

## 29 Aug 2009

## **DRILLING MORNING REPORT #40** Basker 7

| Well Data     |                     |                  |                    |   |                  |            |             |
|---------------|---------------------|------------------|--------------------|---|------------------|------------|-------------|
| Country       | Australia           | M. Depth         | 3921.00m           | Cur. Hole Size                              | 216mm            | AFE Cost   | \$ 62560540 |
| Permit        | VIC/L26             | TVD              | 3311.87m           | Casing OD                                   | 244mm            | AFE No.    | BMGOD209D23 |
| Drill Co.     | Diamond<br>Offshore | Progress         | 0.0m               | Shoe TVD                                    | 2469.28m         | Daily Cost | \$ 970289   |
| Rig           | Ocean Patriot       | Days from spud   | 38.87              | FIT   | 1.56sg           | Cum Cost   | \$ 43732317 |
| Wtr Dpth(MSL) | 154.20m             | Days on well     | 39.25              | LOT   |                  | Planned TD |             |
| RT-ASL(MSL)   | 21.50m              | Lat              | 38° 17' 58.779 " S | Long 148                                    | ° 42' 22.313" E  | Datum      | GDA94       |
| RT-ML         | 175.70m             | Current Op @ 060 | 0 Waiting or       | n weather window                            | to pull anchors. |            |             |
|               |                     | Planned Op       | Pull ancho         | eather window to<br>ors.<br>n off location. | pull anchors.    |            |             |

## Summary of Period 0000 to 2400 Hrs

Completed function tests on HCM-A completion valves.
Disconnected from subsea tree and recovered subsea tree running tool with 140 mm (5.5") landing string.
Ran subsea tree cap with 127 mm (5") drill pipe.

ROV performed final subsea tree checks and seabed survey.

Waited on weather window to pull anchors.

Operations For Period 0000 Hrs to 2400 Hrs on 29 Aug 2009

| Phse | Cls<br>(RC) | Ор   | From | То   | Hrs  | Depth   | Activity Description   |
|------|-------------|------|------|------|------|---------|--|
| PROD | Р           | SMRT | 0000 | 0030 | 0.50 | 3921.0m | Continued to function test upper HCM-A valve bank. Cycled from position 12 to position 14. Used 51.8 MPa (7500 psi) to cycle all positions. Observed consistent 50 to 100 ml over expected fluid return volumes indicating correct function.   |
| PROD | P           | SMRT | 0030 | 0100 | 0.50 | 3921.0m | Opened subsea tree valves PMV, PSV and TRSV. Pressured down tubing to confirm HCM-A valves are closed at position 14. Pressure held at 6.9 MPa (1000 psi). Bled off tubing pressure. Observed increase in pressure whilst bleeding off. Shut off at cement unit and bled off to zero through rig choke. Closed PMV, PSV and TRSV.  |
| PROD | TP          | SMRT | 0100 | 0730 | 6.50 | 3921.0m | Trouble shot discrepancy in HCM-A fluid return volumes and position change with HCM-A (Type B) #2 (Lower) on lower valve bank. Repeated function testing on lower HCM-A valve bank to confirm position of the 3 lower HCM-A valves. Cycled valves starting from position 14 to position 12. Used 51.8 MPa (7500 psi) pressure to cycle all positions. Observed consistent 100 to 200 ml over expected fluid return volumes indicating correct function.  |
| PROD | TP          | SMRT | 0730 | 0900 | 1.50 | 3921.0m | Opened subsea tree valves PMV, PSV and TRSV. Pressured down tubing to confirm HCM-A valves are closed at position 12. Pressure held at 6.9 MPa (1000 psi). Bled off tubing pressure. Observed increase in pressure once bled off. Shut off at cement unit and bled off to zero through rig choke. Cycled HCM-A valves from position 12 to position 14. Again pressured down tubing to confirm HCM-A valves are closed at position 14. Pressure held at 6.9 MPa (1000 psi). Bled off tubing pressure. This confirmed understanding of lower bank HCM-A valve positions.                 |
| PROD | U           | SMRT | 0900 | 1000 | 1.00 | 3921.0m | Production required upper HCM valve bank to be handed over in position 4 (Upper HCM-A valve open (Zone 2872), middle HCM-B valve closed (Zone 1.1), lower valve HCM-C open (Zone 1.2) and lower bank in position 14 (All 3 valves closed). Cycled upper HCM valve bank from position 14 to position 4. Used 51.8 MPa (7500 psi) to cycle all positions.  |
| PROD | P           | SMRT | 1000 | 1100 | 1.00 | 3921.0m | Opened subsea tree PSV. Pressured above PMV to 0.7 MPa (100 psi). Opened PMV. Pumped down tubing with 2.9 M3 (18 bbl total) of 1.08 sg (9.0 ppg) brine (1.5 times landing string volume) to bullhead any hydrocarbons that could have migrated during tubing pressure tests. Pump at 79 lpm (0.5 bpm), 22.1 MPa (3200 psi) into Zone 2872 and Zone 1.2. Stopped pumps and monitored pressure. Pressure slowly bleed back to 20.7 MPa (3000 psi). Closed PMV. Bled off above PMV to 2.1 MPa (3000 psi). Inflow tested PMV for 5 mins - good test. Bleed off pressure above PMV to zero. |
| PROD | Р           | SST  | 1100 | 1330 | 2.50 | 3921.0m | Pressure tested PMV from above to 34.5 MPa (5000 psi), 10 mins - good test. Bled off to zero. Closed PSV and pressure tested from above to 3.5 MPa (5000 psi), 5 mins and 34.5 MPa (5000 psi), 10 mins - good test. Bled off to zero.  |
| PROD | P           | SST  | 1330 | 1800 | 4.50 | 3921.0m | Set down 18 MT (40 klb) on string to apply 2 MT (5 klb) on landing string weight. Applied 20.7 MPa (3000 psi) to unlatch function on running tool. Unlatched subsea tree running tool from subsea tree. Rigged down stiff joint c/w WOV and laid out. Rigged down long bails c/w 85 MT shackles and laid out. Skidded rig 15 m forward to safe lift area. Pulled out subsea tree running tool on 140 mm (5.5") tubing landing string. Laid out tubing joints and removed umbilical clamps in moonpool whilst pulling out. Broke out subsea tree running tool and laid out.             |



