

20 Aug 2006

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

Well Data				Town Side QC Done	
Drill Co.:	Ensign	Midnight Depth (MD):	2315.0m	Current Hole Size:	8.500in
Rig:	Ensign 32	Midnight Depth (TVD):	1364.8m	Casing O.D.:	9.625in
Prognosed TD:	2350.0m	Progress:	113.0m	Shoe TVD:	803.0m
RT-GL:	5.90m	Days From Spud:	22.81	F.I.T. / L.O.T.	/ 16.70ppg
GL Elev.:	2.71m	Days On Well:	39.75	Rig Move Distance	1800+/- k's
Current Op's @ 0600 21 Aug 2006 :		Picking up new bha (Bit and GEO TAP).			
Planned Operations for 21 Aug 2006 :		Pick up Bit and GEO-Tap. RIH. Wash and ream as needed. Take formation pressures & LOG well / drill ahead.			

Summary of Period 0000 to 2400 Hrs
Drill from 2202m to 2315m. Pump baralift sweeps as required. Pump 3 sweeps and circ hole clean. Pump out of hole f/- 2315m to 9 5/8 casing shoe at 1601m. Pump slug, install wiper rubber and pooh from 1601m to 359m

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 20 Aug 2006							
Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH	P	DM	0000	1530	15.50	2315.0m	Drill from 2202m to 2315m. WOB: 20/30, RPM: 70, GPM: 550, PP: 2650, Rop: 14 m/h, Gas 33 units. Pump baralift sweeps as required.
PH	P	RW	1530	1730	2.00	2315.0m	Pump 3 sweeps and circ hole clean.
PH	P	TOB	1730	2130	4.00	2315.0m	Pump out of hole f/- 2315m to 9 5/8 casing shoe at 1601m. Mas O/P: 25klbs
PH	P	TOB	2130	2400	2.50	2315.0m	Pump slug, install wiper rubber and POOH from 1601m to 359m.

Operations For Period 0000 Hrs to 0600 Hrs on 21 Aug 2006							
Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH		TOB	0000	0100	1.00	2315.0m	POOH to change bit & L/O Geo-Pilot Rotary Steerable assy and P/U GeoTap formation pressure tool.
PH		HT	0100	0230	1.50	2315.0m	Safety meeting. Unload radioactive source from LWD tool. Download logging information.
PH		HT	0230	0400	1.50	2315.0m	Safety meeting. Rackback MWD tools. Break bit and lay down Geo-Pilot.
PH		HT	0400	0600	2.00	2315.0m	Safety meeting. Pick up new BHA (PDC Bit and Geo-Tap).

General Comments	
Comments	Rig Requirements
Back load TCP equipment.	

WBM Data		Cost Today \$ 6817				Cumulative Cost \$ 176768			
Mud Type: CI/PHPA/Glycol	Viscosity: 60sec/qt	API FL Loss: 5.0cc	CI	36000	Solids: 10.3				
Depth: 2280.0m	PV: 25cp	Filter Cake: 1/32nd"	K+:	6%	H2O: 87%				
Time: 10:00	YP: 36lb/100ft²	HTHP FL: 9.5cc	Hard/Ca:	320	Oil:				
Weight: 10.50ppg	Gels 10s/10m: 8 / 18	HTHP Cake: 2/32nd"	MBT:	10	Sand: 0.5				
Temp:	Fann (3/6/100):		PM:		pH: 9				
	10 / 13 / 36		PF:	0.05	PHPA:				
Comment									

WBM Data		Cost Today				Cumulative Cost \$ 176768			
Mud Type: CI/PHPA/Glycol	Viscosity: 58sec/qt	API FL Loss: 5.0cc	CI	38000	Solids: 10.1				
Depth: 2315.0m	PV: 28cp	Filter Cake: 1/32nd"	K+:	6%	H2O: 87%				
Time: 18:00	YP: 40lb/100ft²	HTHP FL:	Hard/Ca:	300	Oil:				
Weight: 10.60ppg	Gels 10s/10m: 9 / 16	HTHP Cake:	MBT:	8.5	Sand: 0.5				
Temp:	Fann (3/6/100):		PM:		pH: 9				
	9 / 13 / 37		PF:	0.12	PHPA:				
Comment									

