

<b>From : Peter Devine / Rohan Richardson</b>							
<b>OIM : Rod Dotson</b>							
<b>Well Data</b>							
Country	Australia	Measured Depth	1875.0m	Current Hole Size	311mm	AFE Cost	\$19,265,000
Field		TVD	1748.3m	Casing OD	340mm	AFE No.	5738085
Drill Contractor	DOGC	Progress	84.0m	Shoe MD	642.2m	Daily Cost	\$490,282
Rig	Ocean Patriot	Days from spud	18.58	Shoe TVD	642.2m	Cum Cost	\$19,402,885
Water Depth (LAT)	65.4m	Days on well	19.35	F.I.T. / L.O.T.	/ 2.12sg	Planned TD	2503.0m
RT-SL(LAT)	21.5m	Current Op @ 0600 Commenced Netherby-1DW at 21:00 hrs, 02.08.08.					
RT-ML	86.9m	Planned Op Continue to drill 311 mm (12 1/4") production hole on Netherby-1DW					
Rig Heading	215.0deg						

**Summary of Period 0000 to 2400 Hrs**

RIH with 311 mm (12 1/4") BHA and tagged cement at 1421 m. Kicked off with 100 % new formation at 1505 m. Commenced Netherby-1DW at 21:00 hrs.

**Formations**

Name	Top (MD)	Top (TVD)	Comment
K85 Unconformity	1783.0m	1673.6m	38.6m low
Waarre A	1792.0m	1683.1m	48.1m low
Eumeralla Formation	1820.0m	1705.2m	43.2m low
Total Depth	1875.0m	1748.0m	Drilled an extra 5m of rathole on 30th Jul 08 to accomodate FEWD.

**Operations For Period 0000 Hrs to 2400 Hrs on 02 Aug 2008**

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
PA	P	HBHA	0000	0100	1.00	1875.0m	Continued to make up BHA from 52 m to 183 m.
PA	P	TI	0100	0230	1.50	1875.0m	Continued to RIH from 183 m to 616 m
PA	P	RS	0230	0300	0.50	1875.0m	Serviced TDS and blocks, primed mud pump #2 after changing out swabs.
PA	P	CMD	0300	0345	0.75	1875.0m	Flushed choke and kill lines with fresh 1.3 sg (11.1 ppg) mud
PA	P	TI	0345	0500	1.25	1875.0m	Continued to RIH from 616 m to 1328 m.
PA	P	WIN	0500	0600	1.00	1875.0m	Made up TDS and washed from 1328 m to 1420 m. Tagged cement at 1421 m with 6.7 t (15 klbs) WOB.
PA	P	ST	0600	2100	15.00	1875.0m	Attempted to kick off cement plug from 1421 m to 1491 m using time drilling technique, unsuccessful. Continued to fall through hard stringers into green cement. Established 2.2 - 4.4 kdaN (5 - 10 klbs) WOB from 1491 m and observed change in azimuth. 100 % new formation at shakers from 1505 m. Commenced Netherby-1DW at 21:00 hrs.

**WBM Data**

**Cost Today \$ 3683**

Mud Type:	KGLY	API FL:	6cm <sup>3</sup> /30m	KCl:	8%	Solids:	11.17	Viscosity:	0sec/L
Sample-From:	Pit	Filter-Cake:	1mm	Hard/Ca:	1160	H2O:	89%	PV:	0.021Pa/s
Time:	15:00	HTHP-FL:		MBT:	0.8	Oil:		YP:	0.177MPa
Weight:	1.33sg	HTHP-Cake:		PM:	5	Sand:	0.2	Gels 10s:	0.053
Temp:	130.0C°			PF:	0.6	pH:	12	Gels 10m:	0.101
						PHPA:	Oppb	Fann 003:	10
								Fann 006:	13
								Fann 100:	36
								Fann 200:	49
								Fann 300:	58
								Fann 600:	79

Comment Prepared surface pits with 0.5 ppb powdered PHPA. Treated hardness with sodium bicarb and reduced PH with citric acid. Run centrifuge to reduce MW and cement particles.

