

Santos



CASINO DEVELOPMENT

CASINO-5 DRILLING AND COMPLETION PROGRAMME

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VIC-P44

APPROVAL

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1 WELL INFORMATION

Summary Data Sheet

Well Name :	Casino-5
Well Designation :	Horizontal Gas Producer
Permit :	VIC P-44
Interest Holders:	Santos Ltd 50% AWE 25% Mitsui 25%
Operator :	Santos Ltd
Anticipated spud date :	5 May 2005
Budget Duration :	23 days Drilling Operations 16 days, Completion Operations 7 days
Drilling Contractor / Rig :	Diamond Offshore General Company (DOGC) / Ocean Patriot
RT - SL / Water Depth:	22 m / 70 m water depth PRELIMINARY
Geographic Surface Location :	Lat 38° 47' 43.746" S Long 142° 44' 44.54" E Easting: 651 603 mE Northing: 5 704 471 mN
Surface Position Tolerance:	10 metres
Target Location : (GDA94)	Depth: 1743mRT TVD (TOP Waarre C Fm) Lat 38° 47' 43.746" S Long 142° 44' 44.54" E Easting: 651 603 mE Northing: 5 704 471 mN
Primary Objective :	Waarre C Sandstone
Depth of Objective :	1743 mRT TVD (± 4mRT MD)
Well Depth (TD):	1788 mRT TVD (m) contingent on base reservoir

Note: The Casino-5 well target is the Waarre-C well location referred to in the Casino Development VIC-P44 Field Development Plan (Document ref. 5738041-FDP-001-0) page 167 of the Casino Field Development Plan.

See Figure 1 and Figure 2 respectively for the Casino-5 well location map and time depth curve.

1.1 Programme Basis

This Drilling and Completion Programme describes the activities that have been programmed for the well.

This programme is to be used in conjunction with the documents referenced below.

- Detailed Drilling and Completions Instructions for Casino-5
- Santos Drilling Guidelines
- Casino Well Design Workbook

Any changes to this programme can only be made with the written approval of the Drilling and Completions Manager via a Change Control Form (as detailed in the Drilling and Completions Management System).

1.2 Reference Manuals

The Casino Drilling and Completions EHS Management System Manual defines how Santos will manage EHS for this programme.

1.3 Drilling Hazards

Shallow Gas	No shallow gas is expected at this location (based on seismic interpretation). Additionally, no shallow gas was encountered in Casino-2 which was drilled 150 metres from Casino-5 Routine shallow gas procedures shall be in place for riserless top hole drilling (as per DOGC procedures).
Toxic Gas	No H ₂ S has been observed in the offset wells and is not expected on Casino-5.
Lost Circulation	17 ½" Hole This hole section will be drilled riser-less on Casino-5. 12 ¼" Hole: Potential for high mud losses in Dilwyn Formation in the upper part of the hole section. This formation is planned for drilling with seawater and high vis sweeps. There are no recorded losses below the Pebble Point formation in offset wells. 8 ½" Hole: No lost circulation has been observed in offset wells in the Waarre-C formation. Full returns are expected in Casino-5.
Differential Sticking	Differential sticking has not been observed on offset wells and is considered a low risk on Casino-5.
Abnormal Pressure	Formation pressure data from Casino-2 indicates maximum formation pressure of 1.12sg in Waarre sands. Formations above the Waarre sands are prognosed to be normally pressured.
Fracture Gradient	LOT data from offset wells are shown in section 2.3. Insufficient fracture gradient is not expected to be a limiting factor in Casino-5 based on recent offset drilling within the Casino field.
Borehole Stability	17 ½" Hole: Tight hole has been experienced in offset wells. Connections shall be reamed through problem section. 12 ¼" hole: A well-bore stability study has been conducted and reviewed. Sufficient mud weight is programmed to control borehole breakout based on this study. 8½" Hole: No stability problems are expected in the Waarre C formation.

Hard Drilling	<p>17 ½" Hole: No hard drilling is expected in this hole section.</p> <p>12 ¼" hole: Pyrite stringers potentially destructive to PDC bits are expected in the Massacre Shale. The pyrite zone will be drilled with a TCI bit prior to running a PDC bit.</p> <p>8½" Hole: No hard drilling is expected in the Waarre-C sands.</p>
Drillstring Vibration	No drillstring vibration problems were reported on offset wells.
Temperature	No abnormal temperatures are expected on Casino-5. The expected maximum static BHT is 79°C.
Weather	Casino-5 location is not subject to cyclonic activity. Heavy weather however may limit operations periodically. Heavy weather operating procedures are detailed in the DOGC Emergency Response Manual
Seabed Conditions	No seabed related problems are expected during spudding operations based on recent offset well experience and location surveys.

1.4 Operational Setting

CASINO-5 will be drilled by the semi-submersible mobile offshore drilling unit (MODU) Ocean Patriot, which is operated by Diamond Offshore (DOGC).

Marine logistical support for drilling operations will be from the Portland Supply Base. Two vessels will be utilised during Casino-5 operations for towing and supply. One vessel will remain in the vicinity of the MODU at all times during operations to provide support in the event of an emergency. Distance from Portland to the Casino-5 location is ~60 Nm. One way economy sailing time is ~4 hours.

One way helicopter flying duration (from Essendon airport) is ~80 minutes depending on the weather conditions.

2 GEOLOGICAL INFORMATION

2.1 Objectives

The objective of this well is to develop the gas reserves of the Waarre C reservoir via a vertical well located near the crest of the reservoir. Dynamic modelling conducted during the development planning phase has indicated that the entire Waarre C reserves can be developed with a single vertical production well.

2.2 Formation Tops

Formation Tops	Predicted Depth (mRT TVD) Casino-5	Uncertainty
Mepunga Formation	680	+/- 5m
Wangerrip Group	776	+/- 5m
Pebble Point Formation	1077	+/- 5m
Massacre Shale	1146	+/- 5m
Timboon Sst	1157	+/- 5m
Paaratte Formation	1350	+/- 5m
Skull Creek Mudstone	1617	+/- 5m
Top Waarre Formation	1743	+/- 5m
Waarre Cb Main Pay	1752	+/- 5m
Waarre Ca Pay	1761	+/- 5m
Base Waarre C Res	1780	+/- 5m
Total Depth	~1788	

Note 1: The Ocean Patriot rotary table is 22 m above LAT.

2.3 Temperature, Pore Pressure and Fracture Gradient

The maximum expected bottom hole temperature at Casino-5 (at 1788m mRT TVD) is 79°C.

