

From: Rocco Rossouw/ Peter Sheehan To: Paul Barrett 01 Jan 2009

DRILLING MORNING REPORT #23 Fermat-1

| Well Data | | | | | | | |
|----------------|-------------|------------------|---------|-------------------|------------|------------|-----------------|
| Country | Australia | MDBRT | 2807.0m | Cur. Hole Size | | AFE Cost | AUD\$51,857,377 |
| Field | Otway | TVDBRT | 2804.4m | Last Casing OD | 9.625in | AFE No. | 07/002 |
| Drill Co. | Seadrill | Progress | 0.0m | Shoe TVDBRT | 2797.7m | Daily Cost | AUD\$728,224 |
| Rig | West Triton | Days from spud | 19.00 | Shoe MDBRT | 2800.3m | Cum Cost | AUD\$27,439,421 |
| Wtr Dpth (MSL) | 39m | Days on well | 23.00 | FIT/LOT: | / | | |
| RT-MSL | 38.00m | Planned TD MD | 3640m | Current Op @ 0600 | Testing Bo | OPs | |
| RT-ML | 77m | Planned TD TVDRT | 3640m | Planned Op | , | | |

Summary of Period 0000 to 2400 Hrs

Picked up 28 std's DP. Installed and tested seal assembly.

| HSE Summary | | | | |
|------------------|-------------|------------|-----------------------------------|--|
| Events | Num. Events | Days Since | Descr. | Remarks |
| Abandon Drill | 1 | 4 Days | Abandon rig drill. | All personnel mustered at life boats. |
| JSA | 6 | 0 Days | JSA's conducted for the day. | |
| Pre-tour Meeting | 4 | 0 Days | Safety Meeting. | Held Pretour and pre job safety meetings with crews. |
| PTW issued | 3 | 0 Days | PTW issued for the day. | |
| Safety Meeting | 2 | 5 Days | Weekly safety meeting. | |
| STOP Card | 30 | 0 Days | Stop cards submitted for the day. | 17 positive 10 negative |

Operations For Period 0000 Hrs to 2400 Hrs on 01 Jan 2009

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|-----|------|------|------|---------|---|
| P9 | TP (TP) | G12 | 0000 | 0130 | 1.50 | 2807.0m | POOH with seal assembly. Split lock down ring of the hanger body recovered, broken in two pieces, bent and mangled, sitting on top of seal assembly running tool. All seal rings on seal assembly missing. |
| P9 | TP (TP) | G12 | 0130 | 0230 | 1.00 | 2807.0m | Laid out seal assembly running tool and seal assembly. Racked back D.P stands below running tool. |
| P9 | TP (TP) | G12 | 0230 | 0330 | 1.00 | 2807.0m | Waited on consultation between Drill Quip onsite and onshore engineers. Decision to remove BOP's and inspect wellhead for damage. Concurrent operation was jetting the BOPs. |
| P9 | TP (TP) | G12 | 0330 | 0500 | 1.50 | 2807.0m | Nippled down BOPs and moved aside, cleaned seal assembly seating area and top of casing hanger for inspection. |
| P9 | Р | G2 | 0500 | 1030 | 5.50 | 2807.0m | Picked up drill pipe pending forward plan for seal assembly. Picked up 26 std's 5.5in DP. |
| P9 | TP (TP) | G12 | 1030 | 1330 | 3.00 | 2807.0m | RIH with mill and flush tool, 8 stds 5.5in D.P, 1 std 5.5in HWDP below. Milled and flushed 9.625in casing seal assembly seat area. |
| P9 | TP (WB) | G12 | 1330 | 1400 | 0.50 | 2807.0m | Inspected seal assembly area, removed debris from around hanger and seal area. |
| P9 | TP (TP) | G12 | 1400 | 1500 | 1.00 | 2807.0m | Laid out mill and flush assembly. Made up seal assembly running tool. |
| P9 | Р | G12 | 1500 | 1600 | 1.00 | 2807.0m | RIH with seal assembly and set . Tested seal assembly test cavity to 2k 5/min , good test . |
| P9 | Р | G12 | 1600 | 1730 | 1.50 | 2807.0m | POOH and laid out seal assembly running tool. |
| P9 | TP (TP) | G12 | 1730 | 1830 | 1.00 | 2807.0m | Installed BOPs and nippled up. |
| P9 | P | G12 | 1830 | 2130 | 3.00 | 2807.0m | RIH with seal assembly running tool. Engaged seal assembly. Closed BOPs and applied 2k down pressure to top of seal assembly to fully energize seal assembly. Pressure leaked at radial bolt connection BOP to well head. Retorqued connection, reapplied pressure 2k 5/min, test OK. Bled of pressure, opened BOPs. Drill crew advised after test small leak visible on connector. |
| P9 | Р | G12 | 2130 | 2200 | 0.50 | 2807.0m | Pressure tested seal assembly 7500 psi/5 min. Good test. |
| P9 | Р | G12 | 2200 | 2330 | 1.50 | 2807.0m | POOH , laid out seal assembly running tool. |