**Bit # 6**

				Wear	I	O1	D	L	B	G	O2	R
Size:	311mm	IADC#	M422	<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>			<b>Calculated over Bit Run</b>			
Mfr:	REED	WOB(avg)	5.44mt	No.	Size	Progress	84.0m	Cum. Progress	84.0m			
Type:	PDC	RPM(avg)	120	6	15/32nd"	On Bottom Hrs	12.50h	Cum. On Btm Hrs	12.50h			
Serial No.:	218712	F.Rate	3066lpm			IADC Drill Hrs	15.00h	Cum IADC Drill Hrs	15.00h			
Bit Model	RSX616M-A16	SPP	23442kPa			Total Revs		Cum Total Revs	0			
Depth In	1421.0m	TFA	1.035			ROP(avg)	6.72 m/hr	ROP(avg)	6.72 m/hr			
Depth Out												

Run Comment Used to side track Netherby-1DW for production section from pilot hole.

BHA # 9						
Weight(Wet)	18.14mt	Length	183.1m	Torque(max)	29.6Nm	D.C. (1) Ann Velocity 70.31mpm
Wt Below Jar(Wet)	14.74mt	String	104.33mt	Torque(Off.Btm)	6.8Nm	D.C. (2) Ann Velocity 0mpm
		Pick-Up	108.86mt	Torque(On.Btm)	15.6Nm	H.W.D.P. Ann Velocity 53.05mpm
		Slack-Off	102.06mt			D.P. Ann Velocity 48.39mpm

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.29m	311mm	76mm	218712	
Powerdrive 900	8.60m	308mm	133mm	2	
ARC-8	5.87m	230mm	108mm	2724	
Power Pulse	8.47m	211mm	95mm	FB46	
NMDC	18.60m	213mm	83mm		
X/O	1.09m	203mm	67mm	GUD1231-6	
HWDP	84.26m	168mm	78mm		
Jar	9.32m	165mm	70mm	24670G	
HWDP	46.60m	168mm	70mm		

Bulk Stocks						Personnel On Board	
Name	Unit	In	Used	Adjust	Balance	Company	Pax
Barite	MT	0	7	0	-30.0	Santos	4
Gel	MT	0	0	0	53.0	Santos	2
Cement	MT	0	0	0	90.0	DOGC	45
Fuel	M3	0	18.4	0	506.6	ESS	8
Potable Water	M3	34	26	0	367.0	BHI	6
Drill Water	M3	0	30	0	752.0	Dowell	2
						Rheochem	2
						TMT	3
						Anadrill	2
						Anadrill	3
						Schlumberger Wireline	4
						MI Swaco	1
						Cameron	1
						DOGC Service	7
Total							90

Casing			
OD	L.O.T. / F.I.T.	Casing Shoe (MD/TVD)	Cementing
762mm	/	130.90/130.90	As per cement data.
340mm	2.12 /	642.20/642.20	Class G lead slurry to surface. Class G tail TOC at ± 492m (150m).

HSE Summary				
Events	Num Events	Date of Last	Days Since	Remarks
Abandon Drill	1	27 Jul 2008	6 Days	Abandonment drill completed after the fire drill. Completed full muster at lifeboat stations 1 and 2 in 10 minutes.
Additional Supervision	1	02 Aug 2008	0 Days	No night SOC on rig, unable to get a firm commitment from DODI to fill position.
Fire Drill	1	27 Jul 2008	6 Days	Simulated a fire on the stbd crane at 10:22. Fire under control at 10:30 (full lifeboat muster also completed).
First Aid	1	31 Jul 2008	2 Days	IP was bending down to pick up his shoes in his room when he hit his head on the desk. Very minor laceration under his left eye.
First Aid	1	31 Jul 2008	2 Days	IP was working on making up well test gear when the piece he was tightening slipped and caught his finger. Very minor laceration.
JHA	32	02 Aug 2008	0 Days	Drill crew - 15 Deck Crew - 10 Welder - 4 Mechanic - 3
Lost Time Incident	1	30 May 2008	64 Days	Man had his left hand caught between an 8" drill collar and the casing tongs when he was trying to secure the tong. Preliminary checks on the rig deemed only stitches required and the hand was not broken. The person was medivac'd off the rig @ 23:00hrs. Man was released from Royal Hobart hospital with 12 stitches to the hand (no broken bones).
Medical Treatment Incident	1	24 Jul 2008	9 Days	IP sustained a deep cut to his left leg. This was caused by his foot slipping off a timber support and hitting his shin. The IP will be flown out on crew chopper. Note: IP received 7 stitches and has been given clearance to return to work. Resumed duties 25th Jul 08.
Pre-Tour Meeting	4	02 Aug 2008	0 Days	Discussed upcoming operations and associated hazards prior to each shift starting.
PTW Issued	4	02 Aug 2008	0 Days	2 x hot work permits 2 x cold work permits
Safety Audit	1	30 Jul 2008	3 Days	EHSMS audit conducted onboard.
Safety Meeting	3	27 Jul 2008	6 Days	Reviewed stop cards for the week and awarded Santos best stop card to Tim Stone. Discussed fire and abandonment drill and muster times. Reviewed open water Rescue techniques.
Santos Induction	0	02 Aug 2008	0 Days	No new personal to site
Stop Observations	66	02 Aug 2008	0 Days	39 - Safe 27- Corrective Actions
STOP Tour	1	31 Jul 2008	2 Days	Diamond supervisor audits.
Trip/Pit Drill	1	31 Jul 2008	2 Days	Sounded the alarm on the drill floor for a kick drill. Crew reacted and had the FOSV in place within 35 seconds.