| Phse | Cls<br>(RC) | Ор   | From | То   | Hrs  | Depth   | Activity Description   |
|------|-------------|------|------|------|------|---------|--|
| PROD | Р           | SST  | 1800 | 2000 | 2.00 | 3921.0m | Skidded conductor cart with subsea tree cap to below rotary table. Drill floor made up J-slot tree cap running tool and fitted to tree cap on cart. Installed tree cap operation hot stabs and function tested - good test. Ran through splash zone and continued to run in on 2 x stands of 127 mm (5") HWDP and 4 x stands of 127 mm (5") drill pipe to 171 m. Ran 4 core umbilical with running string and installed clamps whilst running in. Skidded rig back over location whilst running last stand drill pipe. |
| PROD | P           | SST  | 2000 | 2100 | 1.00 | 3921.0m | Landed subsea tree cap on subsea tree. Functioned HTC lock and confirmed visually that HTC was fully locked - good. Pressure tested below tree cap via umbilical to 3.5 MPa (500 psi), 5 mins and 34.5 MPa (5000 psi), 10 mins - good test. Bled off to zero. ROV pulled all 3 x hot stabs. Trouble shot one hot stab that rope handle broke and managed to pull and retrieve - 15 mins.   |
| PROD | P           | SST  | 2100 | 2230 | 1.50 | 3921.0m | Rotated string anti-clockwise 1/4 turn at J-slot running tool and disconnected from tree cap. Pulled out tree cap running tool whilst laying out drill pipe running string. Pulled out 4 core umbilical and disconnected clamps whilst pulling out string. Broke out tree cap running tool and laid out.  Concurrent operation: ROV disconnected guide lines. ROV performed final subsea tree checks and installed marine growth covers. ROV performed final seabed and wellhead survey.                               |
| ANKR | TP          | ANKR | 2230 | 2400 | 1.50 | 3921.0m | Waited on weather window to pull anchors. 23:00 hrs: Wind-45 kts, Seas-1.5m, Swell-2.0m, Pitch-0.4°, Roll-0.4°, Heave-0.5m 24:00 hrs: Wind-45 kts, Seas-1.5m, Swell-4.0m, Pitch-0.4°, Roll-0.4°, Heave-0.5m  |

