

Daily Drilling Report

| | | | | | | | | | |
|--|----------------------------------|---|---|---------------------------------|---|---------------------------------------|---|------------------------------------|----------------------------------|
| WELL NAME DORY-1 | | | | | | | DATE 13-11-2008 | | |
| API # OH | | 24 HRS PROG 439.00 (m) | | TMD 2,955.00 (m) | | TVD 2,953.96 (m) | | REPT NO 16 | |
| RIG NAME NO OCEAN PATRIOT | | FIELD NAME DORY | | AUTH TMD 3,821.50 (m) | PLANNED DOW 26.02 (days) | | DOL 12.40 (days) | DFS / KO 8.85 (days) | WATER DEPTH 518.48 (m) |
| SPUD DATE 04-11-2008 | Rig Release 25/11/2008 | | WELL SUPERVISOR PAT BROWN / DAVID SYMINGTON | | | OIM DENNIS GORE | | PBTMD | |
| REGION AUSTRALIA | | DISTRICT OFFSHORE | | STATE / PROV VICTORIA | | RIG PHONE NO (08) 9338 5640 | | RIG FAX NO | |
| AFE # 096 08EE6 | | AFE COSTS | | | DAILY COSTS | | CUMULATIVE COSTS | | |
| DESCRIPTION: Vertical Exploration Well. | | DHC: 26,682,148 DCC: CWC: Others: TOTAL: 26,682,148 | | | DHC: 933,237 DCC: CWC: Others: TOTAL: 933,237 | | DHC: 14,673,987 DCC: CWC: Others: TOTAL: 14,673,987 | | |
| DEFAULT DATUM / ELEVATION ROTARY TABLE / 21.50 (m) | | | LAST SAFETY MEETING 13/11/2008 | BLOCK VIC-P59 | | FORMATION | | BHA HRS OF SERVICE 41.50 | |
| LAST SURVEY | | | | LAST CSG SHOE TEST (EMW) | | LAST CASING | | NEXT CASING | |
| MD | 2,938.52 (m) | INC | 1.23° | AZM | 64.27° | 1.34 (sg) | 340.000 mm @ 1,534.1 m | | |
| CURRENT OPERATIONS: RIH 127mm (5") drill pipe. | | | | | | | | | |
| 24 HR SUMMARY: Drilled 216mm (8-1/2") hole from 2516m to 2719m. Conducted check trip - hole condition good. Drilled 216mm (8-1/2") hole from 2719m to 2892m. Backreamed from 2892m to 2400m. RIH and drilled 216mm (8-1/2") hole from 2892m to 2955m. POH to surface. | | | | | | | | | |
| 24 HR FORECAST: RIH to 340mm (13-3/8") casing shoe. Slip and cut drilling line. RIH and drill 216mm (8-1/2") hole. | | | | | | | | | |

