

01 Jan 2006

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

Well Data							
Country	Australia	MDBRT	3571.0m	Cur. Hole Size	12.250in	AFE Cost	\$ 22699889
Field	Gippsland Basin	TVDBRT	3567.1m	Last Casing OD	13.375in	AFE No.	3433-1001
Drill Co.	DOGC	Progress	98.0m	Shoe TVDBRT	1511.8m	Daily Cost	\$ 0
Rig	OCEAN PATRIOT	Days from spud	16.44	Shoe MDBRT	1511.8m	Cum Cost	\$ 11635849
Wtr Dpth(MSL)	585.0m	Days on well	19.77	FIT/LOT:	/ 15.80ppg	Days Since Last LTI	957
RT-ASL(MSL)	21.5m	Planned TD MD					
RT-ML	606.5m	Planned TD TVDRT					
Current Op @ 0600		POOH at XXX.0 mMDRT to investigate suspected washout.					
Planned Op		Drill ahead 311 mm (12 1/4") hole to TD.					

Summary of Period 0000 to 2400 Hrs
Drilled ahead from 3473.0 mMDRT to 3571.0 mMDRT. POOH for suspected washout.

FORMATION	
Name	Top
Base Funa Flounder Channel	2835.00m
Top 67.5 Ma Sand	2836.00m
Near 68.5 Ma Sand	3103.00m
Near 70.3 Ma Sand	3478.00m
TD	

Operations For Period 0000 Hrs to 2400 Hrs on 01 Jan 2006							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	1830	18.50	3571.0m	Continued to drill 311mm (12 1/4") hole from 3473m MDRT to 3571m MDRT Average ROP = 5.3m/hr, WOB = 20-24 klbs, Rotary RPM = 110, DH RPM = 228, Tq = 6000-8000 ftlb, Flow = 872 GPM Encountered drilling break at 3481m MDRT to 3487m MDRT, flow checked well (76m/hr, Gas = 45 units) Max Gas = 186 units @ 3543.5m MDRT
IH	P	WSH	1830	2400	5.50	3571.0m	Conducted 15 minute flow check, good. POOH wet, checking for washout. Pulled 2 stands and made up top drive, circulated to confirm continued pressure loss. POOH 10 stands, flow checked 10 minutes, good. Continued POOH checking for washout. Visually inspect tool joint seal faces of each stand for wear.

Operations For Period 0000 Hrs to 0600 Hrs on 02 Jan 2006							
Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	WSH	0000	0600	6.00	3571.0m	Continued POOH checking for washout. Visually inspect tool joint seal faces of each stand for wear.

Operations For Period Hrs to Hrs on							
Phase Data to 2400hrs, 01 Jan 2006							
Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth	
RIG MOVE/RIG-UP/PRESPUD(RM)	23.5	05 Nov 2005	14 Dec 2005	23.50	0.979	0.0m	
ANCHORING(A)	33	14 Dec 2005	15 Dec 2005	56.50	2.354	0.0m	
SURFACE HOLE(SH)	30	15 Dec 2005	17 Dec 2005	86.50	3.604	650.0m	
SURFACE CASING(SC)	16.5	16 Dec 2005	17 Dec 2005	103.00	4.292	650.0m	
INTERMEDIATE CASING(IC)	1	17 Dec 2005	17 Dec 2005	104.00	4.333	650.0m	
RISER AND BOP STACK(BOP)	54	21 Dec 2005	23 Dec 2005	158.00	6.583	1525.0m	
INTERMEDIATE HOLE(IH)	316.5	17 Dec 2005	01 Jan 2006	474.50	19.771	3571.0m	

WBM Data		Cost Today \$ 20199					
Mud Type:KCL-NaCl-Polymer	API FL: 3.6cc/30min	Cl: 82000mg/l	Solids(%vol): 10%	Viscosity 62sec/qt			
Sample-From: Active Pit	Filter-Cake: 1/32nd"	K+C*1000: 7%	H2O: 90%	PV 18cp			
Time: 19:00	HTHP-FL: 12.0cc/30min	Hard/Ca: 260mg/l	Oil(%): 0%	YP 27lb/100ft²			
Weight: 10.20ppg	HTHP-cake: 1/32nd"	MBT: 6	Sand: 1.25	Gels 10s 7			
Temp: 33C°		PM: 0.2	pH: 9	Gels 10m 9			
		PF: 0.04	PHPA: 1ppb	Fann 003 6			
				Fann 006 8			
				Fann 100 27			
				Fann 200 37			
				Fann 300 45			
				Fann 600 64			
Comment	NaCl 8%. Ditch magnet recovery = 220 grams						

