



**Anzon Australia**  
 LIMITED

Last BOP Test: 03 May 2006

**DRILLING MORNING REPORT #7**  
**Basker-4**

03 May 2006

From: Simon Rodder/Webby  
 To: John Ah-Cann

Well Data							
Country	Australia	MDBRT	1010.0m	Cur. Hole Size	12.250	AFE Cost	\$19,202,887
Field	Basker and Manta	TVDBRT	997.7m	Last Casing OD	13 3/8"	AFE No.	3426-1600
Drill Co.	DOGDC	Progress	0.0m	Shoe TVDBRT	987.2m	Daily Cost	50
Rig	OCEAN PATRIOT	Days from spud	65.50	Shoe MDBRT	998.5m	Cum Cost	50
Wtr Dpth(LAT)	154.5m	Days on well	5.44	FIT/LOT:	12.50 eggs /	Days Since Last LTI	1079
RT-ASL(LAT)	21.5m	Planned TD MD	3636.0m				
RT-ML	178.0m	Planned TD TVDRT	3366.0m				
Current Op @ 0600		Complete slip and cut of drilling line.					
Planned Op		Drill ahead 311mm (12 1/4") hole from 1013m MDRT.					

**Summary of Period 0000 to 2400 Hrs**

Lay out excess BHA from derrick, Made up new Geo-pilot BHA. Ran in hole with BOP test plug on top of BHA. Perform BOP test. Pulled test tool, tested Top Drive valves and hose. Change out Top Drive motor alignment cylinder. Ran in hole and to top of cement @982m MDRT. Drilled out cement/ float equipment/shoe track from 982m MDRT to 993m MDRT.

**FORMATION**

Name	Top
Reservoir Zone 6.2 Sand	
Reservoir Zone 7 Sand	
Volcanics (Unit 1)	
Reservoir Zone 8 Sand	
Total Depth	

**Operations for Period 0000 Hrs to 2400 Hrs on 03 May 2006**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	CRN	0000	0030	0.50	1010.0m	Complete making up cameron 244mm (9 5/8") casing running tool, make up 4m drill pipe pup to top, Dowell x/o to bottom. Lay out.
IH	P	HBHA	0030	0200	1.50	1010.0m	Ran in hole 203mm (8") drill collars, jars from derrick. Laid out all drill collars used in Basker #3.
IH	P	HBHA	0200	0330	1.50	1010.0m	Picked up Sperry-Sun 311mm (12 1/4) Geo-pilot BHA.
IH	P	HBHA	0330	0430	1.00	1010.0m	Powered up LWD/MWD and up-link. Make up 311mm (12 1/4") RSX 616m PDC.
IH	P	HBHA	0430	0700	2.50	1010.0m	Picked up inspected 203mm (8") drill collars from deck, new jars. x/o. Run 127mm (5") HWDP from derrick.
IH	P	HBHA	0700	0730	0.50	1010.0m	Shallow test Geo-pilot @600gpm, ok.
IH	P	BOP	0730	0900	1.50	1010.0m	Make up Cameron weight set BOP test plug. Run in hole and land out in wear bushing with 50kibs down.
IH	P	PT	0900	1530	6.50	1010.0m	Test BOPs 250/5000psi 5/5minutes, pipe rams, failsafes, annulars. Test on yellow pod and function test on Blue.
IH	P	BOP	1530	1630	1.00	1010.0m	Pulled out of hole and laid out test tool.
IH	P	PT	1630	1730	1.00	1010.0m	Rigged up and tested Top drive valves and Top drive hose. 250/5000psi, 5/5mins.
IH	P	PT	1730	1800	0.50	1010.0m	Rigged down test equipment.
IH	P	RS	1800	1830	0.50	1010.0m	Service pipe handler dies, grease IBOP, change into hi-gear, visual inspection for 311mm (12 1/4") hole section.
IH	P	RR	1830	2000	1.50	1010.0m	Change out alignment cylinder on Top drive motor.
IH	P	TI	2000	2130	1.50	1010.0m	Ran in hole from 330m MDRT to 933m MDRT.
IH	P	RW	2130	2230	1.00	1010.0m	Break in seals on Geo-pilot and wash and ream down to top of cement @982m MDRT.
IH	P	DFS	2230	2400	1.50	1010.0m	Drill cement and float equipment from 982m MDRT to 993m MDRT. 1050gpm/ 2460psi/ 80-65rpm/ 4-12kibs WOB/ 7-10kibs TQ.