Operations For Period 0000 Hrs to 0600 Hrs on 30 Aug 2009

|      |             |      |      |      |      |         | <u> </u>  |
|------|-------------|------|------|------|------|---------|---|
| Phse | Cls<br>(RC) | Ор   | From | То   | Hrs  | Depth   | Activity Description  |
| ANKR | TP          | ANKR | 0000 | 0600 | 6.00 | 3921.0m | Waited on weather window to pull anchors. 03:00 hrs: Wind-60 kts, Seas-2.0m, Swell-5.0m, Pitch-1.0°, Roll-1.0°, Heave-1.5m 06:00 hrs: Wind-45 kts, Seas-2.0m, Swell-5.0m, Pitch-1.0°, Roll-1.0°, Heave-1.5m |

| Phase Data to 2400hrs, 29 Aug 2009 |           |             |             |         |          |           |
|------------------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Phase                              | Phase Hrs | Start On    | Finish On   | Cum Hrs | Cum Days | Max Depth |
| RIG MOVE(MOVE)                     | 1.50      | 21 Jul 2009 | 21 Jul 2009 | 1.50    | .06      | 0.0m      |
| CONDUCTOR(COND)                    | 28.50     | 21 Jul 2009 | 22 Jul 2009 | 30.00   | 1.25     | 210.7m    |
| SURFACE SECTION(SURF)              | 81.00     | 23 Jul 2009 | 26 Jul 2009 | 111.00  | 4.62     | 1061.7m   |
| INTERMEDIATE SECTION 1(INT1)       | 118.00    | 26 Jul 2009 | 31 Jul 2009 | 229.00  | 9.54     | 2918.0m   |
| PRODUCTION SECTION(PROD)           | 710.00    | 31 Jul 2009 | 29 Aug 2009 | 939.00  | 39.12    | 3921.0m   |
| ANCHOR / PRELAY(ANKR)              | 1.50      | 29 Aug 2009 | 29 Aug 2009 | 940.50  | 39.19    | 3921.0m   |

| WBM Data              |                              | Cost Today \$ 0       |                 |                            |
|-----------------------|------------------------------|-----------------------|-----------------|----------------------------|
| Mud Type:             | API FL:                      | CI:                   | Solids(%vol):   | Viscosity<br>PV            |
| Sample-From:<br>Time: | Filter-Cake: HTHP-FL:        | K+C*1000:<br>Hard/Ca: | H2O:<br>Oil(%): | YP<br>Gels 10s<br>Gels 10m |
| Weight:<br>Temp:      | HTHP-cake:                   | MBT:<br>PM:           | Sand:<br>pH:    | Fann 003<br>Fann 006       |
|                       |                              | PF:                   | PHPA:           | Fann 100<br>Fann 200       |
| Comment               | Total cost:<br>\$ 600,681.07 |                       |                 | Fann 300<br>Fann 600       |

| Bulk Stocks             |      |     |      |        |         |
|-------------------------|------|-----|------|--------|---------|
| Name                    | Unit | In  | Used | Adjust | Balance |
| Barite                  | mt   | 0   | 0    | 0      | 63.0    |
| Gel                     | MT   | 0   | 0    | 0      | 51.0    |
| Cement                  | MT   | 0   | 0    | 0      | 103.0   |
| 35% Silica Blend Cement | MT   | 0   | 0    | 0      | 0.0     |
| Fuel                    | M3   | 150 | 9.3  | 0      | 492.4   |
| Potable Water           | M3   | 33  | 22   | 0      | 388.0   |
| Drill Water             | M3   | 0   | 69   | 0      | 460.0   |

| Pump                    | Pumps |               |            |         |              |              |               |              |                |               |                |               |  |  |               |  |  |
|-------------------------|-------|---------------|------------|---------|--------------|--------------|---------------|--------------|----------------|---------------|----------------|---------------|--|--|---------------|--|--|
| Pump Data - Last 24 Hrs |       |               |            |         |              |              |               |              | Slow Pump Data |               |                |               |  |  |               |  |  |
| No.                     | Туре  | Liner<br>(mm) | MW<br>(sg) | Eff (%) | SPM<br>(SPM) | SPP<br>(kPa) | Flow<br>(lpm) | Depth<br>(m) | SPM1<br>(SPM)  | SPP1<br>(kPa) | Flow1<br>(lpm) | SPM2<br>(SPM) |  |  | SPM3<br>(SPM) |  |  |



| Pι                                     | Pumps                 |        |      |    |  |  |  |  |  |  |  |  |  |  |
|--|-----------------------|--------|------|----|--|--|--|--|--|--|--|--|--|--|
| Pump Data - Last 24 Hrs Slow Pump Data |                       |        |      |    |  |  |  |  |  |  |  |  |  |  |
| 1                                      | NATIONAL<br>12P - 160 | 152.40 | 1.08 | 97 |  |  |  |  |  |  |  |  |  |  |
| 2                                      | NATIONAL<br>12P - 160 | 152.40 | 1.08 | 97 |  |  |  |  |  |  |  |  |  |  |
| 3                                      | NATIONAL<br>12P - 160 | 152.40 | 1.08 | 97 |  |  |  |  |  |  |  |  |  |  |

