

From : Peter Devine/ Rohan Richardson							
OIM : Rod Dotson							
Well Data							
Country	Australia	Measured Depth	826.0m	Current Hole Size	311mm	AFE Cost	\$41,512,831
Field		TVD	826.0m	Casing OD	340mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	24.0m	Shoe MD	652.0m	Daily Cost	\$837,102
Rig	Ocean Patriot	Days from spud	38.87	Shoe TVD	652.0m	Cum Cost	\$38,854,335
Water Depth (LAT)	66.3m	Days on well	16.79	F.I.T. / L.O.T.	/ 2.20sg	Planned TD	2552.0m
RT-SL(LAT)	21.5m	Current Op @ 0600	Drill ahead 311 mm (12 1/4") hole from 900 m.				
RT-ML	87.8m	Planned Op	Drill ahead 311 mm (12 1/4") hole.				
Rig Heading	217.0deg						

Summary of Period 0000 to 2400 Hrs

Worked free of casing swage and POOH to change BHA. RIH and commenced sidetrack from 815 m to 826 m.

Operations For Period 0000 Hrs to 2400 Hrs on 02 Oct 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IC	TP (SP)	TI	0000	0630	6.50	802.0m	Sat down on swage with 9-11.6 t (20-25 klbs) WOB, 100 RPM and 4164 L/min (1100 GPM) and attempted to ream obstruction. Monitored ditch magnet for debris and attempted to POOH every 30 min with 2.3 t (5 klbs). Worked down to swage and varied parameters attempting to work past obstruction including changing DD tool settings, unsuccessful. Continued to ream obstruction. Started to return 50 g of 30-40 mm metal cuttings on ditch magnet and torque fluctuated from 6.8-10.8 kNm (5-8 kft.lbs). Stopped reaming and attempted to work free of obstruction varying parameters.
IC	TP (SP)	HBHA	0630	0930	3.00	802.0m	BHA pulled free from wellhead with no overpull. Continued to POOH and laid out same. Observed wear on gauge of PDC bit, back reaming and gauge cutters broken and chipped. No wear on stabiliser blades.
IC	TP (SP)	HBHA	0930	1245	3.25	802.0m	Picked up and made up new BHA, shallow hole tested same prior to running through wellhead, ok.
IC	TP (SP)	WH	1245	1300	0.25	802.0m	Bit hung up in swage, attempted to work through by applying 1.4-2.3 t (3-5 klbs) down and rotated slowly, unsuccessful. Increased set down weight to 4.5-6.8 t (10-15 klbs) and rotated at 7 rpm, bit past obstruction after 5 min.
IC	TP (SP)	TI	1300	1400	1.00	802.0m	Second stabiliser on the Exceed directional tool hung up on casing swage. Rotated and worked through, past obstruction after several minutes.
IC	TP (SP)	WIN	1400	1500	1.00	802.0m	Continued to RIH on DP to 700 m.
IC	TP (SP)	ST	1500	1600	1.00	802.0m	Made up TDS, washed/reamed in hole from 700 to 802 m.
IC	TP (SP)	ST	1600	2200	6.00	823.0m	Tagged cement with 9 t (20 klbs) at 802 m. Dressed cement from 802 m to 815 m.
IC	TP (SP)	ST	2200	2400	2.00	826.0m	Commenced kick off, time drilled at 1 m/hr with tool set to 100% build from 815 m to 823 m. 3028 L/min (800GPM), 100 RPM, 1.4-2.7 kNm (1-2 klbs) WOB.
IC	TP (SP)	ST	2200	2400	2.00	826.0m	Continued to kick off, time drilled at 2 m/hr with tool set to 100% build from 823 m to 826 m. 3028 L/min (800GPM), 100 RPM, 1.4-2.7 kNm (1-2 klbs) WOB.

Operations For Period 0000 Hrs to 0600 Hrs on 03 Oct 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IC	TP (SCS)	ST	0000	0300	3.00	847.0m	Continued to side track well, time drill at 8 m/hr from 826 m to 847 m.
IC	TP (SCS)	ST	0300	0600	3.00	900.0m	100% new cuttings observed at shakers from 847 m, commenced Henry-2DW1ST1 at 03:00 hrs, 847 m. Note: Drilled ahead to 900 m.

WBM Data

Cost Today \$ 36120

Mud Type:	KCL/GLY	API FL:	6cm ³ /30m	KCl:	11%	Solids:	6.48	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:		Hard/Ca:	640	H2O:	94%	PV:	0.017Pa/s
Time:	22:00	HTHP-FL:		MBT:	5.6	Oil:		YP:	0.148MPa
Weight:	1.21sg	HTHP-Cake:	1mm	PM:	0.6	Sand:	0.2	Gels 10s:	0.038
Temp:	39.0C°			PF:	0.26	pH:	9.7	Gels 10m:	0.086
						PHPA:	1ppb	Fann 003:	8
								Fann 006:	11
								Fann 100:	29
								Fann 200:	40
								Fann 300:	48
								Fann 600:	65

Comment Built 50 bbls of hi-vis and pumped same. Treated active with sodium bicard and citric acid.

