

Date:	08 October 2008	Licence / State:	VIC/P44
Report Period:	06:00 – 06:00 Hours EST	Rig:	OCEAN PATRIOT
Days From Spud:	05	RT - SEAFLOOR:	87.8m
Current Hole Size:	311mm (12¼")	WATER DEPTH	67.0m MSL
		RT:	20.8m MSL
Depth @ 06:00 Hrs EST:	2050m MDRT	PTD:	~2600m MDRT
	1711.4m TVDRT	Sidetrack from	03:00 hrs on 3 rd
	-1690.6m SS MSL	Henry 2:	October,2008
24 Hr Progress:	287m		
06:00 – 06:00 EST			
Current Operation:	Performing a wiper trip, back reaming out at 1738m.		
Nope Cost (Drill)\$	(C&S)\$ 37.4 million	Cost To Date:	
	(P&A)\$		

Casing Data	Hole Size	Depth	Casing Size	Wt:	Type	Shoe Depth	LOT
	914 mm (36")	131.7m	762mm (30")	461 kg/m (310 lb/ft)	Conductor	131.7m	n/a
	445mm (17.5")	657m	340mm (13.375mm)	101 kg/m (68 lb/ft)	L80 BTC	652m	2.21sg (18.4ppg)
	311mm (12.25")						

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl:	Cl -:	PV/YP:	Rmf:
20:00hrs	KGLY	11.5	71	3.2	9.0	10.5	59K	35 / 51	0.089Ωm @ 21.7°C

Bit Data	No.	Make	Type	Size	Hours	Meters	Condition	
Current	2	Smith	PDC	MD519	311mm (12¼")	45.1	1000	Drilling
Previous								

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	LWD	2029.1	78	120	1707.3	683	122
Projected	LWD	2050.0	79	120	1711.4	703	122

OPERATIONS SUMMARY

Previous 24 hrs Operations Summary at 06:00 hrs EST

Drill ahead 311mm (12¼") directional hole from 1763m to 2050m. Circulate sample up to confirm Waarre A penetration. Circulate hole clean. Perform wiper trip, back reaming as required.

Anticipated Operations:

Perform wiper trip. Circulate hole clean. Pull out of hole laying out 311mm (12¼") Bottom Hole Assembly. Run and cement 244mm (9 5/8") / 273mm (10 ¾") casing.

FORMATION TOPS						
FORMATION	ACTUAL TOP		High / Low	High / Low	PROGNOSED TOP	
	(mMDRT)	(mSS MSL)	Prognosis (m)	Henry 1	(MDmRT)	(mSS MSL)
SEA LEVEL	20.8	0.0			20.8	0.0
HEYTSBURY GP	87.8	-67.0	1.0 High	0.5 High	88.8	-68.0
MEPUNGA FM	720.0	-699.2	0.2 Low	56.1 High	720.0	-699.0
DILWYN FM / WANGERRIP GP	848.0	-827.1	24.1 Low	24.4 High	824.0	-803.0
				Henry 2		
PEMBER MUDSTONE	1092.5	-1065.6	0.5 High	0.5 High	1092.2	-1066.1
PEBBLE POINT FM	1131.0	-1102.4	1.3 Low	1.3 Low	1128.9	-1101.1
MASSACRE SHALE	1201.0	-1168.7	0.4 Low	0.4 Low	1199.5	-1168.3
TIMBOON FM	1214.5	-1181.6	0.2 Low	0.2 Low	1213.3	-1181.4
PAARATTE FM	1413.0	-1359.2	2.3 High	2.3 High	1416.1	-1361.5
SKULL CREEK MDST	1665.0	-1537.8	5.4 High	5.4 High	1669.1	-1543.2
K85 UNCONFORMITY	2040.0	-1688.7	5.0 High	5.0 High	2071.6	-1693.7
WAARRE A	2040.0	-1688.7	5.0 High	5.0 High	2071.6	-1693.7
TOTAL DEPTH						

