

### **DRILLING MORNING REPORT # 22** Netherby-1 Netherby-1DW (23 Aug 2008)

|                   |               | From:             | Chris Roots                 | / Nathan Peri              |                |               |              |
|-------------------|---------------|-------------------|-----------------------------|----------------------------|----------------|---------------|--------------|
|                   |               | OIM:              | <b>Rod Dotson</b>           |                            |                |               |              |
| Well Data         |               |                   |                             |                            |                |               |              |
| Country           | Australia     | Measured Depth    | 2517.0m                     | Current Hole Size          | 216mm          | AFE Cost      | \$39,506,831 |
| Field             |               | TVD               | 1655.0m                     | Casing OD                  | 244mm          | AFE No.       | 5746046      |
| Drill Contractor  | DOGC          | Progress          | 0.0m                        | Shoe MD                    | 1936.0m        | Daily Cost    | \$764,293    |
| Rig               | Ocean Patriot | Days from spud    | 21.12                       | Shoe TVD                   | 1680.0m        | Cum Cost      | \$44,086,183 |
| Water Depth (LAT) | 65.4m         | Days on well      | 21.13                       | F.I.T. / L.O.T.            | /              | Planned TD    | 2503.0m      |
| RT-SL(LAT)        | 21.5m         | Current Op @ 0600 | Continuing                  | to pull primary ancho      | rs (#4, #1 & # | 5 remaining). |              |
| RT-ML             | 86.9m         | Planned Op        | Pull remaining anchors (2). |                            |                |               |              |
| Rig Heading       | 215.0deg      |                   | Tow to Her<br>Run ancho     | nry-2 DW1 location.<br>rs. |                |               |              |

#### Summary of Period 0000 to 2400 Hrs

Repaired the ROV umbilical.
Ran and landed the XT Debris cap on drill pipe. ROV installed the marine growth covers over the ROV XT buckets.

Sheared out the guideline wires from the PGB. Recovered to surface.

Pulled and retrieved 2 x secondary anchors.

| Formations       |          |           |         |
|------------------|----------|-----------|---------|
| Name             | Top (MD) | Top (TVD) | Comment |
| K85 Unconformity | 1783.0m  | 1673.6m   |         |
| Waarre A         | 1792.0m  | 1683.1m   |         |

#### Operations For Period 0000 Hrs to 2400 Hrs on 23 Aug 2008

| Phse | Cls<br>(RC) | Op  | From | То   | Hrs  | Depth   | Activity Description  |
|------|-------------|-----|------|------|------|---------|---|
| SUS  | TP<br>(VE)  | RO  | 0000 | 0900 | 9.00 | 2517.0m | Continued resplicing the ROV umbilical.  Concurrent Ops: Continued changing out the TDS gear box oil, serviced same.  Serviced the rig slickline unit - stripped off 30m of 0.092" wire, checked sheave wheel bearings, all good.  Slipped and cut 30m of drill line. Completed making a new ROV clump weight.  |
| SUS  | Р           | XT  | 0900 | 1500 | 6.00 | 2517.0m | Prepared Henry-2DW1 914mm (36") BHA.  ROV dived and tested the new clump weight buoyancy. ROV installed marine growth covers onto the XT. Searched for the dropped clump weight, unable to locate.  ROV snorkel cleaned ITC & top of XT.  |
|      |             |     |      |      |      |         | Concurrently made up Debris Cap Jay Latch tool onto drill pipe, latched the Debris Cap, installed guideline ropes and ran the Debris Cap through the splash zone to 65m.  |
| SUS  | Р           | XT  | 1500 | 1630 | 1.50 | 2517.0m | Re-positioned the rig over well center. Lowered and landed the Debris Cap and unjayed from same. POH drill pipe and running tool. ROV continued installing marine growth covers on the XT.  |
| SUS  | Р           | ROV | 1630 | 1730 | 1.00 | 2517.0m | Searched seabed for the ROV clump weight, unable to locate (covered by silt)  |
| SUS  | Р           | ROV | 1730 | 2045 | 3.25 | 2517.0m | ROV completed final SST survey (refitted 1 marine growth cap) completed visual & sonar sea bed search (no debris identified).   |
|      |             |     |      |      |      |         | XT valve status: Closed - PMV, PWV, XOV, AWV, AAV, AMV, ACIV, CIV, ACIV, TCT needle valve, CSM needle valve, AXT needle valve, AVV needle valve, PCT needle valve, V1 needle valve and V2 needle valve. Open - Choke - 50% open, SIV needle valve   |
|      |             |     |      |      |      |         | APT = 0.98 MPa (143 psi) PPT1 = 1.29 MPa (187 psi) PTT1 = 13.5 degrees PPT2 = 0.27 MPa (40 psi) DHPT = 17.13 MPa (2,485 psi) DHTT = 74 degrees  |
|      |             |     |      |      |      |         | Concurrent Ops: Made up 762mm (30") conductor running tool and racked back.  Made up a cement stand and racked.   |
| RM   | P           | АН  | 2045 | 2400 | 3.25 | 2517.0m | 20:44 - PCC #2 passed to Far Grip 21:00 - PCC #6 passed to the Nor Captain 21:11 - #2 anchor off bottom (decked #2 anchor, inspected same OK) 21:33 - #6 anchor off bottom 22:48 - PCC #2 passed back to rig 23:01 - PCC #3 passed to Far Grip 23:17 - PCC #6 passed back to the rig 23:22 - #3 anchor off bottom. 23:28 - PCC #7 passed to Nor Captain 24:00 - #7 anchor off bottom. |



