

Date:	18 th September 2008	Licence / State:	VIC/P44
Report Period:	06:00 – 06:00 Hours EST	Rig:	OCEAN PATRIOT
Days From Spud:	03	RT - SEAFLOOR:	87.8m
Current Hole Size:	311mm (12¼")	WATER DEPTH	67.0m MSL
		RT:	20.8m MSL
Depth @ 06:00 Hrs EST:	2047m MDRT	PTD:	2626m MDRT
	1716.0m TVDRT	Sidetrack from	05:00 hrs on 16 th
	-1695.2m SS MSL	Henry 2:	September,2008
24 Hr Progress:	339m		
06:00 – 06:00 EST			
Current Operation:	Circulating hole clean at 311mm (12¼") hole section total depth.		
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")	2047m					

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl:	Cl -:	PV/YP:	Rmf:
	KGlycol	11.0	59	5.2	8.5	8.2	49k	27/42	0.084Ωm @ 23.8°C

Bit Data	No.	Make	Type		Size	Hours	Meters	Condition
Current	2	Reed	PDC	RSX519M	311mm (12¼")	10.9	339	In Hole
Previous								

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	MWD	2005.1	82	115	1710.3	662	117
	MWD	2026.8	82	116	1713.2	683	117

OPERATIONS SUMMARY

<p>Previous 24 hrs Operations Summary at 06:00 hrs EST Run in hole. Drill 311mm (12¼") directional hole from 1708m to 1998m. Circulate sample out. Drill ahead from 1998m to 2039m. Circulate sample out. Drill ahead 2039m to 2047m. Circulate sample out and confirm penetration of Waarre "A". Circulate hole clean.</p> <p>Anticipated Operations: Pull out of hole. Run and cement 244mm (9 5/8") casing. Pressure test Blow Out Preventers.</p>

FORMATION	FORMATION TOPS					
	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
PEMBER MUDSTONE	1092.5	-1066.1	12.1 Low	31.4 High	1086.7	-1054.0
PEBBLE POINT FM	1132.5	-1101.1	22.1 Low	21.8 High	1113.6	-1079.0
MASSACRE SHALE	1207.0	-1168.3	33.3 Low	18.6 High	1173.9	-1135.0
TIMBOON FM	1222.0	-1181.4	36.4 Low	17.2 High	1184.7	-1145.0
PAARATTE FM	1443.0	-1361.5	28.5 Low	37.0 High	1389.4	-1333.0
				Henry 2		
SKULL CREEK MDST	1681.0	-1541.5	1.7 High	1.7 High	1686.0	-1543.2
K85 UNCONFORMITY	2041.0	-1694.3	0.6 Low	0.6 Low	2014.3	-1693.7
WAARRE A	2041.0	-1694.3	0.6 Low	0.6 Low	2014.3	-1693.7
TOTAL DEPTH					2626.9	-1708.7

HYDROCARBON SHOW SUMMARY

INTERVAL	LITHOLOGY & HYDROCARBON FLUORESCENCE	GAS

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

GEOLOGICAL SUMMARY

INTERVAL ROP (m/hr)	LITHOLOGY	GAS (Peak / BG) Composition
	SKULL CREEK MUDSTONE 1682.0m MDRT 1563.2m MDRT (-1542.4m SS)	
1708 – 1790m 14 – 67 m/hr Av: 28.8 m/hr	SILTSTONE WITH TRACE SANDSTONE INTERBEDS. <u>SILTSTONE</u> : pale brown, occasionally medium to dark grey brown, generally argillaceous, minor arenaceous, occasional to common carbonaceous specks, dominantly very soft to dispersive, firm to moderately hard in part, amorphous, sub-blocky. <u>SANDSTONE</u> : off white, clear to translucent, very fine, trace fine, moderately well sorted, sub-angular to dominantly sub-round, weak calcareous cement, common off white argillaceous matrix, friable, trace loose clean grains, poor visual and inferred porosity, no fluorescence.	2-12 u 96/3/1 % Pk 12.9 u @ 1765m 96/3/1 %
1790 – 2041m 15 – 77 m/hr Av: 34 m/hr	SILTSTONE WITH MINOR SANDSTONE INTERBEDS. <u>SILTSTONE</u> : medium grey brown, medium grey, dark brown, argillaceous, trace arenaceous, common glauconite grains, minor very fine carbonaceous specks, trace nodular pyrite, trace light brown LIMESTONE fragments, trace micro-micaceous, soft to moderately hard, sub-blocky to blocky, trace amorphous. <u>SANDSTONE</u> : off white, clear to translucent, very fine to medium grained in part, dominantly fine grained, moderately well sorted, sub-angular to sub-rounded, trace calcareous cement, trace off white argillaceous matrix, generally loose clean grains, minor friable, poor visual and inferred porosity, no fluorescence.	5 U 96/3/1 % CO2: 5817ppm 1870m

	WAARRE "A" 2041.0m MDRT 1715.1m MDRT (-1694.3m SS)	
2041 – 2047m 20 – 35 m/hr Av: 29 m/hr	<p>INTERBEDDED SILTSTONE AND SANDSTONE.</p> <p>SILTSTONE: pale to medium brown, pale to medium grey in part, argillaceous, rare arenaceous, common glauconite grains, minor carbonaceous specks, occasional calcareous inclusions, rare pyrite nodules, firm to dominantly moderately hard, sub-blocky to minor sub-fissile.</p> <p>SANDSTONE: pale grey to grey brown, off white, very fine, well sorted, sub-angular to sub-round, weak to moderately siliceous cement, common to abundant pale brown to off white silty matrix, occasional glauconite grains and carbonaceous specks, minor pyrite nodules, friable, very poor visual porosity, no fluorescence.</p>	<p>7 U 97/3 %</p> <p>CO2: 418ppm 2045m</p>

REMARKS:LWD Sensor Offsets from the Bit:

GR: 11.96m
Resistivity: 11.91m
D & I: 19.86m