Australian Drilling Associates Pty Ltd ADA

28 Sep 2008

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

DRILLING MORNING REPORT # 11
BAZZARD-1

Well Data

Country	Australia	MDBRT	1890.0m	Cur. Hole Size	12.250in	AFE Cost	AUD$16,336,000
Field	Bazzard	TVDBRT	1890.0m	Last Casing OD	13.375in	AFE No.	53007D01
Drill Co.	Seadrill	Progress	802.0m	Shoe TVDBRT	841.0m	Daily Cost	AUD$679,087
Rig	West Triton	Days from spud	8.02	Shoe MDBRT	841.0m	Cum Cost	AUD$8,055,240
Wtr Dpth (MSL)	67.900m	Days on well	10.21	FIT/LOT:	/ 1.80sg		
RT-MSL	38.500m	Planned TD MD	3500.000m	Current Op @ 0600	Drilling ahead 12.25in hole at 2082m.		
RT-ML	106.400m	Planned TD TVDRT	3500.000m	Planned Op	Drill ahead 12.25in hole.		

Summary of Period 0000 to 2400 Hrs

Drilled 12.25in hole from 1088m to 1890m.

HSE Summary

Events	Num. Events	Days Since	Descr.	Remarks
Abandon Drill		1 Day	Held at 10.40 hours.	Abandon ship drill prior to rig move. Good response by all crews.
BOP Test	1	7 Days	Pressure tested BOPs.	21 Days - 12 Oct 08
First Aid Case		3 Days	Third Party received a knock on the 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		7 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.
Pre-Tour Meetings	2	0 Days	Pre-tow meeting	Pre-tow meeting to discuss towing operations with related parties.
PTW issued	17	0 Days		Permit to work issued for the day.
Safety Meeting		0 Days	Weekly safety meeting.	Weekly safety meeting.
STOP Card	32	0 Days		Stop cards submitted for the day.

Operations For Period 0000 Hrs to 2400 Hrs on 28 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P11	P	D2	0000	2400	24.00	1890.0m	Drilled ahead 12.25in hole from 1088m to 1890m.

Operations For Period 0000 Hrs to 0600 Hrs on 29 Sep 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P11	P	D2	0000	0600	6.00	2082.0m	Drilled ahead 12.25in hole from 1890m to 2082m.

Operations For Period Hrs to Hrs on

Phase Data to 2400hrs, 28 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)	14	25 Sep 2008	26 Sep 2008	181.50	7.563	850.0m
Intermediate Hole (1)(P7)	1	26 Sep 2008	26 Sep 2008	182.50	7.604	850.0m
Production Hole (1)(P11)	62.5	26 Sep 2008	28 Sep 2008	245.00	10.208	1890.0m

General Comments

00:00 TO 24:00 Hrs ON 28 Sep 2008

Operational Comments	Hours on Jar serial No. 1762 1371 WT: 64.5 hrs
Operational Comments	West Triton Rig Equipment Concerns

General Comments

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.

10) Lo-torque valve on cement manifold are of poor quality and cannot be relied on when pressure testing. These valves should be replaced.

WBM Data

Cost Today AUD$ 43299

Mud Type:	KCl/Polymer	API FL:	3.8cc/30min	Cl:	32000mg/l	Solids(%vol):	2%	Viscosity	57sec/qt
Sample-From:	Pit #6	Filter-Cake:	1/32nd"	K+C*1000:	8%	H2O:	95%	PV	15cp
Time:	21:29	HTHP-FL:	9.5cc/30min	Hard/Ca:	2200mg/l	Oil(%):		YP	32lb/100ft²
Weight:	9.10ppg	HTHP-cake:	2/32nd"	MBT:	5	Sand:		Gels 10s	13
Temp:	49C°			PM:	0.1	pH:	8.5	Gels 10m	22
				PF:	0.08	PHPA:	1ppb	Fann 003	13
								Fann 006	14
								Fann 100	31
								Fann 200	40
								Fann 300	47
								Fann 600	62

Comment: Continue to add EZ-Mud to active to increase concentration. Upgrading shaker screens to 215mesh (6x new 215 mesh screens used) to aid solids control. Added Caustic Soda and Soda ash to active to treat continued high total hardness. Prepared further 430bbl KCl/Polymer premix in pit #8 to maintain volume and properties. Run centrifuge to assist solids control. Received 748bbl, 9.5ppg brine from Valkyrie.

Bit # 3

Wear	I	O1	D	L	B	G	O2	R

Bitwear Comments:

				Nozzles		Drilled over last 24 hrs		Calculated over Bit Run	
Size ("):	12.25in	IADC#	M432	No.	Size	Progress	802.0m	Cum. Progress	1040.0m
Mfr:	REED-HYCALOG	WOB(avg)	27.00klb	3	13/32nd"	On Bottom Hrs	17.0h	Cum. On Btm Hrs	24.5h
Type:	PDC	RPM(avg)	180	3	14/32nd"	IADC Drill Hrs	24.0h	Cum IADC Drill Hrs	33.5h
Serial No.:	211760	F.Rate	1100gpm			Total Revs		Cum Total Revs	0
Bit Model	RSR616M-A10	SPP	2800psi			ROP(avg)	47.18 m/hr	ROP(avg)	42.45 m/hr
Depth In	850.0m	HSI							
Depth Out		TFA	0.840						

