

18 Aug 2006

From : Troy Reid/Conway Waak
To : Andy Wilkinson/ Brian King/James Hinton

Well Data				Town Side QC Done	
Drill Co.:	Ensign	Midnight Depth (MD):	2080.0m	Current Hole Size:	8.500in
Rig:	Ensign 32	Midnight Depth (TVD):	1133.0m	Casing O.D.:	9.625in
Prognosed TD:	2350.0m	Progress:	94.0m	Shoe TVD:	803.0m
RT-GL:	5.90m	Days From Spud:	20.81	F.I.T. / L.O.T.	/ 16.70ppg
GL Elev.:	2.71m	Days On Well:	37.75	Rig Move Distance	1800+/- k's
Current Op's @ 0600 19 Aug 2006 :		Washing and reaming to TD after top drive repair.			
Planned Operations for 19 Aug 2006 :		Drill 8 1/2" hole to TD (2350m). Circ and pump sweeps as required to clean hole.			

Summary of Period 0000 to 2400 Hrs
Drill from 1986m to 2080m (TVD 1133m). Circ as needed to clean hole. While making a connection, the top drive electrical control lines were pulled out of top drive unit after becoming caught in the derrick. Repair top drive. Wiper trip from 2074m to 2064m. Pooh into casing to change out main hyd motor on top drive. Hyd motor unable to maintain proper torque while drilling and reaming.

Formation Tops					
Sequence	Formation Name	Top Depth (MD, (m))	Top Depth (TVD, (m))	Comment	Wireline Depth (m)
1	Gippsland LMST	320.0	314.5	5.9L	
2	Lakes Entrance	1880.0	962.1		
3	Latrobe Coarse Clastics	2124.5	1171.8	1175.6	
4	Latrobe N Asperus (Coal)	2196.0	1237.5	1247	

Operations For Period 0000 Hrs to 2400 Hrs on 18 Aug 2006							
Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH	P	DM	0000	0600	6.00	2038.0m	Drill from 1986m to 2038m. GPM 555. SPP 2788. RPM 140. WOB 22k. Mud Weight 10.5 ppg. Torque 7400 off-Btm 9100 On-Btm
PH	P	CMD	0600	1000	4.00	2063.0m	Circulate for 30mins prior to connection to unload hole
PH	P	DM	1000	1230	2.50	2080.0m	Continue dill 8 1/2 hole f/- 2063m to 2080m. High torque, GPM 555, RPM 135. MW 10.5ppg. Pump 10 bbl Baralift sweeps every 1/2 stand.
PH	TP	DM	1230	1430	2.00	2080.0m	Work on TDU. Electric control line caught up in derrick disabling the TDU unit. Repair and test ok. circulate with swedge while repairing TDU.
PH	TP	RW	1430	1500	0.50	2080.0m	Ream from 2064m to 2074m. Unable to get the proper torque from the top drive due to the fluid flow on top drive hydraulic motor not working properly.
PH	TP	RW	1500	1830	3.50	2080.0m	POOH into 9-5/8" casing shoe to change out hydraulic motor on top drive. Backream from 2074m to 1868m. High torque (9000 ft-lbs) and packing off.
PH	TP	RW	1830	2000	1.50	2080.0m	Pump out of hole from 1868m to 1581m. Max O/P 25klbs. No packing off.
PH	TP	RO	2000	2400	4.00	2080.0m	Change out main hydraulic motor on top drive.

Operations For Period 0000 Hrs to 0600 Hrs on 19 Aug 2006							
Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH		RO	0000	0030	0.50	2080.0m	Finish replacing hydraulic motor on top drive.
PH		TI	0030	0200	1.50	2080.0m	Lay down circ swedge. RIH with 1 stand to 1601m. Top drive hydraulic malfunction. POOH into casing.
PH		RO	0200	0400	2.00	2080.0m	Repair unloader valve on top drive.

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH		TI	0400	0500	1.00	2080.0m	RIH. Wash and ream 6 stands to bottom (1763m).
PH		TI	0500	0600	1.00	2080.0m	Circulate and condition mud due to excessive cutting. Hole unloading.

