

**Megascolides-2**

<b>Date :</b>	30 Jan 2007	<b>Well Site Manager :</b>	Bruce Pilat	<b>Rig Manager :</b>	Cesar Miaco
<b>Report Number</b>	33	<b>Drilling Supervisor :</b>	Bruce Pilat / 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:	2110m	Casing MD:	507m	Last BOP Test:	29 Jan 2007
Rig:	Century 11	True Vertical Depth:	2106m	Casing TVD:	507m	FIT/LOT:	20.00ppg /
RT - AMSL:	156.20m	24 Hr Progress:	45m	TOL MD:		Last LTI:	04 Jan 2006
RT - GL:	5.20m	Days From Spud:	26.42	Liner MD:		LTI Free Days:	251
Datum:	WGS 84	Days On Well:	32.31	Liner TVD:			

Current Ops @ 0600: Drill 8-1/2" hole at 2125m.  
 Planned Operations: Drill to TD. Circulate and conduct wiper trips to condition hole. POH and log hole.

**Summary of Period 0000 to 2400 Hrs**

RIH with bit #7. Wash and ream f/ 2049m to 2065m. Drill 8-1/2" hole to 2110m.

**Well Costs - AFE Number:**

Original AFE:	\$ 2,839,256	Orig & Supp AFE:	\$ 2,839,256	Daily Cost:	\$ 66,485	Cum. Cost:	\$ 2,471,678
Projected Cost:	\$ 3,139,256						

**HSE Summary**

Event (# Of)	Date of last	Days Since	Short Description
Alcohol & drug screening ( 2 )	30 Jan 2007	0 Days	Personnel Blow into Alcoholiser
Pre-Tour Meetings ( 2 )	30 Jan 2007	0 Days	RIH DP on rig floor & Racking DC's and monkeyboard ops

**Operations For Period 0000 Hrs to 2400 Hrs on 30 Jan 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	TI	0000	0100	1.00	2065m	Con't RIH f/ 1651m to 2049m.
PH1	P	WCU	0100	0300	2.00	2065m	PU kelly, wash and ream 2040m - 2065m. (1m hard fill on bottom)
PH1	P	DA	0300	0900	6.00	2077m	Drill 8-1/2" hole f/ 2065 m to 2077m.
PH1	P	WTH	0900	0930	0.50	2077m	Work tight hole f/ 2055m to 2077m.
PH1	P	RS	0930	1000	0.50	2077m	Rig service.
PH1	P	DA	1000	2400	14.00	2110m	Con't drill 8-1/2" hole f/ 2077m to 2110m.

**Operations For Period 0000 Hrs to 0600 Hrs on 31 Jan 2007**

Phse	Cls	Op	From	To	Hrs	Depth	Activity Description
PH1	P	DA	0000	0600	6.00	2125m	Drill 8-1/2" hole f/ 2110m to 2125m.

**WBM Data**

Daily Chemical Costs: \$ 4047			Cost To Date: \$ 59307			Engineer : Peter N Aronetz		
Mud Type:	Flowline Temp:	60C°	Cl:	10.70x1000	Low Gravity Solids:	7.5%	Gels 10s	4
KCl-PHPA-POLYMER	Nitrates:	0mg/l		mg/l	High Gravity Solids:	0.0%	Gels 10m	7
Sample From: Past Shaker	Sulphites:	80mg/l	Hard/Ca:	100mg/l	Solids (corrected):	7.5%	Fann 003	5
Time: 22:15	API FL:	5.6cm³/30m	MBT:	5	H2O:	92.5%	Fann 006	6
Weight: 9.45ppg	API Cake:	2/32nd"	PM:	0.44	Oil:	0.0%	Fann 100	28
ECD TD: 9.97ppg	PV	18cp	PF:	0.14	Sand:	0.20% %	Fann 200	39
ECD Shoe:	YP	28lb/100ft²	MF:	1.5	Barite:	0	Fann 300	46
Viscosity 58sec/qt	CaCO3 Added:	38.2ppb	pH:	10			Fann 600	64
KCl Equiv: 1.5%			PHPA Added:	2.00ppb				

**Comment:** Hole conditions require increase in fluid density, go up to 9.4ppg, using Calcium Carbonate. Hole stabilises. Maintain SFC volume w/- polymer premix, using drill water and 30bbbls of fluid re-claimed from sump

