30 Dec 2005

From: Ron King/ Geoff Webster
To: J Ah-Cann

DRILLING MORNING REPORT # 19
Culverin 1

Well Data

Country	Australia	MDBRT	3402.0m	Cur. Hole Size	12.250in	AFE Cost	$ 22699889
Field	Gippsland Basin	TVDBRT	3398.5m	Last Casing OD	13.375in	AFE No.	3433-1001
Drill Co.	DOGC	Progress	17.0m	Shoe TVDBRT	1511.8m	Daily Cost	$ 593639
Rig	OCEAN PATRIOT	Days from spud	14.44	Shoe MDBRT	1511.8m	Cum Cost	$ 14178590
Wtr Dpth(MSL)	585.0m	Days on well	18.35	FIT/LOT:	/ 15.80ppg	Days Since Last LTI	955
RT-ASL(MSL)	21.5m	Planned TD MD					
RT-ML	606.5m	Planned TD TVDRT					

Current Op @ 0600	RIH with 5" DP to mMDRT.
Planned Op	Drill ahead 311 mm (12 ¼") hole.

Summary of Period 0000 to 2400 Hrs

Drilled ahead from 3385.0 mMDRT to 3402.0 mMDRT. POOH for bit trip. Downloaded LWD memory. Made up new PDC bit and new motor. Started to RIH.

FORMATION

Name	Top
Near 68.5 Ma Sand	3103.00m
Near 70.3 Ma Sand	
Near 70.3 Ma Sand	
TD	
TD	

Operations For Period 0000 Hrs to 2400 Hrs on 30 Dec 2005

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	0200	2.00	0.0m	Drilled 311mm (12 1/4") hole from 3385m to 3397m MDRT String wt 350klbs, Tq 4-14000ftlbs, 100-150 rpm surface, 180-256rpm DH, WOB 4-25klbs, 4200psi, 890gpm. Boost riser while drilling. ROP average 3.86m/hr (including connections) Survey results @3375m, 3.7deg, 76.2 azimuth
IH	TP (RE)	DA	0200	0230	0.50	3390.0m	Elmagco auxillary brake problems. fault find and make repairs. Continue with 50% power available to Elmagco
IH	P	DA	0230	0830	6.00	3402.0m	Drilled 311mm (12 1/4") hole from 3390m to 3402m MDRT String wt 355klbs, Tq 4-14000ftlbs, 100-150 rpm surface, 180-256rpm DH, WOB 18-25klbs, 3900-4300psi, 875gpm. Boost riser while drilling. Average ROP = 2m/hr
IH	P	TO	0830	0930	1.00	3402.0m	Flow checked and POOH from 3402m to 2867m, pulled tight @ 55klbs overpull
IH	P	REA	0930	1000	0.50	3402.0m	Made up top drive and back ream from 2867m to 2819m
IH	P	TO	1000	1630	6.50	3402.0m	Continued to POOH from 2819m to 268m, flow checked @ casing shoe. Calibrated MWD caliper @ 1475m
IH	P	TO	1630	1830	2.00	3402.0m	POOH with 311mm (12 1/4") BHA, remove radioactive source from LWD, broke off bit (4-6-WT-S-X-1-RO-PR) and laid out mud motor
IH	P	TO	1830	2030	2.00	3402.0m	Picked up LWD from derrick and download data. Racked back same in derrick
IH	P	RS	2030	2100	0.50	3402.0m	Serviced top drive and pipe handler. Checked compensator chains
IH	P	TI	2100	2300	2.00	3402.0m	Picked up new motor (Sperrydrill 6/7 5 stage w/ 0 degree bend), made up new bit (Reed RSX616M) and RIH with 311mm (12 1/4") BHA
IH	P	TI	2300	2400	1.00	3402.0m	Loaded radio active source into LWD and initiate tools

