

		From:	Chris Roots	Willie McKay						
		OIM:	<b>Rod Dotson</b>							
Well Data										
Country	Australia	Measured Depth	2448.0m	Current Hole Size	216mm	AFE Cost	\$41,512,831			
Field		TVD	1739.5m	Casing OD	244mm	AFE No.	5746043			
Drill Contractor	DOGC	Progress	398.0m	Shoe MD	2042.7m	Daily Cost	\$1,137,151			
Rig	Ocean Patriot	Days from spud	51.87	Shoe TVD	1709.9m	Cum Cost	\$50,280,515			
Water Depth (LAT)	66.3m	Days on well	12.88	F.I.T. / L.O.T.	/	Planned TD	2627.0m			
RT-SL(LAT) RT-ML Rig Heading	21.5m 87.8m 217.0deg	Current Op @ 0600	Current Op @ 0600  Drilling 216 mm (8 1/2") hole as per directional drillers instructions taking surveys as required with the following parameters: Flow Rate: 2,631 //min, (695 gpm) SPP: 17.9 MPa, (2,600 psi). WOB: 10.2 t, (23 Kklbs). Torque: 16.3 kNm, (12 kft-lbs). RPM: 155 Current Depth: 2,521 m. Average ROP from midnight including connections: 12.16 m/hr.							
		Planned Op	Circulate he POOH to 2 Run back ir in open hol Put 325 me solids has be	e. `	e shakers. g shoe back re g 1/2") BHA to shakers and c	eaming if require simulate runnin irculate mud un	ed.  ng in with sand screens  til the desired level of			

#### Summary of Period 0000 to 2400 Hrs

Drilled 216 mm (8 1/2") hole as per directional drillers instructions taking surveys as required with an average ROP including connections of 20.41 m/hr. Conducted visual inspection of TDS and dolly roller carriage. Maintained exclusion zone around rig floor until TD has been reached.

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 15 Oct 2008

Phse	Cls (RC)	Ор	From	То	Hrs	Depth	Activity Description
PH	Р	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 t, (9 klbs). Torque: 9.5 kNm, (7 kft-lbs). RPM: 70. (Confirmed 244 mm (9 5/8") casing shoe depth at 2,045.7 m with gamma ray, LWD.)
PH	Р	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	1430	10.00	2345.0m	Took SCR's and drilled 311 mm (12 1/4") hole from 2,050 m to 2,345 m with the following parameters: Flow Rate: 2,460 l/min, (650 gpm). WOB: 6.7 t, (15 klbs). Torque: 9.5 kNm, (10 kft-lbs). RPM: 140. Average ROP including connections: 29.5 m/hr.
PH	Р	SVY	1430	1500	0.50	2345.0m	Conducted visual inspection of TDS and dolly roller carriage.
PH	P	DA	1500	2400	9.00	2448.0m	Continued drilling 311 mm (12 1/4") hole from 2,345 m to 2,448 m with the following parameters: Flow Rate: 2,611 l/min, (690 gpm). SPP: 17.9 MPa, (2,600 psi). WOB: 11.1 t, (25 klbs). Torque: 9.5 kNm, (10 kft-lbs). RPM: 150. Average ROP including connections: 11.44m/hr.

