

22 Dec 2005

From: Ron King/ Webby  
To: J Ah-Cann

**DRILLING MORNING REPORT # 11**

**Culverin 1**

| Well Data   |                 |                  |          |                |          |                     |             |
|---|-----------------|------------------|----------|----------------|----------|---------------------|-------------|
| Country   | Australia       | MDBRT            | 1,525.0m | Cur. Hole Size | 17.500in | AFE Cost            | \$ 22699889 |
| Field   | Gippsland Basin | TVDBRT           | 1,525.0m | Last Casing OD | 30.000in | AFE No.             | 3433-1001   |
| Drill Co.   | DOGC            | Progress         | 0.0m     | Shoe TVDBRT    | 650.9m   | Daily Cost          | \$ 532613   |
| Rig   | OCEAN PATRIOT   | Days from spud   | 6.44     | Shoe MDBRT     | 650.9m   | Cum Cost            | \$ 10210307 |
| Wtr Dpth(MSL)   | 585.0m          | Days on well     | 10.35    | FIT/LOT:       | /        | Days Since Last LTI | 948         |
| RT-ASL(MSL)   | 21.5m           | Planned TD MD    | 3,612.0m |                |          |                     |             |
| RT-ML   | 606.5m          | Planned TD TVDRT | 3,612.0m |                |          |                     |             |
| Current Op @ 0600 Preparing to land BOP's.  |                 |                  |          |                |          |                     |             |
| Planned Op Land out BOPs and test wellhead connector. Pull-test connections. Stroke out the slip-joint and nipple up the surface equipment. Rig up the diverter. Complete pressure tests. Prepare to pick up BHA. |                 |                  |          |                |          |                     |             |

| Summary of Period 0000 to 2400 Hrs   |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
| Completed running BOPs and riser. Commenced making up slip-joint and landing joint to riser. |  |  |  |  |  |  |  |

**Operations For Period 0000 Hrs to 2400 Hrs on 22 Dec 2005**

| Phse | Clis (RC) | Op  | From | To   | Hrs  | Depth    | Activity Description  |
|------|-----------|-----|------|------|------|----------|---|
| BOP  | P         | RR1 | 0000 | 0600 | 6.00 | 1,525.0m | Continue to run BOP's on marine riser @271m (890')  |
| BOP  | P         | RR1 | 0600 | 0700 | 1.00 | 1,525.0m | Pressure test choke and kill lines 250/7500psi, 5/10mins ok   |
| BOP  | P         | RR1 | 0700 | 1300 | 6.00 | 1,525.0m | Continue to run Riser @393m ( 1290')  |
| BOP  | P         | RR1 | 1300 | 1400 | 1.00 | 1,525.0m | Pressure test choke and kill lines 250/7500psi, 5/10mins ok   |
| BOP  | P         | RR1 | 1400 | 2130 | 7.50 | 1,525.0m | Continue to run Riser @515m ( 1690' )   |
| BOP  | P         | RR1 | 2130 | 2230 | 1.00 | 1,525.0m | Pressure test choke and kill lines 250/7500psi 5/10mins ok  |
| BOP  | P         | RR1 | 2230 | 2400 | 1.50 | 1,525.0m | Pick up slip joint and make up to string.<br>Total riser run: 35 x 50' Bouyed joints, 1 x 50' bare joint, 1 x 25' Bare pup joint, |

**Operations For Period 0000 Hrs to 0600 Hrs on 23 Dec 2005**

| Phse | Clis (RC) | Op  | From | To   | Hrs  | Depth    | Activity Description  |
|------|-----------|-----|------|------|------|----------|---|
| BOP  | P         | RR1 | 0000 | 0100 | 1.00 | 1,525.0m | Completed making up landing joint to slip joint.  |
| BOP  | TP (OTH)  | RR1 | 0100 | 0200 | 1.00 | 1,525.0m | ROV camera system problems while on bottom monitoring BOP/PGB. Camera's were cutting out and all visibility was lost. Topside black and white camera still working. Recover ROV and move top side black and white camera to front pan tilt for landing bops'. Water had ingressed into camera electrics cannister. Gain use of 2 cameras and dive ROV |
| BOP  | P         | RR1 | 0200 | 0400 | 2.00 | 1,525.0m | Lower slip joint while monitoring with ROV<br>Install Choke and kill and boost lines to slip joint.   |
| BOP  | P         | RR1 | 0400 | 0430 | 0.50 | 1,525.0m | Pressure test choke and kill gooseneck seals 250/7500psi 5/10mins. ok   |
| BOP  | P         | RR1 | 0430 | 0530 | 1.00 | 1,525.0m | Skid rig and over well head with ROV assistance   |
| BOP  | P         | RR1 | 0530 | 0600 | 0.50 | 1,525.0m | Re-establish #2 guide line, Monitor MRT's as lowering to PGB post tops.<br>BOP landing weight prior to MRT's 685klbs.<br>Prepare to land BOP's  |

| Phase Data to 2400hrs, 22 Dec 2005 |           |             |             |         |          |           |  |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|--|
| Phase                              | Phase Hrs | Start On    | Finish On   | Cum Hrs | Cum Days | Max Depth |  |
| RIG MOVE/RIG-UP/PRESPUD(RM)        | 25.75     | 05 Nov 2005 | 14 Dec 2005 | 25.75   | 1.073    | 0.0m      |  |
| ANCHORING(A)                       | 44.75     | 14 Dec 2005 | 15 Dec 2005 | 70.50   | 2.938    | 0.0m      |  |
| SURFACE HOLE(SH)                   | 30        | 15 Dec 2005 | 17 Dec 2005 | 100.50  | 4.188    | 650.0m    |  |
| SURFACE CASING(SC)                 | 16.5      | 16 Dec 2005 | 17 Dec 2005 | 117.00  | 4.875    | 650.0m    |  |
| INTERMEDIATE CASING(IC)            | 1         | 17 Dec 2005 | 17 Dec 2005 | 118.00  | 4.917    | 650.0m    |  |
| INTERMEDIATE HOLE(IH)              | 92.5      | 17 Dec 2005 | 21 Dec 2005 | 210.50  | 8.771    | 1,525.0m  |  |
| RISER AND BOP STACK(BOP)           | 38        | 21 Dec 2005 | 22 Dec 2005 | 248.50  | 10.354   | 1,525.0m  |  |