OPERATION SUMMARY

| From | To | HRS | Phase | Operation | PT/NPT | NPT CODES | ACTIVITY SUMMARY |
|-------|-------|------|-------|-----------|--------|-----------|--|
| 0:00 | 4:00 | 4.00 | P-DRL | DRLG | PP | | Recorded SCR's. Drilled 216mm (8-1/2") hole from 2516m to 2719m. Ave ROP 50.7m/hr. 4.5 - 15.8MT (10 - 35klbs) WOB, 100 - 180 rpm, 8.1 - 19.0kN.m (6 - 14kft.lbs) torque, 2.91m³/min (770gpm) flow rate, 27,925kPa (4050psi) SPP, 154.2MT (340klbs) string weight up, 149.7MT (330klbs) string weight down, 145.1MT (320klbs) string weight rotating. Note: 2,758kPa (400psi) SPP increase while drilling at 2546m - hole exhibiting signs of pack-off. Picked up off bottom and backreamed from 2546m to 2521m twice. Recorded string weights: Rotating Up - 145.1MT (320klbs), Rotating Down - 145.1MT (320klbs), Straight Up (No pump or rotation) - 154.2MT (340klbs), Straight Down - 149.7MT (330klbs). |
| 4:00 | 4:30 | 0.50 | P-DRL | RMWASH | PP | | Backreamed stand once from 2719m to 2691m to monitor hole conditions. Rotating string weights: Up - 145.1MT (320klbs), Down - 145.1MT (320klbs). POH from 2719m to 2662m (2 stands) without pump or rotation to monitor hole conditions prior to intersecting primary target. String weights: Up - 158.7MT (350klbs), Down - 154.2MT (340klbs). Correct hole fill recorded. No gas peaks encountered above background levels while drilling Angler Sub-Group, no indications of sloughing or evidence of cavings or splintered cuttings over shakers. Hole conditions good with no drag. |
| 4:30 | 7:30 | 3.00 | P-DRL | DRLG | PP | | Drilled 216mm (8-1/2") hole from 2719m to 2892m. Ave ROP 57.6m/hr. 9.1 - 15.8MT (20 - 35klbs) WOB, 160 rpm, 8.1 - 19.0kN.m (6 - 14kft.lbs) torque, 2.91m³/min (770gpm) flow rate, 29,821kPa (4325psi) SPP, 158.7MT (350klbs) string weight up, 154.2MT (340klbs) string weight down, 145.1MT (320klbs) string weight rotating. |
| 7:30 | 8:00 | 0.50 | P-DRL | CIRC | PN | FP | Recorded 10% gas peak while drilling at 2892m. Picked up off bottom and circulated gas from well - no mud cut observed. |
| 8:00 | 10:30 | 2.50 | P-DRL | RMWASH | PP | | Conducted flow check - well static. Backreamed out of hole from 2892m to 2400m. No overpull observed. |
| 10:30 | 11:00 | 0.50 | P-DRL | RIGSER | PP | | Serviced TDS and travelling block while circulating. |
| 11:00 | 12:00 | 1.00 | P-DRL | RIH | PP | | RIH from 2400m to 2892m - no drag or fill on bottom observed. |
| 12:00 | 15:00 | 3.00 | P-DRL | | | | Drilled 216mm (8-1/2") hole from 2892m to 2955m. Ave ROP 21m/hr. ROP decreased to <4m/hr. 9.1 - 18.1MT (20 - 40klbs) WOB, 100 - 165 rpm, 8.1 - 19.0kN.m (6 - 14kft.lbs) torque, 2.86m³/min (755gpm) flow rate, 30,338kPa (4400psi) SPP. |
| 15:00 | 19:30 | 4.50 | P-DRL | TRIP | PP | | Conducted flow check - well static. POH 127mm (5") drill pipe from 2955 to 1509m - tight hole encountered at 2393m and 2212m with 22.7MT (50klbs) overpull. Worked pipe once through tight hole - drag returned to normal. Ave tripping speed 321m/hr. |

Daily Drilling Report

| | | | | |
|----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|
| WELL NAME DORY-1 | | | | DATE 13-11-2008 |
| API # OH | 24 HRS PROG 439.00 (m) | TMD 2,955.00 (m) | TVD 2,953.96 (m) | REPT NO 16 |

OPERATION SUMMARY

| From | To | HRS | Phase | Operation | PT/NPT | NPT CODES | ACTIVITY SUMMARY |
|-------|-------|------|-------|-----------|--------|-----------|--|
| 19:30 | 21:00 | 1.50 | P-DRL | TRIPBHA | PP | | POH 127mm (5") DP from 1509m to BHA at 384m. Ave tripping speed 750m/hr. |
| 21:00 | 22:30 | 1.50 | P-DRL | TRIPBHA | PP | | POH and racked back 127mm (5") HWDP. POH and racked back 171mm (6-3/4") drill collars. |
| 22:30 | 0:00 | 1.50 | P-DRL | LWD | PP | | Removed RA sources from ALD and CNP LWD tools (20 mins). Laid down BAT, ACAL and float sub to pipe deck to download memory data. Picked up 127mm(5") DP single and made up to tool string for finger board space out. Plugged into MWD/LWD and downloaded data from AFR tool (required prior to breaking and laying out same). Racked back LWD in derrick to complete downloading offline. |