| Personnel On Board         |                 |                             |          |
|----------------------------|-----------------|-----------------------------|----------|
| Job Title                  | Personnel       | Company                     | Pax      |
| Senior Drilling Supervisor | Ivan Parkhurst  | Anzon Australia Pty Limited | 1        |
| Drilling Supervisor        | Philip Burr     | Anzon Australia Pty Limited | 1        |
| Logistics Coordinator      | Shelly Hares    | Anzon Australia Pty Limited | 1        |
| HSE                        | Gordon Drew     | Anzon Australia Pty Limited | 1        |
| MIC                        | Rod Dotson      | Diamond Offshore            | 1        |
| ROV                        | Subsea 7        | Anzon Australia 3rd Party   | 6        |
| Cementing                  | Schlumberger    | Anzon Australia 3rd Party   | 1        |
| Rig Crew                   | Drilling        | Diamond Offshore 3rd Party  | 45       |
| Other                      |                 | Diamond Offshore 3rd Party  | 5        |
| Catering                   | ESS             | Diamond Offshore 3rd Party  | 8        |
| Casing Hands               | BJ Tubulars     | Anzon Australia 3rd Party   | 1        |
| Completion                 | Baker Oil Tools | Anzon Australia 3rd Party   | 1        |
| Completions Supervisors    | AWT             | Anzon Australia 3rd Party   | 1        |
| Subsea Completion          | Cameron         | Anzon Australia 3rd Party   | 4        |
| Subsea Supervisors         | AGR             | Anzon Australia 3rd Party   | 4        |
| Surveyor                   | Neptune         | Anzon Australia 3rd Party   | 1        |
| Electricians               | Megawatts       | Diamond Offshore 3rd Party  | 4        |
| Safety Trainer             | Check 6         | Diamond Offshore 3rd Party  | 2        |
| Rig mover                  | OMS             | Anzon Australia 3rd Party   | 1        |
|                            |                 |                             | Total 89 |

| <b>HSE Summary</b>    |              |            |          |   |
|-----------------------|--------------|------------|----------|---|
| Events                | Date of last | Days Since | Descr.   | Remarks   |
| LTI                   |              | 186        |          |   |
| Abandon Drill         | 23 Aug 2009  | 6 Days     |          | Full muster at 22:47 hrs  |
| Fire Drill            | 23 Aug 2009  | 6 Days     |          | Simulated at heli fuel tanks. Full muster at 22:38 hrs  |
| First Aid Case        | 22 Aug 2009  | 7 Days     |          | Top drive service loop hose dropped to floor knocking down third party person standing at rotary table.  IP was checked by medic. No major injuries apparent. |
| JSA                   | 29 Aug 2009  | 0 Days     |          | Drill crew 3 Trip - 9 Pump room - 0 Crane crew - 5 Mechanic -6 Electrician - 1 Welder - 7 Sub Sea - 2 Marine - 0 3rd Party - 0                                |
| Lost Time Incident    | 15 Jun 2009  | 75 Days    | 186 days | LTI = 186 days since start of rig assignment on 25 Feb 2009.  |
| Permit To Work        | 29 Aug 2009  | 0 Days     |          | Hot - 10<br>Cold - 14   |
| Pre-Tour Meetings     | 29 Aug 2009  | 0 Days     |          | 0545 hrs<br>1145 hrs<br>1745 hrs<br>2345 hrs  |
| STOP Card             | 29 Aug 2009  | 0 Days     |          | Safe - 59<br>Unsafe - 21  |
| Weekly Safety Meeting | 23 Aug 2009  | 6 Days     |          | 13:00 hrs<br>19:00 hrs<br>00:30 hrs   |



