Australian Drilling Associates Pty Ltd ADA

25 Sep 2008

From: B. Openshaw / R. Rossouw
To: R. Oliver135000

DRILLING MORNING REPORT # 8
BAZZARD-1

Well Data

Country	Australia	MDBRT	850.0m	Cur. Hole Size	16.000in	AFE Cost	AUD$16,336,000
Field	Bazzard	TVDBRT	850.0m	Last Casing OD	13.375in	AFE No.	53007D01
Drill Co.	Seadrill	Progress	0.0m	Shoe TVDBRT	841.0m	Daily Cost	AUD$688,852
Rig	West Triton	Days from spud	5.02	Shoe MDBRT	841.0m	Cum Cost	AUD$5,975,779
Wtr Dpth (MSL)	67.900m	Days on well	7.21	FIT/LOT:	/		
RT-MSL	38.500m	Planned TD MD	3500.000m	Current Op @ 0600	Picking up 5.5" DP for drilling 12.25" section.		
RT-ML	106.400m	Planned TD TVDRT	3500.000m	Planned Op	Continue picking up DP, skid rig and seat diverter, pressure test casing/shear rams, pick up 12.25" BHA and RIH.		

Summary of Period 0000 to 2400 Hrs

Ran 13.375" casing, picked up wellhead assy and landed out casing at MLS hanger. Circulated 120% casing volume and cemented casing with 105bbl cement, bumping plug with 900psi. Adjusted height of 30" conductor and screwed down adjustable landing ring to land out 18.75" wellhead on 30". Laid down equipment, rigged up and ran BOP, mandrel, overshot and diverter.

HSE Summary

Events	Num. Events	Days Since	Descr.	Remarks
Abandon Drill		7 Days	Held at 10.40 hours.	Abandon ship drill prior to rig move. Good responce by all crews.
BOP Test	1	4 Days	Pressure tested Bop's.	21 Days - 12 Oct 08
First Aid Case		0 Days	Third Party received knock on mouth.	While rigging up ROV unit to operations condition, IP was tightening an electrical cable tie to secure equipment. He slipped and struck himself in the mouth with the pliers. He immediately reported to the Medic for check-up. No intervention required.
Incident		4 Days	Pinion gear on TDS fell to rig floor.	A pinion gear, weighing 14kg, off the rotating head on the TDS sheared its shaft and fell 3m to the rig floor. Nobody on rig floor at the time.
PTW issued	10	0 Days		Permit to work issued for the day.
Safety Meeting		5 Days	Weekly safety meeting	Weekly safety meeting
Safety Meeting	2	0 Days	Pre-tow meeting	Pre-tow meeting to discuss towing operations with related parties.
STOP Card	26	0 Days		Stop cards submitted for the day.

Operations For Period 0000 Hrs to 2400 Hrs on 25 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P5	P	G9	0000	0230	2.50	850.0m	Continued running 13.375in casing from 677m to 815m.
P5	P	G1	0230	0500	2.50	850.0m	Rigged dowm W/ford csg handling equipment, when breaking out fill-up tool, the small x/over sub between the tool and the saver sub unscrewed. Broke out x/over from saver sub using rig tongs. Rigged up DP bails and elevators.
P5	P	G9	0500	0800	3.00	850.0m	Picked up 18.75in wellhead assy and made up same to casing. Made up cementing head and rigged up surface lines. Broke circulation and landed 13.375" Csg string at MLS hanger.
P5	P	F3	0800	0900	1.00	850.0m	Circulated 120% of casing volume with seawater at 320gpm/120psi.
P5	P	F3	0900	1100	2.00	850.0m	Held PJSM and cemented 13.375in casing as follows: Pumped 5bbl seawater, pressure tested surface lines to 3000psi, pumped 5bbl seawater, mixed and pumped 105bbl class G cement at 15.9ppg, dropped dart, sheared out plug and pumped 10bbl seawater behind plug. Changed over to rig pumps and displaced cement with 2758stks (97.5% Eff)bumping plug with 900psi.
P5	P	G1	1100	1200	1.00	850.0m	Flushed surface lines and rigged down same.
P5	P	G12	1200	1630	4.50	850.0m	Prepared BOP for nipple up while making adjustment to 30in conductor height in preparation for supporting the 18.75in wellhead. Adjusted landing ring on 18.75in wellhead, released and recovered DQ clutch type R/tool and cement head.
P5	P	G1	1630	1830	2.00	850.0m	Secured annulus valves on wellhead. Laid down cement stinger, x/overs, R/tool and cement head.
P6	P	G13	1830	2400	5.50	850.0m	Held PJSM, moved and lowered BOP and nippled up same to wellhead. Ran mandrel and torqued up same. Continued running overshot and diverter.