24.00 = Total Hours Today

06:00 UPDATE

0000-0600 00:00 - 01:00hrs: POH to bit. Near bit stabiliser 25mm (1") undergauge and bit rung out. Broke off bit and near bit stabiliser and laid out same (Bit graded 4-8-RO-S-X-1-BT-PR). Made up new 214mm (8-7/16") near bit stabiliser and bit and RIH. Offline: Downloaded memory data from BAT tool.
 01:00 - 01:30hrs: Broke out failed AFR tool and laid out. Picked up and made up back-up. Offline: Assessed AFR memory data - spurious below 1900m.
 01:30 - 02:00hrs: Picked up MWD/LWD stand from derrick consisting of PWD, ALD + CNP and HOC. Cleaned wet connects prior to make up.
 02:00 - 03:00hrs: Plugged into HOC and AFR tools. Checked tool string - OK. Initialised same.
 03:00 - 04:00hrs: Made up float sub with re-dress ported float. Picked up back-up BAT. Broke off back-up ACAL and laid out. Made up primary ACAL.
 Note: Back-up BAT tool needed following difficulties with downloading useable data from primary tool. No batteries for back-up ACAL - primary ACAL broken off primary BAT and made up to tool string. Laid out 127mm drill pipe single to pipe deck.
 04:00 - 04:30hrs: Loaded RA sources into ALD and CNP LWD tools.
 04:30 - 05:00hrs: Picked up 1 x stand 127mm (5") DP. Made up TDS and shallow tested MWD at 2.65m³/min (700gpm) - OK.
 05:00 - 06:00hrs: Picked up and RIH 171mm (6-3/4") drill collars and 127mm (5") HWDP from derrick.

HSE: 1 FAC reported. Report to follow.
 Total Stop cards - 83 (30 unsafe, 53 safe).
 JSA - 32, PTW - 17.

BIT DATA

| BIT / RUN | SIZE (mm) | MANUFACTURER | TYPE | SERIAL NO | JETS OR TFA | DEPTH IN / DATE IN | I-O-D-L-B-G-O-R |
|-----------|-----------|--------------|----------|-----------|-------------|-----------------------|--------------------|
| 3RR / 4 | 216.0 | SMITH | Mi519BPX | JX5589 | 5x13 | 1,537.00 / 11-11-2008 | 4-8-RO-S-X-1-BT-PR |

BIT OPERATIONS

| BIT / RUN | WOB | RPM | FLOW | PRESS | P BIT | HRS | 24 Hr PROG | 24 HR ROP | CUM HRS | CUM PROG | CUM ROP |
|-----------|------|---------|----------|--------|-------|------|------------|-----------|---------|----------|---------|
| 3RR/4 | 5/14 | 100/180 | 2,812.50 | 27,752 | 8009 | 3.00 | | | 28.30 | 923.00 | 32.6 |

LCM: MUD PROPERTIES MUD TYPE: KCL/POLYMER

| VIS (s/l) | PV/YP (cp) / (Pa) | GELS (Pa) | WL/HTHP (ml/30 min) | FC/T.SOL (mm) / (%) | OIL/WAT (%) | % SAND/MBT (%) / (sg) | pH/Pm (mL) | Pf/Mf (mL) | Cl (ppm) | Ca (ppm) | H2S (%) | KCL (ppm) | LGS (%) |
|-----------|-------------------|-----------|---------------------|---------------------|-------------|-----------------------|------------|------------|----------|----------|---------|-----------|---------|
| 53 | 12/28 | 9/10 | 76 | 1/3 | | 0 | | | | | | | 2 |

| | | | | | | | | | | |
|--------------|------|--|--|----|------------|--------|----------|---------|------|--|
| Density (sg) | 1.15 | | | PP | DAILY COST | 37,293 | CUM COST | 305,688 | %OIL | |
|--------------|------|--|--|----|------------|--------|----------|---------|------|--|

| | | | | | | | | | | |
|-----|---|---------|----------|-----------------------|--|--|---------|-------|-----|-----|
| BHA | 4 | JAR S/N | 17602018 | BHA / HOLE CONDITIONS | | | JAR HRS | 80.50 | BIT | 3RR |
|-----|---|---------|----------|-----------------------|--|--|---------|-------|-----|-----|

