



PTTEP Australasia (Ashmore Cartier) Pty Ltd
 ABN 27 004 210 164
 A Company of PTTEP Group

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 Your Reference:

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Mr Jerry Whitfield
 Director of Energy
 Northern Territory Department of Regional Development Primary Industry Fisheries and Resources
 5th Floor, Centrepoint Building
 48-50 Smith Street Mall
 DARWIN NT 0800

Dear Jerry

Additional information regarding Montara H1 well control incident

Further to correspondence from Dominic Marozzi on 24 August 2009, PTTEP Australasia (Ashmore Cartier) Pty Ltd informs the Department as follows.

1. *A brief description of the nature of rig floor operations and the specific event (if any) that led to the loss of well integrity of the Montara H1 ST1 well*

On 18 August 2009 the West Atlas rig was positioned at the Montara wellhead platform. The last rig operation involving the Montara H1 ST1 well occurred from 19 to 20th August 2009 and involved the removal of the trash cap and then the 244mm corrosion cap before running a wellhead brush tool to clean-up the threads on the 340mm and 244mm mud line suspension (at 38m below the rotary table). The 508mm conductor was then installed and rough cut. The rig then skidded over the Montara GI well, recovered the trash cap and tied-back the 508mm conductor. The rig was then ready to commence the same operation at the Montara H4 well when a hydrocarbon release from the Montara H1 ST1 well was observed at 0530 hours on 21 August 2009. The rig was shut down and all personnel safely abandoned the rig. The specific event that led to the loss of well integrity of the Montara H1 ST1 well is not yet known.

2. *The current status of the Montara H1 ST1 wellhead and wellbore.*

The Montara H1 ST1 well is currently out of control. Liquid and gas hydrocarbons are being released on to the wellhead platform and the rig and in to the ocean and atmosphere. Due to the loss of containment it is currently not possible to evaluate the current status of the wellhead and wellbore.

3. *The current suspension status of all other Montara wells.*

Over the period of March and April 2009 each of the Montara development wells were drilled down to the 9 5/8" casing point and suspended, some with cement plugs and some with pressure containing suspension caps. All of the wells were left with inhibited seawater inside the 244mm casing and a trash cap installed. The wells were all suspended within the jacket structure and above the waterline.

Montara H1 ST1, H2, H3, H4 and G1 suspension diagrams are enclosed.

4. *A brief account justifying why the drilling of a relief well is the preferred option in order to bring the well under control (in relation to other seriously considered options).*

Briefly, the plan that is being implemented for the drilling of a relief well involves:

- a) Mobilisation of Seadrill's West Triton rig from Singapore to the Montara development location. The tow is scheduled to commence today and is likely to take 16 - 21 days.
- b) Picking a location to drill the relief well taking currents winds and well geometry into account.
- c) Designing the relief well to have good formation strength near an intercept point.
- d) Using Vector Magnetics to intercept the 9 5/8" casing above the 9 5/8" float collar in the Montara H1 ST1 well.
- e) Using mud to kill the Montara H1 ST1 well.
- f) Pumping cement to plug the Montara H1 ST1 well at the bottom.
- g) Returning to the West Atlas and making safe from above.

The drilling of a relief well is the option for bringing the well under control that is regarded as having the highest probability of success and the lowest safety risk associated with it. We are continuing to evaluate other options in relation to which we are also carrying out safety risk assessments. Any option involving people boarding the West Atlas rig or the WHP (or working in relation to either facility at/from an associated offshore place in the vicinity of either facility), will require both facility operators (PTTEP Australasia (Ashmore Cartier) Pty Ltd as WHP operator, and Atlas Drilling (S) Pte Ltd as West Atlas operator) to be satisfied, and to satisfy NOPSAs, that the safety hazards have been assessed and controls implemented to reduce the safety risk associated with the proposed operations to as low as reasonably practical.

We are mobilising specialist fire-fighting equipment from Singapore (including pump systems capable of 20,000 gallons per minute) in preparation for potential use from a vessel/barge for water deluge of the rig and wellhead platform.

Please contact me if you require any further information. We will keep you informed of progress on the remedial measures.

Yours sincerely



Andy Jacob
Chief Operating Officer