Operations For Period 0000 Hrs to 0600 Hrs on 31 Dec 2005

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	TI	0000	0130	1.50	3402.0m	Continued to RIH with 12 1/4" BHA. Shallow pulse test MWD with 750 GPM and 750 psi, good test
IH	P	TI	0130	0300	1.50	3402.0m	Picked up 27 joints 5" DP from catwalk
IH	P	TI	0300	0600	3.00	3402.0m	Continued to RIH with 12 1/4" BHA and 5" DP from Derrick

Operations For Period Hrs to Hrs on

Phase Data to 2400hrs, 30 Dec 2005

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
RIG MOVE/RIG-UP/PRESPUD(RM)	25.75	05 Nov 2005	14 Dec 2005	25.75	1.073	0.0m
ANCHORING(A)	44.75	14 Dec 2005	15 Dec 2005	70.50	2.937	0.0m
SURFACE HOLE(SH)	30	15 Dec 2005	17 Dec 2005	100.50	4.187	650.0m
SURFACE CASING(SC)	16.5	16 Dec 2005	17 Dec 2005	117.00	4.875	650.0m
INTERMEDIATE CASING(IC)	1	17 Dec 2005	17 Dec 2005	118.00	4.917	650.0m
RISER AND BOP STACK(BOP)	54	21 Dec 2005	23 Dec 2005	172.00	7.167	1525.0m
INTERMEDIATE HOLE(IH)	268.5	17 Dec 2005	30 Dec 2005	440.50	18.354	3402.0m

WBM Data

Cost Today $ 21860

Mud Type:	KCL-NaCl-Polymer	API FL:	4.0cc/30min	Cl:	82500mg/l	Solids(%vol):	10%
Sample-From:	Active Pit	Filter-Cake:	1/32nd"	K+C*1000:	7%	H2O:	90%
Time:	2100	HTHP-FL:	11.8cc/30min	Hard/Ca:	260mg/l	Oil(%):	0%
Weight:	10.20ppg	HTHP-cake:	1/32nd"	MBT:	7	Sand:	1
Temp:	32C°			PM:		pH:	7
				PF:	0.04	PHPA:	1ppb

Viscosity	60sec/qt
PV	16cp
YP	28lb/100ft²
Gels 10s	7
Gels 10m	9
Fann 003	5
Fann 006	7
Fann 100	27
Fann 200	37
Fann 300	44
Fann 600	60

Comment: NaCl 8%.

Bit # 3

Wear	I	O1	D	L	B	G	O2	R
	4	6	WT	S	X	2	RO	PR

Bitwear Comments:

Size ("):	12.250in	IADC#	M422
Mfr:	REED HYCALOG	WOB(avg)	13.20klb
Type:	PDC	RPM(avg)	100
Serial No.:	211010	F.Rate	20.26bpm
Bit Model	RSX 616	SPP	3800psi
Depth In	1525.0m	HSI	
Depth Out	3402.0m	TFA	2.197

Nozzles

No.	Size
2	28/32nd"
4	18/32nd"

Drilled over last 24 hrs

Progress	17.0m
On Bottom Hrs	6.0h
IADC Drill Hrs	8.0h
Total Revs	1463
ROP(avg)	2.83 m/hr

Calculated over Bit Run

Cum. Progress	1877.0m
Cum. On Btm Hrs	96.7h
Cum IADC Drill Hrs	81.5h
Cum Total Revs	2870
ROP(avg)	19.41 m/hr

Bit Comment

Bit # 4

Wear	I	O1	D	L	B	G	O2	R
							NO	

Bitwear Comments:

Size ("):	12.250in	IADC#	M422
Mfr:	REED HYCALOG	WOB(avg)	
Type:	PDC	RPM(avg)	
Serial No.:	211406	F.Rate	
Bit Model	RSX 616	SPP	
Depth In	3402.0m	HSI	
Depth Out		TFA	2.197

Nozzles

No.	Size
2	28/32nd"
4	18/32nd"

