

Date:	11 th August 2008 – 06:00 EST	Licence / State:	VIC/P44
Report Period:	06:00 – 06:00 Hours EST	Rig:	OCEAN PATRIOT
Days From Sidetrack:	09	RT - SEAFLOOR:	86.9m
Current Hole Size:	216mm (8 ½")	WATER DEPTH	66.1m MSL
Depth @ 06:00 Hrs EST:	2270m MDRT	RT:	20.8m MSL
	1677.3m TVDRT	PTD:	2510m MDRT
	(-1656.5m SS MSL)	Sidetrack from	21:00 hrs on 2 nd August
24 Hr Progress:	230m	Netherby 1:	2008
06:00 – 06:00 EST			
Current Operation:	Drilling ahead 216mm (8 ½") directional hole in the Waarre A at 15m/hr.		
Nope Cost (Drill)\$	(C&S)\$ 25.4 million	Cost To Date:	
	(P&A)\$		

Casing Data	Hole Size	Depth	Casing Size	Wt:	Type	Shoe Depth	LOT
	914 mm (36")	130.9m	762mm (30")	461 kg/m (310 lb/ft)	Conductor	130.9m	
	445mm (17.5")	647.5m	340mm (13.375")	101 kg/m (68 lb/ft)	L80	642.2m	2.12sg (17.7ppg)
	311mm (12.25")	1944m	244mm (9 5/8") / 273mm (10 ¾")	70 kg/m (47lb/ft)	L80	1936.0m	
	216mm (8½")						

Mud Data	Type:	Wt:	Visc:	WL:	PH:	KCl:	Cl -:	PV/YP:	Rmf:
	WFW	9.6	44	3.5	9.5	-	88k	11/28	0.077Ωm @ 15.7°C

Bit Data	No.	Make	Type		Size	Hours	Meters	Condition
Current	2	Reed	PDC	RSX519M	216mm (8 ½")	15.4	326	In Hole
Previous								

Surveys	Type	MD (m)	Inclination	Azimuth (T)	TVD (m)	Offset (m)	Direction (T)
	LWD	2205.0	96	121	1684.3	869	119
	LWD	2234.2	96	120	1681.1	898	119

OPERATIONS SUMMARY

Previous 24 hrs Operations Summary at 06:00 hrs EST

Drill ahead 216mm (8½") directional production hole from 2040m to 2142m. Work on top drive saver sub. Drill ahead 216mm (8½") directional production hole from 2142m to 2165m. Rack back 1 stand and replace top drive saver sub. LWD geograph cable broken. Circulate and repair. Continue to directional drill 216mm (8½") production hole from 2165m to 2182m while repairing geograph cable. Ream down for LWD data. Drill ahead 216mm (8½") production hole from 2182m to 2257m. Circulate while repairing hydraulic problem with pipe handling equipment. Drill ahead 216mm (8½") production hole from 2257m to 2270m.

Anticipated Operations:

Drill ahead 216mm (8½") directional production hole to total depth at +/- 2510m.

FORMATION	FORMATION TOPS					
	ACTUAL TOP		High / Low	High / Low	PROGNOSED TOP	
	(mMDRT)	(mSS MSL)	Prognosis (m)	Netherby 1	(MDmRT)	(mSS MSL)
SEA LEVEL	20.8	0.0			20.8	0.0
HEYTSBURY GP	86.9	-66.1		-	87.0	-65.0
MEPUNGA FM	674.0	-653.2	9.8 High	-	685.0	-663.0
DILWYN FM / WANGERRIP GP	778.0	-757.2	6.2 Low	-	773.0	-751.0
PEMBER MUDSTONE	1004.5	-979.6	22.4 High	-	1027.0	-1002.0
PEBBLE POINT FM	1069.0	-1042.2	17.2 Low	-	1051.0	-1025.0
MASSACRE SHALE	1139.0	-1110.4	17.4 Low	-	1123.0	-1093.0
TIMBOON FM	1155.0	-1125.4	21.4 Low	-	1135.0	-1104.0
PAARATTE FM	1346.0	-1293.6	9.6 Low	-	1337.0	-1284.0
SKULL CREEK MDST	1561.0	-1469.5	15.5 Low	0.2 High	1555.0	-1454.0
K85 UNCONFORMITY	1898.0	-1652.7	-	0.1 Low	NP	NP
WAARRE "A"	1929.0	-1658.5	0.5 High	3.6 High	1939.0	-1659.0
EUMERALLA FM					NP	NP
TOTAL DEPTH					2504	-1622.0