**Operations for Period 0000 Hrs to 0600 Hrs on 04 May 2006**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DFS	0000	0200	2.00	1013.0m	Drilled shoe track from 993m MDRT to shoe @998m MDRT. Continued to drill rat hole


**Anzon Australia**  
 LIMITED

Last BOP Test: 03 May 2006

BHA # 4								
Weight(Wet)	50.00klb	Length	274.2m	Torque(max)	10000ft-lbs	D.C. (1) Ann Velocity	286fpm	
Wt Below Jar(Wet)	20.00klb	String	200.00klb	Torque(Off.Btm)	6000ft-lbs	D.C. (2) Ann Velocity		
Drilling Jar Hours	0	Pick-Up	200.00klb	Torque(On.Btm)	7000ft-lbs	H.W.D.P. Ann Velocity	197fpm	
		Slack-Off	200.00klb			D.P. Ann Velocity	197fpm	
BHA Run Description		Rotary steerable assembly.						
BHA Run Comment								
Equipment	Length	OD	ID	Top Conn	Serial #	Comment		
Blt	0.60m	12.250in		6 5/8 Reg Box	212369			
Geo_Pilot	6.61m	9.500in	3.000in	6 5/8 Reg	GP1225066	12 1/8" stab		
Non-Mag Flex collar	2.80m	9.500in	2.810in	6 5/8 Reg	CP938745			
DGR-EWD-PWD-XHCIM	9.89m	8.000in	1.938in	6 5/8 Reg	DM80099428	12 1/16" stabilizer		
HOC	3.10m	8.000in	1.938in	6 5/8 Reg	106450			
Float Sub	0.68m	8.000in	2.813in	6 5/8 Reg	DA8011			
8in DC	26.76m	7.813in	2.875in	6 5/8 Reg				
Drilling Jars	9.86m	8.250in	3.000in	6 5/8 Reg	48907C			
8in DC	17.80m	7.813in	3.000in	6 5/8 Reg				
X/O	1.17m	8.250in	2.938in	4 1/2 IF	MSO205602			
5in HWDP	195.13m	5.000in	3.000in	4 1/2 IF				

**Bulk Stocks**

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT			0	65.2
Bentonite Bulk	MT	0	0	0	42.6
Cement G	MT		0	0	5.7
Cement HT (Silica)	MT		0	0	80.4
Diesel	m3		9.2	0	421.4
Fresh Water	m3	33	33	0	348.2
Drill Water	m3	0	96.3	0	378.6

**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	6.000	8.70	97	80	2450	8.14										
2	12P160	8.000	8.70	97	80	2450	8.14										
3	12P160	6.000	8.70	97	80	2450	8.14										

**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"	208.60	208.60	208.60	208.60	
13 3/8"	998.85	987.20	998.85	987.20	



**Anzon Australia**  
LIMITED

Last BOP Test: 03 May 2006

Phase	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	CHC	0200	0300	1.00	1013.0m	to 1010m MDRT while displacing to 8.9ppg PHPA/KCL mud. Drill 3m of new hole from 1010m MDRT to 1013m MDRT. 900gpm/ 1800psi/ 60-65rpm/ 4-12kbs WOB/ 7-10kbs TQ.
IH	P	LOT	0300	0330	0.50	1013.0m	Circulate hole clean for FIT, adjust gpm's until cold mud warms up and shears at shakers.
IH	P	SC	0330	0600	2.50	1013.0m	Performed F.I.T. 608psi/ 8.9ppg mud/ 888m TVD = 12.6ppg EMW. 2.82bbbls pumped/ 2.82bbbls returned. Slipped and cut drilling line.