General Comments	
Comments	Rig Requirements
Add Radiagreen salt to reduce torque.	

WBM Data		Cost Today \$ 4198			Cumulative Cost \$ 150830		
Mud Type: KCI/PHPA/Glycol	Viscosity: 55sec/qt	API FL Loss: 5.9cc	CI	38000	Solids: 8.6		
Depth: 2007.0m	PV: 22cp	Filter Cake: 1/32nd"	K+: 6%	H2O: 88%			
Time: 02:30	YP: 34lb/100ft ²	HTHP FL: 11.2cc	Hard/Ca: 380	Oil:			
Weight: 10.50ppg	Gels 10s/10m: 8 / 17	HTHP Cake: 2/32nd"	MBT: 8	Sand: 0.3			
Temp: 143.0F°	Fann (3/6/100): 9 / 13 / 35		PM:	pH: 9			
			PF: 0.05	PHPA: 0.50ppb			
Comment: Increased 6 rpm rheology target to 14							

WBM Data		Cost Today			Cumulative Cost \$ 150830		
Mud Type: KCI/PHPA/Glycol	Viscosity: 55sec/qt	API FL Loss: 5.8cc	CI	38000	Solids: 8.6		
Depth: 2047.0m	PV: 24cp	Filter Cake: 1/32nd"	K+: 6%	H2O: 88%			
Time: 09:00	YP: 37lb/100ft ²	HTHP FL:	Hard/Ca: 350	Oil:			
Weight: 10.50ppg	Gels 10s/10m: 8 / 18	HTHP Cake:	MBT: 8	Sand: 0.2			
Temp:	Fann (3/6/100): 10 / 14 / 37		PM:	pH: 9			
			PF: 0.05	PHPA: 0.50ppb			
Comment:							

WBM Data		Cost Today			Cumulative Cost \$ 150830		
Mud Type: KCI/PHPA/Poly	Viscosity: 61sec/qt	API FL Loss: 5.7cc	CI	41000	Solids: 8.1		
Depth: 2080.0m	PV: 24cp	Filter Cake: 1/32nd"	K+: 6%	H2O: 89%			
Time: 22:00	YP: 43lb/100ft ²	HTHP FL:	Hard/Ca: 200	Oil:			
Weight: 10.50ppg	Gels 10s/10m: 10 / 14	HTHP Cake:	MBT: 8	Sand: 0.2			
Temp:	Fann (3/6/100): 14 / 39		PM:	pH:			
			PF: 0.12	PHPA:			
Comment:							

Shakers, Volumes and Losses Data				Engineer: Manfred Olejniczak / J.V.Babu			
Equipment	Description	Mesh Size	Available	Losses	Comment		
Centrifuge	DE 1000		Active	956.0bbl	88.0bbl		
Centrifuge	DE 1000		Mixing				
Shaker 1	Derrick	Pyramid-210/210	Hole	460.0bbl	53.0bbl		
Shaker 1	Derrick	Pyramid-210/210	Slug				
Shaker 2	Derrick	Pyramid-175/175	Reserve	177.0bbl			
Shaker 2	Derrick	Pyramid-175/175	Kill				
					15.0bbl		
					20.0bbl		

Bit # 10			Wear	I	O1	D	L	B	G	O2	R		
Size:	8.500in	IADC#:	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run					
Mfr:	HYCALOG	WOB (avg): 2000.0klb	No.	Size	Progress: 94.0m			Cum. Progress: 199.0m					
Type:	mt	RPM (avg): 140	3	20/32nd"	On Bottom Time: 9.30h			Cum. On Btm Time: 20.36h					
Serial #:	EM2429	F.Rate: 560gpm				IADC Time: 11.00h			Cum. IADC Time: 22.00h				
Depth In:	1881.0m	SPP: 2650psi				Total Revs:			Cum. Total Revs: 0				
Depth Out:		HSI: 6.30HSI				ROP (avg): 10.11 m/hr			Overall ROP (avg): 9.77 m/hr				
Bit Model:	TC11P	TFA: 0.920											