Formation pressure gradient for Casino-5 is expected to be ~1.12sg in the Waarre C sand. Mud weights of ~1.25sg are planned for the 311mm (12¼") hole section to control potential well-bore instability in formations above the target. Mud weight of 1.24sg is planned for drilling the 216mm hole section (Waarre C sand).

The leak off tests (LOT) on offset wells are shown below.

Well	LOT (sg)	Depth (m TVD)
Casino-1	2.07	758
Casino-2	1.22	691
Casino-3	1.8	648
Minerva-3	1.63	587
Minerva-4	1.77	624

3 DRILLING INFORMATION

3.1 914mm (36") Hole for 762mm (30") Casing (90mRT – 134mRT)

The 914mm (36") hole will be drilled to approximately 134mRT MD to allow setting of a 4 joint, 762mm (30") conductor string with a swaged 508mm (20") shoe. The 914mm (36") hole section will be drilled vertically with seawater and gel sweeps and will be drilled with a 660mm (26") bit / 914mm (36") hole opener combination.

3.2 445mm (17½") Hole for 340mm (13⅜") Casing (134mRT – 650mRT)

After drilling out the 508mm (20") swaged conductor shoe with a 445mm (17½") bit, 445mm (17½") hole will be drilled riser-less to the 340mm (13⅜") casing point at approximately 650mRT MD, approximately 30m above the Mepunga formation. After running and cementing the 340mm (13⅜") casing, the 476mm (18¾") Drill Through Horizontal Subsea Tree will be installed prior to running BOPs. A detailed procedure for running the tree will be issued to the rig prior to spud.

3.3 311mm (12¼") Hole for 244mm (9⅝") Casing (650mRT - 1730mRT)

Casino-5

After drilling out the 340mm (13 3/8") casing shoe at ~640mRT MD and conducting a leak-off test, a vertical 311mm (12 ¼") hole will be drilled down to the 244mm (9⅝") casing point approximately 13m TVD above the Waarre 'C' sands. The 244mm (9⅝") casing string will be run to ~1720mRT MD.

3.4 216mm (8½") Hole for Expandable Sand Screens (1730mRT MD – 1788mRT MD)

After drilling out the 9⅝" casing shoe and conducting a leak-off test, 216mm hole will be drilled to a target total depth of 1788mRT MD.

Refer to section 5 for details on running the lower completion.

3.5 Summary Drilling Sequence.

The following is an outline of the planned drilling sequence on Casino-5:

- Mobilise rig to the Casino-5 Location;
- Run anchors;
- Drill 914mm (36") hole to ~134mRT MD with 660mm (26") bit and hole opener;
- Run and cement 762mm (30") conductor;
- Drill 444mm (17½") hole to 650mRT MD;
- Run and cement 340mm (13⅜") surface casing to 640mRT MD;
- Run 476mm (18¾") Drill Through Horizontal Subsea Tree
- Run BOPs;
- Drill 311mm (12¼") hole to the 244mm (9⅝") casing point at ~1730mRT MD.
- Run and cement 244mm (9⅝") intermediate casing to ~1720mRT MD;
- Drill 216mm (8½") hole to ~1788m;
- Run lower completion to ~1778m;
- Run upper completion;
- Clean-up well / test;
- Recover anchors;

Refer to the Casino-5 time in Figure 2.

3.6 Casing Design Summary

CASING DESIGN – Weight, Grade & Strength							
Seabed Depth: 92m RT							
HOLE SIZE	CSG SIZE	SETTING DEPTH (mRT MD)	Casing			Strength	
			JOINT TYPE	WEIGHT/GRADE/CONNECTIONS	BURST MPa (psi)	COLLAPSE MPa (psi)	TENSION kdaN (kips)
914mm (36")	762mm (30")	134	Wellhead	762mm (30") (30") Cameron Wellhead Housing STM-10 c/w 1 x 38mm (1.5") WT, 762mm (30") Intermediate Extension (30" x 1.5" Lynx HT Box down)	20.7 (3000)	10.9 (1581)	1486 (3320)
			Conductor	1 x 25mm WT 762mm (30") Intermediate Joint (Lynx HT Pin x Lynx SA-2 Box) 1 x 25mm WT 762mm (30") (Intermediate Joint (Lynx SA-2 Pin x SA-2 box)			
			Shoe Joint (Swaged to 508mm (20"))	762mm (30") x 25mm WT (X52) x 508mm x 25mm WT (X56) Crossover joint (Lynx SA-2 pin up)			
445mm (17½")	340mm (13⅜")	640	Wellhead	476mm (18¾") Cameron STM-10 'E' Housing with w/ H4 profile, w/508mm (20") 25mm WT (1") x 340mm (13 ⅝") 107kg/m (72ppf) crossover extension, BTC pin down.	37.1 (5379)	18.4 (2668)	739 (1662)
			Surface Casing	340mm (13⅝") 107kg/m (72ppf); L80; BTC			
			Shoe joint	340mm (13⅝") 107kg/m (72ppf); L80; BTC			
311mm (12¼")	273mm (10¾") x 244mm (9⅝")	1720	Casing Hanger	330mm x 273mm (10¼ ") STM-10 Casing Hanger	44.4 (6438)	27.7 (4020)	568 (1278)
			Intermediate Casing	7 jts 273mm (10¾ ") 83kg/m (55½ppf); L80; Vam Top (down to 148 mRT MD) 1 jt x 273mm (10¾") x 244mm (9⅝") L80 Vam Top XO (at ~160 mRT MD) 119 jts 244mm (9⅝") 70 kg/m (47ppf); L80; Vam Top (160 – 1588 mRT MD) 1 jt 244mm (9⅝") 70 kg/m (47ppf) L80 Vam top box / KS Bear Pin XO			
			Float, Shoe joints	7 jts 244mm (9⅝") 70 kg/m(47ppf); 13Cr80; KSBear (1600 – 1684 mRT MD) 1 jt 244mm (9⅝") 70 kg/m (47ppf) 13Cr80; KS Bear box / BTC Top Pin XO			
(8½")	168mm (6⅝")	~1778 ESS hanger at ~1700	Lower Completion Tubing	194mm (7 5/8") 44.3 kg/m (29.7 ppf); 13Cr80; Fox (1700 – ~1730 mRT MD)	47.5 (6887)	33 (4785)	304 (684)
			Expandable Sand Screen	216mm (expanded) ESS 150 micron 1730 - ~1778 mRT MD	N/A	N/A	N/A

