

04 Jan 2006

From: Ron King/ Geoff Webster
To: J Ah-Cann

DRILLING MORNING REPORT # 24
Culverin 1

Well Data							
Country	Australia	MDBRT	3619.0m	Cur. Hole Size	12.250in	AFE Cost	\$ 22699889
Field	Gippsland Basin	TVDBRT	3613.0m	Last Casing OD	13.375in	AFE No.	3433-1001
Drill Co.	DOGC	Progress	48.0m	Shoe TVDBRT	1511.8m	Daily Cost	\$ 447637
Rig	OCEAN PATRIOT	Days from spud	19.44	Shoe MDBRT	1511.8m	Cum Cost	\$ 16472003
Wtr Dpth (LAT)	585.0m	Days on well	22.77	FIT/LOT:	/ 15.80ppg	Days Since Last LTI	960
RT-ASL (LAT)	21.5m	Planned TD MD					
RT-ML	606.5m	Planned TD TVDRT					
Current Op @ 0600		Drilling ahead 311 mm (12 1/4") hole at 3643.0 mDRT.					
Planned Op		Drill ahead 311 mm (12 1/4") hole.					

Summary of Period 0000 to 2400 Hrs							
RIH to bottom and began drilling ahead 311 mm (12 1/4") hole from 3571.0 mMDRT. Drilling ahead at 3619.0 mMDRT at midnight.							

FORMATION		Top
Base Funa Flounder Channel		2835.00m
Top 67.5 Ma Sand		2836.00m
Near 68.5 Ma Sand		3103.00m
Near 70.3 Ma Sand		3478.00m
TD		

Operations For Period 0000 Hrs to 2400 Hrs on 04 Jan 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	TU (WO)	WOW	0000	0330	3.50	3571.0m	Waiting on Weather to RIH. Excessive flex joint and riser angles Winds: 30-22knts WSW Seas; 2.5m - 1.5m Swell; 4m - 3m Pitch 0.6 Roll; 0.8
IH	TU (WO)	WOW	0330	0430	1.00	3571.0m	Perform General rig maintenance and PM's Repositioned rig to bring flex joint angle to < 1 degree
IH	TU (WO)	TI	0430	0900	4.50	3571.0m	Continued to RIH with 5" DP from 1510m MDRT to 3487m MDRT
IH	TU (WO)	RW	0900	1000	1.00	3571.0m	Washed and reamed from 3487m MDRT to 3571m MDRT
IH	P	DA	1000	2400	14.00	3619.0m	Drilled ahead 31mm (12 1/4") hole from 3571m MDRT to 3619m MDRT. WOB = 25 - 34 klbs, RPM = 100- 150, SPM = 188 = 805 GPM, 4000 psi, Tq = 4500 - 6700 ftlb. Average ROP = 3.4m/hr

Operations For Period 0000 Hrs to 0600 Hrs on 05 Jan 2006

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	0600	6.00	3643.0m	Drilled ahead 311mm (12 1/4") hole from 3619m MDRT to 3643m MDRT. WOB = 25 - 34 klbs, RPM = 80- 100, SPM = 187 = 800 GPM, 4000 psi, Tq = 50000 - 6000 ftlb. Average ROP = 4m/hr

Operations For Period Hrs to Hrs on

Phase Data to 2400hrs, 04 Jan 2006							
Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth	
RIG MOVE/RIG-UP/PRESPUD(RM)	23.5	05 Nov 2005	14 Dec 2005	23.50	0.979	0.0m	
ANCHORING(A)	33	14 Dec 2005	15 Dec 2005	56.50	2.354	0.0m	
SURFACE HOLE(SH)	30	15 Dec 2005	17 Dec 2005	86.50	3.604	650.0m	

Phase Data to 2400hrs, 04 Jan 2006

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
SURFACE CASING(SC)	16.5	16 Dec 2005	17 Dec 2005	103.00	4.292	650.0m
INTERMEDIATE CASING(IC)	1	17 Dec 2005	17 Dec 2005	104.00	4.333	650.0m
RISER AND BOP STACK(BOP)	54	21 Dec 2005	23 Dec 2005	158.00	6.583	1525.0m
INTERMEDIATE HOLE(IH)	388.5	17 Dec 2005	04 Jan 2006	546.50	22.771	3619.0m