BHA # 12							
Wt. Below Jars Dr	35860.0klb	Length:	185.2m	Torque (max):	15500ft-lbs	DC (1) Ann Vel.:	0fpm
Weight Dry:	54529.0klb	String Weight:	100.0klb	Torque On Btm:	7500ft-lbs	DC (2) Ann Vel.:	0fpm
Type:	Rotary Steerable	Pick-Up Weight:	120000.0klb	Torque Off Btm:	9500ft-lbs	HWDP Ann. Vel.:	264fpm
		Slack-Off Weight:	75000.0klb			DP Ann. Vel.:	264fpm

#	Equipment	Tool Description	Length	O.D.	I.D.	Serial #	Hours
1	Bit		0.41m	8.50in		EM2429	46.44h
2	Near Bit Stab		0.40m	8.50in	2.75in	10625874	46.44h
3	9600 Geo-Pilot		7.08m	8.50in	1.92in	GP850085	64.04h
4	Geo-Pilot NM Flex Joint w/-DM		2.81m	6.75in	1.92in	CP1004338	64.04h
5	6-3/4		8.49m	6.75in	1.92in	DM90108295	64.04h
6	MWD		9.18m	6.75in	1.92in	DM90107112	64.04h
7	Non Mag Hang Off Sub		3.05m	6.75in	1.92in	10635033	60.04h
8	Float Sub		0.63m	6.44in	2.75in	A225	64.04h
9	X/O		0.35m	6.25in	3.00in	M1623	103.54h
10	HWDP		86.05m	6.25in	2.81in		101.98h
11	Drilling Jars		9.95m	6.50in	2.75in	176020301	159.04h
12	HWDP		57.17m	6.25in	2.81in		104.04h

Survey										
MD (m)	Incl. (deg)	Corr. AZ (deg)	TVD (m)	'V' Sect.	Dogleg (deg/100ft)	N/S (m)	E/W (m)	Departure	Deviation	Tool Type
1937.90	37.77	114.06	1006.4	-693.12	11.66	-693.12	1285.01	1460.02	118.3	MWD
1966.87	33.71	114.22	1029.9	-700.04	14.02	-700.04	1300.45	1476.90	118.3	MWD
1995.76	30.31	114.36	1054.4	-706.34	11.77	-706.34	1314.41	1492.17	118.3	MWD
2024.65	26.31	113.76	1079.8	-711.92	13.88	-711.92	1326.91	1505.83	118.2	MWD
2053.45	22.08	113.22	1106.1	-716.63	14.71	-716.63	1337.73	1517.59	118.2	MWD

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite	sx	0	0	0	-16.0	
KCl	sx	0	0	0	-490.0	
Salt	sx	0	0	0	0.0	
Gel	sx	0	0	0	230.0	
Potable Water	ltr	0	8000	0	43,000.0	
Rig Fuel	ltr	24900	10000	0	49,820.0	
Camp Fuel	ltr	4050	350	0	8,100.0	

Pumps										
Pump Data - Last 24 Hrs							Slow Pump Data			
No.	Type	Liner (in)	SPM	Eff. (%)	Flow (gpm)	SPP (psi)	SPM	SPP (psi)	Depth (m)	MW (ppg)
1	National - 8P-80	5.50	74	97	568	2600	44	300	2080.0	10.50
2	National - 8P-80	5.50	74	97	568	2600	75	500	2080.0	10.50
3	National - 8P-80	5.50	74	97	568	2600			2080.0	10.50
4	IDECO - T1000									

HSE Summary				
Events	Date of Last	Days Since	Description	Remarks
Near Miss	18 Aug 2006	0 Days	IMS 9123	
Pre-Tour Meetings	18 Aug 2006	0 Days	Incident free days 403/TRI 19Days	Held 2 x pre tour safety meeting .Topics discussed .Review lifting and forklift procedures.