

**From : Chris Roots / Willie McKay**  
**OIM : Rod Dotson**

### Well Data

Country	Australia	Measured Depth	2050.0m	Current Hole Size	216mm	AFE Cost	\$41,512,831
Field		TVD	1711.0m	Casing OD	244mm	AFE No.	5746043
Drill Contractor	DOGC	Progress	0.0m	Shoe MD	2042.7m	Daily Cost	\$860,767
Rig	Ocean Patriot	Days from spud	50.87	Shoe TVD	1711.0m	Cum Cost	\$49,143,364
Water Depth (LAT)	66.3m	Days on well	11.88	F.I.T. / L.O.T.	/	Planned TD	2627.0m
RT-SL(LAT)	21.5m	Current Op @ 0600 Drilling 216 mm (8 1/2") hole at 2,080 m with the following parameters: Flow Rate: 2,460 l/min, (650 gpm). WOB: 6.7 kdaN, (15 klbs). Torque: 9.5 kNm, (10 kft-lbs). RPM: 140. Average ROP including connections: 23.3 m/hr.					
RT-ML	87.8m	Planned Op Drill 216 mm (8 1/2") hole as directed by directional driller taking surveys as required.					
Rig Heading	217.0deg	SIMOPS: Continue laying out completion. Conduct routine inspections of TDS and travelling equipment.					

### Summary of Period 0000 to 2400 Hrs

Completed pressure tests on remaining surface equipment.  
 Aligned motor trunion on TDS.  
 Picked up 216 mm (8 1/2") BHA and made up as directed by Anadrill.  
 RIH with 216 mm (8 1/2") BHA and tagged cement at 2,020 m.  
 Conducted MPI and visual inspection of TDS and travelling equipment and tracks for dolly rollers.

### Formations

Name	Top (MD)	Top (TVD)	Comment
Timboon	1214.5m	1202.4m	0.2 L
Paaratte	1413.0m	1380.0m	2.3 H
Skull Creek	1665.0m	1558.6m	5.4 H
Waarre A	2040.0m	1709.5m	5.0 H

### Operations For Period 0000 Hrs to 2400 Hrs on 14 Oct 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IC	P	PT	0000	0030	0.50	2050.0m	Continued rigging up to pressure test surface equipment.
IC	P	PT	0030	0200	1.50	2050.0m	Conducted pressure tests on mud hose, lower IBOP to 1.7 MPa, (250 psi) for 5 min and 34.5 MPa, (5,000 psi) for 10 min.
PH	TP (RE)	PT	0200	0330	1.50	2050.0m	Unable to obtain test on upper IBOP. Filled with grease. Tested again with mud (250 psi) for 5 min and 34.5 MPa, (5,000 psi) for 10 min.
IC	TP (OTH)	CRN	0330	0400	0.50	2050.0m	Align motor trunion on TDS with energpac jack as remedial work following TDS/Stabbing Arm incident.
IC	P	PT	0400	0430	0.50	2050.0m	Rigged down pressure testing equipment.  SIMOPS: Pressure tested C and K manifold valves to 1.7 MPa, (250 psi) and 34.5 MPa, (5,000 psi) for 10 min.
PH	P	HBHA	0430	1000	5.50	2050.0m	Commenced picking up 216 mm (8 1/2") BHA from deck and made up as directed by directional driller. Shallow tested MWD at 33 m with 2,271 l/min, (600 gpm) and 7.6 MPa, (1,100 psi). Loaded radio active source.  SIMOPS: Continued Pressure testing C and K manifold valves to 1.7 MPa, (250 psi) and 34.5 MPa, (5,000 psi) for 10 min.
PH	P	TI	1000	1400	4.00	2050.0m	RIH with 216 mm (8 1/2") BHA filling every 20 stands from 182 m and tagged cement at 2,020 m.
PH	P	CIC	1400	1430	0.50	2050.0m	Circulated bottoms up with 568 l/min, (150 gpm) and 26.9 MPa, (3,900 psi). No cement observed at surface.
PH	TP	RR	1430	2400	9.50	2050.0m	Conducted MPI and visual inspection on TDS and dolly rollers guide beams.  SIMOPS: Removed PCS stabbing arm umbilical. Laid out and strapped sand screens. Conditioned mud to bring properties to required specifications. Disassembled Auto-Driller. Conducted PM's on rig equipment.

