

**Megascolides-2**

<b>Date :</b>	18 Jan 2007	<b>Well Site Manager :</b>	Chris Dann	<b>Rig Manager :</b>	Agus Nugroho
<b>Report Number</b>	21	<b>Drilling Supervisor :</b>	Chris Dann / Brian Assels	<b>Drilling Company :</b>	Century Drilling Ltd
<b>Easting</b>	403212	<b>Northing</b>	5767583	<b>Geologist :</b>	Dave Horner

**Well Details**

Country:	Australia	Current Hole Size:	8.500in	Casing O.D.:	9.625in	Planned TD:	2170m
Field:	Megascolides	Measured Depth:	1524m	Casing MD:	507m	Last BOP Test:	10 Jan 2007
Rig:	Century 11	True Vertical Depth:	1524m	Casing TVD:	507m	FIT/LOT:	20.00ppg /
RT - AMSL:	156.20m	24 Hr Progress:	103m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	14.42	Liner MD:		LTI Free Days:	239
Datum:	WGS 84	Days On Well:	20.33	Liner TVD:			
Current Ops @ 0600:	Drill 8 1/2" hole at 1546m						
Planned Operations:	Drill 8 1/2" hole with WLS every ~100m						

**Summary of Period 0000 to 2400 Hrs**

Finish RIH with Bit #3. Wash to bottom. Drill 8 1/2" hole from 1421m to 1505m. WLS at 1493m. Drill 8 1/2" hole from 1505m to 1524 m.

**Well Costs - AFE Number:**

Original AFE:	\$ 2,839,256	Orig & Supp AFE:	\$ 2,839,256	Daily Cost:	\$ 119,482	Cum. Cost:	\$ 1,613,712
Projected Cost:	\$ 2,839,256						

**HSE Summary**

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening ( 2 )	18 Jan 2007	0 Days	Personnel Blow into Alcoholiser
Pre-Tour Meetings ( 2 )	18 Jan 2007	0 Days	Running in hole & General housekeeping

**Operations For Period 0000 Hrs to 2400 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 circulation
PH1	P	TI	0230	0630	4.00	1421m	Continue to run in hole to 1339m - break circulation at 1009m
PH1	P	TI	0630	0700	0.50	1421m	Pick up kelly. Wash/ream from 1399 m to 1421 m.
PH1	P	DA	0700	1900	12.00	1505m	Drill from 1421m to 1505 m.
PH1	P	SVY	1900	2000	1.00	1505m	Circulate, flow check, conduct wire line survey.
PH1	P	DA	2000	2400	4.00	1524m	Drill 8-1/2" hole from 1505 m to 1524 m.

**Operations For Period 0000 Hrs to 0600 Hrs on 19 Jan 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	DA	0000	0600	6.00	1546m	Drill 8 1/2" hole from 1524m to 1546m

**WBM Data**

Daily Chemical Costs: \$ 1597				Cost To Date: \$ 25127				Engineer : Peter N Aronetz	
Mud Type:	KCl-PHPA-POLYMER	Flowline Temp:	49C°	Cl:	11.00x1000 mg/l	Low Gravity Solids:	3.9%	Gels 10s	3
Sample From:	Below Shaker	Nitrates:	0mg/l	Hard/Ca:	180mg/l	High Gravity Solids:	0.0%	Gels 10m	4
Time:	22:20	Sulphites:	250mg/l	MBT:	5.5	Solids (corrected):	3.9%	Fann 003	3
Weight:	8.95ppg	API FL:	7.2cm³/30m	PM:	0.35	H2O:	96.1%	Fann 006	4
ECD TD:	9.41ppg	API Cake:	1/32nd"	PF:	0.06	Oil:	0.0%	Fann 100	24
ECD Shoe:		PV	21cp	MF:	0.9	Sand:	.25 %	Fann 200	36
Viscosity	57sec/qt	YP	24lb/100ft²	pH:	9.8	Barite:	0	Fann 300	45
KCl Equiv:	1.7%	CaCO3 Added:	2.8ppb	PHPA Added:	1.70ppb			Fann 600	66

