

04 Aug 2006

From : Troy Reid
To : Bob Goosem/ Brian King/James Hinton

Well Data				Town Side QC Done	
Drill Co.:	Ensign	Midnight Depth (MD):	1099.0m	Current Hole Size:	12.250in
Rig:	Ensign 32	Midnight Depth (TVD):	646.0m	Casing O.D.:	13.375in
Prognosed TD:	2350.0m	Progress:	463.0m	Shoe TVD:	312.0m
RT-GL:	5.90m	Days From Spud:	6.81	F.I.T. / L.O.T.	/ 20.00ppg
GL Elev.:	2.71m	Days On Well:	23.75	Rig Move Distance	1800+/- k's
Current Op's @ 0600 05 Aug 2006 :		Continue to drill 12 1/4 hole with rotary steerable assy to 1273m			
Planned Operations for 05 Aug 2006 :		Continue to drill 12 1/4 hole with rotary steerable assy to +/- 1606m. Circulate and condition well. TRPO and pick up clean up assy			

Summary of Period 0000 to 2400 Hrs

Continue to M/UP MWD Tools
Attempt to install bit .Sperry's Bit breaker doesnt fit Ensign 32 rotary table. Welder had to modify.
Hold Tap root investigation while modifying bit breaker.
Continue to m/up 12 1/4 BHA # 4.
Shallow test MWD . Geo Span skid on surface no working.
Pick up 6 1/2 drilling jars and extra 4 1/2 HWDP and TRPI to 13 3/8 casing shoe.
Change out tong hanging line sheaves.
Replace 4 1/2 manual elevators(damaged) with Tesco hydraulic set. Attempt to function no good.regulator valve not working. Replace with second hand one also no go. Repaired manual elevators and reinstall.
Continue to RIH from 13 3/8 to 626m wash down to 636m. No hang ups.
Break circulation and circulate bottoms to break in Geo pilot tool
Continue to drill 12 1/4 hole with rotary steerable assy.f/- 636m to 1099m

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	

Operations For Period 0000 Hrs to 2400 Hrs on 04 Aug 2006

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
IH	P	HBHA	0000	0030	0.50	636.0m	Continue to M/UP MWD Tools
IH	TP	HBHA	0030	0230	2.00	636.0m	Attempt to install bit .Sperry's Bit breaker doesnt fit Ensign 32 rotary table. Welder had to modify. Hold Tap root investigation while modifying bit breaker.
IH	P	HBHA	0230	0430	2.00	636.0m	Continue to m/up 12 1/4 BHA # 4.
IH	P	HBHA	0430	0500	0.50	636.0m	Shallow test MWD . Geo Span skid on surface no working.
IH	P	HBHA	0500	0630	1.50	636.0m	Pick up 6 1/2 drilling jars and extra 4 1/2 HWDP and TRPI to 13 3/8 casing shoe.
IH	TP	RR	0630	0830	2.00	636.0m	Change out tong hanging line sheaves. Wrote JHA prior to sheave change out.
IH	TP	RR	0830	1030	2.00	636.0m	Replace 4 1/2 manual elevators(damaged) with Tesco hydraulic set. Attempt to function no good.regulator valve not working. Replace with second hand one also no go. Repaired manual elevators and reinstall.
IH	P	TI	1030	1200	1.50	636.0m	Continue to RIH from 13 3/8 to 626m wash down to 636m. No hang ups.
IH	P	CMD	1200	1300	1.00	636.0m	Break circulation and circulate bottoms to break in Geo pilot tool
IH	P	DM	1300	2400	11.00	1099.0m	Continue to drill 12 1/4 hole with rotary steerable assy.f/- 636m to 1099m first 2-3m break in new PDC bit as per D/D instructions. Circulate Work every stand 10mins prior to connection with high RPM to help with hole cleaning.

Operations For Period 0000 Hrs to 0600 Hrs on 05 Aug 2006

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
IH		DM	0000	0600	6.00	1273.0m	(IN PROGRESS) Continue to drill 12 1/4 hole with Geo pilot steerable assy F/- 1099m to 1273m. Take survey every stand.

General Comments	
Comments	Rig Requirements
Held JHA prior to changing out tong line sheaves	Tesco elevators failed on rig up. Regulator valve washed out. Repaired ensigns 4 1/2 elevators.

WBM Data		Cost Today \$ 24188		Cumulative Cost \$ 61042	
Mud Type: CI PHPA/Glycol	Viscosity: 48sec/qt	API FL Loss: 6.5cc	CI	28000	Solids: 2.9
Depth: 636.0m	PV: 12cp	Filter Cake: 1/32nd"	K+:	6%	H2O: 94%
Time: 11:00	YP: 21lb/100ft²	HTHP FL: 11.0cc	Hard/Ca:	440	Oil:
Weight: 9.10ppg	Gels 10s/10m: 7 / 8	HTHP Cake:	MBT:	5	Sand: .8
Temp:	Fann (3/6/100):		PM:		pH: 9
	6 / 8 / 20		PF:	0.05	PHPA: 0.70ppb
Comment	Large volumes premix added today to compensate for shaker losses has increased rheology.				