WBM Data

Cost Today \$ 5830

Mud Type:KCL-NaCl-Polymer	API FL: 3.6cc/30min	Cl: 79000mg/l	Solids(%vol): 10%	Viscosity 64sec/qt
Sample-From: Flow line	Filter-Cake: 1/32nd"	K+C*1000: 7%	H2O: 90%	PV 17cp
Time: 21:20	HTHP-FL: 11.0cc/30min	Hard/Ca: 200mg/l	Oil(%): 0%	YP 33lb/100ft²
Weight: 10.20ppg	HTHP-cake: 1/32nd"	MBT: 7.5	Sand: 1	Gels 10s 8
Temp: 49C°		PM: 0.4	pH: 9	Gels 10m 11
		PF: 0.08	PHPA: 1ppb	Fann 003 7
				Fann 006 9
				Fann 100 30
				Fann 200 43
				Fann 300 50
				Fann 600 67
Comment NaCl 8%. Ditch Magent recovery = 140 grams				

Bit # 5RR

Bit # 5RR				Wear	I	O1	D	L	B	G	O2	R
				Bitwear Comments:								
Size ("):	12.250in	IADC#	5-3-7	Nozzles		Drilled over last 24 hrs		Calculated over Bit Run				
Mfr:	SMITH BITS	WOB(avg)	26.90klb	No.	Size	Progress	48.0m	Cum. Progress		48.0m		
Type:	Rock	RPM(avg)	107	3	20/32nd"	On Bottom Hrs	12.6h	Cum. On Btm Hrs		12.6h		
Serial No.:	MX1628	F.Rate	19.10bpm			IADC Drill Hrs	14.0h	Cum IADC Drill Hrs		14.0h		
Bit Model	GF30BOVCPS	SPP	3954psi			Total Revs	Cum Total Revs		0			
Depth In	3571.0m	HSI				ROP(avg)	3.81 m/hr	ROP(avg)		3.81 m/hr		
Depth Out		TFA	0.9204									
Bit Comment		Krevs this 24 hrs = 81 Krevs this bitrun = 81										

BHA # 6

Weight(Wet)	65.00klb	Length	276.3m	Torque(max)	6700ft-lbs	D.C. (1) Ann Velocity	256fpm
Wt Below Jar(Wet)	45.00klb	String	385.00klb	Torque(Off.Btm)	2500ft-lbs	D.C. (2) Ann Velocity	384fpm
		Pick-Up	375.00klb	Torque(On.Btm)	4000ft-lbs	H.W.D.P. Ann Velocity	176fpm
		Slack-Off	385.00klb			D.P. Ann Velocity	176fpm

BHA Run Description Annular velocity based on 900gpm

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.33m	12.250in		MX1628	Smith GF30BOVCPS
Bit Sub	1.10m	8.500in		1860001	
8in DC	9.04m	7.875in	2.875in	1860001	
Stab	1.81m	12.125in	2.875in	694776	
MWD	24.41m	8.000in	1.920in		
8in DC	9.06m	8.000in	2.875in	18600011	Non-mag integral blade string stab
Stab	2.10m	12.125in	2.875in	47607	
8in DC	70.57m	8.000in	2.875in		
Drilling Jars	9.66m	8.188in	3.063in	MHA00206	
8in DC	8.81m	8.000in	2.875in	18600031	
X/O	1.16m	8.500in	2.875in	MSO1930-2	Integral blade string stabilizer
5in HWDP	138.22m	5.000in	2.875in		

Survey								
MD (m)	Incl (deg)	Azim (deg)	TVD (m)	Vsec (deg)	N-S (m)	E-W (m)	DLS (deg/30m)	Tool Type
3555.34	3.4	53.7	3551.48	102.8	82.9	60.7	0.9	MWD
3583.83	3.0	50.9	3579.93	104.3	83.9	61.9	0.4	MWD

Bulk Stocks					
Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	0	0	113.8
Bentonite Bulk	MT		0	0	38.1
Diesel	m3	0	11.2	0.1	319.9
Fresh Water	m3	27	22.3	0	170.3
Drill Water	m3	0	24.1	0	530.2
Cement G	MT		0	0	79.9
Cement HT (Silica)	MT		0	0	0.0

