

25 Dec 2005

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

DRILLING MORNING REPORT # 14
Culverin 1

Well Data							
Country	Australia	MDBRT	2,131.0m	Cur. Hole Size	12.250in	AFE Cost	\$ 22699889
Field	Gippsland Basin	TVDBRT	2,130.3m	Last Casing OD	13.375in	AFE No.	3433-1001
Drill Co.	DOGC	Progress	587.0m	Shoe TVDBRT	1,511.8m	Daily Cost	\$ 460984
Rig	OCEAN PATRIOT	Days from spud	9.44	Shoe MDBRT	1,511.8m	Cum Cost	\$ 11635849
Wtr Dpth(MSL)	585.0m	Days on well	13.35	FIT/LOT:	/ 15.80ppg	Days Since Last LTI	950
RT-ASL(MSL)	21.5m	Planned TD MD					
RT-ML	606.5m	Planned TD TVDRT					
Current Op @ 0600 Drilling ahead 311 mm (12 1/4") hole at 2257m mMDRT							
Planned Op Drill ahead.							

Summary of Period 0000 to 2400 Hrs

Drilled ahead from 1544.0 - 2131.0 mMDRT.

Operations For Period 0000 Hrs to 2400 Hrs on 25 Dec 2005

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	2400	24.00	2,131.0m	Drilled 311mm (12 1/4") hole from 1544m to 2131m String wt 275klbs, Tq 4-8000ftlbs, 150 rpm surface, 252rpm DH, WOB 15-18klbs, 2900psi, 900gpm. Boost riser while drilling. Max gas for 24hr period 1.2%. ROP average 24.45m/hr (including connections) Survey results @2113.64m 3.4deg, 29.61 azimuth, 2112.98m TVD

Operations For Period 0000 Hrs to 0600 Hrs on 26 Dec 2005

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
IH	P	DA	0000	0600	6.00	2,257.0m	Drilled 311mm (12 1/4") hole from 2131m to 2257mMDRT String wt 2800klbs, Tq 4-8000ftlbs, 150 rpm surface, 252rpm DH, WOB 12-15klbs, 3000psi, 900gpm. Boost riser while drilling. Max gas for 6hr period 0.6% from 2163m. ROP average 21m/hr (including connections) Survey results @2227.87m, 3.85deg, 36.05 azimuth

Phase Data to 2400hrs, 25 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
RISER AND BOP STACK(BOP)	54	21 Dec 2005	23 Dec 2005	172.00	7.167	1,525.0m
INTERMEDIATE HOLE(IH)	148.5	17 Dec 2005	25 Dec 2005	320.50	13.354	2,131.0m

WBM Data Cost Today \$ 23715

Mud Type:KCL-NaCl-Polymer	API FL: 6.0cc/30min	Cl: 36500mg/l	Solids(%vol): 6%	Viscosity 56sec/qt
Sample-From: Active Pit	Filter-Cake: 1/32nd"	K+C*1000: 3%	H2O: 94%	PV 15cp
Time: 2100	HTHP-FL:	Hard/Ca: 200mg/l	Oil(%): 0%	YP 20lb/100ft²
Weight: 9.60ppg	HTHP-cake: 1/32nd"	MBT: 1	Sand: 1	Gels 10s 4
Temp: 20C°		PM:	pH: 9	Gels 10m 5
		PF: 0.1	PHPA: 1ppb	Fann 003 4
Comment				Fann 006 6
				Fann 100 21
				Fann 200 29
				Fann 300 35
				Fann 600 50