Operations For Period 0000 Hrs to 0600 Hrs on 26 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P6	P	G13	0000	0200	2.00	850.0m	Continued running diverter assy. Unable to locate diverter in seat due to alignment problems. OIM to skid rig during daylight hours.
P6	P	G1	0200	0300	1.00	850.0m	Rigged down handling equipment for diverter assy.
P7	P	G2	0300	0400	1.00	850.0m	Held PJSM, changed out handling equipment for picking up 5.5" DP and commenced picking up DP.
P7	P	G12	0400	0500	1.00	850.0m	Made up R/tool and ran nominal bore protector to wellhead at 18m. Diverter insert bushing had to be pulled to allow w/bushing through.
P7	P	G2	0500	0600	1.00	850.0m	Changed clamps on bails and continued picking up 5.5" DP.

Operations For Period Hrs to Hrs on

Phase Data to 2400hrs, 25 Sep 2008

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
Mob/Demob(P1)	43	18 Sep 2008	20 Sep 2008	43.00	1.792	0.0m
Conductor Hole(P2)	18.5	20 Sep 2008	21 Sep 2008	61.50	2.563	154.0m
Conductor Casing(P3)	21	21 Sep 2008	22 Sep 2008	82.50	3.438	154.0m
Surface Hole(P4)	58.5	22 Sep 2008	24 Sep 2008	141.00	5.875	850.0m
Surface Casing(P5)	26.5	24 Sep 2008	25 Sep 2008	167.50	6.979	850.0m
BOPs/Risers(P6)	5.5	25 Sep 2008	25 Sep 2008	173.00	7.208	850.0m

General Comments

00:00 TO 24:00 Hrs ON 25 Sep 2008

Operational Comments	Hours on Jar serial No. 1762 1371 WT: 30 hrs
Operational Comments	West Triton Rig Equipment Concerns 1) Top drive rotating head has operating problems, to be able to rotate the IBOP must be operated first. This is impacting operational efficiency. Pinion gear has sheared its shaft and broken off. 2) CTU control panel has leaking valves, pressure regulator valve inoperable. Parts on order. 3) Link tilt clamps slipping on bails - need to rectify this issue. 4) Number 4 main generator down. Exciter and generator sent ashore. 5) Emergency generator fuel tank requires modification to drain line (no communication with tank through drain line). 6) Cyber chair pressure guages for the standpipe & choke manifolds require calibration. 7) Remote controller for Iron Roughneck not operational _ new one on order. 8) Battery charger on Port crane not operational. 9) Need to investigate possible misalignment of dolly beams and dolly rollers on Top Drive System. Requires shimming. A derrick alignment survey has been completed. Shims have been ordered to rectify alignment problem and these will be fitted as soon as they arrive.

WBM Data

Cost Today AUD$ 30761

Mud Type:	Pre-hydrated Bentonite	API FL:	18.0cc/30min	Cl:	2100mg/l	Solids(%vol):	2%	Viscosity	180sec/qt
		Filter-Cake:	2/32nd"	K+C*1000:		H2O:	98%	PV	11cp
Sample-From:	Pit #5	HTHP-FL:		Hard/Ca:	180mg/l	Oil(%):		YP	73lb/100ft²
Time:	20:00	HTHP-cake:		MBT:	34	Sand:		Gels 10s	43
Weight:	8.70ppg			PM:	0.6	pH:	9.5	Gels 10m	53
Temp:	20C°			PF:	0.12	PHPA:		Fann 003	39
								Fann 006	46
								Fann 100	72
								Fann 200	79
								Fann 300	84
								Fann 600	95

Comment: Prepared 860bbl of KCl/Polymer/Clayseal mud for 12 1/4" hole section in pits #4 and #8. received part delivery manifest WT BAZ-003 OUT from Valkyrie.