**Phase Data to 2400hrs, 03 May 2006**

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
CONDUCTOR HOLE(CH)	21	27 Feb 2006	28 Feb 2006	21.00	0.875	210.0m
CONDUCTOR CASING(CC)	15.5	28 Feb 2006	05 Mar 2006	36.50	1.521	210.0m
SURFACE CASING(SC)	18	05 Mar 2006	07 Mar 2006	54.50	2.271	1010.0m
SURFACE HOLE(SH)	47	05 Mar 2006	07 Mar 2006	101.50	4.229	1010.0m
INTERMEDIATE HOLE(IH)	29	02 May 2006	03 May 2006	130.50	5.438	1010.0m

**WBM Data**

Cost Today \$ 13427

Mud Type: PHPA/KCL/Glyco	API FL: 5.6cc/30min	Cl: 39000mg/l	Solids(%vol): 5%	Viscosity 75sec/qt
Sample-From: Active pit	Filter-Cake: 1/32nd"	K+C*1000: 8%	H2O: 95%	PV 12cp
Time: 21:00	HTHP-FL:	Hard/Ca: 180mg/l	Oil(%): 0%	YP 18lb/100ft <sup>2</sup>
Weight: 8.90ppg	HTHP-cake: 1/32nd"	MBT: 2	Sand: 0.1	Gels 10u 5
Temp:		PM: 0	pH: 8	Gels 10m 8
		PF: 0.05	PHPA:	Fann 003 5
				Fann 006 7
				Fann 100 18
				Fann 200 24
				Fann 300 30
				Fann 600 42

**Bit # 3**

Wear	I	O1	D	L	B	G	O2	R
------	---	----	---	---	---	---	----	---

Bitwear Comments:

Size ("):	12.250in	IADC#	M422	Nozzles	Drilled over last 24 hrs	Calculated over Bit Run
Mfr:	REED HYCALOG	WOB(avg)	10.00klb	No.	Progress	Cum. Progress
Type:	PDC	RPM(avg)	65	3	On Bottom Hrs	Cum. On Btm Hrs
Serial No.:	212369	F.Rate	1005.00gpm	3	IADC-Drill Hrs	Cum IADC Drill Hrs
Bit Model	RSX616M-A9	SPP	2450psi		Total Revs	Cum Total Revs
Depth In	1010.0m	HSI			ROP(avg)	ROP(avg)
Depth Out		TFA			N/A	0.00 m/hr

Bit Comment



**Anzon Australia**

LIMITED

Last BOP Test: 03 May 2006

**Personnel On Board**

Company	Pax	Comment
ANZON AUSTRALIA LIMITED	5	1 x scr, 1 x crane cab, 1 x anchor winches, 1 x compensator, 1 x electrical boss.
DOWELL SCHLUMBERGER	2	
FUGRO SURVEY LTD	3	
MI AUSTRALIA PTY LTD	2	
DOGC	53	
HALLIBURTON AUSTRALIA PTY LTD - SPERRY SUN	4	
GEO SERVICES OVERSEAS S.A.	5	
CAMERON AUSTRALIA PTY LTD	1	
ESS	8	
<b>Total</b>	<b>84</b>	

**HSE Summary**

Events	Date of last	Days Since	Descr.	Remarks
Last BOP Test	03 May 2006			
Abandon Drill	30 Apr 2006	3 Days		
Fire Drill	30 Apr 2006	3 Days		
JSA	03 May 2006	0 Days	Drill crew=5, Deck=8, Mech/ Welder/ Marine/ sub sea=1	
Man Overboard Drill	05 Apr 2006	28 Days		
Safety Meeting	30 Apr 2006	3 Days	Weekly safety meetings	Hold safety meetings at 1300/1900/0100hrs
STOP Card	03 May 2006	0 Days	Safe= 8 Un-safe=13	

**Shakers, Volumes and Losses Data**

Available	2,481.4bbl	Losses	0bbl	Equip.	Descr.	Mesh Size
Active	466.4bbl			Shaker1	VSM 100	84/84/110/110
Hole	575bbl			Shaker2	VSM 100	120/120/120/120
Reserve	1,440bbl			Shaker3	VSM 100	120/120/120/120
				Shaker4	VSM 100	84/84/110/52

Attn Barbara Platt:

Please deliver prior five  
page report to John Ah Conn.

Thanks,

Ocean Patriot Radio.

---