CASING DESIGN – Safety Factors & Design Assumptions									
Seabed Depth: 92m RT									
Casing			Safety Factors				Worst Case Design Assumptions		
HOLE SIZE	CSG SIZE	SETTING DEPTH (mRT)	BURST	COLLAPSE	AXIAL	TRIAXIAL	BURST	COLLAPSE	AXIAL
914mm (36") (36")	762mm (30") (30")	134	-	-	-	-	-	-	-
445mm (17½")	340mm (13⅜")	750	1.29	3.4	3.5	1.79	Casing pressure test.	Cementing	Pressure test
311mm (12¼")	273mm (10¾")	148	1.34	13.84	2.12	1.61	Casing pressure test.	Full evacuation – production case	Green cement pressure test
	x 244mm (9⅝")	XO 1720	1.39	1.58	2.11	1.67	Casing pressure test.		Green cement pressure test
216mm (8½")	168mm (6⅝")	~1778 ESS hanger at ~1700	N/A**	N/A**	N/A**	N/A**	N/A	N/A	N/A

Notes: *Safety Factor = Pipe Rating ÷ Design Load
Casing design carried out using StressCheck 2000.1

**The 168mm liner string is not a pressure integral string.

3.7 Drilling Fluid Summary

MI SWACO		DRILLING FLUID PROPOSAL PRICED SUMMARY Well: Casino 5					Prepared date/by: 12-Nov-04 / Dave Bennett	SANTOS verification:	Date: 11-Jan-05	Santos				
							Verified date/by:		Rev. No: 0					
							Approved date/by:	SANTOS Approval:	Total cost US\$: 123,549					
36 Section: Seawater / Hi Vis Sweeps														
Depth meters	MW sg	Funnel Visc. sec.	6 rpm	pH	Gel 10s lb/100sqft	Gel 10m lb/100sqft								
	alap	>100	> 40	9 - 10	>15	>40								
COMMENTS: This section will be drilled with Seawater and high viscosity sweeps at a rate of 50 bbl every 5 m. Prehydrated bentonite will be utilised for this. Guar Gum will be held in contingency for Hi Vis Sweeping and used if required. At TD sweep the hole clean with a 100 bbl Hi Vis Pill. Displace the open hole to Hi - Vis prehydrated bentonite (not flocculated) prior to pulling out for wiper trip and prior to pulling out to run casing.														
						PRODUCTS		Concentrations		VOLUMES				
						TYPE	Unit	Size	Sweeps	Displ vol	Tot Unit	bbl		
						Bentonite	lb	100	35.0	35.0	291	DISPL. VOL. X 2	330	
						Caustic Soda	kg	25	0.2	0.2	3			
						Soda Ash	kg	25	0.2	0.2	3			
						Lime	kg	25	0.8	0.0	7			
												SWEEPS	500	
												TOT. VOL.	830	
												NEW MUD	830	
												Max Angle, deg.	0	
												Dilut. fac	n/a	
						Total section cost		US\$		3,189				
17 1/2 Section: Seawater / Hi Vis Sweeps														
Depth meters	MW sg	Funnel Visc. sec.	6 rpm	pH	Gel 10s lb/100sqft	Gel 10m lb/100sqft								
	alap	>100	> 40	9 - 10	>15	>30								
COMMENTS: This section will be drilled with Seawater and high viscosity sweeps at a rate of 40-50 bbl every 10 m or as required. Alternate the sweeps between PHG and flocculated PHG. The PHG will help consolidate and seal any loose sand section by forming a wall cake. Guar Gum will be held in contingency for Hi Vis Sweeping and used if required. Losses are expected and no attempt will be made to cure these losses. Only if hole cleaning becomes difficult upon entering the loss zone then LCM may be temporarily incorporated into the Hi-Vis Sweeps to raise the annular fluid column & therefore the cuttings from above the BHA. At TD sweep the hole clean with a 150 bbl Hi Vis Pill. Displace the open hole to Hi - Vis prehydrated bentonite (not flocculated) prior to pulling out for wiper trip and prior to pulling out to run casing.														
						PRODUCTS		Concentrations		VOLUMES				
						TYPE	Unit	Size	Sweeps	Displ vol	Tot Unit	bbl		
						Bentonite	lb	100	28.0	35.0	896	DISPL. VOL. X 1.5	900	
						Caustic Soda	kg	25	0.2	0.2	9			
						Soda Ash	kg	25	0.2	0.2	12			
						Lime	kg	25	0.5	0.0	29			
												SWEEPS	3200	
												TOT. VOL.	4100	
												NEW MUD	4100	
												Max Angle, deg.	0	
												Dilut. fac	n/a	
						Total section cost		US\$		9,924				
12 1/4 Section: Seawater / Hi Vis Sweeps and 8% KCL/PHPA/Polymer														
Depth meters	MW sg	YP lb/100sq.ft	PV cP	Gel 10s lb/100sq.ft	Gel 10m lb/100sq.ft	6 rpm	pH	API FL ml	KCl % wt	PHPA ppb	LGS %vol	MBT ppb		
750 1720 Length: 970	1.25 as req'd	6 RPM dependent	weight dependent	> 14 non-progressive	< 25	10-12	8.5 - 9.5	< 6	8	1.0 -1.5	< 5	alap		
COMMENTS: Drill out the shoe track cement with seawater sweeping with mud left over from the previous hole section. The initial part of this interval down to 1100m will be drilled with Seawater and high viscosity sweeps at a rate of 40-50 bbl every 15 m or as required. Based on offsets, by drilling with seawater and pumping havis sweeps, severe losses due to severe sand blinding of the shakers will be avoided. Alternate the sweeps between PHG and flocculated PHG. The PHG will help consolidate and seal any loose sand section by forming a wall cake. Guar Gum will be held in contingency for Hi Vis Sweeping and used if required. Mud properties of the PHG Havis sweeps will be the same as those quoted for the 17 1/2" section. Once through the sand the mud system can then be displaced to a 8% KCL/PHPA/Polymer mud system. Claystone inhibition will be achieved through the maintainance of 8% KCl and polyacrylamide cuttings encapsulation. Monitor well for signs of overpressure & control with appropriate mud weight. A mud weight of 1.23sg will probably be sufficient to drill this well but density should be increased immediately if hole instability is observed. Efficient hole cleaning will be based on maintaining the 6 rpm readings between 10 & 12 dial units with premixed Duovis. API Fluid Loss will be controlled to < 6 cc with . Treat down hole mud with Glute 25 prior to trips. Optimise use of solids control equipment to maintain LGS below 5% by vol. Ensure unimpeded cuttings movement off shaker screens.														
						PRODUCTS		Concentrations		VOLUMES				
						TYPE	Unit	Size	New	Maint	Tot Units	bbl		
						Barite	lb	100	100.0	10.0	2394	SURFACE	600	
						Caustic Potash	kg	25	0.2	0.2	16	RISER	109	
						OS-1	kg	25	0.2	0.2	16	CASING	322	
						Polypac UL	kg	25	1.3	0.3	63	OPEN HOLE	464	
						Polyplus	kg	25	1.0	0.3	51	DILUTION	682	
						KCl	mt	1	30.0	2.0	32	HOLE TOT	895	
						Sodium Bicarbonate	kg	25	0.2	0.1	12	TOT. VOL.	2177	
						Duovis	kg	25	1.3	0.3	63	RECEIVED	0	
						Glute 25	lt	25	as required		8	NEW MUD	2177	
												MUD LEFT	1495	
												Max Angle, deg.	0	
						Hivis sweeps								
						Bentonite	lb	100	28.0		336	Hivis Sweeps		
						Caustic Soda	kg	25	0.2		4	Sweeps	1200	
						Soda Ash	kg	25	0.2		4			
						Lime	kg	18.5	0.5		15			
						Total section cost		US\$		62,814			Dilut. fac	1.10