**Comment:** Re-cycling 80bbbls of fluid from sump on location. Treat fluid to maintain parameters. Adding 24sx CaCO3 to system, to maintain fluid density at 8.9-9.0ppg

Shakers, Volumes and Losses Data							
Available	903.0bbl	Losses	97.0bbl	Equip.	Descr.	Mesh Size	Hours
Active	564.0bbl	Downhole	18.0bbl	De-Gaser 1	Rig		0
Hole	322.0bbl	Shakers & Equip.	60.0bbl	De-Sander 1	Pioneer	2 Cones	2
Slug		Dumped	15.0bbl	De-Silter 1	Pioneer	10 Cones	2
Reserve	17.0bbl	Centrifuges		Shaker 1	DFE	2x175, 1x140	16
		De-Sander	2.0bbl	Shaker 2	DFE	2x175, 1x140	16
		De-Silter	2.0bbl				
Built	80.0bbl						

Comment: Re-cycling 80bbls of fluid from sump on location.

Bit Data								
Bit # 3								
Size ("):	8.50	IADC#		Nozzles	Drilled over last 24 hrs		Calculated over Bit Run	
Mfr:	Security DBS	WOB(avg)	12.00klb	6 x 11(/32nd")	Progress	103m	Cum. Progress	103.0m
Type:	PDC	RPM(avg)	120		On Bottom Hrs	12.00	Cum. On Btm Hrs	12.00
Serial No.:	10825011	RPM (DH)(avg)	120		IADC Drill Hrs	16.00	Cum IADC Drill Hrs	16.00
Bit Model	SE3653Z	F.Rate	450gpm		Total Revs	82878	Cum Total Revs	82878
Depth In	1421m	SPP	1100psi		OB-ROP(avg)	8.58m/hr	Cum. OB-ROP(avg)	8.58m/hr
Depth Out		TFA	0.5568	HSI	2.48			

BHA Data							
BHA # 3							
Weight(Wet)	52.00klb	Length	218m	Torque(max)	60ft-lbs	D.C. (1) Ann Velocity	0fpm
Wt Below Jar(Wet)	41.00klb	String	132.00klb	Torque(Off.Btm)	10ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	132.00klb	Torque(On.Btm)	45ft-lbs	H.W.D.P. Ann Velocity	0fpm
		Slack-Off	125.00klb	Jar Hours	253.5	D.P. Ann Velocity	0fpm
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	132		
Pony DC	1 x 3.06m	6.25in	2.88in	6510-3			
String Stabiliser	1 x 1.44m	8.50in	2.81in	6527	132		
NMDC	1 x 9.32m	6.75in	2.81in	H362	132		
Drill Collar	1 x 9.23m	6.50in	3.00in	E 436			
String Stabiliser	1 x 1.48m	8.50in	2.81in	S 65	132		
Drill Collar	11 x 9.02m	6.25in	3.00in				
Drilling Jars	1 x 9.58m	6.25in	3.00in		253.5		
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
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
1493.00	4.50	326.00	1490.68	62.61	0.17	62.61	-28.27	Hofco single shot

**Summary**

Company	Pax On
Karooon Gas Ltd	4
Century Drilling Ltd	22
RMN Drilling Fluids	1
BHI	2
Eurest	3
Corpro Systems Ltd	1
Total on Rig	33

**Bulk Stocks**

Name	Unit	In	Used	Adjust	Balance
AMC Biocide G	25L can	0	1	0	22.0
AMC Defoamer	25L can	0	0	0	3.0
AMC PAC-R	25kg sack	0	5	0	39.0
AMC PHPA	25kg sack	0	2	0	40.0
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	0	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	0	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	45.0
Xanthan Gum	25kg sack	0	0	0	32.0
Xtra-sweep	12lb box	0	0	0	8.0
Diesel fuel	lt	0	2400	0	11,600.0
Calcium Carbonate 40µ	25 kg sacks	720	48	0	672.0

**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	0	0	0			1.			
										2.			
2	G.D PZ-7	5.50		97	107	1100	225	1421		1.	70	150 147	
										2.	100	290 210	
3	G.D PZ-7	5.50		97	107	1100	225	1421		1.	70	150 147	
										2.	100	280 210	