### Operations For Period 0000 Hrs to 0600 Hrs on 15 Oct 2008

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PH	P	SM	0000	0030	0.50	2050.0m	Held JSA on rig floor with all involved in the displacement from KCL/Polymer mud to DIF. Conducted drops survey on TDS and barriered off area around drill floor as an exclusion zone while drilling the 216 mm (8 1/2") section.
PH	P	DA	0030	0345	3.25	2050.0m	Commenced drilling through cement plugs, float, and casing shoe with the following parameters: Flow Rate: 2,271 l/min, (600 gpm). WOB: 4 kdaN, (9 klbs). Torque: 9.5 kNm, (7 kft-lbs). RPM: 70.
PH	P	DIS	0345	0430	0.75	2050.0m	Displaced mud system to DIF with 2,271 l/min, (600 gpm) and 13.1 MPa, (1,900 psi). Discarded 311 mm (12 1/4") mud at the shale shakers while displacing.
PH	P	DA	0430	0600	1.50	2080.0m	Took SCR's and drilled 311 mm (12 1/4") hole from 2,050 m to 2,080 m with the following parameters: Flow Rate: 2,460 l/min, (650 gpm). WOB: 6.7 kdaN, (15 klbs). Torque: 9.5 kNm, (10 kft-lbs). RPM: 140. Average ROP including connections: 23.3 m/hr.

WBM Data				Cost Today \$ 18018					
Mud Type:	DIF	API FL:	3cm <sup>3</sup> /30m	KCl:		Solids:	3.07	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:	1mm	Hard/Ca:	280	H2O:	97%	PV:	0.013Pa/s
Time:	18:00	HTHP-FL:		MBT:	1.2	Oil:		YP:	0.148MPa
Weight:	1.20sg	HTHP-Cake:		PM:	0.1	Sand:		Gels 10s:	0.062
Temp:	49.0C°			PF:		pH:	7	Gels 10m:	0.077
						PHPA:		Fann 003:	13
								Fann 006:	16
								Fann 100:	30
								Fann 200:	38
								Fann 300:	44
								Fann 600:	57
Comment: Treated DIF to bring properties in to desired specification. Built 200 bbl of reserve volume for drilling ahead.									

Bit # 13				Wear	I	O1	D	L	B	G	O2	R
Size:	216mm	IADC#	M222	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	SMITH	WOB(avg)		No.	Size	Progress			Cum. Progress			
Type:	PDC	RPM(avg)		6	14/32nd"	On Bottom Hrs			Cum. On Btm Hrs			
Serial No.:	JX3464	F.Rate				IADC Drill Hrs			Cum IADC Drill Hrs			
Bit Model	MD6616	SPP				Total Revs			Cum Total Revs			
Depth In	2050.0m	TFA	0.902			ROP(avg)			N/A			
Depth Out									0.00 m/hr			

BHA # 17						
Weight(Wet)	11.79mt	Length	182.5m	Torque(max)	D.C. (1) Ann Velocity	0mpm
Wt Below Jar(Wet)	10.43mt	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		216 mm (8 1/2") Smith PDC. 172 mm (6 3/4") XCEED. 172 mm (6 3/4") Ecoscope. 175 mm (6 7/8") Telescope. 172 mm (6 3/4") NMDC x 2. 127 mm (5") HWDP x 10. 165 mm (6 1/2") Jars. 127 mm (5") HWDP x 4.				

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.24m	216mm		JX3464	SMITH MD1616
Powerdrive 675	7.65m	171mm	51mm	266	
ARC-8	8.03m	171mm	99mm	987	Arc-8 With 8 1/2" Sabilizer
Telescope	8.36m	175mm	130mm	FA27	
NMDC	18.21m	171mm	97mm	SBD1437 & M36	
HWDP	93.30m	175mm	78mm		
HWDP	37.43m	175mm	78mm		
6.5in Jar	9.30m	164mm	70mm	WO314599	

### Bulk Stocks

Name	Unit	In	Used	Adjust	Balance	Comment
Barite	mT	0	0	0	54.0	
Gel	mT	0	0	0	31.0	
Cement	mT	0	0	0	30.0	
Fuel	m3	0	13	0	371.3	
Potable Water	m3	29	23	0	340.0	
Drill Water	m3	0	42	0	379.0	

### Personnel On Board

Company	Comment	Pax
Santos		8
DOGC		51
ESS		8
BHI		6
Dowell		2
Rheochem		2
MI Swaco		1
TMT		6
Cameron		2
Schlumberger Drilling & Measurements	Directional	5
Premium Casing Services		4
Weatherford		2
National Varco		1
Unirig		1
<b>Total</b>		<b>99</b>

HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	12 Oct 2008	2 Days	Abandon drill completed after the simulated fire drill under control. A full muster was achieved in 6 minutes.
Environmental Audit	1	03 Sep 2008	41 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	05 Oct 2008	9 Days	Simulated a fire in the cement unit room. Alarm sounded at 10:31 hrs, emergency under control at 10:41 hrs. Rescue and fire teams discussed scenario and resolution.
First Aid	1	09 Oct 2008	5 Days	IP turned his left foot while entering the shaker house.
JHA	39	14 Oct 2008	0 Days	Drill crew - 9 Deck Crew - 18 Welder - 6 Mechanic - 5 Electrician - 0 3rd Party - 1 Subsea-0
Lost Time Incident	1	30 May 2008	137 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	62 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	6	14 Oct 2008	0 Days	Discussed the next 24 hr operation. Exclusion floor barriered off around rig floor until the 8 1/2" section has been drilled. Laying out completion assemblies. Displacement of the mud systems. Safety Alert discussed regarding a hook falling from a crane. 3rd party crews were encouraged to take part in STOP Tours.
PTW Issued	10	14 Oct 2008	0 Days	7 x hot work 3 x cold work
Safety Audit	1	29 Jul 2008	77 Days	Santos environment audit conducted.
Safety Audit	1	30 Jul 2008	76 Days	EHSMS audit conducted onboard.
Safety Meeting	3	12 Oct 2008	2 Days	Reviewed stop cards for the week. Discussed the fire drill. The crews were praised for their participation in the STOP card programme.
Santos Induction	3	14 Oct 2008	0 Days	Inducted new personnel to site after DODI rig wide induction.
Stop Observations	41	14 Oct 2008	0 Days	20 - Safe 21 - Corrective Actions
STOP Tour	1	14 Oct 2008	0 Days	Submitted by Diamond supervisor Stop audit.

Shakers, Volumes and Losses Data				Engineer : Julian Chapman / Carissa Thompson			
Available	413.3m <sup>3</sup>	Losses	21.0m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	42.8m <sup>3</sup>	Downhole		Centrifuge 1	MI SW FVS 518		
Mixing		Surf+ Equip	0.0m <sup>3</sup>	Centrifuge 1	MI SW FVS 518		
Hole	83.2m <sup>3</sup>	Dumped	21.0m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		
Slug	0.0m <sup>3</sup>	De-Sander		Centrifuge 2	MI SW FVS 518		
Reserve	56.1m <sup>3</sup>	De-Silter		Shaker 3	MI SW - BEM 650	40/20 230 HC x 4	
Kill	0.0m <sup>3</sup>	Centrifuge		Shaker 3	MI SW - BEM 650	40/20 165 HC x 1	
Storage	231.2m <sup>3</sup>			Shaker 4	MI SW - BEM 650	30/20 200 HC x 4	
				Shaker 4	MI SW - BEM 650	30/20 165 HC x 1	
				Shaker 5	MI SW - BEM 650	30/20 200 HC x 4	
				Shaker 5	MI SW - BEM 650	30/20 165 HC x 1	
				Shaker 6	MI SW - BEM 650	40/20 165 HC x 4	
				Shaker 6	MI SW - BEM 650	40/20 165 HC x 1	

Comment received 135 bbl of DIF from Far Grip.

Marine								Rig Support		
Weather check on 14 Oct 2008 at 24:00										
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	37km/h	260.0deg	1021.00bar	15.0C°	1.5m	260.0deg	3sec	1	1353.0	130.18
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments				
0.5deg	0.4deg	0.80m	4.0m	240.0deg	12sec					
Rig Dir.	Ris. Tension	VDL		Comments						
217.0deg	110.22mt	938.94mt								
								8	1389.9	110.22

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip			Running Standby.	Item	Unit	Quantity
				Fuel	m3	477
				Potable Water	m3	197
				Drill Water	m3	615
				Gel	mt	59
				Cement	mt	84
				Barite	mt	41
				KCl Brine	bbl	52
				NaCl Brine	bbl	0
Nor Captain			In Portland.	Item	Unit	Quantity
				Fuel	m3	533.6
				Potable Water	m3	348
				Drill Water	m3	319
				Gel	mt	42
				Cement	mt	0
				Barite	mt	0
				KCl Brine	bbl	0
				NaCl Brine	bbl	800

Helicopter Movement					
Flight #	Time	Destination	Comment	Pax	
BYV	11:21	Essendon		17	
BYV	11:34	Ocean Patriot		14	