Bit # 3				Wear	I	O1	D	L	B	G	O2	R							
				Bitwear Comments:															
Size ("):		12.250in		IADC#		M422		Nozzles		Drilled over last 24 hrs		Calculated over Bit Run							
Mfr:		REED HYCLOG		WOB(avg)		15.00klb		No.		Size		Progress		587.0m		Cum. Progress		606.0m	
Type:		PDC		RPM(avg)		140		2		28/32nd"		On Bottom Hrs		18.4h		Cum. On Btm Hrs		21.6h	
Serial No.:		211010		F.Rate		21.00bpm		4		18/32nd"		IADC Drill Hrs		24.0h		Cum IADC Drill Hrs		27.0h	
Bit Model		RSX 616		SPP		2450psi						Total Revs		297		Cum Total Revs		331	
Depth In		1,525.0m		HSI								ROP(avg)		31.90 m/hr		ROP(avg)		28.06 m/hr	
Depth Out				TFA		2.197													
Bit Comment																			

BHA # 3					
Weight(Wet)	40.00klb	Length	268.4m	Torque(max)	10000ft-lbs
Wt Below Jar(Wet)	30.00klb	String	275.00klb	Torque(Off.Btm)	3000ft-lbs
		Pick-Up	280.00klb	Torque(On.Btm)	6000ft-lbs
		Slack-Off	280.00klb		
				D.C. (1) Ann Velocity	256fpm
				D.C. (2) Ann Velocity	384fpm
				H.W.D.P. Ann Velocity	176fpm
				D.P. Ann Velocity	176fpm

BHA Run Description Annular velocity based on 900gpm

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
Bit	0.25m	12.250in		211010	Reed Hycalog RSX 616M
Mud Motor	8.58m	9.625in	6.135in	963006	244mm(9 5/8") Sperrydrill Lobe 6/7 - 5.0 stg Motor
X/O	1.22m	9.438in	2.875in	A639	
Stab	1.81m	12.125in	2.875in	694776	Non-mag integral blade string stab
MWD	24.39m	8.000in	1.920in		DIR/HCIM-EWR-DGR-CTN-SLD-ACAL-HOC.
8in DC	9.06m	8.000in	2.875in	18600035	
Stab	2.10m	12.125in	2.875in	47607	Integral blade string stabilizer
8in DC	8.68m	8.000in	2.875in	1860026	
Drilling Jars	9.31m	8.188in	3.063in	11150D	Drilling jars used in surface hole section.
8in DC	8.81m	8.000in	2.875in	18600031	
X/O	1.16m	8.500in	2.875in	MSO1930-2	
5in HWDP	192.98m	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
1569.11	0.4	350.1	1568.99	-2.2	6.9	13.3	0.0	MWD
1626.44	0.6	2.0	1626.32	-1.9	6.4	13.3	0.1	MWD
1712.56	1.5	24.6	1712.43	-0.7	5.0	12.8	0.4	MWD
1798.49	2.4	23.2	1798.30	1.5	2.2	11.7	0.3	MWD
1970.98	3.2	24.1	1970.56	8.1	5.9	7.9	0.1	MWD
2056.65	3.2	27.0	2056.09	11.6	10.3	5.9	0.1	MWD
2142.04	3.5	29.6	2141.34	14.7	14.7	3.6	0.1	MWD

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite Bulk	MT	0	8.89	0	123.1
Bentonite Bulk	MT		0	0	38.1
Diesel	m3	0	11.2	0	406.0
Fresh Water	m3	29	11.2	0	155.8
Drill Water	m3	0	253.2	0	222.7
Cement G	MT	0	0	0	7.7
Cement HT (Silica)	MT		0	0	0.0

Vessel Name	Arrived (Date/Time)	Departed (Date/Time)	Status	Bulks			
Far Grip			At rig on stand by.	Item	Unit	Used	Quantity
				Diesel	CuMtr		521
				Fresh Water	CuMtr		420
				Drill Water	CuMtr		180
				Cement G	Mt		80
				Cement HT (Silica)	Mt		54
				Barite Bulk	Mt		89
Pacific Wrangler			Departed location ETA Melbourne 0800hrs 26th	Item	Unit	Used	Quantity
				Diesel	CuMtr		162.4
				Fresh Water	CuMtr		43
				Drill Water	CuMtr		0
				Cement G	Mt		0
				Cement HT (Silica)	Mt		0
				Barite Bulk	Mt		0
				Bentonite Bulk	Mt		0