Australian Drilling Associates Pty Ltd ADA

DRILLING MORNING REPORT # 10

11 Sep 2009 **From:** Tim Lee / Kevin Monkhouse
To: Iain Robertson

Spikey Beach-1

Well Data

Country	Australia	MDBRT	1,504.0 m	Cur. Hole Size	12.250 in	AFE Cost	AUD 24,270,065
Field	Spikey Beach	TVDBRT	1,504.0 m	Last Casing OD	13.375 in	AFE No.	09/036
Drill Co.	Diamond Offshore	Progress	688.00 m	Shoe TVDBRT	805.8 m	Daily Cost	AUD 1,004,000
Rig	Ocean Patriot (semi)	Days From Spud	6.13	Shoe MDBRT	805.8 m	Cum Cost	AUD 8,381,000
		Days On Well	9.48	FIT/LOT	sg / 1.47 sg		
Wtr Depth (MSL)	74 m						
Datum	21.50 m RT MSL	Planned TD MD	2,062 m	Current Op @ 0600	Drilled 12.25in hole to 1605m		
RT To Seabed	95.5 m	Planned TD TVDRT	2,062 m	Planned Op	Continue to drill 12.25in hole while evaluate samples and logs		

Summary of Period 0000 to 2400 Hrs

RIH to 786m. Performed BOP function test and well control drills. RIH Tag TOC at 794m. Drilled out shoe track and 3m hole while displaced well to 9.1ppg KCL mud. Performed LOT to 12.3ppg EMW. Drilled 12.25in hole from 819m to 1504m

HSE Summary

Events	Num. Events	Days Since	Description	Remarks
Incident	0	4		
Days Since LTI	0	1,009		
STOP Card	73	0	Safe 51 Unsafe 22	DODI 51 Third Party 13 ADA 0 Catering 9
JSA	34	0		Drill 3 Trip 4 Pump Room 4 Crane Crew 13 Mechanic 4 Electrician 0 Welder 6 Subsea 0
Permit To Work	21	0	Hot 5 Cold 7	
Safety Meeting	0	5		
Abandon Drill	0	6		
Fire Drill	0	6		
JHA/HSE Audit	1	1	Supervisor Audit	

Operations For Period 0000 Hrs to 2400 Hrs On 11 Sep 2009

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P11	P	G8	00:00	00:30	0.50	816.0 m	Ran in hole to 336m.
P11	P	G15	00:30	00:45	0.25	816.0 m	Shallow tested Schlumberger down hole tools. 650gpm, 1000psi. Good test.
P11	P	P3	00:45	01:30	0.75	816.0 m	Performed function and pumping excercise on diverter overboard system.
P11	P	G13	01:30	03:00	1.50	816.0 m	Performed full function test on BOPs. BOP functions tested on Blue pod from Drill Floor and on Yellow pod from TPs remote panel
P11	P	P3	03:00	03:30	0.50	816.0 m	Closed annular and performed choke well kill drills with drill crew
P11	P	G8	03:30	05:30	2.00	816.0 m	Ran in hole from 330m and tagged TOC at 794m. (Held trip drill with drill crew)
P11	P	D1	05:30	07:30	2.00	816.0 m	Drilled out shoe track. Displaced well to 9.0ppg KCl/Polymer/Klastop mud while drilled outshoe track. Parameters WOB: 10-20klbs, 40RPM (108RPM at bit). Flow 605gpm, Torque: 1-5kft-lbs.
P11	P	D2	07:30	07:45	0.25	819.0 m	Drilled 12.25in hole from 816m to 819m

Operations For Period 0000 Hrs to 2400 Hrs On 11 Sep 2009

Phse	Cls (RC)	Op	From	To	Hrs	Depth	Activity Description
P11	P	F4	07:45	08:00	0.25	819.0 m	Circulated and conditioned mud. 9.0ppg in and out.
P11	P	E1	08:00	09:30	1.50	819.0 m	Pulled back into shoe and performed LOT. 460psi with 9.0ppg mud. EMW 12.3ppg
P11	P	D2	09:30	18:00	8.50	1,452.0 m	Drilled 12.25in hole from 816m to 1452m. Took MWD survey every 90m. Weighed mud up to 9.4ppg by 1360m. WOB: 20-35 (Max)klbs, 920gpm, 2750psi, 140 rpm, 3-5kft-lb torq, Drilled with max ROP.
P11	P	D2	18:00	24:00	6.00	1,504.0 m	Drilled 12.25in hole from 1452m to 1504m at 930gpm and controlled ROP of 15-20 mtr/hr to allow accurate sample analysis. Took MWD survey every 90m. WOB: 5klbs, 920gpm, 2800psi, 145 rpm, 3-5kft-lb torq.

