

DAILY GEOLOGICAL REPORT

DGR 16

Date:	10 th September 2008	Licence / State:	VIC/P44
Report Period:	06:00 – 06:00 Hours EST	Rig:	OCEAN PATRIOT
Days From Spud:	16	RT - SEAFLOOR:	87.8m
Current Hole Size:	311mm (12¼")	WATER DEPTH	67.0m MSL
		RT:	20.8m MSL
Depth @ 06:00 Hrs EST:	1560m MDRT	PTD:	2047m MDRT
	1471.7m TVDRT		
	-1450.9m SS MSL	Spud Date:	03:15 hrs 25 th August,08
24 Hr Progress:	0m		
06:00 – 06:00 EST			
Current Operation:	Conducting a rig service at the casing shoe, having run in hole with the 311mm (12¼") directional drilling assembly.		
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:
	KGlycol	10.2	68	442	8.5	9.6	56k	23/42	

Bit Data	No.	Make	Type	Size	Hours	Meters	Condition
Current	5	Hughes	Mill	MXL-1X 311mm (12¼")	-	-	In Hole
Previous	4	Smith	PDC	MDI616 311mm (12¼")	-	-	TBA
Previous	3	Hughes	Mill	MXL-1X 311mm (12¼")	33.3	903	TBA

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	MWD	1519.6	38	109	1439.9	278	123
	MWD	1537.8	38	110	1454.3	289	123

OPERATIONS SUMMARY

Previous 24 hrs Operations Summary at 06:00 hrs EST

Continue to pull out of hole. Lay out the LWD tools, break out Bit 3. Make up new Bit 4 PDC and the LWD tools. Run in hole to 93m. Tag casing swedge. Unable to pass through. Circulate and rotate, unable to pass through. Pull out to 88m, unable to pass through, circulate and rotate. Ream and attempt to work past. Pull out, remove sources. Lay out PDC bit. Pick up Bit 5, mill tooth, run in hole without sources. Work past tight section. Pull out of hole. Load sources. Run in hole. Conduct a rig service.

Anticipated Operations:

Run in hole. Drill ahead 311mm (12¼") directional hole to total depth at +/-1984m.

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
SKULL CREEK MDST					1637.1	-1524.0
K85 UNCONFORMITY					1885.8	-1658.0
WAARRE A					1885.8	-1658.0
EUMERALLA FM					1935.8	-1683.0
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:

LWD Sensor Offsets from the Bit:

GR: 11.54m
 Resistivity: 11.49m
 D & I: 19.44m
 HeFar: 36.29m
 Density: 35.25m
 Sonic: 34.86m