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## Operations For Period 0000 Hrs to 0600 Hrs on 24 Aug 2008

| Phse | Cls<br>(RC) | Ор | From | То   | Hrs  | Depth   | Activity Description   |
|------|-------------|----|------|------|------|---------|--|
| RM   | P           | АН | 0000 | 0600 | 6.00 | 2517.0m | 01:01 - PCC #3 passed back to the rig. 01:25 - PCC #7 passed back to the rig. 01:38 - PCC #8 passed to the Far Grip 02:02 - Tow Bridle PCC passed to the Nor Captain 02:20 - Nor Captain on static tow. 02:51 - #8 anchor off bottom. 04:10 - #8 PCC passed back to rig. 04:38 - #4 PCC passed to Far Grip 04:58 - #4 anchor off bottom. |

| Bulk Stocks   |      |    |      |        |         |         |  |  |
|---------------|------|----|------|--------|---------|---------|--|--|
| Name          | Unit | In | Used | Adjust | Balance | Comment |  |  |
| Barite        | mT   | 0  | 0    | 0      | 84.0    |         |  |  |
| Gel           | mT   | 0  | 0    | 0      | 86.0    |         |  |  |
| Cement        | mT   | 0  | 0    | 0      | 70.0    |         |  |  |
| Fuel          | m3   | 0  | 10.8 | 0      | 346.3   |         |  |  |
| Potable Water | m3   | 31 | 24   | 0      | 347.0   |         |  |  |
| Drill Water   | m3   | 0  | 0    | 0      | 481.0   |         |  |  |

| Personnel On Board                   |         |     |
|--------------------------------------|---------|-----|
| Company                              | Comment | Pax |
| Santos                               |         | 6   |
| DOGC                                 |         | 47  |
| ESS                                  |         | 8   |
| ВНІ                                  |         | 4   |
| Dowell                               |         | 3   |
| Rheochem                             |         | 2   |
| ТМТ                                  |         | 6   |
| Premium Casing Services              |         | 2   |
| Cameron                              |         | 2   |
| RPS                                  |         | 1   |
| Fugro                                |         | 2   |
| Schlumberger Drilling & Measurements |         | 2   |
|                                      | Total   | 85  |

| 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). |  |  |  |  |  |  |
| 244mm  | /               | 1936.00/             |  |  |  |  |  |  |  |



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| Events                     | Num<br>Events | Date of Last | Days<br>Since | Remarks  |
|----------------------------|---------------|--------------|---------------|--|
| Abandon Drill              | 1             | 18 Aug 2008  | 5 Days        | Abandonment drill completed after the fire drill.  Completed full muster after emergency under control in 25 minutes, initial muster completed in 11 min.  |
| Fire Drill                 | 1             | 18 Aug 2008  | 5 Days        | Simulated fire in the well test area (pre well test drill). Emergency alarm sounded at 12:52 hrs, emergency under control at 13:03 hrs.  |
| First Aid                  | 1             | 13 Aug 2008  | 10 Days       | During the relocation of a container on the port pipe deck, IP located hand on corner of a container to assist another roustabout to steady for placement. IP looked at the base of the container when it swung and caught his hand between the container and wall resulting in a bruised hand.  |
| JHA                        | 28            | 23 Aug 2008  | 0 Days        | Drill crew - 9 Deck Crew - 12 Welder - 2 Mech - 3 Subsea - 2   |
| Lost Time Incident         | 1             | 30 May 2008  | 85 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             | 13 Aug 2008  | 10 Days       | During lifting operations of 3rd party tooling on the pipe deck, IP was assisting the dogman in attaching slings to the whip-line hook. During this process the hook swung and hit the IP in the side of the hardhat resulting in an injury to the IPs neck. The IP was immobilised as a precautionary measure, treated as per symptoms and in readiness for medivac to hospital for further assessment.       |
| Pre-Tour Meeting           | 4             | 23 Aug 2008  | 0 Days        | Discussed upcoming operations and associated hazards prior to each shift starting.   |
| PTW Issued                 | 13            | 23 Aug 2008  | 0 Days        | 5 x hot work permits<br>8 x cold work permits  |
| Rig Inspection             | 2             | 20 Aug 2008  | 3 Days        | Conducted 2 by Santos STOP audits.  1 in moonpool: found several housekeeping issues with wire rope and hoses causing potential trip hazards. Wrapped blue pod line with caution tape and removed grease cans no longer required.  2 in sack room: conducted STOP audit during glycol handling operations. Good understanding of hazards, PPE and operations throughout job. Completed safely and efficiently. |
| Safety Audit               | 1             | 29 Jul 2008  | 25 Days       | Santos environment audit conducted.  |
| Safety Audit               | 1             | 30 Jul 2008  | 24 Days       | EHSMS audit conducted onboard.   |
| Safety Meeting             | 1             | 13 Aug 2008  | 10 Days       | Held 'Time Out for Safety' meeting on the rig floor with senior DODI and Santos personnel, drill crew, deck crew and third party. Reviewed 2 incidents which occurred on the previous tour and associated safety outcomes. Opened the floor and discussed safe acts and feedback.  |
| Safety Meeting             | 3             | 17 Aug 2008  | 6 Days        | Reviewed stop cards for the week and awarded Santos best stop card th Carl Hoseason. Reviewed safety alerts from other DODI facilities. Reviewed medivac incident from previous week and first aid.  |
| Santos Induction           | 0             | 23 Aug 2008  | 0 Days        | Gave Santos induction to new personnel to site after DODI induction.   |
| Stop Observations          | 50            | 23 Aug 2008  | 0 Days        | 32 - Safe<br>18 - Corrective Actions   |
| STOP Tour                  | 2             | 23 Aug 2008  | 0 Days        | Submitted Diamond supervisor audits.   |
| Trip/Pit Drill             | 1             | 09 Aug 2008  | 14 Days       | Sounded the alarm on the drill floor for a kick drill. Shut in DP, spaced out and closed BOP's. Conducted choke drill by circulating fluid through choke manifold  |

