

Megascolides-2

Date :	17 Jan 2007	Well Site Manager :	Chris Dann	Rig Manager :	Agus Nugroho
Report Number	20	Drilling Supervisor :	Chris Dann / Brian Assels	Drilling Company :	Century Drilling Ltd
Easting	403212	Northing	5767583	Geologist :	Dave Horner

Well Details

Country:	Australia	Current Hole Size:	8.500in	Casing O.D.:	9.625in	Planned TD:	1850m
Field:	Megascolides	Measured Depth:	1421m	Casing MD:	507m	Last BOP Test:	10 Jan 2007
Rig:	Century 11	True Vertical Depth:	1421m	Casing TVD:	507m	FIT/LOT:	20.00ppg /
RT - AMSL:	156.20m	24 Hr Progress:	64m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	13.42	Liner MD:		LTI Free Days:	238
Datum:	WGS 84	Days On Well:	19.33	Liner TVD:			

Current Ops @ 0600:	Run in hole at 1330m with bit # 3
Planned Operations:	Continue to run in hole to 1421m with bit # 3 - Establish new cutting pattern and drill ahead with surveys ~100 intervals

Summary of Period 0000 to 2400 Hrs

Drill 8 1/2" hole from 1357m to 1421m with WLS at 1399m - Circulate and slug drill string - Pull out of hole - Change bits & install wear bushing - Run BHA in hole

Well Costs - AFE Number:

Original AFE:	\$ 2,839,256	Orig & Supp AFE:	\$ 2,839,256	Daily Cost:	\$ 68,148	Cum. Cost:	\$ 1,494,230
Projected Cost:	\$ 2,839,256						

HSE Summary

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening (2)	17 Jan 2007	0 Days	Personnel Blow into Alcoholiser
Pre-Tour Meetings (2)	17 Jan 2007	0 Days	General housekeeping and Racking back drill pipe on rig floor

Operations For Period 0000 Hrs to 2400 Hrs on 17 Jan 2007

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	DA	0000	0800	8.00	1383m	Drill 8 1/2" hole from 1357m to 1383m
PH1	P	RS	0800	0830	0.50	1383m	Rig Service
PH1	P	DA	0830	1230	4.00	1411m	Drill 8 1/2" hole from 1383m to 1411m
PH1	P	SVY	1230	1330	1.00	1411m	Circulate, flow check, BOP drill and WLS
PH1	P	DA	1330	1600	2.50	1421m	Drill 8 1/2" hhole from 1411m to 1421m
PH1	P	CMD	1600	1700	1.00	1421m	Circulate hole clean and mix weighted pill
PH1	P	TO	1700	2130	4.50	1421m	Flow check, spot weighted pill, pull out of hole to surface
PH1	P	HBHA	2130	2300	1.50	1421m	Break out bit, clean rig floor and install wear bushing in well head
PH1	P	TI	2300	2400	1.00	1421m	Make up bit # 3 and run in hole - check gauge on stabilizers

Operations For Period 0000 Hrs to 0600 Hrs on 18 Jan 2007

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	TI	0000	0200	2.00	1421m	Run in hole with bit # 3 to 498m
PH1	P	SC	0200	0230	0.50	1421m	Slip 33' drilling line & break circultaion
PH1	P	TI	0230	0600	3.50	1421m	Continue to run in hole to 1330m - break circulation at 1009m

WBM Data

Daily Chemical Costs: \$ 2263		Cost To Date: \$ 23530			Engineer : Peter N Aronetz	
Mud Type: KCI-PHPA-POLYMER	Flowline Temp: 53C°	Cl: 12.00x1000 mg/l	Low Gravity Solids: 3.5%	Gels 10s	3	
Sample From: Below Shaker	Nitrates: 0mg/l	Hard/Ca: 200mg/l	High Gravity Solids: 0.0%	Gels 10m	4	
Time: 17:00	Sulphites: 250mg/l	MBT: 4.5	Solids (corrected): 3.5%	Fann 003	3	
Weight: 8.90ppg	API FL: 7.3cm³/30m	PM: 0.43	H2O: 96.5%	Fann 006	5	
ECD TD: 9.35ppg	API Cake: 1/32nd"	PF: 0.1	Oil: 0.0%	Fann 100	23	
ECD Shoe:	PV 19cp	MF: 1	Sand: .2 %	Fann 200	35	
Viscosity 53sec/qt	YP 24lb/100ft²	pH: 10	Barite: 0	Fann 300	43	
KCl Equiv: 1.8%		PHPA Added: 1.73ppb		Fann 600	62	