| WBM Data     |            |              |              | Cost Today \$ 5570                                     |          |               |           |             |    |
|--------------|------------|--------------|--------------|--|----------|---------------|-----------|-------------|----|
| Mud Type:    | PHG Hi-Vis | API FL:      | 14.0cc/30min | Cl:  | 2200mg/l | Solids(%vol): | Viscosity | 110sec/qt   |    |
| Sample-From: | Pits       | Filter-Cake: | 1/32nd"      | K+C*1000:  |          | H2O:          | PV        | 14cp        |    |
| Time:        | 1945       | HTHP-FL:     |              | Hard/Ca:   | 20mg/l   | Oil(%):       | YP        | 26lb/100ft³ |    |
| Weight:      | 8.70ppg    | HTHP-cake:   |              | MBT:   | 20       | Sand:         | Gels 10s  | 22          |    |
| Temp:        | 20C°       |              |              | PM:  |          | pH:           | Gels 10m  | 28          |    |
|              |            |              |              | PF:  | 0.18     | PHPA:         | Fann 003  | 20          |    |
| Comment      |            |              |              | 1318bbbls of Hi vis pumped during 24hr drilling period |          |               |           | Fann 006    | 21 |
|              |            |              |              |  |          |               |           | Fann 100    | 28 |
|              |            |              |              |  |          |               |           | Fann 200    | 35 |
|              |            |              |              |  |          |               |           | Fann 300    | 40 |
|              |            |              |              |  |          |               |           | Fann 600    | 54 |

| Weather on 22 Dec 2005 |              |                                       |              |  |                    |                  |             | Rig Support |          |               |  |
|------------------------|--------------|---------------------------------------|--------------|--|--------------------|------------------|-------------|-------------|----------|---------------|--|
| Visibility             | Wind Speed   | Wind Dir.                             | Pressure     | Air Temp.  | Wave Height        | Wave Dir.        | Wave Period | Anchors     |          | Tension (klb) |  |
| 10.0nm                 | 15kn         | 225.0deg                              | 1,016.0mbar  | 16C°   | 1.0m               | 225.0deg         | 3s          | 1           | 265.0    |               |  |
| Rig Dir.               | Ris. Tension | VDL                                   | Swell Height | Swell Dir.   | Swell Period       | Weather Comments |             |             |          |               |  |
| 272.0deg               |              | 4,158.00klb                           | 2.0m         | 225.0deg   | 8s                 |                  |             |             |          |               |  |
| Comments               |              |                                       |              |  |                    |                  |             |             |          |               |  |
|                        |              |                                       |              |  |                    |                  |             |             |          |               |  |
|                        |              |                                       |              |  |                    |                  |             |             |          |               |  |
|                        |              |                                       |              |  |                    |                  |             | 2           | 238.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 3           | 216.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 4           | 278.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 5           | 324.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 6           | 331.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 7           | 357.0    |               |  |
|                        |              |                                       |              |  |                    |                  |             | 8           | 304.0    |               |  |
| Vessel Name            |              | Arrived (Date/Time)                   |              | Departed (Date/Time)                                       |                    | Status           |             | Bulks       |          |               |  |
| Far Grip               |              |                                       |              | On Location waiting to off load deck cargo and drill water | Item               |                  | Unit        | Used        | Quantity |               |  |
|                        |              |                                       |              |  | Diesel             |                  | CuMtr       |             | 571      |               |  |
|                        |              |                                       |              |  | Fresh Water        |                  | CuMtr       |             | 429      |               |  |
|                        |              |                                       |              |  | Drill Water        |                  | CuMtr       |             | 660      |               |  |
|                        |              |                                       |              |  | Cement G           |                  | Mt          |             | 80       |               |  |
|                        |              |                                       |              |  | Cement HT (Silica) |                  | Mt          |             | 54       |               |  |
|                        |              |                                       |              |  | Barite Bulk        |                  | Mt          |             | 89       |               |  |
| Pacific Wrangler       |              |                                       |              | On location wating for back load                           | Item               |                  | Unit        | Used        | Quantity |               |  |
|                        |              |                                       |              |  | Diesel             |                  | CuMtr       |             | 190.8    |               |  |
|                        |              |                                       |              |  | Fresh Water        |                  | CuMtr       |             | 150      |               |  |
|                        |              |                                       |              |  | Drill Water        |                  | CuMtr       |             |          |               |  |
|                        |              |                                       |              |  | Cement G           |                  | Mt          |             |          |               |  |
|                        |              |                                       |              |  | Cement HT (Silica) |                  | Mt          |             |          |               |  |
|                        |              |                                       |              |  | Barite Bulk        |                  | Mt          |             |          |               |  |
| Bentonite Bulk         |              | Mt                                    |              | 5  |                    |                  |             |             |          |               |  |
| Helicopter Movement    |              |                                       |              |  |                    |                  |             |             |          |               |  |
| Flight #               |              | Company                               |              | Arr/Dep. Time  |                    | Pax In/Out       |             | Comment     |          |               |  |
| 1                      |              | BRISTOW HELICOPTERS AUSTRALIA PTY LTD |              | 0922 / 0935  |                    | 15 / 15          |             |             |          |               |  |