Operations For Period 0000 Hrs to 0600 Hrs On 12 Sep 2009

PHSE	CLS (RC)	OP	From	To	Hrs	Depth	Activity Description
P11	P	D2	00:00	06:00	6.00	1,605.0 m	Drilled 12.25in hole from 1504m to 1605m at controlled ROP of 15-20 mtr/hr to allow accurate sample analysis. Took MWD survey every 90m. Observed consistent splintery cuttings, commenced weighing mud up to 9.8ppg at 1590m. WOB: 5klbs, 920gpm, 2850psi, 145 rpm, 3-5kft-lb torq.

Phase Data to 2400hrs, 11 Sep 2009

Phase	Phase Hrs	Start On	Finish On	Cum Hrs	Cum Days	Max Depth
Mob(P1)	71.00	02 Sep 2009	05 Sep 2009	71.00	2.958	
Conductor Hole(P2)	16.00	05 Sep 2009	06 Sep 2009	87.00	3.625	155.0 m
Conductor Casing(P3)	15.50	06 Sep 2009	06 Sep 2009	102.50	4.271	155.0 m
Surface Hole(P4)	50.50	06 Sep 2009	08 Sep 2009	153.00	6.375	816.0 m
Surface Casing(P5)	20.00	08 Sep 2009	09 Sep 2009	173.00	7.208	816.0 m
BOPs/Risers(P6)	24.50	09 Sep 2009	10 Sep 2009	197.50	8.229	816.0 m
Production Hole (1)(P11)	30.00	10 Sep 2009	11 Sep 2009	227.50	9.479	1,504.0 m

WBM Data — Cost Today AUD171,065

Mud Type:	Water Based	API FL:	6.8 cm³/30min	Cl:	49,000 mg/L	Solids:	5 %	Viscosity	75 s/qt
Sample-From:	Active	Filter-Cake:	/32nd"	K+C*1000:	10 %	Low-Gravity Solids:	%vol	PV	14 cP
Time:	11:30	HTHP-FL:	cm³/30min	Hard/Ca:	260 mg/L	H2O:	95 %	YP	14 lbf/100ft²
Weight:	9.10 ppg	HTHP-cake:	/32nd"	MBT:		Oil:	0 %	Gels 10s	lbf/100ft²
Temp:	75 °C			Pm:	1.3	Sand:	0.25	Gels 10m	lbf/100ft²
				Pf:	1.0	pH:	9.0	Fann 003	3
						PHPA(Density):	kg/m³	Fann 006	5
								Fann 100	16
								Fann 200	23
								Fann 300	28
								Fann 600	42

Comment

WBM Data — Cost Today AUD

Mud Type:	Water Based	API FL:	5.8 cm³/30min	Cl:	50,000 mg/L	Solids:	6 %	Viscosity	54 s/qt
Sample-From:	Active	Filter-Cake:	/32nd"	K+C*1000:	10 %	Low-Gravity Solids:	%vol	PV	12 cP
Time:	15:00	HTHP-FL:	cm³/30min	Hard/Ca:	560 mg/L	H2O:	94 %	YP	17 lbf/100ft²
Weight:	9.10 ppg	HTHP-cake:	/32nd"	MBT:	1.5	Oil:	0 %	Gels 10s	5 lbf/100ft²
Temp:	77 °C			Pm:	1.2	Sand:	.4	Gels 10m	7 lbf/100ft²
				Pf:	0.5	pH:	9.5	Fann 003	4
						PHPA(Density):	kg/m³	Fann 006	6
								Fann 100	17
								Fann 200	24
								Fann 300	29
								Fann 600	41

