

**Megascolides-2**

<b>Date :</b>	20 Jan 2007	<b>Well Site Manager :</b>	Chris Dann	<b>Rig Manager :</b>	Agus Nugroho
<b>Report Number</b>	23	<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:	1636m	Casing MD:	507m	Last BOP Test:	10 Jan 2007
Rig:	Century 11	True Vertical Depth:	1636m	Casing TVD:	507m	FIT/LOT:	20.00ppg /
RT - AMSL:	156.20m	24 Hr Progress:	58m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	16.42	Liner MD:		LTI Free Days:	241
Datum:	WGS 84	Days On Well:	22.33	Liner TVD:			

Current Ops @ 0600:	Con't drill 8-1/2" hole at 1656m
Planned Operations:	Drill 8-1/2" hole to core point depth - trip out of hole and change BHA to coring assembly - RIH & cut core

**Summary of Period 0000 to 2400 Hrs**

Run in hole with bit # 4 - wash to bottom - no fill - drill 8 1/2" hole to 1636m with WLS at 1596m
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**Well Costs - AFE Number:**

Original AFE:	\$ 2,839,256	Orig & Supp AFE:	\$ 2,839,256	Daily Cost:	\$ 81,639	Cum. Cost:	\$ 1,765,513
Projected Cost:	\$ 3,039,256						

**HSE Summary**

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening ( 2 )	20 Jan 2007	0 Days	Personnel Blow into Alcoholiser
Pre-Tour Meetings ( 2 )	20 Jan 2007	0 Days	Racking back DC's & Guidelines for operating winch

**Operations For Period 0000 Hrs to 2400 Hrs on 20 Jan 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	TO	0000	0015	0.25	1578m	Pull out of hole with Bit # 3
PH1	P	HBHA	0015	0200	1.75	1578m	Break out bit # 3 & make up bit # 4 - gauge stabilizers & clean rig floor
PH1	P	TI	0200	0630	4.50	1578m	Run in hole with bit # 4 to 1380m - fill drill string at 500m & 1,000m
PH1	P	TI	0630	0700	0.50	1578m	PU kelly, wash to 1578m (no fill).
PH1	P	DA	0700	1600	9.00	1608m	Drill 8-1/2" hole from 1578 m to 1608 m.
PH1	P	SVY	1600	1630	0.50	1608m	Circulate, flow check, conduct wireline survey.
PH1	P	DA	1630	2300	6.50	1636m	Drill 8-1/2" hole from 1608 m to 1636 m
PH1	P	WTH	2300	2400	1.00	1636m	Work tight hole f/ 1617 - 1627 m. LO single and continue to work tight hole.

**Operations For Period 0000 Hrs to 0600 Hrs on 21 Jan 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	WTH	0000	0030	0.50	1636m	Circulate, wash & ream tight hole 1627m to 1636m on drill pipe connection
PH1	P	DA	0030	0600	5.50	1656m	Drill 8 1/2" hole from 1636m to 1656m

**WBM Data**

Daily Chemical Costs: \$ 2054			Cost To Date: \$ 29058			Engineer : Peter N Aronetz		
Mud Type: KCI-PHPA-POLYMER	Flowline Temp: 54C°	Cl: 11.00x1000 mg/l	Low Gravity Solids: 4.3%	Gels 10s	3			
Sample From: Below Shaker	Nitrates: 0mg/l	Hard/Ca: 160mg/l	High Gravity Solids: 0.0%	Gels 10m	3			
Time: 22:45	Sulphites: 200mg/l	MBT: 5	Solids (corrected): 4.3%	Fann 003	2			
Weight: 9.00ppg	API FL: 6.8cm³/30m	PM: 0.44	H2O: 95.7%	Fann 006	3			
ECD TD: 9.35ppg	API Cake: 1/32nd"	PF: 0.13	Oil: 0.0%	Fann 100	20			
ECD Shoe:	PV 20cp	MF: 1.18	Sand: .25 %	Fann 200	30			
Viscosity 54sec/qt	YP 21lb/100ft²	pH: 10	Barite: 0	Fann 300	38			
KCl Equiv: 1.6%	CaCO3 Added: 7.6ppb	PHPA Added: 1.89ppb		Fann 600	57			

**Comment:** Re-cycling 100bbls of fluid from sump on location. Add KCl to bring concentration back to 1.5%, also add CaCO3 to maintain WT at or above 8.9ppg. Add a further pallet (48sx) of CaCO3 to raise WT to 9.0ppg. Formations exhibit signs of being tectonically stressed. Leave orders to ensure, recycled pre-mix is weighted to 9.1ppg, (CaCO3 only) before being added to system.