HYDROCARBON SHOW SUMMARY

INTERVAL	LITHOLOGY & HYDROCARBON FLUORESCENCE	GAS
2045 – 2050m 20 – 40 m/hr Av: 28 m/hr	<p>WAARRE "A" 2040.0m MDRT 1709.4m TVDRT (-1688.6m SS)</p> <p><u>SANDSTONE</u>: clear to translucent, off white, very fine to fine, rare medium, well sorted, sub-angular to sub-round, weak to moderately calcareous cement, minor off white argillaceous matrix, minor lithics and carbonaceous specks, generally loose, friable, poor visual porosity, fair inferred porosity, no fluorescence.</p>	<p>814 U / 10 U 97/2/1/Tr/Tr 2050m</p> <p>CO2: 1029ppm 2049.5m</p>

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

GEOLOGICAL SUMMARY

INTERVAL ROP (m/hr)	LITHOLOGY	GAS (Peak / BG) Composition
	<p>SKULL CREEK MUDSTONE 1665.0m MDRT 1558.6m TVDRT (-1537.8m SS)</p>	
1760 – 1985m 5 – 51 m/hr Av: 24 m/hr	<p>MASSIVE SILTSTONE.</p> <p><u>SILTSTONE</u>: light to predominately medium brownish grey, minor dark brown grey, argillaceous, locally very finely arenaceous, minor carbonaceous specks, trace fine grained glauconite, trace nodular pyrite, soft to dispersive, occasionally firm, amorphous, blocky to sub blocky.</p>	<p>10 U 96/3/1</p> <p>CO2: 2111ppm 1964m</p>

DAILY GEOLOGICAL REPORT

DGR 06

<p>1985 – 2040m 5 – 40 m/hr Av: 17 m/hr</p>	<p>SILTSTONE WITH TRACE INTERBEDDED FINE GRAINED SANDSTONE. <u>SANDSTONE</u>: off white, very light brownish grey, very fine to fine grained, sub angular to sub rounded, well sorted, abundant strong calcareous cement, minor fine grained glauconite, trace muscovite, hard aggregates, tight visual porosity, no fluorescence. <u>SILTSTONE</u>: medium to dark grey, occasionally medium brownish grey, argillaceous in part, minor fine grained glauconite, trace fine carbonaceous specks, firm to occasionally moderately hard, sub blocky to blocky.</p>	<p>6 U 96/3/1/Tr/Tr CO2: 767ppm 1993m</p>
	<p>WAARRE "A" 2040.0m MDRT 1709.5m TVDRT (-1688.7m SS)</p>	
<p>2040 – 2045m 13 – 24 m/hr Av: 18 m/hr</p>	<p>INTERBEDDED SILTSTONE AND SANDSTONE. <u>SANDSTONE</u>: off white, very fine, well sorted, sub-angular to sub-round, moderately calcareous cement, common off white argillaceous matrix, minor lithics and carbonaceous specks, friable to moderately hard, poor to very poor visual porosity, no fluorescence. <u>SILTSTONE</u>: pale to medium brown, brown grey, generally argillaceous, minor arenaceous, common glauconite grains, rare pyrite nodules, firm to moderately hard, soft to dispersive, sub-blocky to blocky, rare amorphous.</p>	<p>253 U / 10 U 97/2/1/Tr/Tr 2045m CO2: 413ppm 2045m</p>
<p>2045 – 2050m 20 – 40 m/hr Av: 28 m/hr</p>	<p>SANDSTONE WITH MINOR SILTSTONE INTERBEDS. <u>SANDSTONE</u>: clear to translucent, off white, very fine to fine, rare medium, well sorted, sub-angular to sub-round, weak to moderately calcareous cement, minor off white argillaceous matrix, minor lithics and carbonaceous specks, generally loose, friable, poor visual porosity, fair inferred porosity, no fluorescence. <u>SILTSTONE</u>: pale to medium brown, occasionally dark brown grey, generally argillaceous, arenaceous in part, occasional glauconite grains, minor carbonaceous specks, firm to moderately hard, soft to dispersive, sub-blocky to blocky.</p>	<p>814 U / 10 U 97/2/1/Tr/Tr 2050m CO2: 1029ppm 2049.5m</p>

REMARKS:LWD Sensor Offsets from the Bit:

GR: 11.87m
Resistivity: 11.82m
D & I: 19.86m