Comment: Re-cycling 120bbbls of fluid from sump on location.
Reclaim a further 50bbbls of fluid from sump @ M-1 site.
Treat fluid to maintain parameters.
Mix heavy Pill, using 24sx 40µ Calcium Carbonate.
Mud volumes reported w/- bit @ SFC.

Shakers, Volumes and Losses Data

Available	919.0bbl	Losses	79.0bbl	Equip.	Descr.	Mesh Size	Hours
Active	389.0bbl	Downhole	22.0bbl	De-Gaser 1	Rig		0
Hole	339.0bbl	Shakers & Equip.	34.0bbl	De-Sander 1	Pioneer	2 Cones	2
Slug		Dumped	20.0bbl	De-Silter 1	Pioneer	10 Cones	2
Reserve	191.0bbl	Centrifuges		Shaker 1	DFE	2x175, 1x140	14
		De-Sander	3.0bbl	Shaker 2	DFE	2x175, 1x140	14
Built	170.0bbl						

Comment: Re-cycling 120bbbls of fluid from sump on location.
Reclaim a further 50bbbls of fluid from sump @ M-1 site.
Mud volumes reported w/- bit @ SFC.

Bit Data

Bit # RR2				Wear	I	O1	D	L	B	G	O2	R
				1	2	BF	N	X	I	WT	PR	
Size ("):	8.50	IADC#		Nozzles		Drilled over last 24 hrs		Calculated over Bit Run				
Mfr:	Security DBS	WOB(avg)	15.00klb	5 x 11(/32nd")		Progress	64m	Cum. Progress		911.0m		
Type:	PDC	RPM(avg)	120			On Bottom Hrs	16.00	Cum. On Btm Hrs		84.00		
Serial No.:	10881881	RPM (DH)(avg)	120			IADC Drill Hrs	14.00	Cum IADC Drill Hrs		115.00		
Bit Model	FM3553	F.Rate	450gpm			Total Revs	69010	Cum Total Revs		497399		
Depth In	510m	SPP	1200psi			OB-ROP(avg)	4.00m/hr	Cum. OB-ROP(avg)		10.85m/hr		
Depth Out	1421m	TFA	0.464	HSI	3.45							
Bit Wear Comment	Bit also suffered "DL" Cutter Delamination											
Bit Run Comment	Rerun Bit from Megascolides # 1well											

Bit Data

Bit # 3				Wear	I	O1	D	L	B	G	O2	R
				1	2	BF	N	X	I	WT	PR	
Size ("):	8.50	IADC#		Nozzles		Drilled over last 24 hrs		Calculated over Bit Run				
Mfr:	Security DBS	WOB(avg)	klb	6 x 11(/32nd")		Progress	m	Cum. Progress		0.0m		
Type:	PDC	RPM(avg)				On Bottom Hrs	NaN	Cum. On Btm Hrs		0.00		
Serial No.:	10825011	RPM (DH)(avg)				IADC Drill Hrs	NaN	Cum IADC Drill Hrs		0.00		
Bit Model	SE3653Z	F.Rate	gpm			Total Revs		Cum Total Revs		0		
Depth In	1421m	SPP	psi			OB-ROP(avg)		Cum. OB-ROP(avg)		0.00m/hr		
Depth Out		TFA	0.5568	HSI								

BHA Data

BHA # 3

Weight(Wet)	52.00klb	Length	218m	Torque(max)	140ft-lbs	D.C. (1) Ann Velocity	332fpm
Wt Below Jar(Wet)	41.00klb	String	125.00klb	Torque(Off.Btm)	10ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	128.00klb	Torque(On.Btm)	100ft-lbs	H.W.D.P. Ann Velocity	212fpm
		Slack-Off	119.00klb	Jar Hours	237.5	D.P. Ann Velocity	212fpm

