

Daily Drilling Report

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|--|--------------------|--------------------------------|--|---------------------------------|------------------------------------|-----------------------------|---------------------------|--------------------------------|---------------------------------|
| WELL NAME COELACANTH-1 | | | | | | | DATE 14-03-2008 | | |
| API # | | 24 HRS PROG 0.00 (m) | | TMD 907.00 (m) | | TVD 907.00 (m) | | REPT NO 7 | |
| RIG NAME NO WEST TRITON | | FIELD NAME | | AUTH TMD | PLANNED DOW 15.92 (days) | | DOL 6.33 (days) | DFS / KO 4.46 (days) | WATER DEPTH 90.00 (m) |
| SPUD DATE 08-03-2008 | Rig Release | | WELL SUPERVISOR RICHARD READINGS / S SCHMIDT/P SHEENAN | | | OIM MICHAEL BARRY | | PBTMD | |
| REGION AUSTRALIA | | DISTRICT Gipsland | | STATE / PROV VICTORIA | | RIG PHONE NO | | RIG FAX NO | |
| AFE # 1008E50 | | AFE COSTS | | | DAILY COSTS | | CUMULATIVE COSTS | | |
| DESCRIPTION: | | DHC: 12,691,688 | | | DHC: 650,000 | | DHC: 4,717,613 | | |
| | | DCC: | | | DCC: | | DCC: | | |
| | | CWC: | | | CWC: | | CWC: | | |
| | | Others: | | | Others: | | Others: | | |
| | | TOTAL: 12,691,688 | | | TOTAL: 650,000 | | TOTAL: 4,717,613 | | |
| DEFAULT DATUM / ELEVATION WEST TRYTON 2 / 128.00 (m) | | | LAST SAFETY MEETING | | BLOCK Vic-P45 | | FORMATION | | BHA HRS OF SERVICE |
| LAST SURVEY | | | | LAST CSG SHOE TEST (EMW) | | LAST CASING | | NEXT CASING | |
| MD | 128.00 (m) | INC | 0.00° | AZM | 0.00° | (sg) | 508.000 mm @ 275.2 m | | 660.000 mm @ 279.0 m |

CURRENT OPERATIONS: Attempting to unscrew running tool from 9 5/8" CSG hanger in W/head. Applying L/hand torque causes landing string CSG to back off at first box coupling at rig floor level.

24 HR SUMMARY: Continue Schlumberger wireline logs, lose power to unit. Troubleshoot problem, retrieve tools from wellbore using T-bar and rig floor tugger. Retrieve W/bushing, run dummy 13 3/8" CSG hanger, rig up and run 9 5/8" CSG and land same in W/head.

24 HR FORECAST: Retrieve 9 5/8" CSG landing string, set seal assy, run W/bushing, pick up new BHA for 8 1/2" hole and RIH same.

OPERATION SUMMARY

| From | To | HRS | Phase | Operation | PT/NPT | NPT CODES | ACTIVITY SUMMARY |
|-------|-------|------|-------|-----------|--------|-----------|---|
| 0:00 | 2:30 | 2.50 | S-DRL | LOG | PP | | RIH with Schlumberger PEX-DSI wireline tools and log as per programme |
| 2:30 | 6:00 | 3.50 | S-DRL | LOG | PN | WL | During POOH with Schlumberger wireline tools, the Schlumberger generator tripped out - tool 30m from surface. Troubleshoot problem - find a short back to windings and rig unable to supply power to Schlumberger unit on short notice. Prepare to pull wireline from hole using T-bar. |
| 6:00 | 6:30 | 0.50 | S-DRL | LOG | PN | WL | Install T-Bar on wireline & pull tools to surface with tugger. |
| 6:30 | 9:30 | 3.00 | S-DRL | LOG | PP | | Tools at surface. remove RA source from tools, lay out toolstring and rig down Schlumberger |
| 9:30 | 10:30 | 1.00 | S-NUP | WLHEAD | PP | | Remove diverter bag, M/up wearbushing retrieveing tool and retrieve W/bushing |
| 10:30 | 12:00 | 1.50 | S-NUP | WLHEAD | PP | | RIH 2 stnds HWDP, M/up dummy 13 3/8" hanger, RIH same on DP and set in wellhead. POOH & rack back running tool & HWDP. |
| 12:00 | 15:00 | 3.00 | S-CSG | CSGRP | PP | | Rig up Weatherford equipment to run 9 5/8" CSG. Hold JSA |
| 15:00 | 21:00 | 6.00 | S-CSG | CSGRP | PP | | Pick up 9 5/8" CSG shoe jnt, test same. RIH CSG to 868m. Pump mud into CSG every jnt, fill completely every 10th jnt. |
| 21:00 | 21:30 | 0.50 | S-CSG | CSGRP | PP | | Wash down last CSG jnt from 868m to 880m. |
| 21:30 | 23:00 | 1.50 | S-CSG | CSGRP | PP | | P/up 9 5/8" CSG hanger and RIH same. |
| 23:00 | 0:00 | 1.00 | S-CSG | CSGRP | PP | | Rig down 500T elevators and fill up tools. Run and land 9 5/8" CSG in W/head. 2m sling has fallen into the 20" x 9 5/8" annulus. See detail under comments. |