216mm (8 1/2") Hole Section: Flo Pro Drill-in fluid														PRODUCTS				Concentrations			VOLUMES	
Depth meters	MW sg	YP lb100sqft	PV cP	6 rpm	pH	API FL ml	Sized CaCO3	Gel Strengths	LSRV 0.3rpm	MBT ppb	LGS %vol	KCl % wt	NaCl % wt	TYPE	Unit	Size	New	Maint	Tot Unit		bbf	
1.22 - 1.23		δ rpm dependent	alap	LSRV dependent	9.5	<5	50 ppb	non-progressive	40-60K	<5	< 5% alap	6%	20%	Flo-Vis Plus	kg	25	2.0	0.3	48	SURFACE	600	
COMMENTS: This section is to be drilled with a Flo-Pro NT Drill-In Fluid. This fluid has been selected due to its excellent non-formation damaging and hole cleaning characteristics. Drill out the shoe track cement with seawater and high vis sweeps to avoid cement contamination of the fluid. Pump a 100 bbl high vis sweep ahead of the new fluid when displacing. Excellent hole cleaning is essential through this horizontal hole and will be based on the 0.3rpm LSRV readings of 50 - 70K with premixed Flo-Vis Plus. Omyacarb 20 will be added at 50 ppb to help bridge theWarre C sands and minimise invasion potential and also provide mud weight. A mud weight of 1.22 sg will be maintained throughout. The API fluid loss will be controlled to <5 ml with pre-mixed Dualflo HT. Optimise shaker screen selection to minimise LGS content.														Caustic Potash	kg	25	0.3	0.1	8	RISER	109	
														Dualflo HT	lb	50	3.5	0.3	39	CASING	390	
														KCL	mt	1	24.0	2.0	13	OPEN HOLE	9	
														Glute 25	lt	25	0.2	0.1	6	DILUTION	32	
														Omyacarb 20	kg	25	50.0	2.0	1076	HOLE TOT	509	
														Flossy Salt	mt	1	80.0	2.0	42	TOT. VOL.	1141	
														Sodium Bicarbonate	kg	25	0.20	0.0	4	RECEIVED	0	
														Defoam A	lt	25	as required			NEW MUD	1141	
																				MUD LEFT	1109	
																				Max Angle, deg.	0	
Total section cost																	US\$	47,623	Dilut. fac	0.8		

3.8 Cementing Summary

Hole SIZE	Casing SIZE/SETTING DEPTH (mAHRT)	Cement Slurry							Notes PRE-FLUSH/ POST FLUSH
		TYPE	REQUIREMENTS	WATER	WEIGHT (ppg) YIELD (CuFt/Sk)	EXCESS	TOC (mRT)	ADDITIVES	
36"	30"x20" @ 134.5 mRTm BHST / BHCT 23°C / 26°C	Tail 'G'	Job Pumping Time 1.0 hr Thickening Time 3hr Compressive strength 3000 psi	SW	15.8 1.19	200% excess on gauge hole	TOC @ seabed.	D047: 0.01 gal/sk S001: 1.00%BWOC	Pre: 6.4 m ³ seawater; 1.6 m ³ with Dye/Mica Post: Displace w/ seawater 2.5 m ³
17 1/2"	13 3/8" @ 640m BHST / BHCT 46°C / 27°C	Lead 'G'	Job Pumping Time 1.0 hr Thickening Time 8.0 hr	SW	12.5 2.23	50% excess on gauge open hole	TOC @ seabed	D047: 0.02 gal/sk D075: 0.42 gal/sk	Pre: 19.1 m ³ Sea water
		Tail 'G'	Job Pumping Time 1.0 hr Thickening Time 3.5 hr Comp. strength 3000 psi	SW	15.8 1.18	20% excess on gauge open hole	TOC @ 490m	D047: 0.01 gal/sk D145A: 0.03 gal/sk	
12 1/4"	9 5/8" @ 1720m BHST / BHCT 81°C / 54°C	Lead 'G'	Job Pumping Time 1.5 hr Thickening Time 3.5 hr	SW	12.5 2.23	20% Excess on gauge hole	TOC @ 1320m	D047: 0.02 gal/sk D075: 0.42 gal/sk	Pre: TBA
		Tail 'G'	Fluid Loss <150mL/30min Job Pumping Time 1.0 hr Thickening Time 3.5 hr	DW	15.8 1.16	20% Excess on gauge hole	TOC @ 1570m	D047: 0.01 gal/sk D193: 0.25 gal/sk D145A: 0.08 gal/sk	

- Notes:**
- (1) Volume includes excess as stated
 - (2) Volumes to be confirmed with Dowell prior to the job
 - (3) Additive quantities and thickening times to be confirmed with lab testing using rig samples.

D047 Antifoam
S001 Accelerator
D075 Liquid Extender
D110 Retarder
D145A Dispersant

3.9 Pressure Testing Schedule

Test Performed	On Stump		340mm (13 ³ / ₈ " Casing		273mm (10 ³ / ₄ " x 244mm (9 ⁵ / ₈ " Casing*	
	MPa	psi	MPa	psi	MPa	psi
Pressure testing after bumping the cement top plug:						
340mm (13 ³ / ₈ " Casing initial test – contingent upon bumping the plug (<i>limited by Cameron running tool</i>)	-	-	20.7	3000	-	-
273mm (10 ³ / ₄ " x 244mm (9 ⁵ / ₈ " Casing initial test – contingent upon bumping the plug	-	-	-	-	27.6	4,000
BOP testing:						
70% of casing burst 340mm (13 ³ / ₈ " (for information)	-	-	24.2	3514	-	-
70% of casing burst 273mm (10 ³ / ₄ " (for information)	-	-	-	-	31.1	4,506
70% of casing burst 244mm (9 ⁵ / ₈ " (for information)	-	-	-	-	33.2	4,809
Blind/Shear Ram	34.5	5,000	20.5	3000	27.6	4,000
LMRP Connector	27.6	4000	17.2	2,500	17.2	2,500
Wellhead Connector	-	-	27.6	4,000	27.6	4,000
Annular Preventer	27.6	4000	17.2	2,500	17.2	2,500
Pipe Rams	34.5	5,000	27.6	4,000	27.6	4,000
Choke Manifold, Choke and kill lines, TDS Safety valves, Standpipe Manifold	-	-	27.6	4,000	27.6	4,000