Bit # 2

Wear	I	O1	D	L	B	G	O2	R
	1	1	WT	A	4	I	NO	PR

Bitwear Comments:

Size ("):	16.00in	IADC#	115	**Nozzles**	**Drilled over last 24 hrs**	**Calculated over Bit Run**

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Mfr:	Hughes	WOB(avg)		No.	Size	Progress	Cum. Progress 696.0m
Type:	Rock	RPM(avg)		3	20/32nd"	On Bottom Hrs	Cum. On Btm Hrs 19.5h
Serial No.:	6065181	F.Rate				IADC Drill Hrs	Cum IADC Drill Hrs 30.0h
Bit Model	GXC-1V	SPP				Total Revs	Cum Total Revs 0
Depth In	154.0m	HSI				ROP(avg) N/A	ROP(avg) 35.69 m/hr
Depth Out	850.0m	TFA	0.920				

Bit Comment

Survey

MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
814.00	0.2							

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Drill Water	MT	200	165	0	350.0
Rig Fuel	m3	0	13	0	195.0
POTABLE WATER	MT	10	26	0	190.0
Cement class G	MT	0	20	0	23.0
Bentonite	MT	0	0	0	39.0
Barite	MT	0	0	0	65.0
Brine	m3	0	28	104	86.0
BLENDED CEMENT	MT	0	0	0	43.0

Pumps

Pump Data - Last 24 Hrs

No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (gpm)
1	National 14 P-220	6.50	8.51	97			
2	National 14 P-220	6.50	8.51	97			
3	National 14 P-220	6.50	8.51	97			

Slow Pump Data

Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (gpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (gpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (gpm)
	20		117	30		176	40		234
	20		117	30		176	40		234
	20		117	30		176	40		234

Casing

OD	LOT / FIT	Csg Shoe (MD/TVD)	Cementing
30 "	/	151.00m / 151.00m	
13.38	/	841.00m / 841.00m	Utilising MLS hanger for 13.375" casing.

Personnel On Board

Company	Pax
ADA	4
Seadrill	15
Seadrill Services.	36
Catering	9
Halliburton - Sperry	2
Baker Hughes Inteq	4
Halliburton - Sperry	3
Tamboritha	2
Dril-Quip	3
Schlumberger MWD/LWD	3
Ian Brown	2
Total	83

Mud Volumes, Mud Losses and Shale Shaker Data

Engineer : Brian Auckram/Tim Waldhuter

Available	1925.0bbl
Active Mixing	869.0bbl
Hole Slug	
Reserve	939.0bbl
Kill	
Guar Gum	117.0bbl

Losses	0.0bbl
Downhole	
Surf+ Equip	0.0bbl
Dumped	
De-Gasser	
De-Sander	
De-Silter	
Centrifuge	

Equipment	Description	Mesh Size
Shaker 1	VSM-300	89
Shaker 1	VSM-300	89
Shaker 2	VSM-300	89
Shaker 2	VSM-300	89
Shaker 3	VSM-300	89
Shaker 3	VSM-300	89
Shaker 4	VSM-300	89
Shaker 4	VSM-300	89

Comments

Marine

Weather on 25 Sep 2008

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	22kn	160.0deg	1010.0mbar	16C°	0.7m	70.0deg	3s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
133.5deg	430.00klb	2682.00klb	0.8m	70.0deg	7s	Wave and swell heights are estimates.

Comments

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Battler			At Geelong

Item	Unit	Used	Quantity
Rig Fuel	m3		315.6
Potable Water	Mt		80
Drill Water	Mt		90
CEMENT G	Mt		0
Barite	Mt		42
Bentonite	Mt		18
SOBM	m3		110
Brine	m3		0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Valkyrie			At rig

Item	Unit	Used	Quantity
Rig Fuel	m3		536.7
Potable Water	Mt		360
Drill Water	m3		100
CEMENT G	Mt		42.7
Barite	Mt		70
Bentonite	Mt		0
SOBM	m3		0
Base Oil	m3		0
Brine	m3		120

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
BWJ	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	0956 / 1012	9 / 13	