Equipment	Length	OD	ID	Serial #	Hours	Comment
Bit	1 x 0.23m	8.50in		10881881		
Near Bit Stab	1 x 1.61m	8.50in	2.94in	S6527	116	
Pony DC	1 x 3.06m	6.25in	2.88in	6510-3		
String Stabiliser	1 x 1.44m	8.50in	2.81in	6527	116	
NMDC	1 x 9.32m	6.75in	2.81in	H362	116	
Drill Collar	1 x 9.23m	6.50in	3.00in	E 436		
String Stabiliser	1 x 1.48m	8.50in	2.81in	S 65	116	
Drill Collar	11 x 9.02m	6.25in	3.00in			
Drilling Jars	1 x 9.58m	6.25in	3.00in		237.5	
Drill Collar	3 x 9.01m	6.25in	3.00in			
HWDP	6 x 9.35m	4.50in	2.94in			
Total Length:	218.30m					

Survey

MD (m)	Incl. (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (deg)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
1090.00	4.50	323.00	1089.08	35.86	0.26	35.86	-8.72	Hofco single shot
1193.00	5.75	313.00	1191.66	42.61	0.45	42.61	-14.92	Hofco single shot
1296.00	4.75	333.00	1294.24	49.93	0.60	49.93	-20.63	Hofco single shot
1399.00	4.00	328.00	1396.94	56.78	0.24	56.78	-24.47	Hofco single shot

Summary

Company	Pax On
Karoon Gas Ltd	4
Century Drilling Ltd	22
RMN Drilling Fluids	1
BHI	2
Eurest	3
Total on Rig	32

Bulk Stocks						
Name	Unit	In	Used	Adjust	Balance	
AMC Biocide G	25L can	0	0	0	23.0	
AMC Defoamer	25L can	0	0	0	3.0	
AMC PAC-R	25kg sack	0	4	0	44.0	
AMC PHPA	25kg sack	0	2	0	42.0	
AUS-BEN	25kg sack	0	0	0	0.0	
AUS-DEX	25kg sack	0	0	0	96.0	
AUS-GEL	25kg sack	0	0	0	251.0	
Baryte	25kg sack	0	0	0	456.0	
CaCl	25kg sack	0	0	0	0.0	
Caustic Soda	25kg pail	0	1	0	16.0	
Citric Acid	25kg sack	0	0	0	38.0	
Cement - Class A	40kg sack	0	0	0	0.0	
Kwik-seal C	40lb sack	0	0	0	32.0	
Kwik-seal F	40lb sack	0	0	0	32.0	
Kwik-seal M	40lb sack	0	0	0	32.0	
Lime	20kg sack	0	0	0	11.0	
KCl	25kg sack	0	12	0	296.0	
Rod-free 205L	205L drum	0	0	0	1.0	
Rod-free 25L	25L can	0	0	0	0.0	
NaCl	25kg sack	0	0	0	0.0	
SAPP	25kg sack	0	0	0	0.0	
Soda Ash	25kg sack	0	0	0	28.0	
Sodium Sulfite	25kg sack	0	2	0	47.0	
Xanthan Gum	25kg sack	0	2	0	32.0	
Xtra-sweep	12lb box	0	0	0	8.0	
Diesel fuel	lt	0	3000	0	14,000.0	

Pumps													
Pump Data - Last 24 Hrs								Slow Pump Data					
No.	Type	Liner (in)	MW (ppg)	Eff (%)	SPM (SPM)	SPP (psi)	Flow (gpm)	Depth (m)	Ck. Line (psi)	SPM (SPM)	SPP (psi)	Flow (gpm)	
1	G.D. PZ-7	5.50		97	107	1200	225	1383		1.	70	150	147
										2.	100	300	210
2	G.D PZ-7	5.50		97	0					1.			
										2.			
3	G.D PZ-7	5.50		97	107	1200	225	1383		1.	70	150	147
										2.	100	300	210

Casing Run			
OD	LOT / FIT	Csg Shoe (MD/TVD)	Cementing
9 5/8"	/	506.63m /	