HYDROCARBON SHOW SUMMARY

INTERVAL	LITHOLOGY & HYDROCARBON FLUORESCENCE	GAS

GAS	MD (m)	Peak	Background	Chromatograph
Peak Gas	2153m	897 U	60 U	97/2/1/trace

GEOLOGICAL SUMMARY

INTERVAL ROP (m/hr)	LITHOLOGY	GAS (Peak / BG) Composition
	WAARRE "A" 1929m MDRT (-1658.5m SS MSL)	
2040 – 2120m 6 – 40 m/hr Av: 20 m/hr	MASSIVE SANDSTONE. <u>SANDSTONE</u> : clear, translucent, minor pale grey, fine to medium grained, well sorted, dominantly sub-angular to sub-round, weak siliceous cement, minor pale grey argillaceous matrix, minor lithics, minor carbonaceous specks, rare pale orange quartz grains, loose, minor friable, poor visual porosity, fair inferred porosity, no fluorescence.	100-150 U 97/2/1 Peak: 2076m 234 U 97/2/1
2120 – 2140m 4 – 35 m/hr Av: 24 m/hr	CALCAREOUS SANDSTONE WITH TRACE INTERBEDDED SILTSTONE. <u>SANDSTONE</u> : white, light grey, translucent, clear in part, fine to predominately medium grained, sub angular to sub rounded, moderately sorted, abundant white calcareous cement, minor light grey argillaceous matrix, trace fine pyrite nodules, trace orange and light green lithics, minor carbonaceous flecks, friable to occasionally moderately hard aggregates, poor visual porosity, 90% dull orange mineral fluorescence. <u>SILTSTONE</u> : medium to dark brownish grey, dark grey, common carbonaceous flecks, trace micro mica, moderately hard, sub blocky to sub fissile.	60 U 97/2/1/trace Peak: 2132m 176 U 97/2/1/trace/trace

DAILY GEOLOGICAL REPORT

DGR 09

2140 – 2180m 10 – 70 m/hr Av: 25 m/hr	<u>SANDSTONE</u> : light grey, translucent, clear, fine to predominately medium occasionally coarse, poor to fair sorting, sub angular to predominately sub rounded, rare weak siliceous cement, minor light grey argillaceous matrix, trace red lithics, common carbonaceous flecks, loose to friable aggregates, fair inferred porosity, no fluorescence.	100 U 97/2/1/trace Peak: 2145-2162m 300-900 U 97/2/1/trace
2180 – 2199m 6 – 25 m/hr Av: 15 m/hr	<u>CALCAREOUS SANDSTONE WITH TRACE INTERBEDDED SILTSTONE</u> . <u>SANDSTONE</u> : light grey, translucent, clear, fine to medium grained, sub angular to sub rounded, well sorted, rare weak siliceous cement, common calcareous cement, minor light grey argillaceous matrix, common carbonaceous fragments, trace nodular pyrite, trace light green and red lithics, rare biotite flecks, loose to friable aggregates, minor moderately hard, fair visual and fair to good inferred porosity, 30% dull orange mineral fluorescence. <u>SILTSTONE</u> : medium to dark brownish grey, carbonaceous in part, dark grey, common carbonaceous flecks, trace disseminated pyrite, moderately hard, sub blocky to sub fissile.	10 U 97/2/1
2199 – 2270m 11 – 68 m/hr Av: 23 m/hr	<u>SANDSTONE WITH TRACE INTERBEDDED SILTSTONE</u> . <u>SANDSTONE</u> : clear to translucent, off white, fine to medium grains, occasionally very fine, well sorted, sub-angular to sub-round, weak siliceous cement, occasional to common off white argillaceous matrix, occasional carbonaceous specks and fragments, minor orange lithics, generally loose clean grains, rare friable aggregates, poor to fair visual porosity, fair to good inferred porosity, no fluorescence. <u>SILTSTONE</u> : pale grey, argillaceous, minor carbonaceous specks, dispersive to firm, amorphous, occasionally sub-blocky.	50 U 97/2/1/trace

REMARKS:LWD Sensor Offsets from the Bit: (216mm (8½") hole section)

Xceed-Ecoscope-MWD

GR: 9.73m

Res: 12.77m

D&I: 20.68m

HeFar: 13.02m

Den: 10.93m

Caliper: 11.35

PWD: 9.98m