| BHA WT BELOW JARS | STRING WT UP | STRING WT DN | STRING WT ROT | TORQUE/UNITS | BHA LENGTH |
|-------------------|--------------|--------------|---------------|--------------|------------|
| 23 (tonne) | 154 (tonne) | 150 (tonne) | 147 (tonne) | 12 (kN-m) | 384.17 (m) |

| ITEM DESCRIPTION | NO JTS | LENGTH | O.D | I.D | CONN SIZE | CONN TYPE |
|---------------------------|--------|--------|--------|-------|-----------|-----------|
| Heavy Weight Drill Pipe | 17 | 158.79 | 127.00 | 79.38 | | |
| Hydraulic Jar | 1 | 9.36 | 158.70 | 69.85 | | |
| Heavy Weight Drill Pipe | 6 | 56.17 | 127.00 | 79.38 | | |
| Spiral Drill Collar | 12 | 112.92 | 171.40 | 69.85 | | |
| Integral Blade Stabilizer | 1 | 1.78 | 216.00 | 73.02 | | |
| Logging While Drilling | 1 | 8.65 | 171.40 | 47.63 | | |
| Float Sub | 1 | 0.78 | 171.40 | 73.02 | | |
| Pulser Sub | 1 | 3.06 | 171.40 | 47.63 | | |

Daily Drilling Report

| | | | | | | | |
|----------------------------|--|--|--|--|--|---------------------------|--|
| WELL NAME DORY-1 | | | | | | DATE 13-11-2008 | |
|----------------------------|--|--|--|--|--|---------------------------|--|

| | | | | | | | |
|--------------------|----------------------------------|----------------------------|----------------------------|----------------------|--|--|--|
| API # OH | 24 HRS PROG 439.00 (m) | TMD 2,955.00 (m) | TVD 2,953.96 (m) | REPT NO 16 | | | |
|--------------------|----------------------------------|----------------------------|----------------------------|----------------------|--|--|--|

| ITEM DESCRIPTION | NO JTS | LENGTH | O.D | I.D | CONN SIZE | CONN TYPE |
|-----------------------------|--------|--------|--------|-------|-----------|-----------|
| Pulser Sub | 1 | 2.70 | 171.40 | 47.63 | | |
| Logging While Drilling | 1 | 7.89 | 171.40 | 47.63 | | |
| MWD Tool | 1 | 2.51 | 171.40 | 47.63 | | |
| Integral Blade Stabilizer | 1 | 1.22 | 212.70 | 73.02 | | |
| Logging While Drilling | 1 | 9.36 | 171.40 | 47.63 | | |
| MWD Tool | 1 | 2.70 | 171.40 | 73.02 | | |
| Integral Blade Stabilizer | 1 | 1.67 | 214.30 | 73.02 | | |
| Pony Drill Collar | 1 | 2.53 | 171.40 | 47.63 | | |
| Near Bit Stabilizer | 1 | 1.81 | 214.30 | 73.02 | | |
| Polycrystalline Diamond Bit | 1 | 0.27 | 216.00 | 73.02 | | |