Comment

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WBM Data

Mud Type:	Water Based	API FL:	5.8 cm³/30min	Cl:	50,000 mg/L	Solids:	7 %	Viscosity	62 s/qt
Sample-From:	Active	Filter-Cake:	/32nd"	K+C*1000:	10 %	Low-Gravity Solids:	%vol	PV	16 cP
Time:	22:00	HTHP-FL:	cm³/30min	Hard/Ca:	480 mg/L	H2O:	93 %	YP	30 lbf/100ft²
Weight:	9.40 ppg	HTHP-cake:	/32nd"	MBT:	2.5	Oil:	0 %	Gels 10s	8 lbf/100ft²
Temp:	77 °C			Pm:	0.9	Sand:	6.9	Gels 10m	11 lbf/100ft²
				Pf:	0.5	pH:	9.5	Fann 003	7
						PHPA(Density):	kg/m³	Fann 006	9
								Fann 100	28
								Fann 200	38
								Fann 300	46
								Fann 600	62

Comment

Cost Today AUD

Bit #3

Wear	I	O1	D	L	B	G	O2	R

Bit wear comment:

				Nozzles		**Drilled over last 24 hrs**		**Calculated over Bit Run**	
Size ("):	311 mm (12 1/4")	IADC#	M323	No.	Size	Progress	688.0 m	Cum. Progress	688.0 m
Mfr:	Baker Huhes Chistensen	WOB(avg)	20.40 klb	6	15/32nd"	On Bottom Hrs	10.1 h	Cum. On Btm Hrs	10.1 h
Type:	PDC	RPM(avg)	123 rpm			IADC Drill Hrs	14.8 h	Cum IADC Drill Hrs	14.8 h
Serial No.:	7012700	F.Rate	929 gpm			Total Revs	149,700	Cum Total Revs	149,700
Bit Model	HCM506ZX	SPP	2,697 psi			ROP(avg)	68.12 m/h	ROP(avg)	68.12 m/h
Depth In	816.0 m	HSI	3.43 hp/in²						
Depth Out	m	TFA	0.001 m²						

Bit Comment

BHA #3

Weight(Wet)	80.00 klb	Length	213.9 m	Torque(max)	13,900 ft.lbf	D.C. (1) Ann Velocity	264 ft/min
Wt Below Jar(Wet)	58.00 klb	String Weight	270.00 klb	Torque(Off.Btm)	400 ft.lbf	D.C. (2) Ann Velocity	264 ft/min
		Pick-Up Weight	270.00 klb	Torque(On.Btm)	5,700 ft.lbf	H.W.D.P. Ann Velocity	182 ft/min
		Slack-Off Weight	270.00 klb			D.P. Ann Velocity	182 ft/min

BHA Run Description: Mud Motor Logging Assembly

BHA Run Comment

Equipment	Length	OD	ID	Serial #	Comment
12 1/4" bit	0.38 m	12.25 in	in	7012700	PDC bit
A625 Mud Motor	11.32 m	9.63 in	in	5954	
12 1/4in stab	1.82 m	8.25 in	2.81 in	207A189	
ARC8	6.24 m	8.25 in	in	1216	
Telescope 825NF	8.96 m	8.19 in	in	ZH22	
sonicVISION 825	7.71 m	8.11 in	in	42784	
ADN-8 w/12" stabiliser	9.18 m	8.38 in	in	43225	
8in DC	72.79 m	8.25 in	2.81 in		
Drilling Jars	9.78 m	8.25 in	2.81 in	101663H	
8in DC	28.01 m	8.25 in	2.81 in		
X/Over	1.16 m	8.00 in	3.00 in	508A33	
HWDP	56.51 m	in	in		

Survey

MD (m)	Incl (°)	Azim (°)	TVD (m)	VSect (m)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
1,164.94	0.4	84.1	1,164.93	1.1	1.1	2.0	0.0	Telescope 825NF
1,221.27	0.4	97.0	1,221.26	1.1	1.1	2.4	0.1	Telescope 825NF
1,338.66	0.5	93.3	1,338.64	1.0	1.0	3.4	0.0	Telescope 825NF
1,367.75	0.5	94.8	1,367.73	1.0	1.0	3.7	0.0	Telescope 825NF

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Survey

MD (m)	Incl (°)	Azim (°)	TVD (m)	VSect (m)	N/-S (m)	E/-W (m)	DLS (deg/30m)	Tool Type
1,456.65	0.5	105.3	1,456.63	0.9	0.9	4.5	0.0	Telescope 825NF

