



## DAILY GEOLOGICAL REPORT

DGR 01

|                               |  |                         |                          |
|-------------------------------|--|-------------------------|--------------------------|
| <b>Date:</b>                  | 16 November 2008   | <b>Licence / State:</b> | T/39P Tas                |
| <b>Report Period:</b>         | 06:00 – 06:00 hrs EST  | <b>Rig:</b>             | Seadrill: West Triton    |
| <b>Days From Spud:</b>        | 1  | <b>RT - SEAFLOOR:</b>   | 104.0 m (3.5m airgap)    |
| <b>Current Hole Size:</b>     | 914mm (36")  | <b>WATER DEPTH</b>      | 78.0 m MSL               |
|                               |  | <b>RT:</b>              | 26.0 m MSL (3.5m airgap) |
| <b>Depth @ 06:00 Hrs EST:</b> | 155.0 m MDRT   | <b>PTD:</b>             | 2133.0 m MDRT            |
|                               | 155.0 m TVD RT   | <b>Spud Date:</b>       | 15 November 2008         |
|                               | -129 m SS  |                         |                          |
| <b>24 Hr Progress:</b>        | 51.0m  |                         |                          |
| <b>06:00 – 06:00 EST</b>      |  |                         |                          |
| <b>Current Operation:</b>     | <b>RE-ATTACHING SERVICE LINES TO CANTILEVER HAVING DRILLED PRECAUTIONARY SURFACE HOLE AT MINIMUM AIRGAP.</b> |                         |                          |
| <b>AFE Cost</b>               | <b>(Drill)\$</b>   | <b>(C&amp;S)\$</b>      | <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")  |       | 762mm (30")    |     |      |            |     |
|             | 406mm (16")   |       | 340mm(13.375") |     |      |            |     |
|             | 311mm(12.25") |       |                |     |      |            |     |

| Mud Data | Type:     | Wt:  | Visc: | WL: | PH: | KCl: | Cl -: | PV/YP: | Rmf |
|----------|-----------|------|-------|-----|-----|------|-------|--------|-----|
| 2400 Hrs | Sea Water | 1.03 | 120   | -   | 9.0 | -    | 700   | 10/55  | -   |
| 0600 Hrs | Sea Water | 1.03 | 120   | -   | 9.0 | -    | 700   | 10/55  | -   |

| Bit Data | No. | Make | Type |      | Size        | Hours | Meters | Condition |
|----------|-----|------|------|------|-------------|-------|--------|-----------|
| Present  | 1   | Reed | Rock | Y11C | 660mm (26") | -     | -      | In Hole   |
| Last     |     |      |      |      |             |       |        |           |

| Surveys | Type | MD (m) | Inclination | Azimuth (T) | TVD (m) | Offset (m) | Direction (T) |
|---------|------|--------|-------------|-------------|---------|------------|---------------|
|         |      |        |             |             |         |            |               |
|         |      |        |             |             |         |            |               |

| Fluid Loss | Interval MDRT | Total or Rate (bbl) | Remarks |
|------------|---------------|---------------------|---------|
|            |               |                     |         |

## OPERATIONS SUMMARY

### Previous 24 hrs Operations Summary at 06:00 hrs EST

Hook up service lines to Cantilever. Install access stairs and mouse hole. Pick up and make up 26"/36" BHA. Tag bottom at 104m with 3.5m air gap. **Spud Peejay 1 at 1830 hrs, 15/11/08.** Drill 26"/36" hole to 155m, POOH and rack back BHA in derrick. Skid cantilever forward. Pin and secure same. Jack up rig to 11.3m operational air gap. Lower Texas deck. Skid cantilever aft 25 ft to drilling position, installing access stairs to Texas deck at the same time. Install access stairs on port and starboard side of cantilever. Hook up service lines to cantilever and install mouse hole.

### Anticipated operations:

Offload 30" conductor from Pacific Battler. Make up 5.5" drill pipe cement stand with stab in sub and stand back in derrick Make up second stand with TIW valve and side entry sub and stand back in derrick. RIH with 26"/36" BHA to 155m. Drill 26"/36" hole from 155m to section TD. Displace hole to pre-hydrated bentonite mud. POOH and run 30" casing.



**FORMATION TOPS**

| FORMATION                        | ACTUAL TOP |       | High / Low | High / Low | PROGNOSED TOP |        |
|----------------------------------|------------|-------|------------|------------|---------------|--------|
|                                  | (MDmRT)    | (mSS) | Prognosis  | Offset     | (MDmRT)       | (mSS)  |
| <i>Recent Carbonates</i>         |            |       |            |            | 118.0         | 80.0   |
| <i>Torquay Group</i>             |            |       |            |            | 138.0         | 100.0  |
| <i>Lower Torquay Group</i>       |            |       |            |            | 1138.0        | 1100.0 |
| <i>Demons Bluff Fm</i>           |            |       |            |            | 1300.0        | 1262.0 |
| <i>Upper Eastern View Group</i>  |            |       |            |            | 1371.0        | 1333.0 |
| <i>Middle Eastern View Group</i> |            |       |            |            | 1638.0        | 1600.0 |
| <i>Total Depth</i>               |            |       |            |            | 2138.0        | 2100.0 |

**HYDROCARBON SHOW SUMMARY**

| INTERVAL | LITHOLOGY & HYDROCARBON FLUORESCENCE | GAS |
|----------|--------------------------------------|-----|
|          | No lithology returned                |     |
|          |                                      |     |

| GAS            | MD (m) | Peak | Background | Chromatograph |
|----------------|--------|------|------------|---------------|
| Trip Gas       |        |      |            |               |
| Connection Gas |        |      |            |               |

**GEOLOGICAL SUMMARY**

| INTERVAL<br>ROP (m/hr) | LITHOLOGY             | GAS (Peak / BG)<br>Composition % |
|------------------------|-----------------------|----------------------------------|
|                        | No lithology returned |                                  |
|                        |                       |                                  |

**REMARKS:**

DGR01 links to DDR34

Position: Lat: 40deg 29 47.9007"S  
 Long: 146deg 21' 35.4353" E  
 4.73m from ideal  
 Rig heading: 136.28 deg

Leg Penetrations: Bow = 27.94m  
 Port = 28.44m  
 Stbd = 27.64m

**LWD Offsets from Bit:**

|                                  |
|----------------------------------|
| <b>Geologists:</b> Hamish Little |
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