Shakers, Volumes and Losses Data							
Available	1049.0bbl	Losses	49.0bbl	Equip.	Descr.	Mesh Size	Hours
Active	557.0bbl	Downhole	2.0bbl	De-Gaser 1	Rig		0
Hole	444.0bbl	Shakers & Equip.	18.0bbl	De-Sander 1	Pioneer	2 Cones	10
Slug		Dumped	10.0bbl	De-Silter 1	Pioneer	10 Cones	4
Reserve	48.0bbl	Centrifuges		Shaker 1	DFE	2x175, 1x140	24
		De-Sander	13.0bbl	Shaker 2	DFE	2x175, 1x140	24
		De-Silter	6.0bbl				
Built	90.0bbl						
<b>Comment:</b> Hole conditions require increase in fluid density, go up to 9.4ppg, using Calcium Carbonate. Hole stabilises. Maintain SFC volume w/- polymer premix, using drill water and 30bbbls of fluid re-claimed from sump							

Bit Data								
Bit # 7								
Size ("):	8.50	IADC#	447	Nozzles	Drilled over last 24 hrs		Calculated over Bit Run	
Mfr:	Security DBS	WOB(avg)	30.00klb	3 x 13(/32nd")	Progress	45m	Cum. Progress	45.0m
Type:	Rock	RPM(avg)	65		On Bottom Hrs	17.00	Cum. On Btm Hrs	17.00
Serial No.:	10851000	RPM (DH)(avg)	65		IADC Drill Hrs	20.00	Cum IADC Drill Hrs	20.00
Bit Model	EBXS16D	F.Rate	450gpm		Total Revs	63400	Cum Total Revs	63400
Depth In	2065m	SPP	2200psi		OB-ROP(avg)	2.65m/hr	Cum. OB-ROP(avg)	2.65m/hr
Depth Out		TFA		HSI				

BHA Data							
BHA # 4							
Weight(Wet)	49.00klb	Length	245m	Torque(max)	110ft-lbs	D.C. (1) Ann Velocity	332fpm
Wt Below Jar(Wet)	35.00klb	String	169.00klb	Torque(Off.Btm)	60ft-lbs	D.C. (2) Ann Velocity	0fpm
		Pick-Up	176.00klb	Torque(On.Btm)	80ft-lbs	H.W.D.P. Ann Velocity	212fpm
		Slack-Off	157.00klb	Jar Hours	462	D.P. Ann Velocity	212fpm
Equipment	Length	OD	ID	Serial #	Hours	Comment	
Bit	1 x 0.23m	8.50in		10851000			
Near Bit Stab	1 x 1.61m	8.50in	2.94in	S6527	350.5		
Pony DC	1 x 3.06m	6.25in	2.88in	6510-3			
String Stabiliser	1 x 1.44m	8.50in	2.81in	6527	350.5		
NMDC	1 x 9.32m	6.75in	2.81in	H362	350.5		
Drill Collar	1 x 9.23m	6.50in	3.00in	E 436			
String Stabiliser	1 x 1.48m	8.50in	2.81in	S 65	350.5		
Drill Collar	14 x 9.02m	6.25in	3.00in				
Drilling Jars	1 x 9.58m	6.25in	3.00in		462		
Drill Collar	3 x 9.01m	6.25in	3.00in				
HWDP	6 x 9.35m	4.50in	2.94in				
Total Length:	245.36m						

Survey								
MD (m)	Incl. (deg)	Corr. Az (deg)	TVD (m)	'V' Sect (deg)	Dogleg (deg/30m)	N/S (m)	E/W (m)	Tool Type
1812.00	2.25	44.00	1809.19	77.87	0.34	77.87	-29.84	Hofco single shot
1915.00	3.75	72.00	1912.05	80.37	0.60	80.37	-25.23	Totco single shot
2009.00	6.75	55.00	2005.65	84.49	1.07	84.49	-17.78	Totco single shot
2055.00	8.50	63.00	2051.25	87.58	1.33	87.58	-12.54	Totco single shot

Summary	
Company	Pax On
Karooon 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	2	0	15.0
AMC Defoamer	25L can	0	1	0	18.0
AMC PAC-R	25kg sack	0	2	0	53.0
AMC PHPA	25kg sack	0	3	0	20.0
AUS-BEN	25kg sack	0	0	0	0.0
AUS-DEX	25kg sack	0	0	0	0.0
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	8.0
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	10.0
KCl	25kg sack	0	0	0	198.0
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	2	0	19.0
Sodium Sulfite	25kg sack	0	4	0	14.0
Xanthan Gum	25kg sack	0	1	0	25.0
Xtra-sweep	12lb box	0	0	0	8.0
Diesel fuel	lt	8390	1750	0	14,100.0
Calcium Carbonate 40µ	25 kg sacks	0	192	0	384.0

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	2050	215	2105		1.	80	440	147
										2.	100	620	280
2	G.D PZ-7	5.50		97	107	2050	215	2105		1.	80	400	147
										2.	100	580	280
3	G.D PZ-7	5.50		97						1.			
										2.			