

Date:	10 August 2006	Licence / State:	P39 (V) / VIC
Report Period:	06:00 - 06:00 Hours	Rig:	Ensign 32
Days from Spud:	12	GL:	2.7m
Current Hole Size:	12.25"	RT:	8.6m
Depth @ 0600 Hrs:	1606m MDRT -822m TVDSS	PTD:	2281m MDRT (-1338mSS)
24 Hr Progress:	0m	Spud Date:	04:30 hrs 29/07/06
Current Operation:	Running in hole with drill-out BHA at 1250m, having nipped up and tested BOPs.		
Nope Cost	(Drill)\$ (C&S)\$ (P&A)\$	Cost To Date:	

Casing Data	Hole Size	Depth	Casing Size	Wt:	Type	Shoe Depth	LOT
(Conductor)		100m	20"			60m	
	17.5"	320m	13.375"	54.5	J55 BTC	317m	EMW= 20.0 ppg
	12.25"	1606m	9.625"	47.0	N80 BTC	1602m	EMW= ppg

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl%:	Cl -:	PV/YP:	Rmf:
	KCL	9.6	62	5.3	9.0	6.0	34000	20 / 34	-

Bit Data	No.	Make	Type	Size	Hours	Meters	Condition
(@ 24:00)	1	Reed	TCI T11C	17.5"	0.45	20	0-0-NO-A-O-I-RR-BHA
	2RR1	Reed	TCI T11C	17.5"	2.95	200	1-1-NO-A-0-I-RR-TD
	3	Reed	TCI T11	12.25"	9.6	316	0-0-NO-x-0-I-x-BHA
	4	Hycalog	PDC RSX516S	12.25"	21.75	971	1-1-ER-A-X-1-NO-TD
	5	Hughes	TCI HP11GJ	12.25"	-	-	Clean-out trip
	6	Hycalog	TCI HP21G	8.5"			

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	MWD	1551.4	70.95	118.07	812.72	1122.61	119.02
	MWD	1580.2	71.07	117.93	822.10	1149.85	118.99
	MWD	1596.1	71.07	117.39	827.25	1164.87	118.97
Projected	MWD	1606.0	71.07	117.05	830.47	1174.23	118.96

OPERATIONS SUMMARY

Previous 24 hrs Operations Summary:

Continue to rough cut and dress 9.625" casing stub. Nipple up BOPs. Install HCR and flowline. Change out pipe rams from 9.625" to 4.5" for drill pipe. Repair leaking mud-saver valve in top drive. Make up combination test tool and pressure test BOPs to 200psi low/1700psi high. Lay out test assembly. Make up new 8.5" bit and drill-out BHA and run in hole to 1250m at 06:00 hrs.

Anticipated operations:

Tag cement. Drill float & shoe track, rathole and 3m formation to 1609m. Conduct Leak-off test. Drill to 1615m and POH. Make up 8.5" directional BHA with Geopilot and MWD (GR, Resistivity, Neutron-Density, Surveys), run in hole and drill ahead 8.5" directional hole as per plan.

FORMATION TOPS (Preliminary Field picks)

FORMATION	ACTUAL TOP		High/Low	High/Low	PROGNOSED TOP	
	(MDmRT)	(TVDmSS)	To Prognosis	To East Reeve-1	(MDmRT)	(TVDmSS)
Jemmy's Point	5.9	2.7	-	-	6	3
Tambo River (Coquina)	143.0	-134.4	30.6m High	30.8m High	180	-165
Gippsland Limestone	235.0	-225.9	5.9m Low	0.2m High	230	-220
Lakes Entrance Formation					1876 **	-960 **
Latrobe Coarse Clastics					2098	-1155
Latrobe N. asperus (Coal)					2163	-1220
Total Depth					2281	-1338

** Revised Prognosis

HYDROCARBON SHOW SUMMARY

INTERVAL	LITHOLOGY & HYDROCARBON FLUORESCENCE	GAS

GAS	MD (m)	Peak	Background	Chromatograph
Trip Gas	-	-	-	-
Connection Gas	-	-	-	-

INTERVAL ROP (min/ft)	LITHOLOGY	GAS (Peak / BG) Composition