**Shakers, Volumes and Losses Data**

Available	937.0bbl	Losses	72.0bbl	Equip.	Descr.	Mesh Size	Hours
Active	582.0bbl	Downhole	16.0bbl	De-Gaser 1	Rig		0
Hole	345.0bbl	Shakers & Equip.	40.0bbl	De-Sander 1	Pioneer	2 Cones	2
Slug		Dumped	10.0bbl	De-Silter 1	Pioneer	10 Cones	2
Reserve	10.0bbl	Centrifuges		Shaker 1	DFE	2x175, 1x140	16
		De-Sander	3.0bbl	Shaker 2	DFE	2x175, 1x140	16
		De-Silter	3.0bbl				
Built	120.0bbl						

**Comment:** Re-cycling 100bbls of fluid from sump on location. Add KCl to bring concentration back to 1.5%, also add CaCO3 to maintain WT at or above 8.9ppg. Add a further pallet (48sx) of CaCO3 to raise WT to 9.0ppg. Formations exhibit signs of being tectonically stressed.

**Bit Data**

Bit # 3				Wear	I	O1	D	L	B	G	O2	R
				1	0	CT	N	X	I	NO	PR	
Size ("):	8.50	IADC#		<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>			<b>Calculated over Bit Run</b>			
Mfr:	Security DBS	WOB(avg)	12.00klb	6 x 11(/32nd")		Progress	0m	Cum. Progress	157.0m			
Type:	PDC	RPM(avg)	120			On Bottom Hrs	0.00	Cum. On Btm Hrs	27.00			
Serial No.:	10825011	RPM (DH)(avg)	120			IADC Drill Hrs	0.00	Cum IADC Drill Hrs	36.00			
Bit Model	SE3653Z	F.Rate	450gpm			Total Revs	91218	Cum Total Revs	265314			
Depth In	1421m	SPP	1100psi			OB-ROP(avg)		Cum. OB-ROP(avg)	5.81m/hr			
Depth Out	1578m	TFA	0.5568	HSI	2.40							

**Bit Data**

Bit # 4				Wear	I	O1	D	L	B	G	O2	R
Size ("):	8.50	IADC#	447X	<b>Nozzles</b>		<b>Drilled over last 24 hrs</b>			<b>Calculated over Bit Run</b>			
Mfr:	Security DBS	WOB(avg)	30.00klb	3 x 13(/32nd")		Progress	58m	Cum. Progress	58.0m			
Type:	Rock	RPM(avg)	75			On Bottom Hrs	12.00	Cum. On Btm Hrs	12.00			
Serial No.:	743418	RPM (DH)(avg)	75			IADC Drill Hrs	16.00	Cum IADC Drill Hrs	16.00			
Bit Model	XS16D	F.Rate	450gpm			Total Revs	56935	Cum Total Revs	56935			
Depth In	1578m	SPP	1630psi			OB-ROP(avg)	4.83m/hr	Cum. OB-ROP(avg)	4.83m/hr			
Depth Out		TFA	0.3889	HSI	5.19							

**BHA Data**
**BHA # 3**

Weight(Wet)	41.00klb	Length	218m	Torque(max)	50ft-lbs	D.C. (1) Ann Velocity	332fpm
Wt Below Jar(Wet)	37.00klb	String	134.00klb	Torque(Off.Btm)	5ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	140.00klb	Torque(On.Btm)	40ft-lbs	H.W.D.P. Ann Velocity	212fpm
		Slack-Off	128.00klb	Jar Hours	289.5	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	168	
Pony DC	1 x 3.06m	6.25in	2.88in	6510-3		
String Stabiliser	1 x 1.44m	8.50in	2.81in	6527	168	
NMDC	1 x 9.32m	6.75in	2.81in	H362	168	
Drill Collar	1 x 9.23m	6.50in	3.00in	E 436		
String Stabiliser	1 x 1.48m	8.50in	2.81in	S 65	168	
Drill Collar	11 x 9.02m	6.25in	3.00in			
Drilling Jars	1 x 9.58m	6.25in	3.00in		289.5	
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
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
1596.00	3.25	330.00	1593.44	68.49	0.37	68.49	-31.99	Hofco single shot

**Summary**

Company	Pax On
Karoon 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	0	0	21.0
AMC Defoamer	25L can	0	1	0	1.0
AMC PAC-R	25kg sack	0	2	0	35.0
AMC PHPA	25kg sack	0	4	0	31.0
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	15.0
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	282.0
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	3	0	38.0
Xanthan Gum	25kg sack	0	0	0	32.0
Xtra-sweep	12lb box	0	0	0	8.0
Diesel fuel	lt	16860	2860	0	21,800.0
Calcium Carbonate 40µ	25 kg sacks	0	64	0	576.0

**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	1500	225	1617		1.	70	200	147
										2.	100	400	280
2	G.D PZ-7	5.50		97						1.			
										2.			
3	G.D PZ-7	5.50		97	107	1500	225	1617		1.	70	200	147
										2.	100	400	210