SURVEY

| TYPE | MD (m) | DEG (°) | AZI (°) | TVD (m) | +N/-S (m) | +E/-W (m) | V.SECT (m) | D.L (°/30m) |
|--------|----------|---------|---------|----------|-----------|-----------|------------|-------------|
| NORMAL | 2,534.92 | 1.73 | 35.80 | 2,534.01 | -4.43 | -11.20 | -5.40 | 0.12 |
| NORMAL | 2,563.90 | 1.80 | 33.67 | 2,562.98 | -3.69 | -10.69 | -4.63 | 0.10 |
| NORMAL | 2,592.89 | 1.74 | 25.08 | 2,591.96 | -2.92 | -10.25 | -3.82 | 0.28 |
| NORMAL | 2,621.85 | 1.54 | 25.98 | 2,620.91 | -2.17 | -9.89 | -3.04 | 0.21 |
| NORMAL | 2,650.67 | 1.53 | 25.37 | 2,649.72 | -1.47 | -9.56 | -2.32 | 0.02 |
| NORMAL | 2,679.36 | 1.32 | 23.81 | 2,678.40 | -0.82 | -9.26 | -1.64 | 0.22 |
| NORMAL | 2,736.48 | 1.19 | 38.56 | 2,735.50 | 0.24 | -8.62 | -0.53 | 0.18 |
| NORMAL | 2,765.32 | 1.50 | 54.76 | 2,764.34 | 0.69 | -8.13 | -0.03 | 0.51 |
| NORMAL | 2,794.00 | 1.49 | 54.96 | 2,793.01 | 1.12 | -7.52 | 0.45 | 0.01 |
| NORMAL | 2,823.06 | 1.51 | 57.63 | 2,822.06 | 1.55 | -6.88 | 0.93 | 0.08 |
| NORMAL | 2,851.45 | 1.44 | 61.34 | 2,850.44 | 1.92 | -6.26 | 1.35 | 0.13 |
| NORMAL | 2,909.60 | 1.41 | 63.70 | 2,908.57 | 2.59 | -4.97 | 2.13 | 0.03 |
| NORMAL | 2,938.52 | 1.23 | 64.27 | 2,937.48 | 2.88 | -4.37 | 2.48 | 0.19 |

CASING

| S/T | DESCRIPTION | SIZE | WEIGHT | GRADE | SETTING DEPTH |
|-----|-------------|--------|--------|-------|---------------|
| OH | SURFACE | 340.00 | | | 1,534.14 |
| OH | CONDUCTOR | 762.00 | | | 585.00 |

MUD PUMPS/HYDRAULICS

SPR

| | STROKE | SPM | LINER | FLOW | SPP: 27,752 (kPa) | SPM | PPSR |
|-----|--------|-----|--------|------|--------------------|-----|------|
| # 1 | 304.80 | 30 | 152.40 | 485 | HP: 1.025 (kW/cm²) | | |
| # 2 | 304.80 | 50 | 152.40 | 809 | | | |
| # 3 | 304.80 | 35 | 152.40 | 566 | | | |

PERSONNEL DATA

| COMPANY | QTY | HRS | COMPANY | QTY | HRS |
|----------|-----|-----|-------------|-----|-----|
| BHI | 4 | | BAKER ATLAS | 6 | |
| BJ | 1 | | KEMTECH | 2 | |
| BRANDT | 1 | | VETCO | 1 | |
| SUBSEA 7 | 10 | | SPERRY SUN | 4 | |
| APACHE | 5 | | DOWELL | 2 | |
| DODI | 59 | | | | |

TOTAL PERSONNEL ON BOARD: 95

SUPPORT CRAFT

| TYPE | REMARKS |
|----------|-------------|
| FAR GRIP | In Geelong. |

Daily Drilling Report

| | | | | |
|----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|
| WELL NAME DORY-1 | | | | DATE 13-11-2008 |
| API # OH | 24 HRS PROG 439.00 (m) | TMD 2,955.00 (m) | TVD 2,953.96 (m) | REPT NO 16 |

SUPPORT CRAFT

| TYPE | REMARKS |
|-------------|--------------------------------|
| SWISSCO 168 | On Location. |
| HELICOPTER | JYN (Pax On - 7, Pax Off - 7). |
| NOR CAPTAIN | Enroute to Geelong. |
| FAR SKY | On Location. |
| HELICOPTER | |

MATERIALS/CONSUMPTION

| ITEM | UNITS | USAGE | ON HAND | ITEM | UNITS | USAGE | ON HAND |
|----------------|-------|-------|---------|-----------------|-------|-------|---------|
| BARITE BULK | MT | 3 | 99 | BENTONITE | MT | | 43 |
| CEMENT | MT | | 102 | DIESEL | m3 | | 369 |
| WATER, POTABLE | m3 | 26 | 335 | WATER, DRILLING | m3 | 96 | 584 |

