DAILY GEOLOGICAL REPORT

Date:	02 August 2009	**Rig:**	Ocean Patriot
Report Number:	10	**Bit Diameter:**	216 mm
Report Period:	00:00 - 24:00 Hours	**Last Casing:**	244 mm @ 2910.9 mMDRT
Spud Date:	22-Jul-2009 03:00 Hours	**FIT:**	1.56 sg EMW @ 2910.9 mMDRT
Days From Spud:	11.9	**Mud Weight:**	1.13 sg
Depth @ 2400 Hrs:	3448 mMDRT	**ECD:**	
	2910.99 mTVDRT	**Mud Type:**	KCl-KlaStop-Polymer
	2889.49 mTVDMSL	**Mud Chlorides:**	46,500 mg/L
Lag Depth:	3435 mMDRT	**Est. Pore Pressure:**	
Last Depth:	3380 mMDRT	**DXC:**	
Progress:	68 m	**Last Survey:**	3407.07 mMDRT
Water Depth:	154.2 m	**Deviation:**	Inc. 36.55°
RT:	21.5 m		Az. 156.71°

OPERATIONS SUMMARY

24 HOUR SUMMARY: Drilled 216 mm (8 1/2") hole from 3380 to 3448 mMDRT. Pulled back to the shoe. Repaired derrick standpipe goose neck. Pulled out of hole to surface. Downloaded LWD data. Made up new bit and BHA and ran in hole to 674 mMDRT.

NEXT 24 HOURS: Run in hole to 3448 mMDRT. Drill 216 mm (8 1/2") hole to TD.

CURRENT OPERATION @ 06:00 HRS (03-Aug-2009): Running in hole at 3182 mMDRT.

GEOLOGICAL SUMMARY

LITHOLOGY

INTERVAL: 3380 to 3436 mMDRT (-2828.8 mTVDMSL)
ROP (Range): 4 to 44 m/hr
Av. ROP: 20 m/hr

ARGILLACEOUS SILTSTONE (20 to 75%) : dominantly medium grey to brownish grey, occasional light grey to very dark grey, soft to firm, occasional crumbly, amorphous to sub-blocky, dispersive, 10 to 20% very fine quartz, trace pyrite, trace to 5% carbonaceous fragments and laminae, trace carbonaceous claystone.
SANDSTONE (20 to 75%) : translucent to opaque, occasional light to medium light grey, dominantly loose, very fine to very coarse, dominantly coarse, sub-angular to rounded, poorly sorted, slightly spherical to slightly elongated, 10% rock flour, trace pyrite, poor visible to fair inferred porosity, no shows.
COAL (Nil to 30%) : black, sub-bituminous to bituminous, firm to moderately hard, brittle, blocky to occasional sub-fissile, dull to vitreous lustre, occasional sub-conchoidal fracture.

HYDROCARBON FLUORESCENCE
No Shows

GAS SUMMARY

Background Gas							
INTERVAL (m MDRT)	**Total Gas (%)**	**C1 (ppm)**	**C2 (ppm)**	**C3 (ppm)**	**iC4 (ppm)**	**nC4 (ppm)**	**C5 (ppm)**
3380 - 3435	0.06	259	40	23	3	6	3

SAMPLE QUALITY
Good sample quality and quantity

MUDLOGGING EQUIPMENT / PERSONNEL
2 Data Engineers, 2 Mudloggers, 2 Sample Catchers on board

2 Flair Engineers on board.

MWD
2 Directional Drillers, 3 LWD Engineers on board.

Sensor distances behind the bit:
Gamma Ray 25.70 m
Resistivity 26.23 m
Direction 32.20 m

WIRELINE

2 Engineers, 5 Operators on board.

PROVISIONAL FORMATION TOPS

Formation Name	Prognosed Depths			Actual Depths			Diff. TVT (m)	Picks Based On
	MD (m)	TVDRT (m)	TVDMSL (m)	MD (m)	TVDRT (m)	TVDMSL (m)		
Gippsland Limestone	176.5	176.5	(155)	175.7	175.7	(154.2)	0.8 H	
Lakes Entrance Fm	2094.8	1816.4	(1794.9)	2100	1824.4	(1802.9)	8 L	Subtle change in lithology
Top Latrobe Group	2501.2	2142.3	(2120.8)	2495	2137.4	(2115.9)	4.9 H	Increase in GR & RES
K2 Sandstone Marker	2946.1	2502.5	(2481)	3054	2588	(2566.5)	85.5 L	GR & RES drop
Zone 0	3545.4	2985.4	(2963.9)				-	
Zone 2	3658.1	3076.3	(3054.8)				-	
Zone 6	3835.3	3219.1	(3197.6)				-	
Top Volcanics	3901	3272	(3250.5)				-	
Total Depth	3951	3312.3	(3290.8)				-	

SURVEY DATA

MD (m)	Inc (°)	Azi (°)	TVD (m)	TVDSS (m)	V.Sec (m)	Dogleg (°/30m)	E/W (m)	N/S (m)
3407.1	36.55	156.71	2872	2850.5	1678.93	0.99	812.75	-1469.1

REMARKS
Samples from 3436 to 3448 mMDRT were not circulated up due to a leak in the derrick goose neck in the standpipe.

WELLSITE GEOLOGISTS
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