Pumps																	
Pump Data - Last 24 Hrs								Slow Pump Data									
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (bpm)	Depth (m)	SPM1 (SPM)	SPP1 (psi)	Flow1 (bpm)	SPM2 (SPM)	SPP2 (psi)	Flow2 (bpm)	SPM3 (SPM)	SPP3 (psi)	Flow3 (bpm)
1	A1700	6.000	10.20	97	94	4000	9.58	3600.0	30	380	3.00	40	475	4.00	50	580	5.00
2	12P160	6.000	10.20	97	94	4000	9.58	3600.0	30	390	3.00	40	480	4.00	50	580	5.00
3	12P160	6.000	10.20	97	0	0	0.00	3275.0	30	320	3.00	40	360	4.00	50	450	5.00

Casing					
OD (in)	Csg Shoe MD (m)	Csg Shoe TVD (m)	Csg Landing Depth MD (m)	Csg Landing Depth TVD (m)	LOT/FIT (ppg)
	650.30	650.30	604.40	604.40	
	1511.77	1511.77	603.50	603.50	

Personnel On Board		
Company	Pax	Comment
DOGC	45	extra Crane operator, dogman, welder
ESS	8	
NEXUS	5	
FUGRO SURVEY LTD (ROV)	3	
DOWELL SCHLUMBERGER	2	
M-1 AUSTRALIA PTY LTD	3	One swaco hand for new shaker being assessed for Diamond
GEOSERVICES OVERSEAS S.A.	6	
HALLIBURTON AUSTRALIA PTY LTD - SPERRY SUN	4	One trainee
Total	76	

HSE Summary				
Events	Date of last	Days Since	Descr.	Remarks
Abandon Drill	01 Jan 2006	3 Days	Held weekly abandon rig drill	Environmental audit by Nexus shorebase personnel.
Environmental Issue	29 Dec 2005	6 Days	Environmental Audit	
Fire Drill	01 Jan 2006	3 Days	Held weekly fire drill	
JSA	04 Jan 2006	0 Days	Deck = 6, Drill = 4	
Man Overboard Drill	30 Dec 2005	5 Days	Held Man Over Board Drill	
Safety Meeting	01 Jan 2006	3 Days	Weekly safety meetings with all crew members.	
STOP Card	04 Jan 2006	0 Days	Safe = 3, Un-safe = 9	

Shakers, Volumes and Losses Data					
Available	3,085bbl	Losses	131bbl	Equip.	Mesh Size
Active	410.1bbl	Equipment	131bbl	Shaker1	3 X 165, 1 X 145
Hole	2,104.9bbl			Shaker2	2 X 145, 165, 120
Reserve	570bbl			Shaker3	2 X 145, 2 X 120

Shakers, Volumes and Losses Data

		Equip.	Descr.	Mesh Size
		Shaker4	BEM650	2 X 165, 2 X 120

Marine

Weather on 04 Jan 2006								Rig Support	
Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Period	Anchors	Tension (klb)
10.0nm	12kn	225.0deg	1016.0mbar	18C°	1.0m	225.0deg	2s	1	240.0
								2	276.0
								3	198.0
								4	234.0
								5	324.0
								6	185.0
								7	322.0
								8	337.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks			
Far Grip	24:00 3 Jan 2006		On Location	Item	Unit	Used	Quantity
				Diesel	CuMtr		334
				Fresh Water	CuMtr		600
				Drill Water	CuMtr		480
				Cement G	Mt		48
				Cement HT (Silica)	Mt		54
				Barite Bulk	Mt		89

18:00 Travel to Crystal Ocean (Fuel on board = 476m3) offload fuel to Crystal Ocean and return to Standby Ocean Patriot @ 22:15 hrs (Fuel on board = 336m3)

Pacific Wrangler		22:15 4 Jan 2006	Enroute Melbourne, ETA 02:00 6 Jan 2006	Item	Unit	Used	Quantity
				Diesel	CuMtr		223.9
				Fresh Water	CuMtr		155
				Drill Water	CuMtr		0
				Cement G	Mt		132
				Cement HT (Silica)	Mt		0
				Barite Bulk	Mt		0
				Bentonite Bulk	Mt		42

10:30; Travel to Crystal Ocean (Fuel on board = 428.7m3), offload Fuel to Crystal Ocean, return to Standby Ocean Patriot @ 17:30 hrs (Fuel on board = 224.7m3)

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	BRISTOW HELICOPTERS AUSTRALIA PTY LTD	/	/	No Flights today