
CAMERON AUSTRALIA PTY LTD	4	
WEATHERFORD AUSTRALIA PTY LTD	2	
EXPRO GROUP	10	
MI AUSTRALIA PTY LTD	1	
TASMAN OIL TOOLS	1	
Anadrill	1	
FUGRO SURVEY LTD	3	
Total	94	

HSE Summary

Events	Date of last	Days Since	Descr.	Remarks
Abandon Drill	02 Jul 2006	3 Days		
Fire Drill	02 Jul 2006	3 Days		
JSA	05 Jul 2006	0 Days	Drill crew=4 , Deck=7, Mech=5, Subsea=2	
Man Overboard Drill	20 Jun 2006	15 Days		
Safety Meeting	02 Jul 2006	3 Days	Weekly safety meetings	Hold safety meetings at 1300/1900/0100hrs
STOP Card	05 Jul 2006	0 Days	Safe=4 Un-safe=7	

Shakers, Volumes and Losses Data

Available	**247.4bbl**	**Losses**	**18bbl**
Active	150.4bbl		18bbl
Reserve	97bbl		

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Last BOP Test:

Marine

Weather on 05 Jul 2006

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	15kn	169.0deg	1028.0mbar	15C°	0.3m	169.0deg	4s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
253.0deg	0.00klb	4684.00klb	1.5m	169.0deg	7s	

Comments

Rig Support

Anchors	Tension (klb)
1	218.0
2	225.0
3	148.0
4	251.0
5	337.0
6	357.0
7	163.0
8	181.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Far Grip	06:00 4 July 2006		On Standby

Bulks

Item	Unit	Used	Trf. to Rig	Quantity
Diesel	m3	10		290
Fresh Water	m3	5		470
Drill Water	m3			720
Cement G	mt			82
Cement HT (Silica)	mt			0
Barite Bulk	m3			85
Bentonite Bulk	mt			22.5
Brine	bbls			0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Wrangler		11:25 04 Jul 2006	Melbourne

Bulks

Item	Unit	Used	Trf. to Rig	Quantity
Diesel	m3	0	150	295
Fresh Water	m3	2		253
Drill Water	m3			760
Cement G	mt			74
Cement HT (Silica)	mt			69
Barite Bulk	mt			0
Bentonite Bulk	mt			48
Brine	bbl			

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	12:58 / 13:09	6 / 10	Fuel remaining = 2524 ltr