Bit # 8			Wear	I	O1	D	L	B	G	O2	R
				1	4	CT	G	X	I	NO	HP
Size:	311mm	IADC#	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	SMITH	WOB(avg)	No.	Size	Progress			Cum. Progress			0.0m
Type:	PDC	RPM(avg)			On Bottom Hrs			Cum. On Btm Hrs			0.00h
Serial No.:	JY3202	F.Rate			IADC Drill Hrs			Cum IADC Drill Hrs			0.00h
Bit Model	SDi519	SPP			Total Revs			Cum Total Revs			0
Depth In	802.0m	TFA	0.000		ROP(avg)			ROP(avg)			0.00 m/hr
Depth Out	802.0m										
Run Comment			Could not pass through wellhead								

Bit # 9			Wear	I	O1	D	L	B	G	O2	R	
										NO		
Size:	311mm	IADC#	115	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	REED	WOB(avg)	6.35mt	No.	Size	Progress			Cum. Progress			24.0m
Type:	Rock	RPM(avg)	105	1	20/32nd"	On Bottom Hrs			Cum. On Btm Hrs			8.45h
Serial No.:	CL4832	F.Rate	2987lpm	3	16/32nd"	IADC Drill Hrs			Cum IADC Drill Hrs			9.00h
Bit Model	T11C	SPP	11907kPa			Total Revs			Cum Total Revs			0
Depth In	802.0m	TFA	0.896			ROP(avg)			ROP(avg)			2.84 m/hr
Depth Out												

BHA # 8							
Weight(Wet)	19.05mt	Length	212.0m	Torque(max)		D.C. (1) Ann Velocity	0mpm
Wt Below Jar(Wet)	17.24mt	String		Torque(Off.Btm)		D.C. (2) Ann Velocity	0mpm
		Pick-Up		Torque(On.Btm)		H.W.D.P. Ann Velocity	0mpm
		Slack-Off				D.P. Ann Velocity	0mpm

BHA Run Description		Directional / FEWD					
Equipment	Length	OD	ID	Serial #	Comment		
Bit	0.50m	311mm		JY3202			
Powerdrive 900	8.66m	308mm	127mm	090	Exceed		
ARC-8	5.87m	231mm	76mm	1854			
In-Line Stabiliser	0.88m	291mm	111mm	242230733			
Telescope HF	8.13m	213mm	76mm	E1158			
NMDC	9.37m	226mm	71mm	SBD4466			
NMDC	8.55m	213mm	71mm	N688			
X/O	0.70m	203mm	67mm	ASQ8065			
HWDP	121.38m	175mm	76mm				
6.375in Jars	9.73m	162mm	70mm	DAH01628			
HWDP	37.30m						

BHA # 9							
Weight(Wet)	19.05mt	Length	212.0m	Torque(max)		D.C. (1) Ann Velocity	68.49mpm
Wt Below Jar(Wet)	17.24mt	String		Torque(Off.Btm)		D.C. (2) Ann Velocity	0mpm
		Pick-Up		Torque(On.Btm)		H.W.D.P. Ann Velocity	57.38mpm
		Slack-Off				D.P. Ann Velocity	47.13mpm

BHA Run Description		Directional / FEWD					
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Equipment	Length	OD	ID	Serial #	Comment
Bit	0.33m	311mm		CL4832	Exceed
Powerdrive 900	8.66m	308mm	127mm	090	
ARC-8	5.87m	231mm	76mm	1854	
In-Line Stabiliser	0.88m	291mm	111mm	242230733	
Telescope HF	8.13m	213mm	76mm	E1158	
NMDC	9.37m	226mm	71mm	SBD4466	
NMDC	8.55m	213mm	71mm	N688	
X/O	0.70m	203mm	67mm	ASQ8065	
HWDP	121.38m	175mm	76mm		
6.375in Jars	9.73m	162mm	70mm	DAH01628	
HWDP	37.30m				

Survey

MD (m)	Incl Deg (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (m)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
821.62	3.4	135.4	821.54	0.34	1.31	-1.43	-0.41	MWD
850.35	4.9	125.9	850.19	2.37	1.68	-2.75	1.19	MWD

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	0	0	0	188.0	
Gel	mT	0	0	0	33.0	
Cement	mT	0	0	0	46.0	
Fuel	m3	0	16.2	0	555.3	
Potable Water	m3	19	27	0	337.0	
Drill Water	m3	15	15	0	674.0	

Personnel On Board

Company	Comment	Pax
Santos		3
DOGC		50
ESS		8
BHI		6
Dowell		2
Rheochem		2
MI Swaco		1
TMT		6
Cameron		1
Santos	Geologist	2
Schlumberger Drilling & Measurements	Directional	6
Premium Casing Services		1
Total		88

HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	28 Sep 2008	4 Days	Abandon drill completed after the simulated fire drill under control. Alarm sounded at 10:31 hrs, initial muster completed at 10:41 hrs, full muster completed at 10:49 hrs.
Environmental Audit	1	03 Sep 2008	29 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	28 Sep 2008	4 Days	Simulated a fire in the emergency generator room. Alarm sounded at 10:31 hrs, emergency under control at 10:42 hrs. Rescue and fire teams discussed scenario and resolution.
First Aid	1	01 Oct 2008	1 Day	IP struck on upper lip when removing float valve from float sub.
JHA	30	02 Oct 2008	0 Days	Drill crew - 12 Deck Crew - 9 Welder - 5 Mechanic - 4
Lost Time Incident	1	30 May 2008	125 Days	Man had his left hand caught between an 8" drill collar and the casing tongs when he was trying to secure the tong. Preliminary checks on the rig deemed only stitches required and the hand was not broken. The person was medivac'd off the rig @ 23:00hrs. Man was released from Royal Hobart hospital with 12 stitches to the hand (no broken bones).
Medical Treatment Incident	1	13 Aug 2008	50 Days	During lifting operations of 3rd party tooling on the pipe deck, IP was assisting the dogman in attaching slings to the whip-line hook. During this process the hook swung and hit the IP in the side of the hardhat resulting in an injury to the IP's neck. The IP was immobilised as a precautionary measure, treated as per symptoms and in readiness for medivac to hospital for further assessment.
Pre-Tour Meeting	4	02 Oct 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	6	02 Oct 2008	0 Days	5 x hot work 1 x cold work
Safety Audit	1	29 Jul 2008	65 Days	Santos environment audit conducted.
Safety Audit	1	30 Jul 2008	64 Days	EHSMS audit conducted onboard.
Safety Meeting	3	29 Sep 2008	3 Days	Reviewed stop cards for the week and awarded Santos Stop card winner to B Parker. Discussed the fire drill and the scenario of a fire in the emergency engine room. Reviewed abandon rig scenario.
Santos Induction	1	02 Oct 2008	0 Days	Inducted new personnel to site after DODI rig wide induction.
Stop Observations	72	02 Oct 2008	0 Days	46 - Safe 26 - Corrective Actions
STOP Tour	2	01 Oct 2008	1 Day	Submitted 2 by Diamond supervisor Stop audit.

Shakers, Volumes and Losses Data				Engineer : Kellie Jericho / Carissa Thompson			
Available	380.2m ³	Losses	16.4m ³	Equip.	Descr.	Mesh Size	Hours
Active	90.8m ³	Downhole		Centrifuge 1	MI SW FVS 518		
Mixing		Surf+ Equip	11.6m ³	Centrifuge 2	MI SW FVS 518		
Hole	68.4m ³	Dumped	4.8m ³	Shaker 3	MI SW - BEM 650	30/10 270/200	22
Slug	0.0m ³	De-Sander		Shaker 4	MI SW - BEM 650	30/10 200HC x 4	22
Reserve	138.2m ³	De-Silter		Shaker 5	MI SW - BEM 650	30/10 200HC x 4	22
Kill	0.0m ³	Centrifuge		Shaker 6	MI SW - BEM 650	30/10 270/200	22
Storage	82.8m ³						

Marine										
Weather check on 02 Oct 2008 at 24:00								Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	11km/h	270.0deg	1016.00bar	14.0C°	0.2m	270.0deg	3sec	1	1353.0	97.98
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments		2	1372.8	97.98
0.4deg	0.4deg	0.70m	1.5m	248.0deg	12sec			3	1386.8	92.08
Rig Dir.	Ris. Tension	VDL	Comments					4	1414.0	104.78
217.0deg	122.47mt	1092.25mt						5	1365.8	102.06
								6	1389.9	97.98
								7	1393.9	102.97
								8	1389.9	97.07

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	22:10 hrs 02/10/08	23:00 hrs 02/10/08	On steam to Portland, ETA 08:00 hrs.	Item	Unit	Quantity
				Fuel	m3	369
				Potable Water	m3	282
				Drill Water	m3	740
				Gel	mt	59
				Cement	mt	84
				Barite	mt	42
				KCl Brine	m3	9
				NaCl Brine	m3	0
					m3	131
	m3	0				
	m3	0				
Nor Captain	23:00 hrs 01/10/08		Standby Ocean Patriot	Item	Unit	Quantity
				Fuel	m3	400.6
				Potable Water	m3	337
				Drill Water	m3	165
				Gel	mt	42
				Cement	mt	0
				Barite	mt	42
				KCl Brine	m3	127
				NaCl Brine	m3	0
				Mud	m3	104

Helicopter Movement

Flight #	Time	Destination	Comment	Pax
BYV	11:16	Essendon		2
BYV	11:24	Ocean Patriot		1
BYV	15:41	Ocean Patriot	Freight Flight	0
BYV	15:47	Essendon	Freight Flight	0