

15 Oct 2009 <u>DRILLING MORNING REPORT # 1</u> Somerset-1

Well Site Manager	: Dennis Bell / Kevin	Monkhouse					OIM: Dennis Gore
Well Data							
Country	Australia	Total Planned Days	27.60	M. Depth	0.0m	Current Hole Size	
Field	Otway Basin	Actual Days	1.00	TVD	0.0m	Casing OD	
Rig Contractor	DOGC	Planned Days Completed	1	Progress	0.0m	Shoe TVD	
Rig	OCEAN PATRIOT	Days +/- Curve	0			FIT/LOT	/
Water Depth(LAT)	485.0m	Spud Date				Last BOP Test	
RT-ASL(LAT)	21.5m	Operations @ 0600	On tow with Lo	ewek Swift		1	
RT-ML	506.5m	Planned Op	Continue tow	and preparati	ons for Sp	ud	

Cost Data				Daily Cost: \$2,1			
		AFE	Actual Cost to Date		EFC		
Mob/Demob	\$ 6	5,900,000	\$ 1,990,558	\$	5,500,000		
Drilling	\$ 6	23,100,000	\$ 132,704	\$	18,400,000		
Completion	\$ 3	0	\$ 0	\$	0		
Testing	\$ 3	0	\$ 0	\$	0		
Intervention	\$ 3	0	\$ 0	\$	0		
Well Total	\$ 3	29,000,000	\$ 2,123,262	\$	23,900,000		

Summary of Period 0000 to 2400 Hrs

Commenced Woodside contract. Waited on Lewek Swift. Commenced secondary anchor handling (pulled two anchors). WOW - currents too strong for vessel. Recommenced anchor handling - last anchor bolstered at 20:45hrs. Lewek Swift commenced Ocean Patriot tow from Westernport Anchorage at 20:45hrs 15th Oct 2009.

Opera	ations i	-or	Perioa (UUUU	Hrs to	2400 Hrs on 15 Oct 2009
CLS	DUCE	ΟD	Erom	Το	Uro	Donth

CLS	PHSE	OP	From	To	Hrs	Depth	Activity Description
NPT (SBT)	RM	АН	0000	0200	2.00	0.0m	Commenced Woodside contract / operations at 00:00hrs Thursday 15th October 2009. Waited on Lewek Swift.
Р	AR	АН	0200	0330	1.50	0.0m	#7 PCC passed to Lewek Swift. Lewek Swift chased out #7 anchor chain. Lewek Swift recovered #7 anchor. #7 anchor on bolster at 03:10. #7 PCC passed back to the rig.
Р	RM	AH	0330	0430	1.00	0.0m	#6 PCC passed to Lewek Swift. Lewek Swift chased out #6 anchor chain. Lewek Swift recovered #6 anchor. #6 anchor on bolster at 04:05. #6 PCC passed back to the rig.
NPT (GWOW)	RM	АН	0430	0830	4.00	0.0m	Waited on weather (unable to work anchors / boat due to strong currents).
Р	RM	AH	0830	0930	1.00	0.0m	#3 PCC passed to Lewek Swift. Lewek Swift chased out #3 anchor chain. Lewek Swift recovered #3 anchor. #3 anchor on bolster at 09:10. #3 PCC passed back to the rig.
Р	RM	АН	0930	1015	0.75	0.0m	#2 PCC passed to Lewek Swift. Lewek Swift chased out #2 anchor chain. Lewek Swift recovered #2 anchor. #2 anchor on bolster at 10:00. #2 PCC passed back to the rig.
Р	RM	АН	1015	1100	0.75	0.0m	Surveyors transferred to the Lewek Swift from the Ocean Patriot to install positioning equipment.
NPT (SBT)	RM	АН	1100	1200	1.00	0.0m	Waited on arrival of Lewek Emerald to commence recovery of primary anchors.
Р	RM	АН	1200	1445	2.75	0.0m	Offloaded cargo from Lewek Emerald while Lewek Swift connected to Primary Tow Bridle. (Surveyors transferred to Lewek Emerald to install positioning equipment).
Р	RM	АН	1445	1530	0.75	0.0m	#8 PCC passed to Lewek Emerald. Lewek Emerald chased out #8 anchor chain. Lewek Emerald recovered #8 anchor. #8 anchor on bolster at 15:15. #8 PCC passed back to the rig.
Р	RM	АН	1530	1700	1.50	0.0m	#1 PCC passed to Lewek Emerald. Lewek Emerald chased out #1 anchor chain. Lewek Emerald recovered #1 anchor. #1 anchor required manipulation by vessel and crane to properly align same to bolster. Anchor on bolster at 17:00 and PCC recovered to rig.
Р	RM	АН	1700	1845	1.75	0.0m	Survey personnel completed equipment setup on Lewek Emerald and returned to Ocean Patriot.
Р	RM	AH	1845	1930	0.75	0.0m	#4 PCC passed to Lewek Emerald. Lewek Emerald chased out #4 anchor chain. Lewek Emerald recovered #4 anchor. #4 anchor on bolster at 19:15. #4 PCC passed back to the rig.
Р	RM	АН	1930	2045	1.25	0.0m	#5 PCC passed to Lewek Emerald. Lewek Emerald chased out #5 anchor chain. Lewek Emerald pulled #5 anchor and assisted Lewek Swift in turning Ocean Patriot 180deg. #5 anchor on bolster at 20:45 and PCC passed back to the rig.
Р	RM	RMS	2045	2400	3.25	0.0m	Ocean Patriot under tow by Lewek Swift from Westernport Anchorage through channel.
	Total Duration				24		



