

DRILLING MORNING REPORT # 7
KTIV: Inclination Test

27 Sep 2009

 From: John McGarrity/ Paul Leathem
 To: Texas Richards

| Well Data | | | | | | | |
|---------------|------------------|------------------|------|-------------------|---|------------|--------|
| Country | Australia | MDBRT | 0.0m | Cur. Hole Size | 0.000in | AFE Cost | US\$ 0 |
| Field | Port Phillip Bay | TVDBRT | 0.0m | Last Casing OD | | AFE No. | |
| Drill Co. | Maersk | Progress | 0.0m | Shoe TVDBRT | 0.0m | Daily Cost | US\$ 0 |
| Rig | Kan Tan IV | Days from spud | | Shoe MDBRT | 0.0m | Cum Cost | US\$ 0 |
| Wtr Dpth(MSL) | | Days on well | 6.48 | FIT/LOT: | / | | |
| RT-ASL(MSL) | 0m | Planned TD MD | | Current Op @ 0600 | Waiting On Weather. Wind Speed 25 - 35 kts, gusting to 38kts. Continuing with rig maintenance & housekeeping. | | |
| RT-ML | 0.0m | Planned TD TVDRT | | Planned Op | Off load spud gear from boat. Backload Inclination tanks & equipment. | | |

Summary of Period 0000 to 2400 Hrs

Waiting On Weather. Wind Speed 25 - 40kts, gusting to 42kts. Continuing with rig maintenance & housekeeping.

HSE Summary

| Events | Num. Events | Days Since | Descr. | Remarks |
|---------------------|-------------|------------|--------------------------------|---------|
| Last BOP stack test | 2 | 23 Days | Test BOP | |
| Permit To Work | 10 | 1 Day | Permits administerd. | |
| STOP Card | 25 | 1 Day | Number of STOP Cards submitted | |

Operations For Period 0000 Hrs to 2400 Hrs on 27 Sep 2009

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|----|------|------|-------|-------|---|
| P27 | U | M6 | 0000 | 2400 | 24.00 | 0.0m | Waiting On Weather Continued with rig maintenance & housekeeping. Working on ADA acceptance list. Far Fosna departed for Melbourne at 06.00hrs to load out spud equipment. Returned to rig at 16.00hrs. |

Operations For Period 0000 Hrs to 0600 Hrs on 28 Sep 2009

| Phse | Cls (RC) | Op | From | To | Hrs | Depth | Activity Description |
|------|----------|----|------|------|------|-------|---|
| P27 | U | M6 | 0000 | 0600 | 6.00 | 0.0m | Waiting On Weather Wind 30 - 35 kts gusting to 38kts. Continued with rig maintenance & housekeeping. Working on ADA acceptance list. |

Phase Data to 2400hrs, 27 Sep 2009

| Phase | Phase Hrs | Start On | Finish On | Cum Hrs | Cum Days | Max Depth |
|----------------------------|-----------|-------------|-------------|---------|----------|-----------|
| Maintenance / Service(P27) | 155.5 | 21 Sep 2009 | 27 Sep 2009 | 155.50 | 6.479 | 0.0m |

General Comments

00:00 TO 24:00 Hrs ON 27 Sep 2009

| Operational Comments |
|---|
| Waiting on Weather. Far Fosna standing by to unload spud equipment when weather abates. Drilling: Working on pressure gauges & equipment on rig floor to sign off ADA exceptance list. Marine: General Deck duties,housekeeping & maintenance. Maintenance: Checked fuel tanks on all 3 cranes for possible water contamination. Repaired feed pump for watermaker.Adjusted band brake on anchor winch #6. Troubleshoot problem with Stbd crane. |

Bulk Stocks

| Name | Unit | In | Used | Adjust | Balance |
|---------------|------|----|------|--------|---------|
| Lube-Oil | Ltrs | 0 | 0 | 0 | 0.0 |
| Fuel | LT | 0 | 3 | 0 | 234.0 |
| Drill Water | bbls | 0 | 0 | 0 | 310.0 |
| Potable Water | bbls | 0 | 93 | 0 | -334.0 |

Personnel On Board

| Company | Pax |
|---------|-----|
| ADA | 4 |
| Maersk | 54 |

Personnel On Board

| | |
|--------------|-----------|
| OMS | 15 |
| GRN | 5 |
| Noble Denton | 1 |
| Halliburton | 3 |
| Fugro | 5 |
| Dril-Quip | 1 |
| TestVendor01 | 1 |
| Other | 3 |
| Total | 92 |

Marine

Weather on 27 Sep 2009

| | | | | | | | |
|------------|--------------|-----------|--------------|------------|--------------|--|-------------|
| Visibility | Wind Speed | Wind Dir. | Pressure | Air Temp. | Wave Height | Wave Dir. | Wave Period |
| 16.0nm | 33kn | 220.0deg | 1008.0mbar | 12C° | 2.0m | 0.0deg | |
| Rig Dir. | Ris. Tension | VDL | Swell Height | Swell Dir. | Swell Period | Weather Comments | |
| | | | 4.0m | 0.0deg | | Winds gusting upto 45kts. Unable to work cranes. | |
| Comments | | | | | | | |

| Vessel Name | Arrived (Date/Time) | Departed (Date/Time) | Status | Bulks | | | |
|--|---------------------|----------------------|--|---------------|------|------|----------|
| | | | | Item | Unit | Used | Quantity |
| Far Scimitar | 06 00 21st Sept 09 | | Static Tow. Holding rig in position on tow line. Position 38-02-139 S 144-52-058 E | | | | |
| | | | | Barite | t | | 84 |
| | | | | Bentonite | t | | 42 |
| | | | | CEMENT G | t | | 120 |
| | | | | Fuel | M3 | | 586 |
| | | | | Potable Water | M3 | | 119 |
| Cont to maintain static tow. | | | | | | | |
| Far Fosna | 16.00 27 Sept 09 | 06.00 27 Sept 09 | Standby at rig to offload spud equipment when weather abates. | | | | |
| | | | | Barite | t | | 42 |
| | | | | Bentonite | t | | 42 |
| | | | | CEMENT G | t | | 126 |
| | | | | Drill Water | M3 | | 640 |
| | | | | Pot Water | M3 | | 240 |
| | | | | Diesel | Ltrs | | 427000 |
| Departed for Melbourne Dock at 06.00hrs. load spud equipment. Returned to location at 16.00hrs. standby waiting for weather to ease to begin offloading equipment. | | | | | | | |

Helicopter Movement

| Flight # | Company | Arr/Dep. Time | Pax In/Out | Comment |
|----------|---------------------|---------------|------------|---------|
| 1 | Bristow Helicopters | 12.30 / 12.40 | 11 / 0 | |