APPENDIX 5:

(Attachment) Mud Reports

WATER-BASED MUD REPORT No. 1

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/11/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	KCl Brine
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Skid Rig

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	36	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		133.8		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		135 m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		3 m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From						**Products**	**Size**	**Amount**
FlowLine Temp	℃					WBM SPE TO PDIP	1. M3 BK	292
Depth/TVD	m							
Mud Weight /Temp	kg/m³							
Funnel Viscosity	s/L							
Rheology Temp	℃							
R600/R300								
R200/R100								
R6/R3								
PV	mPa·s							
YP	Pa							
10s/10m/30m Gel	Pa							
API Fluid Loss	cc/30min							
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol							
Oil/Water	%Vol					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1		
pH / Temp						Shaker 2		
Alkal Mud (Pm)								
Pf/Mf						Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L					Centrifuge 2 (kg/m3)		
Hardness (Ca++)								
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight		
						Viscosity		
Reserve Volume	m³	255				Filtrate		

REMARKS AND TREATMENT

Mud eng. arrive on location; set up onetrax file and prepare/plan for PAP1 Well kill operations. No product useage. Packer fluid in hole is 9% KCl water. Original sidetrack plan 3 includes ST2 Evaluation. Eng and eChoke charges on Aug. 15 report.

REMARKS

Continue to rig up from rig move; receive product from SPE 2K-39z and receive 292 m3 of WBM from previous well at no charge.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	24	Oil Added		NaCl	/	np/na	
Drilling		Water Added		KCl	/	Kp/Ka	
Tripping		Mud Received	292	Low Gravity	/	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	/	Bit HHP/HSI	
		Shakers		Drill Solids	/	Jet Velocity	
		Evaporation		Weight Material	/	Va Pipe	
		Centrifuge		Chemical Conc	- /	Va Collars	
		Formation		Inert/React		Cva Pipe	
		Left in Hole		Average SG		Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001		

WATER-BASED MUD REPORT No. 2

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/12/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	KCl Brine
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Well Kill Ops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	37	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		134.8		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From						**Products**	**Size**	**Amount**
FlowLine Temp	℃							
Depth/TVD	m							
Mud Weight /Temp	kg/m³							
Funnel Viscosity	s/L							
Rheology Temp	℃							
R600/R300								
R200/R100								
R6/R3								
PV	mPa·s							
YP	Pa							
10s/10m/30m Gel	Pa							
API Fluid Loss	cc/30min							
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol							
Oil/Water	%Vol					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1		
pH / Temp						Shaker 2		
Alkal Mud (Pm)								
Pf/Mf						Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L					Centrifuge 2 (kg/m3)		
Hardness (Ca++)								
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight		
						Viscosity		
Reserve Volume	m³	255				Filtrate		

REMARKS AND TREATMENT	REMARKS
Prepare game plan for Well Kill operations; bleed down tubing pressure to flare tank. 9% KCl Packer Fluid.	Prepare for Well Kill operations.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	18	Oil Added		NaCl	/	np/na	
Drilling		Water Added		KCl	/	Kp/Ka	
Tripping		Mud Received		Low Gravity	/	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	/	Bit HHP/HSI	
Well Kill Ops	6	Shakers		Drill Solids	/	Jet Velocity	
		Evaporation		Weight Material	/	Va Pipe	
		Centrifuge		Chemical Conc	- /	Va Collars	
		Formation		Inert/React		Cva Pipe	
		Left in Hole		Average SG		Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001		

WATER-BASED MUD REPORT No. 3

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/13/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	KCl Brine
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Well Kill Ops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	37	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		134.8		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From						**Products**	**Size**	**Amount**
FlowLine Temp	℃							
Depth/TVD	m							
Mud Weight /Temp	kg/m³							
Funnel Viscosity	s/L							
Rheology Temp	℃							
R600/R300								
R200/R100								
R6/R3								
PV	mPa·s							
YP	Pa							
10s/10m/30m Gel	Pa							
API Fluid Loss	cc/30min							
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol							
Oil/Water	%Vol					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1		
pH / Temp						Shaker 2		
Alkal Mud (Pm)								
Pf/Mf						Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L					Centrifuge 2 (kg/m3)		
Hardness (Ca++)								
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight		
						Viscosity		
Reserve Volume	m³	255				Filtrate		