Operations For Period 0000 Hrs to 0600 Hrs on 16 Oct 2008



### **DRILLING MORNING REPORT # 13** Henry-2 DW1ST1 (15 Oct 2008)

Phse	Cls (RC)	Ор	Fror	m T	Го Н	rs	Depth	1				A	ctivity Des	scription	on				
PH	P	DA	0000	060	6.0	0 2	2521.0n	parar Flow SPP: WOB Torqu RPM	meters Rate: 17.9   : 10.2 ue: 16 : 155	s: 2,631 l, MPa, (2 t. (23 k .3 kNm,	/min, (6 2,600 ps (klbs). , (12 kft	695 gpm) si).			8 m t	o 2,521 m	with the	e follov	ving
WBM	Data							Cost T	oday	/ \$ 18	022								
Mud Typ	e:		DIF A	PI FL:		3cm	<sup>3</sup> /30m	KCI:				Solids:			3.07				0sec/L
Sample	-From:		Pit <sub>F</sub>	ilter-Ca	ke:		1mm	Hard/Ca:			600	H2O:			97%	PV: YP:			0.011Pa/s 0.134MPa
Time:		20:		ITHP-FI				MBT:			2.5	Oil:				Gels 10s:			0.048
Weight:		1.20		ITHP-C				PM:								Gels 10m:			0.057
Temp:		67.0		ппР-С	ake.						0.2	Sand:				Fann 003: Fann 006:			13 16
Temp.		07.0						PF:			0.15				8.5	Fann 100:			30
												PHPA:				Fann 200: Fann 300:			38 44
																Fann 600:			57
Comme	ent		D	ischarg	jed 80 bb	of DIF	F while t	flushing lir	es an	d during	displac	cement.				•			
Bit #	13							Wear	I		O1	D	L	E	3	G	O2		R
Size:			216	Smm I	ADC#		M222	No	zzles		Dril	led over I	ast 24 hr	s	(	Calculated	d over E	Bit Rur	n
Mfr:			SM	итн \	NOB(avg	) 6	.58mt	No.	Size	9	Progre	ess	398.	0m C	Cum.	Progress		3	98.0m
Type:			F	PDC F	RPM(avg	)	138	6	14	/32nd"	On Bo	ttom Hrs	14.1	7h (	Cum.	On Btm H	rs	1	14.17h
Serial N	No.:		JX3	3464 F	F.Rate	248	87lpm			ozna -	IADC	Drill Hrs	22.2	20h C	Cum I	IADC Drill	Hrs	2	22.20h
Bit Mod	lel		MD	i616	SPP		21kPa				Total I	Revs	1185	500	Cum <sup>-</sup>	Total Revs	;	1	18500
Depth I	n		2050	0.0m T	ΓFA		0.902				ROP(a	avg)	28.09 m	/hr F	ROP(	avg)		28.0	9 m/hr
Depth (	Out										,					-			
ВНА	# 17																		
Weight	(Wet)		11.7	'9mt l	Length			182	2.5m	Torque	e(max)		20.4	Nm [	D.C. (	(1) Ann Ve	locity	183.9	91mpm
Wt Belo	ow Jar(We	et)	10.4	3mt	String			106.5	59mt		e(Off.Bt	tm)	9.51	Nm [	D.C. (	(2) Ann Ve	locity		0mpm
		,			Pick-Up			108.8		•	e(On.Bt	,	16.31			D.P. Ann V	•		99mpm
					Slack-Off				9mt	Torque	3(011.D		10.01			Ann Veloci	,		38mpm
BHA R	un Descrip	otion			216 mm 172 mm 172 mm 175 mm 172 mm 127 mm 165 mm	8 1/2" 6 3/4" 6 3/4" 6 7/8" 6 3/4" 5") H\	') XCEE ') Ecoso ') Teles ') NMD WDP x ') Jars.	n PDC. ED. cope. ccope. C x 2.						-		3.30	•		<u> </u>
		Equip	ment				Leng	th (	DD	I	D	Seria	al#			Com	ment		
Bit							0.2	4m 2	16mm			JX3464		SMIT	Н М	Di616			
Powero	drive 675						7.6	5m 1	71mm	5	1mm	266							
ARC-8							8.0	3m 1	71mm	9	9mm	987		Arc-8	With	n 8 1/2" Sa	bilizer		
Telesco	ope						8.3	6m 1	75mm	13	0mm	FA27							
NMDC							18.2	1m 1	71mm	9	7mm	SBD1437	& M36						
HWDP							37.4		75mm		8mm								
HWDP							93.3		75mm		8mm		_						
6.5in Ja	ar						9.3	0m 10	64mm	7	0mm	WO31459	99						



# DRILLING MORNING REPORT # 13 Henry-2 DW1ST1 ( 15 Oct 2008 )

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
2262.00	84.4	118.4	1728.04	913.56	1.75	-472.77	782.46	MWD
2291.17	85.0	118.6	1730.76	942.60	0.70	-486.63	807.98	MWD
2319.89	85.3	119.0	1733.19	971.22	0.51	-500.44	833.04	MWD
2348.83	85.6	119.7	1735.49	1000.07	0.78	-514.58	858.19	MWD
2378.05	87.7	120.3	1737.18	1029.23	2.25	-529.16	883.45	MWD
2407.02	88.0	122.0	1738.25	1058.16	1.86	-544.14	908.23	MWD

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	200	22.5	0	548.8							
Potable Water	m3	32	28	0	344.0							
Drill Water	m3	592	105	0	866.0							

2		002		ŭ	000.0	
Personnel On Board				·	-	<u> </u>
Company			Comment			Pax
Santos						9
DOGC						47
ESS						8
ВНІ						6
Dowell						2
Rheochem						2
MI Swaco						2
ТМТ						6
Cameron						2
Schlumberger Drilling & Measurements	Directional					5
Premium Casing Services						4
Weatherford						2
Baker Oil Tools						1
Scotech						2
					Total	98



HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	12 Oct 2008	3 Days	Abandon drill completed after the simulated fire drill under control. A full muster was achived in 6 minutes.
Environmental Audit	1	03 Sep 2008	42 Days	Rig visit by DPI. Conducted an environmental audit on Santos operation.
Fire Drill	1	05 Oct 2008	10 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	15 Oct 2008	0 Days	IP pinched thumb between tubing test cap and shelve while placing cap on shelf.
JHA	32	15 Oct 2008	0 Days	Drill crew - 8 Deck Crew - 15 Welder - 5 Mechanic - 2 Electrician - 0 3rd Party - 1 Subsea- 1
Lost Time Incident	1	30 May 2008	138 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	63 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 IPs 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	15 Oct 2008	0 Days	Discussed the next 24 hr operation. Keeping a good eye on the shaker screens and change as soon as any wear is observed. Exclusion floor barriered off around rig floor until the 8 1/2" section has been drilled. Laying out completion assemblies.
PTW Issued	13	15 Oct 2008	0 Days	6 x hot work 7 x cold work
Safety Audit	1	29 Jul 2008	78 Days	Santos environment audit conducted.
Safety Audit	1	30 Jul 2008	77 Days	EHSMS audit conducted onboard.
Safety Meeting	3	12 Oct 2008	3 Days	Reviewed stop cards for the week. Discussed the fire drill. The crews were paised for their participation in the STOP card programme.
Santos Induction	6	15 Oct 2008	0 Days	Inducted new personnel to site after DODI rig wide induction.
Stop Observations	52	15 Oct 2008	0 Days	31 - Safe 21 - Corrective Actions
STOP Tour	3	15 Oct 2008	0 Days	Submitted by Diamond supervisor Stop audit.

Shakers, V	olumes and	d Losses Dat	ta	Engineer : Julian (	Chapman / Mike Morris		
Available	327.2m³	Losses	137.4m³	Equip.	Descr.	Mesh Size	Hours
Active	39.9m³	Downhole		Centrifuge 1	MI SW FVS 518		
Mixing		Surf+ Equip	14.5m³	Centrifuge 1 Centrifuge 2	MI SW FVS 518 MI SW FVS 518		
Hole	96.2m³	Dumped	108.6m³	Centrifuge 2	MI SW FVS 518		
Slug	0.0m³	De-Sander		Shaker 3	MI SW - BEM 650	40/20 165 HC x 1	
Reserve	41.2m³	De-Silter		Shaker 3	MI SW - BEM 650	40/20 230 HC x 1	24
Kill	0.0m³	Centrifuge	14.3m³	Shaker 4	MI SW - BEM 650	30/20 165 HC x 1	
		Ochanage	14.5111	Shaker 4	MI SW - BEM 650	30/20 230 HC x 1	24
Storage	149.9m³			Shaker 5	MI SW - BEM 650	30/20 165 HC x 1	
				Shaker 5	MI SW - BEM 650	30/20 230 HC x 1	24
				Shaker 6	MI SW - BEM 650	40/20 165 HC x 1	
				Shaker 6	MI SW - BEM 650	40/20 165 HC x 1	



Arrived (date/time)

**Boats** 

BYV

11:42

Ocean Patriot

### DRILLING MORNING REPORT # 13 Henry-2 DW1ST1 (15 Oct 2008)

Bulks

Marine										
Weather cho	eck on 15 Oct	2008 at 24:0	0					Rig Support		
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
13.0km	15km/h	240.0deg	1024.00bar	13.0C°	0.3m	240.0deg	2sec	1	1353.0	132.00
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather	Comments	2	1372.8	130.18
			-		1			3	1386.8	128.82
0.5deg	0.4deg	0.80m	3.0m	240.0deg	13sec			4	1414.0	127.91
Rig Dir.	Ris. Tension	VDL		Comments				5	1365.8	118.84
217.0deg	110.22mt	892.22mt						6	1389.9	123.83
217.0d0g	110.22111	OOZ.ZZIIII						7	1393.9	141.07
								8	1389.9	112.04

Status

Departed (date/time)

Far Grip			Letf location for bert in Portland	Item	Unit	Quantity
			at 07:00 hrs 16/10/2008.	Fuel	m3	263
				Potable Water	m3	192
				Drill Water	m3	0
				Gel	mt	59
				Cement	mt	84
				Barite	mt	41
				KCI Brine	bbl	52
				NaCl Brine	bbl	0
					bbl	0
Nor Captain			In Portland.	Item	Unit	Quantity
				Fuel	m3	528.1
				Potable Water	m3	343
				Drill Water	m3	319
				Gel	mt	42
				Cement	mt	0
				Barite	mt	0
				KCI Brine	bbl	0
				NaCl Brine	bbl	800
					bbl	
Helicopte	Movemen	t				
Flight #	Time	Destination	Cor	mment		Pax
BYV	11:27	Essendon				9

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