24.00 = Total Hours Today

06:00 UPDATE

0000-0600

00:00 - 00:30 - Rig up cement head & lines.

00:30 - 01:30 - Circulate one CSG volume, hold PJSM.

01:30 - 03:30 - Pump 20 bbl seawater and test surface lines to 3000psi OK. Pump 60 bbl tuned spacer, drop bottom plug and cement CSG with 347 bbl lead slurry at 12.5ppg and 34 bbl tail slurry at 15.8 ppg.

03:30 - 04:30 - Drop top plug and displace cement with seawater. Bump plug at 217.5 bbl volume and pressure test CSG to 2500 psi 20 mins OK. Dump returns @ W/head. No cement to surface and full returns during cmt job.

04:30 - 05:00 - Rig down cement head and lines.

05:00 - 06:00 - (IN PROGRESS) Attempt to unscrew landing string and running tools from 9 5/8" CSG hanger - coupling broke at brig floor. Weld straps on same and B/out running tool. Lay out landing string.

1) A sling approx. 2m long has fallen into the hole. While attempting to land the 9 5/8" CSG hanger in the W/head, it hung up on the top of the BOP and rig tuggers had to be used to pull the CSG string from side to side to try to get the hanger to pass the fouling point. While undoing the tugger lines, the sling used to wrap around the casing slipped from the floorhand's grip and slid down the outside of the CSG into the 20" x 9 5/8" annulus.

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PERSONNEL DATA

| COMPANY | QTY | HRS | COMPANY | QTY | HRS |
|-----------------------|-----|-----|----------------------|-----|-----|
| TOTAL MARINE CATERING | 9 | | SPERRY SUN | 1 | |
| SEA DRILL SERVICES | 37 | | APACHE | 4 | |
| BHI | 4 | | DRIL-QUIP | 2 | |
| TAMBORITHA | 2 | | SCHLUMBERGER MWD/LWD | 10 | |
| WEATHERFORD | 6 | | BAKER HUGHES | 1 | |
| ADA | 4 | | SEA DRILL | 14 | |
| HALIBURTON | 4 | | | | |

TOTAL PERSONNEL ON BOARD: 98

SUPPORT CRAFT

| TYPE | REMARKS |
|------------------|---------|
| PACIFIC BATLER | |
| LADY ROULA | |
| HELICOPTER | |
| PACIFIC VALKYRIE | |
| PACIFIC FRONTIER | |

MATERIALS/CONSUMPTION

| ITEM | UNITS | USAGE | ON HAND | ITEM | UNITS | USAGE | ON HAND |
|----------------|-------|-------|---------|-----------------|-------|-------|---------|
| BARITE BULK | MT | 3 | 148 | BENTONITE | MT | | 42 |
| CEMENT | MT | | 145 | FUEL OIL | m3 | | 240 |
| WATER, POTABLE | MT | 46 | 195 | WATER, DRILLING | MT | 159 | 538 |

WEATHER

| TIME | SWELL HT/DIR/PER | WAVE HT/DIR/PER | WIND SPEED/DIR | GUST SPEED/DIR | TEMP |
|-------|---------------------|--------------------|----------------|----------------|------|
| 00:00 | 0.20 / 15 | / / | / | /90.00 | |

MUD INVENTORY

| ITEM | UNIT | USAGE | Day Cost (\$) | ON HAND |
|------|------|-------|---------------|---------|
|------|------|-------|---------------|---------|