

### DAILY GEOLOGICAL REPORT

DGR 10

<b>Date:</b>	4 <sup>th</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>	10	<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>	Running the Blow Out Preventer and Marine Riser.		
<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	82	4.0	8.7	10.8	66k	21/33	

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

ROV off location and standing-by on bottom. Continue to work on entangled guide wires. Strong surge and poor visibility. Pull the ROV to surface. Work on camera. Dive the ROV. Pull to surface, add floatation. Dive the ROV. Work on guide wires. Search for lost Nomad-6 ROV, unable to locate the ROV. Rig to run and run the Blow Out Preventer and Marine Riser.

#### Anticipated Operations:

Run the Blow Out Preventer and Marine Riser. Pressure Test as required.

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:**