- A full BOP stump test shall be conducted prior to the running the stack (off critical path). A full BOP test shall be conducted prior to drilling out of the 340mm (13³/₈" string.
- A full BOP test shall be conducted at least every 14 days.
- A test plug shall be utilised for all BOP pressure tests and connector pressure tests once the stack has been run except for the blind/shear ram test.
- The test shall include a 5 minute low pressure test to 1.4 MPa (200psi). High pressure testing shall be conducted for 10 minutes
- The worst case theoretical surface pressure has been calculated at 18.6 MPa (2700 psi) assuming total evacuation to gas and the maximum estimated formation pressure prognosed for the Waarre-C formation
- A blind/shear test is not required during routine tests once in open hole.
- The blind/shear rams shall be tested against casing/cement
- The 273mm (10-3/4") shall only be pressure tested during the initial BOP stump test and once the tubing hanger landing string has been run.

3.10 Formation Integrity Tests

340mm (13³/₈") Casing Shoe

A full leak-off test (LOT) shall be performed at the 340mm (13 3/8") casing shoe on Casino-5

A leak off test in the range of 1.6 – 1.80sg is expected at the 340mm casing shoe at a depth of ~730mRT MD. A leak-off test of 1.5sg is sufficient for a 7.95 m³ (50bbl) swabbed gas kick tolerance with a mud weight of 1.2sg and maximum expected formation pressures.

244mm (9⁵/₈") Casing Shoe

A full leak-off test shall be performed at the 244m (9⁵/₈") casing shoe on Casino-5.

3.11 Target Tolerance

Target		Tolerance
Depth:	1743mRT TVD	70m radius
Lat	38° 47' 43.746" S	
Long	142° 44' 44.54" E	
Easting:	651 603 mE	
Northing:	5 704 471 mN Lat	

The target corresponds with the top of the Waarre-C sand. Following intersection, the well will be drilled vertically to ~1788m

4 EVALUATION

4.1 Directional Surveying Programme

Hole Section	Survey Type
445mm (17½")	EMS dropped at section TD
311mm (12¼")	MWD (Measurement While Drilling)
216mm (8½")	MWD (Measurement While Drilling)

4.2 Real-time Logging Requirements (FEWD)

Hole Section	Survey Type
445mm (17½")	Not required
311mm (12¼")	GR-Res
216mm (8½")	GR-Res-Density Neutron (contingent only)

4.3 Sampling Programme

Cuttings samples will be collected at 6m intervals from beneath the 340mm (13 3/8") shoe to 100m above the Waarre-C Sand where the sampling interval will be shortened to 3m through to TD. A detailed sampling programme will be available at the well site.

4.4 Wireline Logging

Hole Section	Logging Tools
445mm (17½")	Not required
311mm (12¼") Casino-5	Not required
216mm (8½")	GR-Res-Density-Neutron (contingent only)

4.5 Coring

No coring is planned for Casino-5.

4.6 Testing

A well clean-up is planned for Casino-5 following installation of the upper completion and is detailed in Section 5.

5 COMPLETION

5.1 Introduction

Casino-5 will be completed as a vertical producer in the Waarre-C sands, tied back via sub-sea flow lines to a shore based gas processing plant. The completion has been designed to be as reliable as possible to remove the need for any re-entry over its producing life of around 12 years. The produced gas contains 0.8% Carbon Dioxide and no Hydrogen Sulphide. Chrome metallurgy (13% or greater) has been specified to ensure long life in the expected corrosive environment. Reservoir sand strength studies have concluded that the risk of sand production is low, but cannot be disregarded and therefore a sand exclusion system has been incorporated into the completion as the sub-sea system cannot tolerate sand production. An Expandable Sand Screen (ESS) sand exclusion system will be deployed. Early water break-through is not expected, and when it occurs, will signal the end of the producing wells life.

The horizontal subsea tree will be installed and BOPs run immediately prior to drilling the 12¼" hole section. Detailed procedures will be generated to cover the tree installation sequence.

The 12¼" hole section will reach TD above the reservoir and a 9⅝" x 10¾" production casing run and cemented. It is important that the 12¼" hole is not drilled into the reservoir as this could jeopardise ESS integrity and adversely affect well productivity. The lower portion of the 9⅝" section will be 13 Cr as this will be in contact with produced fluids.

The 216mm (8½") vertical production bore will then be drilled using a water based drill-in fluid containing sized bridging agents. Once TD has been reached, it will be necessary to condition the mud to ensure the drill-in fluid does not plug the screens.

TD will be towards the base of the Waarre-C sand. Blank 7⅝" pipe will be run between the packer and top reservoir – the ESS will cover the interface between reservoir and overlying seal as this is where some of the high quality reservoir is predicted to occur.

The lower completion comprises of ESS, 7-5/8" base pipe and the ESS hanger. The screens will be run and set in the drill-in fluid. Two trips will be needed. The first is to run the ESS and set the packer. The second trip is to expand the ESS, which will require two passes to fully expand the screens. A circulation sub will be installed in the ESS running string (above the ESS hanger) to allow displacement of the drill-in fluid from the casing with inhibited completion brine. The density of the brine will be slightly lower than the drill-in fluid to prevent inversion. The ESS running string will then be recovered.

The upper completion is a single 177.8mm (7") 13Cr tubing completion with a Tubing Retrieval Safety Valve (TRSV) installed approximately 50m below the mudline. A permanent hydraulic set packer will be set at approximately 1700mRT MD. During completion running, the hole will be monitored and kept full at all times, via the trip tank, as there is no mechanical barrier isolating the reservoir. A wireline entry guide will be positioned a minimum of one tubing length above the top of the lower completion with the permanent packer set within the 13Cr section of casing. Chrome metallurgy will be used for all flow wetted areas.

The upper completion will be landed with a 187.3mm (7⅝") subsea test tree run on a 244.5 mm (9⅝") landing string.

The tubing will be displaced with diesel prior to packer setting in order to provide under-balance for the well flowback. A standing valve will then be run on slickline and set in the standing valve profile in the tailpipe below the production packer. The tubing will be pressure

tested and packer set. The tubing will then be pressure tested to 27.6MPa (4000 psi). Note: maximum SITHP during production operations is ~ 18.6MPa (2700 psi).