WEATHER

| TIME | SWELL HT/DIR/PER | WAVE HT/DIR/PER | WIND SPEED/DIR | GUST SPEED/DIR | TEMP |
|-------|---------------------|--------------------|----------------|----------------|------|
| 00:00 | 1.00/45.00/3 | 0.20/45.00/3 | / | 9.8/45.00 | |

DECKLOG

| MAX VDL | ACT VDL | AVG VDL | LEG PEN (BOW) | LEG PEN (PORT) | LEG PEN (S BOARD) |
|---------|---------|---------|---------------|----------------|-------------------|
| 2560 | 2038 | 2038 | | | |

SAFETY DRILLS

| RAMS (kPa) | ANNULARS (kPa) | CASING | LAST BOP DRILL | NEXT BOP PRESS TEST | FIRE DRILL | H2S DRILL | MAN OVERBRD | ABND. DRILL |
|---------------------|---------------------|---------------------|-------------------|------------------------|---------------|-----------|----------------|----------------|
| 09-11-2008 / 41,370 | 09-11-2008 / 41,370 | 10-11-2008 / 17,238 | 10-11-2007 | 24-11-2007 | 09-11-2008 | | | 09-11-2008 |

INCIDENT REPORT

| INCIDENTS TYPE | FIRST AID | LOST TIME? NO | INCIDENTS DESCRIPTION |
|----------------|-----------|---------------|-----------------------|
| | | | |

ANCHOR TENSION DATA

| ANCHOR NO | CURRENT TENSION | ANCHOR NO | CURRENT TENSION | ANCHOR NO | CURRENT TENSION |
|-----------|-----------------|-----------|-----------------|-----------|-----------------|
| 1 | 186 | 2 | 182 | 3 | 165 |
| 4 | 167 | 5 | 182 | 6 | 181 |
| 7 | 196 | 8 | 188 | 9 | |
| 10 | | 11 | | 12 | |

Daily Drilling Report

| | | | | |
|----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|
| WELL NAME DORY-1 | | | | DATE 13-11-2008 |
| API # OH | 24 HRS PROG 439.00 (m) | TMD 2,955.00 (m) | TVD 2,953.96 (m) | REPT NO 16 |

MUD INVENTORY

| ITEM | UNIT | USAGE | Day Cost (\$) | ON HAND |
|-----------------------------------|-----------|--------|---------------|---------|
| CAUSTIC SODA - NaOH | 25.00 kg | | 0.00 | 20.00 |
| SAFE-CIDE | 25.00 l | | 0.00 | 48.00 |
| SODA ASH- SOD.CARBONATE-Na2CO3 | 25.00 kg | | 0.00 | 23.00 |
| KCL BRINE (1.15SG) | 1.00 bbl | 265.00 | 26,007.10 | 0.00 |
| GUAR GUM | 25.00 kg | | 0.00 | 0.00 |
| FLOWZAN | 25.00 kg | 15.00 | 4,084.95 | 59.00 |
| POLYSAI | 25.00 kg | | 0.00 | 60.00 |
| BARITE (bulk) | MT | 3.00 | 841.83 | 85.30 |
| CIRCAL 1000 | 25.00 kg | | 0.00 | 94.00 |
| CIRCAL 60/16 | 25.00 kg | 44.00 | 778.36 | 188.00 |
| BENTONITE (BULK) | MT | | 0.00 | 47.00 |
| CALCIUM CHLORIDE 74-77% | 25.00 kg | | 0.00 | 80.00 |
| SOLTEX | 25.00 kg | 34.00 | 3,014.78 | 206.00 |
| DRISPAC SL | 25.00 kg | 21.00 | 2,565.99 | 59.00 |
| SAPP | 25.00 kg | | 0.00 | 40.00 |
| CIRCAL Y | 25.00 kg | | 0.00 | 96.00 |
| CITRIC ACID | 25.00 kg | | 0.00 | 40.00 |
| KWIKSEAL (M) | 40.00 lbs | | 0.00 | 54.00 |
| SODIUM BICARBONATE - NaHCO3 | 25.00 kg | | 0.00 | 40.00 |
| KWIKSEAL (F) | 40.00 lbs | | 0.00 | 54.00 |