Bulk Stocks

Name	Unit	In	Used	Adjust	Balance
Barite	MT	0.0	6.0	0.0	68.00
Bentonite	MT	0.0	0.0	0.0	37.00
Cement - G Neat	MT	0.0	0.0	0.0	75.00
Fuel	M3	200.0	19.2	0.0	556.40
Potable Water	m3	30.0	28.0	0.0	338.00
Drill Water	m3	0.0	102.0	0.0	433.00

Pumps

Pump Data - Last 24 Hrs

No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM	SPP (psi)	Flow (gpm)	Depth (m)
1	National	6.00	8.80	97	109	2,697	466	1,360.0
2	National	6.00	8.80	97	0	0	0	
3	National	6.00	8.80	97	108	2,697	462	1,360.0

Slow Pump Data

Check	SPM	Pressure (psi)	Flow (gpm)
	20	170	85
	30	210	128
	40	260	170
	20	170	85
	30	210	128
	40	260	170

Personnel On Board

Company	Pax
Diamond Offshore	55
Catering	8
ADA Services	4
Cameron	0
Dowell Schlumberger	2
Schlumberger MWD/LWD	3
MI Drilling Fluids	2
BJ Tubulars	0
Subsea 7	3
Go Offshore	0
Baker Hughes Inteq	6
Beach Petroleum Ltd	2
Schlumberger DD	1
Total	86

Mud Volumes, Mud Losses and Shale Shaker Data

Engineer : Manfred Olejiniczak

Available	**1,593.0**
Active	463.0 bbl
Mixing	
Hole	
Slug	
Reserve	1130.0 bbl
Kill	

Losses	**397.0**
Downhole	
Surf+ Equip	397.0 bbl
Dumped	
De-Gasser	
De-Sander	
De-Silter	
Centrifuge	

Equipment	Description	Mesh Size

Comments

Printed on 11 Sep 2009

Marine

Weather on 11 Sep 2009

Visibility	Wind Speed	Wind Dir.	Pressure	Air Temp.	Wave Height	Wave Dir.	Wave Frequency
8.0 NM	28 kn	290.0 °	1,007.0 mbar	13 °C	3.0 m	290.0 °	5 s

Rig Dir.	Ris. Tension	VDL	Swell Height	Swell Dir.	Swell Frequency	Weather Comments
240.0 °	360.00 klb	4,298.00 klb	1.0 m	290.0 °	12 s	Overcast

Comments

Rig Support

Anchors	Tension
#1 Anchor	238.00 klb
#2 Anchor	240.00 klb
#3 Anchor	280.00 klb
#4 Anchor	249.00 klb
#5 Anchor	245.00 klb
#6 Anchor	236.00 klb
#7 Anchor	276.00 klb
#8 Anchor	245.00 klb

Support Vessels

Boats	Arrived Time	Departed Time	Status
Lewek Swift		10 Sep 2009 07:15	Enroute to Geelong.

Bulks

Item	Unit	In	Used	Transfer to Rig	Adjust	Quantity
Bentonite Bulk (MT)	MT	0.0	0.0	0.00	0.0	0
Fuel (M3)	M3	0.0	0.0	0.00	0.0	174.3
Potable Water (m3)	m3	0.0	0.0	0.00	0.0	168
Drill Water (m3)	m3	0.0	0.0	0.00	0.0	11
Brine (bbl)	bbl	0.0	0.0	0.00	0.0	491

Boats	Arrived Time	Departed Time	Status
Lewek Emerald	10 Sep 2009 03:20		Stand by on rig

Bulks

Item	Unit	In	Used	Transfer to Rig	Adjust	Quantity
Cement - G Neat (MT)	MT	0.0	0.0	0.00	0.0	0
Barite (MT)	MT	0.0	0.0	0.00	0.0	33
Bentonite Bulk (MT)	MT	0.0	0.0	0.00	0.0	24.5
Brine (bbl)	bbl	0.0	0.0	500.00	0.0	360
Fuel (M3)	M3	0.0	13.0	204.00	0.0	440
Potable Water (m3)	m3	0.0	5.0	0.00	0.0	100
Drill Water (m3)	m3	0.0	0.0	0.00	0.0	0

Helicopter Movement

Flight #	Company	Arr/Dep. Time	Pax In/Out	Comment
1	Bristow Helicopters	13:35 / 13:45	3/ 6	