Due to the absence of mechanical isolation from the reservoir, it will not be possible to pressure test the TRSV prior to setting the packer or pressure test the packer from below once the packer is set. Note the TRSV will be body tested prior to running in hole. The TRSV will be inflow tested after packer setting and the production packer will be pressure tested from above via an annular pressure test. A contingency chemical cutting tool will be available to cut the chemical cut sub to allow recovery of the upper completion if required.

The well will be cleaned up and then well tested in order to determine key reservoir parameters and well deliverability. Bean-up will be gradual to avoid hydraulic shocks to the formation & potential de-stabilisation (say, over a 1-2 hr period). Hydrate inhibitors will be injected at the subsea test tree.

After clean-up, the well will be shut-in and the TRSV inflow tested. The well will then be left in a condition to be connected to sub-sea flowlines and umbilicals.

Refer to Attachment C for further detail on the upper and lower completion of Casino 5.

5.2 Summary Completion Procedure

Detailed completion procedures will be issued prior to installation. An outline of the procedure is given below and assumes that the subsea tree and BOPs are installed, the 12¼" hole section drilled, 9⅝" casing string run and cemented and the 216mm (8½") hole has been drilled to TD and conditioned with clean kill weight mud.

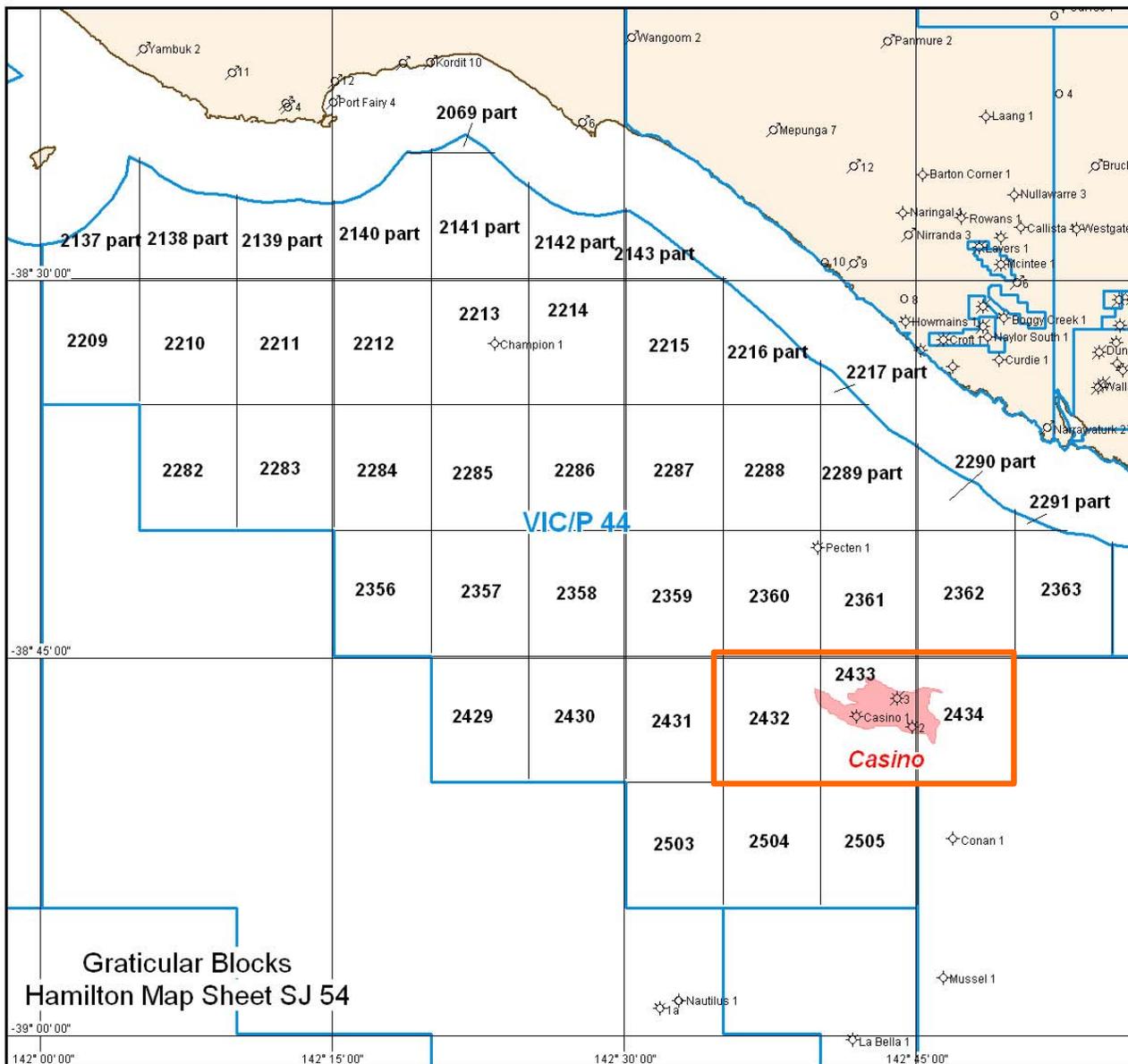
- Run 244.5mm (9⅝") casing scrapers and scrape casing at packer setting depths. Clean riser with riser brush. Function and jet BOP's and circulate clean. Jet wellhead and sub-sea tree.
- Run ESS in drill-in fluid. Run blank 7⅝" pipe and pup joints as required.
- Make up ESS hanger.
- RIH and space out to leave a ~3m rat hole, with ESS across reservoir with overlap onto overlying non-reservoir formation. Space out with blank 7⅝" pipe to place packer element clear of 9⅝" casing connections.
- X/O to drillpipe and RIH to required depth.
- Set packer. Disengage running tool. POOH.
- Run liner expansion tool with PBL sub. Make first pass to expand ESS. Make second pass to conform ESS with borehole wall.
- POOH until PBL sub is ~20m above top of packer. Function PBL sub.
- Displace upper part of well to kill weight brine. Note: Density of brine will be less than density of drill-in fluid to prevent fluid inversion.
- POOH and lay down running tool. Pull XT Drill Through Wear Bushing. Jet Production XT profiles with rubber coated bull-nose.
- Run upper completion. Sub-assemblies consists of:
 - Wireline Entry Guide (WEG);
 - 117.5mm (4⅝") RNQN nipple profile;
 - Permanent production packer & 140mm (5½") chemical cutting sub;