Shakers, Volumes and Losses Data				Engineer : Carissa Thompson / Fius Siregar			
Available	391.6m <sup>3</sup>	Losses	19.5m <sup>3</sup>	Equip.	Descr.	Mesh Size	Hours
Active	95.7m <sup>3</sup>	Downhole		Centrifuge 1	MI SW FVS 518		0
Mixing	0.0m <sup>3</sup>	Surf+ Equip	19.5m <sup>3</sup>	Centrifuge 1	MI SW FVS 518		0
Hole	147.7m <sup>3</sup>	Dumped	0.0m <sup>3</sup>	Centrifuge 2	MI SW FVS 518		0
Slug		De-Sander		Centrifuge 2	MI SW FVS 518		0
Reserve	96.7m <sup>3</sup>	De-Silter		Shaker 3	Bem 650 - MI SW	20 / 10 84 HC x 4	11
Kill				Shaker 3	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Storage	51.5m <sup>3</sup>	Centrifuge	0.0m <sup>3</sup>	Shaker 4	Bem 650 - MI SW	20 / 10 84 HC x 4	11
				Shaker 4	Bem 650 - MI SW	20 / 20 230 HC x 4	18
				Shaker 5	Bem 650 - MI SW	20 / 10 84 HC x 4	11
				Shaker 5	Bem 650 - MI SW	20 / 20 230 HC x 4	18
				Shaker 6	Bem 650 - MI SW	20 / 10 84 HC x 4	11
				Shaker 6	Bem 650 - MI SW	20 / 20 230 HC x 4	18
Comment	#2 Centrifuge repaired and back in the system.						

Marine								Rig Support		
Weather check on 02 Aug 2008 at 24:00										
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Chain out (m)	Tension (mt)
18.5km	28km/h	263.0deg	1018.00bar	12.0C°	0.5m	263.0deg	3sec	1	1382.9	94.80
Roll	Pitch	Heave	Swell Height	Swell Dir.	Swell Period	Weather Comments				
0.5deg	0.4deg	0.70m	3.0m	248.0deg	12sec					
Rig Dir.	Ris. Tension	VDL		Comments				2	1382.9	97.07
215.0deg	124.74mt	1015.14mt					3	1399.9	120.20	
								4	1376.8	102.06
								5	1410.9	135.17
								6	1421.0	133.81
								7	1410.9	125.19
								8	1414.0	120.20

Boats	Arrived (date/time)	Departed (date/time)	Status	Bulks		
Far Grip	18:00 hrs 02.08.08		Standby Ocean Patriot	<b>Item</b>	<b>Unit</b>	<b>Quantity</b>
				Fuel	m3	513
				Potable Water	m3	140
				Drill Water	m3	450
				Cement	mt	43.5
				Barite	mt	84
				Gel	mt	59
				KCl Brine	m3	140
				NaCl Brine	m3	185
				Mud	m3	250
Nor Captain	22:00 30 Jul 08		Standby Ocean Patriot	<b>Item</b>	<b>Unit</b>	<b>Quantity</b>
				Fuel	m3	486.1
				Potable Water	m3	350
				Drill Water	m3	193
				Cement	mt	38
				Barite	mt	84
				Gel	mt	42
				Mud	m3	0
				KCl Brine	m3	0

Helicopter Movement				
Flight #	Time	Destination	Comment	Pax
GYJ		Ocean Patriot	No Helicopter to site	
GYJ		Essendon	No Helicopter to site	