Shakers, Volumes and Losses Data				Engineer: Manfred Olejniczak / J.V.Babu			
Equipment	Description	Mesh Size	Available	1000.0bbl	Losses	78.0bbl	Comment
Centrifuge	DE 1000		Active	372.0bbl	Downhole		Both shakers now on 140 mesh to retain Baracarb additions.
Centrifuge	DE 1000		Mixing		Surf. + Equip.	28.0bbl	
Shaker 1	Derrick	Pyramid-210/210	Hole	529.0bbl	Dumped	25.0bbl	
Shaker 1	Derrick	Pyramid-140/140	Slug		De-Sander		
Shaker 2	Derrick	Pyramid-175/175	Reserve	99.0bbl	De-Silter		
Shaker 2	Derrick	Pyramid-140/140	Kill		Centrifuge tripping	25.0bbl	

Bit # 10			Wear	I	O1	D	L	B	G	O2	R
				7	6	NR	A	E	2		HR
Size:	8.500in	IADC#:	Nozzles		Drilled over last 24 hrs				Calculated over Bit Run		
Mfr:	HYCALOG	WOB (avg): 2000.0klb	No.	Size	Progress: 113.0m				Cum. Progress: 434.0m		
Type:	mt	RPM (avg): 140	3	20/32nd"	On Bottom Time: 13.71h				Cum. On Btm Time: 46.44h		
Serial #:	EM2429	F.Rate: 560gpm			IADC Time: 15.50h				Cum. IADC Time: 52.00h		
Depth In:	1881.0m	SPP: 2650psi			Total Revs:				Cum. Total Revs: 0		
Depth Out:	2315.0m	HSI: 6.30HSI			ROP (avg): 8.24 m/hr				Overall ROP (avg): 9.35 m/hr		
Bit Model:	TC11P	TFA: 0.920									

BHA # 12							
Wt. Below Jars Dry	35860.0klb	Length:	185.2m	Torque (max):	15500ft-lbs	DC (1) Ann Vel.:	0fpm
Weight Dry:	54529.0klb	String Weight:	115000.0klb	Torque On Btm:	7500ft-lbs	DC (2) Ann Vel.:	0fpm
Type:	Rotary Steerable	Pick-Up Weight:	130000.0klb	Torque Off Btm:	9500ft-lbs	HWDP Ann. Vel.:	264fpm
		Slack-Off Weight:	90000.0klb			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
2197.64	6.92	99.24	1245.3	-728.91	10.49	-728.91	1371.49	1553.16	118	MWD
2226.47	3.33	92.87	1274.0	-729.24	12.59	-729.24	1374.04	1555.56	118	MWD
2255.27	1.11	90.43	1302.8	-729.28	7.71	-729.28	1375.15	1556.57	117.9	MWD
2284.10	0.92	88.16	1331.6	-729.27	0.67	-729.27	1375.66	1557.02	117.9	MWD
2303.74	1.19	92.86	1351.2	-729.28	1.44	-729.28	1376.03	1557.34	117.9	MWD

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
Barite	sx	0	115	0	-131.0	
KCl	sx	0	40	0	-570.0	
Salt	sx	0	0	0	0.0	
Gel	sx	0	0	0	230.0	
Potable Water	ltr	0	8000	0	28,000.0	
Rig Fuel	ltr	0	8700	0	33,920.0	
Camp Fuel	ltr	0	350	0	7,400.0	

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	2650	44	300	2315.0	10.50
2	National - 8P-80	5.50	74	97	568	2650	60	400	2315.0	10.50
3	National - 8P-80	5.50	74	97	568	2650	44	300	2315.0	10.50
4	IDECO - T1000						60	400		

HSE Summary				
Events	Date of Last	Days Since	Description	Remarks
Pre-Tour Meetings	19 Aug 2006	1 Day	Incident free days 404/TRI 20 Days	Held 2 x pre tour safety meeting .Topics discussed .Loading tubing onto racks.Driving on 4wd roads.