Bit # 4		Wear	I	O1	D	L	B	G	O2	R
Bitwear Comments:										
Size ("):	12.250in	IADC#	M422	Nozzles		Drilled over last 24 hrs		Calculated over Bit Run		
Mfr:	REED HYCALOG	WOB(avg)	24.30klb	No.	Size	Progress	98.0m	Cum. Progress	169.0m	
Type:	PDC	RPM(avg)		2	28/32nd"	On Bottom Hrs	15.2h	Cum. On Btm Hrs	27.0h	
Serial No.:	211406	F.Rate	853.00bpm	4	18/32nd"	IADC Drill Hrs	18.5h	Cum IADC Drill Hrs	30.0h	
Bit Model	RSX 616	SPP	3737psi			Total Revs		Cum Total Revs	0	
Depth In	3402.0m	HSI				ROP(avg)	6.45 m/hr	ROP(avg)	6.26 m/hr	
Depth Out		TFA	2.197							
Bit Comment										

BHA # 4		Length	OD	ID	Serial #	Comment
Weight(Wet)	57.00klb	Length	268.3m	Torque(max)	14ft-lbs	D.C. (1) Ann Velocity 256fpm
Wt Below Jar(Wet)	30.00klb	String	365.00klb	Torque(Off.Btm)	5ft-lbs	D.C. (2) Ann Velocity 384fpm
		Pick-Up	355.00klb	Torque(On.Btm)	8ft-lbs	H.W.D.P. Ann Velocity 176fpm
		Slack-Off	365.00klb			D.P. Ann Velocity 176fpm

BHA Run Description Annular velocity based on 900gpm

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.24m	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
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		

Survey								
MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
3519.26	3.3	50.1	3515.46	100.7	81.6	59.1	0.1	MWD
3547.59	3.3	50.0	3543.75	102.3	82.6	60.3	0.0	MWD

Bulk Stocks					
Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	0	0	113.8

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Bentonite Bulk	MT		0	0	38.1	
Diesel	m3	0	27.8	0	362.5	
Fresh Water	m3	28	30.5	0.1	160.8	
Drill Water	m3	0	108.5	-0.3	270.8	
Cement G	MT		0	0	79.9	
Cement HT (Silica)	MT		0	0	0.0	

Pumps																	
Pump Data - Last 24 Hrs								Slow Pump Data									
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (bpm)	Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (bpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (bpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (bpm)
2	12P160	6.000	10.20	97	101	4100	10.24	3275.0	30	320	3.00	40	360	4.00	50	450	5.00
3	12P160	6.000	10.20	97	101	4100	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	43	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	01 Jan 2006	0 Days	Held weekly abandon rig drill	Environmental audit by Nexus shorebase personnel.
Environmental Issue	29 Dec 2005	3 Days	Environmental Audit	
Fire Drill	01 Jan 2006	0 Days	Held weekly fire drill	
JSA	01 Jan 2006	0 Days	Deck = 2, Drill = 10	
Man Overboard Drill	30 Dec 2005	2 Days	Held Man Over Board Drill	
Safety Meeting	01 Jan 2006	0 Days	Weekly safety meetings with all crew members.	
STOP Card	01 Jan 2006	0 Days	Safe = 2, Un-safe = 5	

Shakers, Volumes and Losses Data					
Available	3,276bbl	Losses	0bbl	Equip.	Mesh Size
Active	455bbl			Shaker1	145, 165, 120, 165
				Shaker2	180, 180, 84, 120
Hole	2,091bbl			Shaker3	2 X 165, 2 X 120
Reserve	730bbl			Shaker4	2 X 165, 2 X 120

Marine

Weather on 01 Jan 2006								Rig Support	
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Tension (klb)
10.0nm	40kn	240.0deg	1011.0mbar	19C°	2.0m	248.0deg	2s	1	247.0
Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Period	Weather Comments			
272.0deg	456.00klb	4578.40klb	2.0m	248.0deg	6s				
Comments								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	Bulks			
Item	Unit	Used	Quantity				
Far Grip		20:30	Off Location	Diesel	CuMtr		340
				Fresh Water	CuMtr		61
				Drill Water	CuMtr		50
				Cement G	Mt		0
				Cement HT (Silica)	Mt		54
				Barite Bulk	Mt		89

Depart Ocean Patriot ETA Melbourne 2 Jan 2006 @ 02:00
 SOF's(Dec 31, 2005):
 Fuel 340m3, Potable water 61m3, Drill water 50m3, silica cmt 54t, barite 89t.

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Item	Unit	Used	Quantity
Pacific Wrangler	20:30		Standby Ocean Patriot	Diesel	CuMtr		457.4
				Fresh Water	CuMtr		175
				Drill Water	CuMtr		320
				Cement G	Mt		132
				Cement HT (Silica)	Mt		0
				Barite Bulk	Mt		0
				Bentonite Bulk	Mt		42

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	/	/	No Flights today