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Opera	ations	For P	eriod	0000	Hrs to	0600 H	rs on 16 Oct 2009						
CLS	PHSE	OP	From	То	Hrs	Depth	Activity Description						
Р	P RM RMS 0000 0400 4.00 0.0m		0.0m	Handover from Apache to Woodside occurred at agreed position of 1nm outside Westernport channel marker (fairway buoy).									
							0000 hrs position - Lat 38° 32' S. Long 145° 03' E, Course 240°, Total distance travelled - 9.5nm, General Average Speed - 4 knt, Distance to go -121.3 nm, ETA Somerset-1 location - 1000 hrs 17th Oct 09.						
							0400 hrs position - Lat 38° 37.1' S. Long 144° 49.6' E, Course 246°, Total distance travelled - 23.80nm, General Average Speed - 3.5 nm, Distance to go -107.0 nm, ETA Somerset-1 location - 1000 hrs 17th Oct 09.						
Р	RM	RMS	0400	0600	2.00	0.0m	(IN PROGRESS) 0800 hrs position - Lat 38° 42.3' S. Long 144° 34.3' E, Course 245°, Total distance travelled - 36.60nm, General Average Speed - 3.2 knt, Distance to go - 94.2 nm, ETA Somerset-1 location - 1000 hrs 17th Oct 09.						
Total Duration				•	6								

Supply Vessel

Boats	Status	Bulks			Boats	Status	Bulks			
Lewek Swift	On Tow Bridle	Item	Unit	t Quantity Lewek Standby		Standby	Item	Unit	Quantity	
		Fuel	m3	638.9	Emerald		Fuel	m3	652.7	
			ltrs.	0				ltrs.	16989	
		Pot Water	m3	478			Pot Water	m3	84	
		Drill Water	m3	95			Drill Water	m3	223	
		CEMENT G	mt	0			CEMENT G	mt	130	
		CEMENT HT (SILICA)	mt	0			CEMENT HT (SILICA)	mt	0	
		Barite	mt	200			Barite	mt	96	
		Bentonite	mt	116			Bentonite	mt	38	
		BRINE	bbls	1500			BRINE	bbls	1500	

Personnel On Board			Total : 89
Company	Pax	Company	Pax
Diamond Offshore	48	MI Australia PTY LTD	2
ESS	8	Schlumberger DD	2
Woodside	8	Schlumberger MWD/LWD	2
ВНІ	2	Scomi (KMC)	2
BJ Tubulars	3	Subsea 7	6
Dowell Schlumberger	2	OTHER	3
Dril-Quip	1		

Lagging Indica	Lagging Indicators													
	HPI	LTI	RWC	MTC	TROI	FAC	Env Cat C	Env Non Comp	Dropped Objects	HPH	Env Cat D	Env Cat E		
24hr	0	0	0	0	0	0	0	0	0	0	0	0		
Well To Date	0	0	0	0	0	0	0	0	0	0	0	0		
Month To Date	0	0	0	0	0	0	0	0	0	0	0	0		
Year To Date	0	0	0	0	0	0	0	0	0	0	0	0		
Comments/ Findings														

Leading	Indicators
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	GSR Comp Checks	JSA Comp Checks	PTW Audit	Area Inspection	3rd Party Company Check	Mgt Visits	Drills	Number Observe Cards	ER Exercises	Env Insp Check
24hr	0	0	0	0	0	0	0	87	0	1
Well To Date	0	0	0	0	0	0	0	87	0	1
Planned Targets per month	10/m	4/m	8/m	4/m	1/qtr	1/qtr	8	N/A	1 first month start up, 6 month after	1/m
Month Actual	0	0	0	0	0	0	0	87	0	1
Year To Date	0	0	0	0	0	0	0	87	0	1

Comments/ Findings

Number Observe Cards 87 - STOP Cards: 87 (55 Safe, 32 Unsafe). Top Stop Card: Sailor block wire was extended and wrapped around handrail and choked upon itself. This has the potential to dangerous and unusable. Env Insp Check 1 - Engaged environmental roustabout and conducted 'E' Hazard Hunt and commenced recommendation of findings.

Leading Indicators

	H&S INC/NM	Env NM				
24hr	0	0				
Well To Date	0	0				
Month To Date	0	0				
Year To Date	0	0				
Comments / Findings						

Performance Summary

1. 0																
			Da	aily						Cumulative Well						
	Р		PT	SC	CC	NS	SC	P NPT			SCC NSC		SC	Total		
Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hrs	%	Hours
17	70.83	7	29.17					17	70.83	7	29.17					24