REMARKS AND TREATMENT	REMARKS
Continue to bleed down ST#2; Flareing gas/condensate. Prepare well kill ops to bullhead fluid to formation	Bleed down PT Pressure.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	/	np/na	
Drilling		Water Added		KCl	/	Kp/Ka	
Tripping		Mud Received		Low Gravity	/	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	/	Bit HHP/HSI	
Well Kill Ops	24	Shakers		Drill Solids	/	Jet Velocity	
		Evaporation		Weight Material	/	Va Pipe	
		Centrifuge		Chemical Conc	- /	Va Collars	
		Formation		Inert/React		Cva Pipe	
		Left in Hole		Average SG		Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001		

WATER-BASED MUD REPORT No. 4

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/14/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	KCl Brine
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Well Kill Ops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	37	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		134.8		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From						Products	Size	Amount
FlowLine Temp	℃							
Depth/TVD	m							
Mud Weight /Temp	kg/m³							
Funnel Viscosity	s/L							
Rheology Temp	℃							
R600/R300								
R200/R100								
R6/R3								
PV	mPa·s							
YP	Pa							
10s/10m/30m Gel	Pa							
API Fluid Loss	cc/30min							
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol							
Oil/Water	%Vol					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					Type	Model/Size	Hrs Used
MBT	kg/m³					Shaker 1		
pH / Temp						Shaker 2		
Alkal Mud (Pm)								
Pf/Mf						Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L					Centrifuge 2 (kg/m3)		
Hardness (Ca++)								
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight		
						Viscosity		
Reserve Volume	m³	255				Filtrate		

REMARKS AND TREATMENT	REMARKS
Pumped 720 stks of 1150 mud; tbg pressured up from 200 KPa to 9000 KPa; obstruction (probable paraffin/wax/solids build-up) in the 3.5 inch PT. Evaluate options to free obstruction.	

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	/	np/na	
Drilling		Water Added		KCl	/	Kp/Ka	
Tripping		Mud Received		Low Gravity	/	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	/	Bit HHP/HSI	
Well Kill Ops	24	Shakers		Drill Solids	/	Jet Velocity	
		Evaporation		Weight Material	/	Va Pipe	
		Centrifuge		Chemical Conc	- /	Va Collars	
		Formation		Inert/React		Cva Pipe	
		Left in Hole		Average SG		Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001		

WATER-BASED MUD REPORT No. 5

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/15/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Kill Well

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	39.8	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		137.6		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Pit 1 16:40				**Products**	**Size**	**Amount**
FlowLine Temp	℃	30				DEFOAM X	18.93 LT CN	1
Depth/TVD	m	3482/3468				PULPRO 10	22.68 KG BG	12
Mud Weight /Temp	kg/m³	1150.0@30				PULPRO 20	22.68 KG BG	12
Funnel Viscosity	s/L	28				PULPRO 30	22.68 KG BG	44
Rheology Temp	℃	30				DRILL WATER	1. M3 TK	16
R600/R300		15/10				ENGINEERING	1. EA	5
R200/R100		8/6						
R6/R3		4/3						
PV	mPa·s	5						
YP	Pa	2.5						
10s/10m/30m Gel	Pa	//						
API Fluid Loss	cc/30min	25						
HTHP Fluid Loss	cc/30min	1.5@						
Cake APT/HT	mm	/						
Solids	%Vol	9						
Oil/Water	%Vol	/91				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	12				Shaker 1		
pH / Temp		8.5@25				Shaker 2		
Alkal Mud (Pm)								
Pf/Mf		.15/1.80				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33500				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		300						
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1150.0
						Viscosity	28	28
Reserve Volume	m³	255				Filtrate		25

REMARKS AND TREATMENT

Continue to work obstruction in PT by pumping heated water @ 35-40 Deg C. Pressure drop observed and increase stroke rate from 5, 30, 40 and 60 stks/min (1 m3/min). Shut down, heat more water and prepare to pump 1150 kg/m3 Poly/Calcarb mud down P/Tbg. 9% KCl Packer fluid in annulus (1070 kg/m3). Original well killed with 1130 kg/m3. Received Safe Solv OM as contingent product.