- Tubing Retrievable Safety Valve (TRSV) & flow couplings (note: pressure to be held on TRSV control line whilst running TRSV in hole).
- Tubing Hanger.
- Make up Tubing Hanger to running tool and 187.3 mm (7³/₈") subsea test tree. Run in hole with 244.5 mm (9⁵/₈") landing string.
- Rig up flowhead and slickline equipment. Land tubing hanger in Production XT. Pressure test the flowhead to the well-test choke manifold and production test equipment.
- Pump Diesel into tubing and displace tubing volume (minus a safety factor), taking returns from annulus via choke manifold.
- RIH with standing valve on slickline. Pressure test tubing to 15.5MPa (2250 psi)/10 mins – a higher pressure will set packer.
- Increase pressure and set packer Packer will start to set at ~ 19.0MPa (2750 psi). Test tubing to 27.6MPa (4000 psi). Bleed-off pressure in tubing (keeping TRSV open).
- Pull standing valve using slickline. Run downhole pressure gauges on slickline.
- Pressure test annulus above packer to 27.6 MPa (4000 psi).
- Bean-up well progressively over 1-2 hrs and avoid imposing hydraulic shocks on the sand face. Flow well to clean-up as per instruction from Reservoir Engineer. Hydrate inhibitors to be injected at the sub-sea tree.
- Close well in at Flowhead. Pull downhole pressure gauges with slickline. Close TRSV. Inflow test TRSV by bleeding off above.
- Run Lower Crown Plug and POOH Landing String Assembly.
- Jet ITC profile. Run Internal Tree Cap/Upper Crown Plug & pressure test same.
- Pull the Rig BOP's
- Run Debris Cap.
- Recover anchors.
- Move rig off location.

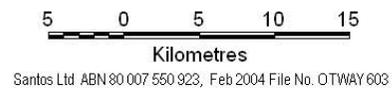
5.3 Completion Program Barrier Summary

Programmed Step	Internal Barriers	Annular Barriers
Run Lower Completion	<ol style="list-style-type: none"> 1. Overbalance drilling fluid 2. IBOP / top drive 3. stabbing valve 	<ol style="list-style-type: none"> 1. Overbalance drilling fluid 2. BOP – annular or pipe rams for drill pipe 3. BOP – shear rams whilst sand screens across stack
Run Upper Completion (Pre landing of and pressure testing of tubing hanger and pre circulation of diesel)	<ol style="list-style-type: none"> 1. Overbalance drilling fluid 2. IBOP / top drive 3. stabbing valve 	<ol style="list-style-type: none"> 1. Overbalance packer fluid 2. BOP – annular or pipe rams for tubing 3. BOP – shear rams whilst completion above the BOP 4. BOP – shear rams when landing string umbilicals prior to landing the tubing hanger
Run Upper Completion (Post Landing of tubing hanger and post circulation of diesel). Includes setting of downhole pressure gauges on slickline	<ol style="list-style-type: none"> 1. Flowhead and co-flexip line (pressure tested) 2. Slickline Pressure Control Equipment (PCE) (pressure tested) 3. Welltest choke manifold (pressure tested) 4. Subsea Test Tree Valves and lubricator valves. 	<ol style="list-style-type: none"> 1. Overbalance packer fluid 2. Tested Tubing Hanger seals 3. BOP - 9 5/8" rams (pressure tested)
Run Upper Completion (Post packer setting) and Post Clean up flow	<ol style="list-style-type: none"> 1. Flowhead and co-flexip line (pressure tested) 2. Slickline PCE (pressure tested) 3. Welltest choke manifold (pressure tested) 4. Subsea Test Tree Valves and lubricator valves. 	<ol style="list-style-type: none"> 1. Overbalance packer fluid 2. Production packer 3. Tested Tubing Hanger seals 4. BOP - 9 5/8" rams (pressure tested)
Suspension (During recovery of Landing string and running of ITC)	<ol style="list-style-type: none"> 1. Lower crown plug (pressure tested) 2. BOP – shear rams 	<ol style="list-style-type: none"> 1. Overbalance packer fluid 2. Production packer 3. Tested Tubing Hanger seals 4. BOP – shear rams
Pulling BOP and running debris cap	<ol style="list-style-type: none"> 1. Lower crown plug (pressure tested) 2. ITC & Upper crown plug (pressure tested) 	<ol style="list-style-type: none"> 1. Lower crown plug (pressure tested) 2. ITC & Upper crown plug (pressure tested)

Figure 1 – Well Location Map



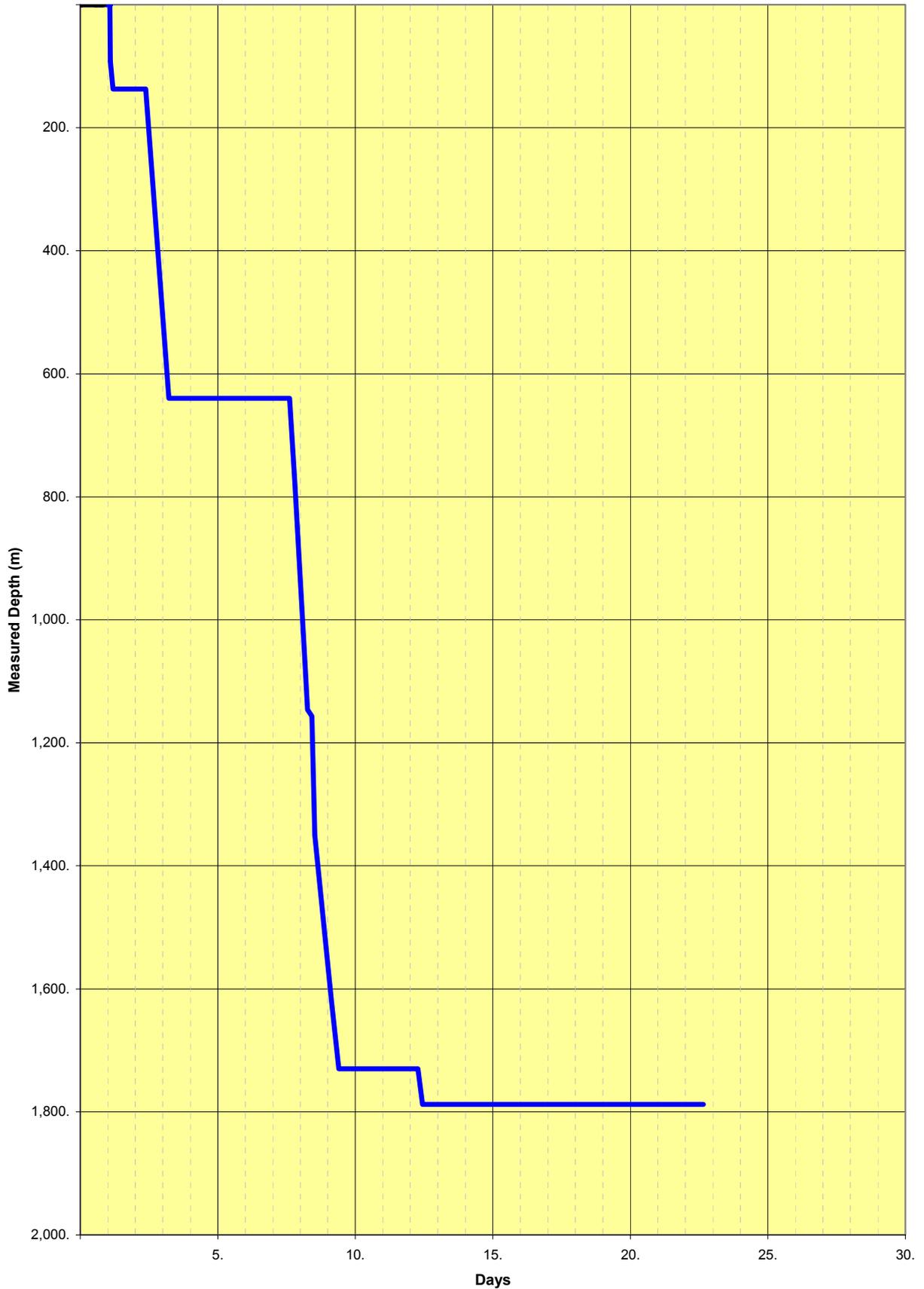
Santos
VIC/P44
Declaration of
Location Over
Casino Field



