

### DAILY GEOLOGICAL REPORT

DGR 09

<b>Date:</b>	3 <sup>rd</sup> September 2008 06:00 EST	<b>Licence / State:</b>	VIC/P44
<b>Report Period:</b>	06:00 – 06:00 Hours EST	<b>Rig:</b>	OCEAN PATRIOT
<b>Days From Spud:</b>	09	<b>RT - SEAFLOOR:</b>	87.8m
<b>Current Hole Size:</b>	445mm (17½")	<b>WATER DEPTH</b>	67.0m MSL
<b>Depth @ 06:00 Hrs EST:</b>	657m MDRT -636.2m SS MSL	<b>RT:</b>	20.8m MSL
<b>24 Hr Progress:</b>	0m	<b>PTD:</b>	2047m MDRT
<b>06:00 – 06:00 EST</b>		<b>Spud Date:</b>	03:15 hrs 25 <sup>th</sup> August,08
<b>Current Operation:</b>	ROV standing-by on bottom waiting for improved visibility.		
<b>Nope Cost (Drill)\$</b>	<b>(C&amp;S)\$</b> 37.4 million	<b>Cost To Date:</b>	
	<b>(P&amp;A)\$</b>		

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	
	311mm (12.25")						

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl:	Cl -:	PV/YP:	Rmf:
	KGlycol	9.9	84	4.2	8.7	10.8	67k	20/35	

Bit Data	No.	Make	Type	Size	Hours	Meters	Condition
<b>Current</b>							
<b>Previous</b>							

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)

### OPERATIONS SUMMARY

#### Previous 24 hrs Operations Summary at 06:00 hrs EST

Rig up the Nomad-3 ROV equipment. Dive the ROV, visual of guide-wires across the Christmas Tree (XT). Loss of power to the ROV, pull to surface and trouble shoot. Deployed the ROV. Loss of sonar on entering water. Pulled and repaired. Deployed the ROV to bottom, poor visibility and strong surge. Move ROV off location and stand-by on bottom. Note: No visual sighting of the Nomad-6 ROV however sonar shows an object to the aft.

#### Anticipated Operations:

Continue to dive the Nomad-3 ROV, observe tensioning of guide wires. Observe guide-wires / wellhead conditions and search for the Nomad-6 ROV.

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	1 High	0.5 High	88.8	-68
MEPUNGA FM					720.0	-699
DILWYN FM / WANGERRIP GP					824.0	-803
PEMBER MUDSTONE					1086.7	-1054
PEBBLE POINT FM					1113.6	-1079
MASSACRE SHALE					1173.9	-1135
TIMBOON FM					1184.7	-1145
PAARATTE FM					1389.4	-1333
SKULL CREEK MDST					1637.1	-1524
K85 UNCONFORMITY					1885.8	-1658
WAARRE A					1885.8	-1658
EUMERALLA FM					1935.8	-1683
TOTAL DEPTH					1977.0	-1703.6

**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

**REMARKS:**