WBM Data		Cost Today		Cumulative Cost \$ 61042	
Mud Type: CI PHPA/Polymer/Glycol	Viscosity: 86sec/qt	API FL Loss: 4.0cc	CI	34000	Solids: 3.9
Depth: 1095.0m	PV: 26cp	Filter Cake: 1/32nd"	K+:	6%	H2O: 94%
Time: 23:45	YP: 50lb/100ft²	HTHP FL: 10.0cc	Hard/Ca:	360	Oil:
Weight: 9.30ppg	Gels 10s/10m: 10 / 12	HTHP Cake: 2/32nd"	MBT:	5	Sand: 0.9
Temp: 115.0F°	Fann (3/6/100):		PM:		pH: 8.5
	12 / 17 / 46		PF:	0.1	PHPA: 1.00ppb
Comment					

Shakers, Volumes and Losses Data			Engineer: Manfred Olejniczak / J.V.Babu				
Equipment	Description	Mesh Size	Available	874.0bbl	Losses	339.0bbl	Comment
Centrifuge	DE 1000		Active	178.0bbl	Downhole		Changed shaker screens to 210 and 175 but had to reduce back to 140 after heavy losses.
Centrifuge	DE 1000		Mixing		Surf. + Equip.	309.0bbl	
Shaker 1	Derrick	Pyramid x 140	Hole	518.0bbl	Dumped		
Shaker 1	Derrick	Pyramid x 140	Slug		De-Sander		
Shaker 2	Derrick	Pyramid x 140	Reserve	178.0bbl	De-Silter		
Shaker 2	Derrick	Pyramid x 140	Kill		Centrifuge	30.0bbl	

Bit # 4			Wear	I	O1	D	L	B	G	O2	R
Size:	12.250in	IADC#:	Nozzles		Drilled over last 24 hrs			Calculated over Bit Run			
Mfr:	HYCALOG	WOB (avg): 7.0klb	No.	Size	Progress: 463.0m			Cum. Progress: 463.0m			
Type:	p	RPM (avg): 150	7	16/32nd"	On Bottom Time: 6.14h			Cum. On Btm Time: 6.14h			
Serial #:	211345	F.Rate: 775gpm				IADC Time: 12.00h			Cum. IADC Time: 12.00h		
Depth In:	636.0m	SPP: 2300psi				Total Revs:			Cum. Total Revs: 0		
Depth Out:		HSI:				ROP (avg): 75.41 m/hr			Overall ROP (avg): 75.41 m/hr		
Bit Model:	RSX516S	TFA: 1.374									

BHA # 4					
Wt. Below Jars Dry: 0.0klb	Length: 175.0m	Torque (max): 6300ft-lbs	DC (1) Ann Vel.: 221fpm		
Weight Dry: 31031.0klb	String Weight:	Torque On Btm: 6100ft-lbs	DC (2) Ann Vel.: 275fpm		
Type: Rotary steerable	Pick-Up Weight:	Torque Off Btm: 5800ft-lbs	HWDP Ann. Vel.: 146fpm		
	Slack-Off Weight:		DP Ann. Vel.: 146fpm		

#	Equipment	Tool Description	Length	O.D.	I.D.	Serial #	Hours
1	Bit		1.00m	12.25in		211345	36.50h
2	9600 Geo-Pilot		6.61m	9.50in	4.00in	1225083	36.50h
3	Flex Non-Mag DC		2.81m	8.00in	3.50in	CP1015763	36.50h
4	MWD		5.36m	8.00in	1.92in	DM	36.50h
						90109064	
5	MWD		3.08m	8.00in	1.92in	10562336	36.50h
6	Roller Reamer		2.01m	12.25in	3.00in	ASH786019	36.50h
7	Float Sub		0.65m	8.00in	2.81in	91506	23.00h
8	X/O		1.00m	8.00in	2.75in		45.50h
9	HWDP		86.05m	4.50in	2.75in		45.50h
10	Drilling Jars		9.42m	6.50in	2.75in	12A14234	45.50h
11	HWDP		57.17m	4.50in	2.75in		36.50h

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	
622.25	70.37	121.24	516.9	-124.50	20.40	-124.50	222.94	255.34	119.2	MWD	
683.79	71.72	121.17	536.9	-154.66	2.20	-154.66	272.72	313.52	119.6	MWD	
770.66	71.98	125.52	563.9	-200.02	4.77	-200.02	341.65	395.90	120.3	MWD	
886.43	71.86	122.55	599.9	-261.61	2.44	-261.61	432.84	505.76	121.1	MWD	
1002.25	72.51	119.57	635.3	-318.49	2.51	-318.49	527.29	616.01	121.1	MWD	

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite	sx	0	0	0	1,140.0	
KCl	sx	0	320	0	0.0	
Salt	sx	0	0	0	0.0	
Gel	sx	0	0	0	240.0	
Potable Water	ltr	0	8000	0	15,000.0	
Rig Fuel	ltr	0	4600	0	29,400.0	
Camp Fuel	ltr	0	350	0	3,150.0	

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	85	97	216	2450	60	120	1099.0	9.50	
2	National - 8P-80	5.50	85	97	216	2450	60	120	1099.0	9.50	
3	National - 8P-80	5.50									
4	IDECO - T1000	6.00	85	97	312	2450			1099.0	9.50	

HSE Summary					
Events	Date of Last	Days Since	Description	Remarks	
LTI/MTI incident free days	04 Aug 2006	0 Days	Incident free days 397/TRI 179 Days	Held 2 x pre tour safety meeting .Topics discussed .Drilling with TDU. Discussed tap root investigation over finger injury on rig 32.Unloading casing from trucks	