Santos Ltd ABN 80 007 550 923, Feb 2004 File No. OTWAY 603

Figure 2

Figure 2 – Time Depth Curve



Attachment A – Ocean Patriot Blow Out Prevention Equipment

Cameron 18-3/4" Type ULL BOP rated to 15,000 psi working pressure.

Component	Type / Pressure Rating
Upper Annular	Cameron Type D 18-3/4" – 34.5mPa (10,000 psi)
LMRP Connector	473mm (18 3/4") Cameron Collett 34.5 MPa (10,000 psi)
Lower Annular	Cameron Type D 18-3/4" 34.5mPa (10,000 psi)
#1 Blind/Shear Rams	Cameron ULL Blind/Shear 103 MPa (15,000 psi)
Upper Kill Entry	Below ram #1 – 103 MPa (15,000 psi)
#2 Upper Pipe Rams Variable	Cameron ULL Variable 89mmx127mm (3 1/2" x 5") 103 MPa (15,000 psi)
#3 Middle Pipe Rams 273mm (10 3/4")	Cameron ULL - 273mm (10-3/4") pipe ram 103 MPa (15,000 psi)
Choke Entry	Below ram #3– 103 MPa (15,000 psi)
#4 Lower Pipe Rams 127mm (5")	Cameron ULL - 127mm (5") pipe ram 103 MPa (15,000 psi)
Lower Kill Entry	Below ram #4 – 103 MPa (15,000 psi)

Attachment B – List of Contractors

Baker Atlas Level 2, 200 Adelaide Terrace Perth, WA 6004 Contact: Scott Blair	Tel: (08) 9455 0915 Fax: (08) 9455 0961 Mob: 0417 357 071	Wireline Logging
Bristow Helicopter 130 Fauntleroy Avenue Redcliffe, WA 6104 Contact: Patrick Thirley	Tel: (08) 9478 3388 Fax: (08) 9478 3844 Mob: 0418 121795	Helicopters
Cameron 1 Glencairn Ave Deer Park VIC 3023 Contact: Bruce Hassett	Tel: (03) 9361 4444 Fax: Mobile: 0411 704 914	Wellheads & Trees
Diamond Offshore General Company Unit 2, 5 Turner Avenue, Bentley WA, 6012 Contact: Steve Ramsey	Tel: (08) 6363 8945 Fax: (08) 6363 8999 Mobile: 0431 507 423	Drilling Contractor
Dowell Schlumberger Level 5, 256 St Georges Terrace Perth WA 6000 Contact: Matt Cazalet	Tel: (08) 9420 4659 Fax: (08) 9420 4715 Mobile: 0411 654 526	Cementing
ECL Australia Level 1, 610 Murray St West Perth, WA 6005 Contact: Ian Scorgie	Tel: (08) 9480-0105 Fax: (08) 9480-0105	Rig Positioning - QA
Expro Group 42-44 Wittenberg Drive Canning Vale WA 6155 Contact: Dave Linkston	Tel: (08) 9456 7619 Fax: (08) Mobile: 0403 242 966	Well Testing
Farstad Shipping Level 9, 16 St Georges Tce Perth, WA 6000 Contact: Captain Bruce Dann	Tel: (03) 9254 1546 Fax: (03) 9254 1659 Mobile: 0408 488 382	Workboats
Fugro (Thales) Hydrographic House, 4 Ledger Road Balcatta, 6021 Contact: Terry Blake	Tel: (08) 6241 1351 Fax: (08) 9344 8783 Mobile: 0427 779 190	Rig Positioning
Halliburton Sperry Sun Level 2, 256 St Georges Terrace Perth WA 6000 Contact: Steve Edwards	Tel: (08) 6424 4607 Fax: (08) 6424 4699 Mobile: 0417 931 764	MWD
K&S Freighters Canal Court, Portland Vic 3305 P.O. Box 649 Contact: David Whitehead	Tel: (03) 5523 4144 Fax: (03) 5523 5647 Mobile: 0419 829 792	Shorebase
MI Australia Pty Ltd Level 11, 251 Adelaide Terrace Perth, WA 6000 Contact: Dave Bennett	Tel: (08) 9325 4822 Fax: (08) 9325 1897 Mobile: 0417 971 769	Drilling Fluids
Security DBS Level 2, 256 St Georges Terrace Perth, 6000 Contact: Joe Thompson	Tel: (08) 6424 4642 Fax: (08) 6424 4699 Mobile: 0414 911 787	Coring Services
Swire Pacific Offshore 2nd Floor, Queensgate Centre, Cnr William & Newman Streets Fremantle, WA 6160 Contact: Sam Pullen	Tel: (08) 9430 5434 Fax: Mobile: 0411 430 669	Workboats
Weatherford Level 2, 225 St Georges Terrace Perth, WA 6000 Contact: Aaron Sinnott	Tel: (08) 92124606 Fax: (08) 9226 4638 Mob: 0418 51 759	Casing Running Services

Attachment C – Completion Schematic