Drilled over last 24 hrs

Progress	
On Bottom Hrs	
IADC Drill Hrs	
Total Revs	
ROP(avg)	N/A

Calculated over Bit Run

Cum. Progress	0.0m
Cum. On Btm Hrs	0.0h
Cum IADC Drill Hrs	0.0h
Cum Total Revs	0
ROP(avg)	0.00 m/hr

Bit Comment

BHA # 3

Weight(Wet)	40.00klb	Length	268.4m	Torque(max)	14000ft-lbs	D.C. (1) Ann Velocity	256fpm
Wt Below Jar(Wet)	30.00klb	String	350.00klb	Torque(Off.Btm)	3000ft-lbs	D.C. (2) Ann Velocity	384fpm
		Pick-Up	350.00klb	Torque(On.Btm)	6000ft-lbs	H.W.D.P. Ann Velocity	176fpm
		Slack-Off	360.00klb			D.P. Ann Velocity	176fpm

BHA Run Description: Annular velocity based on 900gpm

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.25m	12.250in		211010	Reed Hycalog RSX 616M
Mud Motor	8.58m	9.625in	6.135in	963006	244mm(9 5/8") Sperrydrill Lobe 6/7 - 5.0 stg Motor
X/O	1.22m	9.438in	2.875in	A639	
Stab	1.81m	12.125in	2.875in	694776	Non-mag integral blade string stab
MWD	24.39m	8.000in	1.920in		DIR/HCIM-EWR-DGR-CTN-SLD-ACAL-HOC.
8in DC	9.06m	8.000in	2.875in	18600035	
Stab	2.10m	12.125in	2.875in	47607	Integral blade string stabilizer
8in DC	8.68m	8.000in	2.875in	1860026	
Drilling Jars	9.31m	8.188in	3.063in	11150D	Drilling jars used in surface hole section.
8in DC	8.81m	8.000in	2.875in	18600031	
X/O	1.16m	8.500in	2.875in	MSO1930-2	
5in HWDP	192.98m	5.000in	2.875in		

BHA # 4

Weight(Wet)	57.00klb	Length	268.3m	Torque(max)		D.C. (1) Ann Velocity	256fpm
Wt Below Jar(Wet)	30.00klb	String		Torque(Off.Btm)		D.C. (2) Ann Velocity	384fpm
		Pick-Up		Torque(On.Btm)		H.W.D.P. Ann Velocity	176fpm
		Slack-Off				D.P. Ann Velocity	176fpm

BHA Run Description: Annular velocity based on 900gpm

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.24m	12.250in		211406	Reed Hycalog RSX 616M
Mud Motor	8.54m	9.625in	6.135in	963271	244mm(9 5/8") Sperrydrill Lobe 6/7 - 5.0 stg Motor
X/O	1.22m	9.438in	2.875in	S18819-11	
Stab	1.81m	12.125in	2.875in	694776	Non-mag integral blade string stab
MWD	24.39m	8.000in	1.920in		DIR/HCIM-EWR-DGR-CTN-SLD-ACAL-HOC.
8in DC	9.06m	8.000in	2.875in	18600035	
Stab	2.10m	12.125in	2.875in	47607	Integral blade string stabilizer
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8in DC	8.81m	8.000in	2.875in	18600031	
X/O	1.16m	8.500in	2.875in	MSO1930-2	
5in HWDP	192.98m	5.000in	2.875in		

Survey

MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
3375.00	3.7	54.0	3371.50	92.3	76.2	52.1	0.2	MWD

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	3.42	0	113.8
Bentonite Bulk	MT		0	0	38.1
Diesel	m3	100	27.1	0	406.1
Fresh Water	m3	26	25.1	0.5	160.8
Drill Water	m3	0	78.3	-0.4	403.5
Cement G	MT		0	0	79.9
Cement HT (Silica)	MT		0	0	0.0