Bit Comment

BHA # 3

Weight(Wet)	54.00klb	Length	230.0m	Torque(max)	15000ft-lbs	D.C. (1) Ann Velocity	329fpm
Wt Below Jar(Wet)	27.00klb	String	213.00klb	Torque(Off.Btm)		D.C. (2) Ann Velocity	0fpm
		Pick-Up	225.00klb	Torque(On.Btm)	11000ft-lbs	H.W.D.P. Ann Velocity	225fpm
		Slack-Off	204.00klb			D.P. Ann Velocity	225fpm

BHA Run Description: 12.25" bit, bit sub c/w float, ARC-8, Power pulse c/w 12.12" stab, Sonic Vision 825, ADN-8 c/w 12" stab, 4 x 8.5" DC, Jar, 8" DC, X/O, 15 x HWDP.

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.28m	12.25in		211760	

Equipment	Length	OD	ID	Serial #	Comment
Bit Sub	1.22m	8.25in	2.80in		
ARC8	5.92m	8.31in		YA81	
Power Pulse	8.48m	8.37in		VR52	
SonicVISION 825	7.72m	8.31in		VE75	
ADN 8	8.21m	8.12in		42736	
Drill Collar	37.75m	8.25in	3.00in		
Jar	9.68m	8.00in	3.37in		
Drill Collar	9.44m	8.00in	3.37in		
X/O	0.93m	7.00in	2.80in		
HWDP	140.81m	5.50in	3.66in		

Survey

MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
1104.00	0.1							
1134.00	0.1							
1164.00	0.1							
1222.00	0.2							
1253.00	0.1							
1282.00	0.2							
1310.00	0.3							
1370.00	0.3							
1429.00	0.5							
1458.00	0.5							
1577.00	0.7							
1635.00	0.9							
1694.00	1.0							
1724.00	1.2							
1753.00	1.3							
1842.00	1.9							
1901.00	2.0							

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Drill Water	MT	150	36	0	327.0
Rig Fuel	m3	0	18	0	152.0
POTABLE WATER	MT	8	30	0	282.0
Cement class G	MT	0	0	0	63.0
Bentonite	MT	0	0	0	39.0
Barite	MT	0	0	0	102.0
Brine	m3	82	15	0	158.0
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	9.10	97	94	2800	550
2	National 14 P-220	6.50	9.10	97			
3	National 14 P-220	6.50	9.10	97	94	2800	550

Slow Pump Data

Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (gpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (gpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (gpm)
1794.0	30	250	176	40	300	234	50	380	293
	30		176	40		234	50		293
1794.0	30	250	176	40	300	234	50	390	293

Casing

OD	LOT / FIT	Csg Shoe (MD/TVD)	Cementing
30 "	/	151.00m / 151.00m	
13.38	15.02ppg /	841.00m / 841.00m	Utilising MLS hanger for 13.375" casing.

Personnel On Board

Company	Pax
ADA	4
Seadrill	15
Seadrill Services.	33
Catering	9
Halliburton - Sperry	2
Baker Hughes Inteq	7
Halliburton - Sperry	2
Tamboritha	2
Dril-Quip	1
Schlumberger MWD/LWD	3
Ian Brown	2
REED	1
Total	81

Mud Volumes, Mud Losses and Shale Shaker Data

Engineer : Brian Auckram/Tim Waldhuter

Available	**2058.8bbl**	**Losses**	**345.6bbl**	Equipment	Description	Mesh Size	Comments
Active	287.0bbl	Downhole	56.9bbl	Shaker 1	VSM-300	89	
Mixing		Surf+ Equip	260.7bbl	Shaker 1	VSM-300	215	
Hole	774.8bbl	Dumped		Shaker 2	VSM-300	89	
Slug		De-Gasser		Shaker 2	VSM-300	89/215	
Reserve	997.0bbl	De-Sander		Shaker 3	VSM-300	89	
Kill		De-Silter		Shaker 3	VSM-300	215	
		Centrifuge	28.0bbl	Shaker 4	VSM-300	89	
				Shaker 4	VSM-300	89/215	

Marine

Weather on 28 Sep 2008

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	35kn	223.0deg	1005.0mbar	11C°	2.4m	240.0deg	6s
Rig Dir.	**Ris. Tension**	**VDL**	**Swell Height**	**Swell Dir.**	**Swell Period**	**Weather Comments**	
133.5deg	310.00klb	2578.00klb	2.9m	240.0deg	7s	Wave and swell heights are estimates.	
Comments							

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

Item	Unit	Used	Quantity
Rig Fuel	m3		578.2
Potable Water	Mt		180
Drill Water	Mt		0
CEMENT G	Mt		42
Barite	Mt		42
Bentonite	Mt		18
SOBM	m3		0
Brine	m3		29

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Pacific Valkyrie			En route Geelong

Item	Unit	Used	Quantity
Rig Fuel	m3		519.6
Potable Water	Mt		195
Drill Water	m3		100
CEMENT G	Mt		0
Barite	Mt		35
Bentonite	Mt		0
SOBM	m3		0
Base Oil	m3		0
Brine	m3		0