| Rig Data             |                  |                  |                          |           |                |             |             |          |  |  |  |
|----------------------|------------------|------------------|--------------------------|-----------|----------------|-------------|-------------|----------|--|--|--|
| Company              | Company Name     |                  | Max Deck<br>Load         | VDL @ M   | VDL @ Midnight |             | Rig Heading |          |  |  |  |
| Diamond Offsho       | re               | Ocean<br>Patriot | mt                       | 1800mt    |                | 249.0deg    |             |          |  |  |  |
| Shakers, Vo          | lumes an         | d Losses D       | ata                      |           |                | Engineer:   |             |          |  |  |  |
| Equip.               | De               | escr.            | Mesh Size                | Available | 0.00m³         | Losses      | 117.18m³    | Comments |  |  |  |
| Shaker 1             | BEM 65           | 0                | 40/170/170               | Active    |                | Downhole    |             |          |  |  |  |
| Shaker 2<br>Shaker 3 | BEM 65<br>BEM 65 |                  | 40/100/120<br>40/100/120 | Mixing    |                | Surf+ Equip | 0.00m³      |          |  |  |  |
| Shaker 4             | BEM 65           |                  | 40/100/120               | Hole      |                | Dumped      | 117.18m³    |          |  |  |  |
|                      |                  |                  |                          | Slug      |                | De-Gasser   |             |          |  |  |  |
|                      |                  |                  |                          | Reserve   |                | De-Sander   |             |          |  |  |  |
|                      |                  |                  |                          | Kill      |                | De-Silter   |             |          |  |  |  |
|                      |                  |                  |                          |           |                | Centrifuge  |             |          |  |  |  |

| Marine                                  |              |           |              |            |              |           |             |         |              |
|---|--------------|-----------|--------------|------------|--------------|-----------|-------------|---------|--------------|
| Weather on 29 Aug 2009                  |              |           |              |            |              |           | Rig Support |         |              |
| Visibility                              | Wind Speed   | Wind Dir. | Pressure     | Air Temp.  | Wave Height  | Wave Dir. | Wave Period | Anchors | Tension (mt) |
| 10nm                                    | 45kn         | 225.0deg  | 998.0mbar    | 12C°       | 2m           | 225.0deg  | 2s          | 1       | 120.0        |
| Roll                                    | Pitch        | Heave     | Swell Height | Swell Dir. | Swell Period | Weather ( | Comments    | 2       | 118.0        |
| 0.3deg                                  | 0.3deg       | 1m        | 2m           | 225.0deg   | 11s          |           |             | 3       | 116.0        |
| 0.sueg                                  | 0.sueg       | 1111      | 2111         | 223.0deg   | 115          |           |             | 4       | 114.0        |
| Rig Dir.                                | Ris. Tension | VDL       |              | Comments   |              |           |             | 5       | 116.0        |
| 249.0deg                                |              | 1800mt    |              |            |              |           |             | 6       | 112.0        |
| _ ::::::::::::::::::::::::::::::::::::: |              |           |              |            |              |           |             | 7       | 114.0        |
|   |              |           |              |            |              |           |             | 8       | 119.0        |

| Helicopter Movement |                 |               |            |         |  |  |  |
|---------------------|-----------------|---------------|------------|---------|--|--|--|
| Flight #            | Helicopter Type | Arr/Dep. Time | Pax In/Out | Comment |  |  |  |
| XEC                 | S61N            | 12:00 / 12:04 | 1/5        |         |  |  |  |

| Boats<br>Lewek | Arrived (date/time) | Departed (date/time) | Status On location at rig.    | Bulks                   |      |          |
|----------------|---------------------|----------------------|-------------------------------|-------------------------|------|----------|
|                | 02:00 hrs 28-08-09  |                      |                               | Item                    | Unit | Quantity |
| Emerald        |                     |                      |                               | Fuel                    | M3   | 305.5    |
|                |                     |                      |                               | Potable Water           | M3   | 215      |
|                |                     |                      |                               | Drill Water             | M3   | 365      |
|                |                     |                      |                               | Barite                  | MT   | 75       |
|                |                     |                      |                               | Gel                     | MT   | 43       |
|                |                     |                      |                               | Cement                  | MT   | 87       |
|                |                     |                      |                               | Brine                   | M3   | 73.45    |
| Lewek Swift    | 05:15 hrs 29-08-09  |                      | On location at rig.           | Item                    | Unit | Quantity |
|                |                     |                      |                               | Fuel                    | M3   | 356      |
|                |                     |                      |                               | Potable Water           | M3   | 478      |
|                |                     |                      |                               | Drill Water             | M3   | 335      |
|                |                     |                      |                               | Barite                  | MT   |          |
|                |                     |                      |                               | Gel                     | MT   | 25       |
|                |                     |                      |                               | Cement                  | MT   | 0        |
|                |                     |                      |                               | Brine                   | M3   | 248.68   |
|                |                     |                      |                               | 35% Silica Blend Cement | MT   | 0        |
| Protector      | 19:00 hrs, 25-08-09 |                      | Protector on stand by at rig. | Item                    | Unit | Quantity |
|                |                     |                      |                               | Diesel                  | M3   | 239      |
|                |                     |                      |                               | Potable Water           | M3   | 359      |
|                |                     |                      |                               | Drill Water             | M3   | 76       |