Pumps

Pump Data - Last 24 Hrs

No.	Type	Liner	MW	Eff (%)	SPM	SPP	Flow

Slow Pump Data

Depth	SPM1	SPP1	Flow1	SPM2	SPP2	Flow2	SPM3	SPP3	Flow3

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Pumps

Pump Data - Last 24 Hrs								Slow Pump Data									
		(in)	(ppg)		(SPM)	(psi)	(bpm)	(m)	(SPM)	(psi)	(bpm)	(SPM)	(psi)	(bpm)	(SPM)	(psi)	(bpm)
2	12P160	6.000	10.20	97	101	4200	10.24	3275.0	30	320	3.00	40	360	4.00	50	450	5.00
3	12P160	6.000	10.20	97	101	4200	10.24	3275.0	30	320	3.00	40	360	4.00	50	450	5.00

Casing

OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)
	650.30	650.30	604.40	604.40	
	1511.77	1511.77	603.50	603.50	

Personnel On Board

Company	Pax	Comment
DOGC	40	
DOGC	3	extra Crane operator, dogman, welder
ESS	8	
NEXUS	5	
FUGRO SURVEY LTD (ROV)	3	
DOWELL SCHLUMBERGER	2	
M-1 AUSTRALIA PTY LTD	3	One swaco hand for new shaker being assessed for Diamond
GEOSERVICES OVERSEAS S.A.	6	
HALLIBURTON AUSTRALIA PTY LTD - SPERRY SUN	5	One trainee
Total	75	

HSE Summary

Events	Date of last	Days Since	Descr.	Remarks
Abandon Drill	26 Dec 2005	4 Days	Held weekly abandon rig drill	
Environental Issue	29 Dec 2005	1 Day	Environmental Audit	Carry out environmental audit by Nexus shorebase personnel.
Fire Drill	26 Dec 2005	4 Days	Held weekly fire drill	
JSA	29 Dec 2005	1 Day	Deck = 6, Mech = 3, Drill = 7,Welder = 2, Marine = 1	
Safety Meeting	26 Dec 2005	4 Days	Weekly safety meetings with all crew members.	
STOP Card	29 Dec 2005	1 Day	Safe = 2	

Shakers, Volumes and Losses Data

Available	**3,204bbl**	**Losses**	**0bbl**
Active	360.1bbl		
Hole	2,103.9bbl		
Reserve	740bbl		

Equip.	Descr.	Mesh Size
Shaker1	VSM 100	4 x 165
Shaker2	VSM 100	4 x 165
Shaker3	VSM 100	4 x 120
Shaker4	BEM650	4 x 165

Marine

Weather on 30 Dec 2005

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period
10.0nm	15kn	0.0deg	1014.0mbar	18C°	0.5m	0.0deg	2s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments
272.0deg	456.00klb	4578.40klb	1.0m	270.0deg	7s	

Comments

Rig Support

Anchors	Tension (klb)
1	247.0
2	269.0
3	198.0
4	262.0
5	366.0
6	359.0
7	298.0
8	284.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status
Far Grip			Standby Ocean Patriot

Bulks

Item	Unit	Used	Quantity
Diesel	CuMtr		347

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				Item	Unit	Used	Quantity
				Fresh Water	CuMtr		67
				Drill Water	CuMtr		50
				Cement G	Mt		0
				Cement HT (Silica)	Mt		54
				Barite Bulk	Mt		89
Depart Ocean Patriot 07:00 for Crystal Ocean, (Fuel on board = 355m3) Arrive Ocean Patriot 15:43 from Crystal Ocean (Fuel on board = 347m3) Fuel hose caught in Prop.							
Pacific Wrangler		18:30	Enroute to Eden	**Item**	**Unit**	**Used**	**Quantity**
				Diesel	CuMtr		484
				Fresh Water	CuMtr		185
				Drill Water	CuMtr		320
				Cement G	Mt		132
				Cement HT (Silica)	Mt		0
				Barite Bulk	Mt		0
				Bentonite Bulk	Mt		42
Depart for Crystal Ocean @ 16:50 from Ocean Patriot. Fuel on board = 487.2m3). Unable to transfer fuel to Crystal Ocean, Depart for Eden @ 18:30 (Fuel on board = 484m3)							

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	0910 / 0933	9 / 12	