## Marine

| Weather che | eck on 23 Aug | 2008 at 24:0 | 00   |               |             |           |             | Rig Support |               |              |
|-------------|---------------|--------------|--|---------------|-------------|-----------|-------------|-------------|---------------|--------------|
| Visibility  | Wind Speed    | Wind Dir.    | Pressure                                   | Air Temp.     | Wave Height | Wave Dir. | Wave Period | Anchors     | Chain out (m) | Tension (mt) |
| 18.5km      | 19km/h        | 240.0deg     | 1026.00bar                                 | 10.0C°        | 1.0m        | 240.0deg  | 4sec        | 1           | 1382.9        | 130.18       |
| Roll        | Pitch         | Heave        | Heave Swell Height Swell Dir. Swell Period |               |             |           | Comments    | 2           |               |              |
| 0.4deg      | 0.4deg        | 0.50m        | 3.0m                                       | 230.0deg      | 13sec       |           |             | 3<br>4      | 1376.8        | 127.91       |
| Rig Dir.    | Ris. Tension  | VDL          |  | Comments      | 1           |           |             | 5           | 1410.9        | 122.92       |
| 215.0deg    | 0.00mt        | 821.91mt     | Anchor                                     | handling oper | ations.     |           |             | 6           |               |              |
|             |               |              | 1  |               |             |           |             | 7<br>8      | 1414.0        | 122.02       |



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| Boats        | Arrived (date/time) | Departed (date/time) | Status                     |               | Bulks   |          |
|--------------|---------------------|----------------------|----------------------------|---------------|---|----------|
| Far Grip     | 12:40 hrs 22/08/08  |                      | Standby Ocean Patriot      | Item          | Unit  | Quantity |
|              |                     |                      |                            | Fuel          | m3  | 359      |
|              |                     |                      |                            | Potable Water | m3  | 465      |
|              |                     |                      |                            | Drill Water   | m3  | 451      |
|              |                     |                      |                            | KCI Brine     | m3  | 137      |
|              |                     |                      |                            | NaCl Brine    | m3  | 7        |
|              |                     |                      |                            | Mud           | m3  | 117      |
|              |                     |                      |                            | Cement        | mt  | 43.5     |
|              |                     |                      |                            | Barite        | mt  | 84       |
|              |                     |                      |                            | Gel           | mt  | 59       |
| Nor Captain  | 23:45 hrs 19.08.08  |                      | Standby Ocean Patriot Item |               | Unit  | Quantity |
|              |                     |                      |                            | Fuel          | m3  | 531.7    |
|              |                     |                      |                            | Potable Water | m3  | 363      |
|              |                     |                      |                            | Gel           | mt  | 0        |
|              |                     |                      |                            | Cement        | m3 m3 m3 m3 m3 m3 m3 m3 m3 mt | 38       |
|              |                     |                      |                            | Drill Water   | m3  | 470      |
|              |                     |                      |                            | Barite        | mt  | 78       |
|              |                     |                      |                            | Mud           | m3  | 224      |
| Helicopter I | Movement            |                      |                            |               |   |          |
| Flight #     | Time                | Destination          | Comment                    |               |   | Pax      |
| 1            |                     |                      | No flights today           |               |   |          |