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| Phse | CIs (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|-----|------|------|------|---------|--|
| P9 | Р | G12 | 2330 | 2400 | 0.50 | 2807.0m | Cleared excess equipment from rig floor, made rig floor tidy and safe. |

Operations For Period 0000 Hrs to 0600 Hrs on 02 Jan 2009

| Phse | Cls (RC) | Ор | From | То | Hrs | Depth | Activity Description |
|------|-------------|-----|------|------|------|---------|---|
| P9 | Р | G12 | 0000 | 0200 | 2.00 | 2807.0m | Made up combination test tool /wear bushing with cup test below. RIH to 17m. |
| P9 | TP (RE) | G12 | 0200 | 0300 | 1.00 | 2807.0m | Lifted BOPs off wellhead and replaced wellhead seal gasket . Held JSA and toolbox meeting prior to commencing job. |
| P9 | Р | P3 | 0300 | 0500 | 2.00 | 2807.0m | Spaced out BOP test assembly, set wear bushing. Rigged up surface lines and pressure tested same. |
| P9 | Р | P3 | 0500 | 0600 | 1.00 | 2807.0m | Pressure tested BOPs. Test #1 Annular preventer 250 psi/5 min ,5000 psi/10 min , good test. Test # 2 Middle pipe rams 250 psi/5 min ,7500/10 min good test. |

Operations For Period Hrs to Hrs on

| Phase Data to 2400hrs, 01 Jan 2009 | | | | | | |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
| Mob/Demob(P1) | 78.5 | 10 Dec 2008 | 13 Dec 2008 | 78.50 | 3.271 | 0.0m |
| Conductor Hole(P2) | 28 | 13 Dec 2008 | 14 Dec 2008 | 106.50 | 4.438 | 119.0m |
| Conductor Casing(P3) | 26.5 | 14 Dec 2008 | 15 Dec 2008 | 133.00 | 5.542 | 119.0m |
| Surface Hole(P4) | 51 | 15 Dec 2008 | 17 Dec 2008 | 184.00 | 7.667 | 999.0m |
| Surface Casing(P5) | 20 | 17 Dec 2008 | 18 Dec 2008 | 204.00 | 8.500 | 999.0m |
| BOPs/Risers(P6) | 13 | 18 Dec 2008 | 19 Dec 2008 | 217.00 | 9.042 | 999.0m |
| Intermediate Hole (1)(P7) | 243 | 19 Dec 2008 | 29 Dec 2008 | 460.00 | 19.167 | 2807.0m |
| Intermediate Casing (1)(P9) | 92 | 29 Dec 2008 | 01 Jan 2009 | 552.00 | 23.000 | 2807.0m |

General Comments

00:00 TO 24:00 Hrs ON 01 Jan 2009

West Triton Rig Equipment Concerns

Operational Comments

- 1) Need new BOP test tool mandrel. Ordered on the 24/10/08.
- 2) TDS IBOP is required to be opened before being able to operate rotating head and link tilt functions. Ongoing intermittent issue.

| WBM Data | | | | Cost Toda | У | | | | |
|--------------|---------------|--------------|--------------|-----------|-----------|---------------|-------|-----------|---------------------|
| Mud Type: | KCI / Polymer | API FL: | 5.0cc/30min | CI: | 46000mg/l | Solids(%vol): | 070 | Viscosity | 55sec/qt |
| Sample-From: | 6 | Filter-Cake: | 1/32nd" | K+C*1000: | 7% | Low-Gravity | 2 00/ | PV YP | 15cp 40lb/100ft² |
| Time: | 19:00 | HTHP-FL: | 11.0cc/30min | Hard/Ca: | 320mg/l | Solids: | | Gels 10s | 14 |
| Weight: | 10.10ppg | HTHP-cake: | 2/32nd" | MBT: | 5 | H2O: | 90% | Gels 10m | 24 |
| Ü | | TTTTII GARG. | Z/OZIIG | | | Oil(%): | | Fann 003 | 13 |
| Temp: | 25C° | | | PM: | 0.05 | | | Fann 006 | 16 |
| | | | | PF: | 0.05 | Sand: | .1 | Fann 100 | 37 |
| | | | | F1. | | pH: | 8.5 | Fann 200 | 47 |
| | | | | | | 1 | | Fann 300 | 55 |
| | | | | | | PHPA: | 2ppb | Fann 600 | 70 |
| Comment | | l . | | Į. | | Į. | | ! | |

| Bulk Stocks | | | | | |
|----------------|------|----|------|--------|---------|
| Name | Unit | In | Used | Adjust | Balance |
| Drill Water | MT | 0 | 109 | 0 | 434.0 |
| Rig Fuel | m3 | 0 | 10 | 0 | 238.0 |
| POTABLE WATER | MT | 12 | 22 | 0 | 235.0 |
| Cement class G | MT | 0 | 0 | 0 | 89.0 |
| BLENDED CEMENT | MT | 0 | 0 | 0 | 0.0 |
| Bentonite | MT | 0 | 0 | 0 | 42.0 |
| Barite | MT | 0 | 0 | 0 | 70.0 |
| Brine | m3 | 0 | 0 | 0 | 92.0 |
| Helifuel | ltr | 0 | 0 | -230 | 4,260.0 |



| Pu | ımps | | | | | | | | | | | | | | | | |
|-----|--|---------------|-------------|---------|--------------|--------------|---------------|--------------|---------------|----------------|----------|-----------------|---------------|----------------|---------------|---------------|----------------|
| Pu | Pump Data - Last 24 Hrs Slow Pump Data | | | | | | | | | | | | | | | | |
| No. | Туре | Liner (in) | MW (ppg) | Eff (%) | SPM (SPM) | SPP (psi) | Flow (gpm) | Depth (m) | SPM1 (SPM) | SPP1F (psi) | low1(gpr | n)SPM2 (SPM) | SPP2 (psi) | Flow2 (gpm) | SPM3 (SPM) | SPP3 (psi) | Flow3 (gpm) |
| 1 | National / 14 P-220 | 6.50 | 82.62 | 97 | | | | 2730.0 | 30 | 290 | 175 | 40 | 320 | 233 | 50 | 400 | 292 |
| 2 | National / 14 P-220 | 6.50 | 81.78 | 97 | | | | | | | | 40 | 240 | 240 | 50 | 320 | 320 |
| 3 | National / 14 P-220 | 6.50 | 82.62 | 97 | | | | 2730.0 | 30 | 280 | 175 | 40 | 320 | 233 | 50 | 400 | 292 |

| Casing | | | |
|--------|------------|------------------------|-----------|
| OD | LOT / FIT | Csg Shoe (MD/TVD) | Cementing |
| 30 " | / | 151.00m / 151.00m | |
| 13.38 | 15.00ppg / | 987.00m / 987.00m | |
| 9.63 | / | 2800.27m / 2797.72m | |

| Personnel On Board | | | | | | | |
|-------------------------|-----|--|--|--|--|--|--|
| Company | Pax | | | | | | |
| ADA | 4 | | | | | | |
| Seadrill | 11 | | | | | | |
| Catering | 8 | | | | | | |
| Seadrill Services | 32 | | | | | | |
| Tamboritha | 2 | | | | | | |
| Halliburton | 1 | | | | | | |
| Halliburton - Cementing | 2 | | | | | | |
| Baker Hughes Inteq | 7 | | | | | | |
| Beach Petroleum Ltd | 2 | | | | | | |
| Schlumberger MWD/LWD | 3 | | | | | | |
| Dril-Quip | 2 | | | | | | |
| Total | 74 | | | | | | |

| Mud Volur Shaker Da | • | sses and Sha | ale | Engineer: | | | | | |
|------------------------|-----------|---|--------|-----------|-------------|-----------|----------|--|--|
| Available | 2015.0bbl | Losses | 0.0bbl | Equipment | Description | Mesh Size | Comments | | |
| Active | 465.0bbl | Downhole | 0.0bbl | | | | | | |
| Mixing | | Surf+ Equip | 0.0bbl | | | | | | |
| Hole | 697.0bbl | Dumped | | | | | | | |
| Slug | 24.0bbl | De-Gasser | | | | | | | |
| Reserve | 829.0bbl | De-Sander | | | | | | | |
| Kill | | De-Silter Centrifuge Behind casing | | | | | | | |

Marine Weather on 01 Jan 2009 Visibility Wind Speed Wind Dir. Pressure Air Temp. Wave Height Wave Dir. Wave Period 1.0nm 26kn 210.0deg 1009.0mbar 12C° 2.0m 210.0deg 7s Rig Dir. Ris. Tension VDL Swell Height Swell Dir. Swell Period Weather Comments 330.00klb 128.5deg 4404.00klb 4.6m 230.0deg 13s windy Comments

| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | Bulks | | | | | | |
|-----------------|---------------------|----------------------|--------------------|---------------|------|----|------|--------------------|--------|----------|
| Pacific Battler | | 03.15 31.12.08 | Alongside Portland | Item | Unit | In | Used | Transfer to Rig | Adjust | Quantity |
| | | | | Rig Fuel | m3 | | 1.4 | | | 394.6 |
| | | | | Potable Water | m3 | | 2 | | | 449 |



| | | | Item | Unit | ln | Used | Transfer to Rig | Adjust | Quantity |
|------------------|----------------|--------------------|---------------|------|----|------|-----------------|--------|----------|
| | | | Drill Water | m3 | | | | | 266 |
| | | | Barite | Mt | | | | | |
| | | | CEMENT G | Mt | | | | | |
| | | | Bentonite | Mt | | | | | |
| | | | Brine | m3 | | | | | |
| | | <u> </u> | L | | | | | | |
| Pacific Valkyrie | 03.11 31.12.08 | On location Fermat | -1 Item | Unit | ln | Used | Transfer to Rig | Adjust | Quantity |
| | | | Rig Fuel | m3 | | 10.1 | | | 298.9 |
| | | | Potable Water | Mt | | 5 | | | 389 |
| | | | Drill Water | m3 | | | | | 270 |
| | | | Barite | Mt | | | | | 42 |
| | | | bante | IVIL | | | | | |
| | | | Bentonite | Mt | | | | | |
| | | | | | | | | | 65 |