REMARKS

Monitor tubing, casing, and annular gauges while pumping heated water to mechanically and chemically free obstruction. Monitor tubing pressure with Kill Mud in hole. Pumped 6 m3 1150 and chase with 7 m3 1320 kg/m3 (3060 KPa over the 1150 wt). Continue to bleed down tbg to 10k, 5k, and 2k and monitor formation ballooning/pressures.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	1.1/ 37.2	np/na	0.585/0.198
Drilling		Water Added		KCl	0.6/ 17.5	Kp/Ka	0.133/1.110
Tripping		Mud Received		Low Gravity	6.8/ 175.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.5/ 12.	Bit HHP/HSI	/ 1.
Well Kill Ops	24	Shakers		Drill Solids	2.5/ 68.6	Jet Velocity	
		Evaporation		Weight Material	NA/ NA	Va Pipe	
		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation	13.8	Inert/React	5.7167	Cva Pipe	52
		Left in Hole		Average SG	2.7	Cva Collars	54
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1150
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$5,496.63	$5,496.63

WATER-BASED MUD REPORT No. 6

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/16/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Nipple Up BOP

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	39.8	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		137.6		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		16:40				**Products**	**Size**	**Amount**
FlowLine Temp	℃	30				ENGINEERING	1. EA	1
Depth/TVD	m	3482/3468						
Mud Weight /Temp	kg/m³	1150.0@30						
Funnel Viscosity	s/L	28						
Rheology Temp	℃	30						
R600/R300		15/10						
R200/R100		8/6						
R6/R3		4/3						
PV	mPa·s	5						
YP	Pa	2.5						
10s/10m/30m Gel	Pa							
API Fluid Loss	cc/30min	25						
HTHP Fluid Loss	cc/30min	1.5@						
Cake APT/HT	mm	/						
Solids	%Vol	9						
Oil/Water	%Vol	/91				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	12				Shaker 1		
pH / Temp		8.5@25				Shaker 2		
Alkal Mud (Pm)								
Pf/Mf		.15/1.80				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33500				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		300						
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1150.0
						Viscosity	28	28
Reserve Volume	m³	255				Filtrate		25

REMARKS AND TREATMENT

Well killed. Rig down Xmas Tree and move same; Move BOP and nipple up. Prepare to pressure test same. Prepare game plan for KCl packer fluid displacement. Prepare Mud tank capacity tables for 'Pit Rigwatch' backup.

REMARKS

Nipple up BOP.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	8	Oil Added		NaCl	1.1/ 37.2	np/na	0.585/0.198
Drilling		Water Added		KCl	0.6/ 17.5	Kp/Ka	0.133/1.110
Tripping		Mud Received		Low Gravity	6.8/ 175.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.5/ 12.	Bit HHP/HSI	/ 1.
Well Kill Ops	6	Shakers		Drill Solids	2.5/ 68.6	Jet Velocity	
BOP NU	10	Evaporation		Weight Material	NA/ NA	Va Pipe	
		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	5.7167	Cva Pipe	52
		Left in Hole		Average SG	2.7	Cva Collars	54
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1150
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$6,396.63

WATER-BASED MUD REPORT No. 7

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/17/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	P/Test BOP

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	40.8	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		138.6		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Pit 1 19:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	30					DRILL WATER	1. M3 TK	1
Depth/TVD	m	3482/3468					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1145.0@18							
Funnel Viscosity	s/L	28							
Rheology Temp	℃	30							
R600/R300		15/10							
R200/R100		8/6							
R6/R3		4/3							
PV	mPa·s	5							
YP	Pa	2.5							
10s/10m/30m Gel	Pa	//							
API Fluid Loss	cc/30min	25							
HTHP Fluid Loss	cc/30min	1.5@							
Cake APT/HT	mm	/							
Solids	%Vol	9							
Oil/Water	%Vol	/91					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	12					Shaker 1		
pH / Temp		8.5@25					Shaker 2		
Alkal Mud (Pm)									
Pf/Mf		.15/1.80					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33400					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		300							
							Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		**Actual**
							Weight	1150	1145.0
							Viscosity	28	28
Reserve Volume	m³	255					Filtrate		25

REMARKS AND TREATMENT

Prepare/review/discuss game plan to displace KCl Packer Fluid to Kill Mud. Continue with well set up/procedures for mixing chemical, shaker screen useage and crew tourly checks...."and promoting M-I product lines."

REMARKS

Pressure Test BOP.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	1.1/ 37.2	np/na	0.585/0.198
Drilling		Water Added		KCl	0.6/ 17.6	Kp/Ka	0.133/1.110
Tripping		Mud Received		Low Gravity	6.5/ 167.9	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.5/ 12.	Bit HHP/HSI	/ 1.
Well Kill Ops		Shakers		Drill Solids	2.3/ 60.9	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing	24	Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	5.0775	Cva Pipe	52
		Left in Hole		Average SG	2.7	Cva Collars	54
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1145
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$7,296.63

WATER-BASED MUD REPORT No. 8

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/18/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Work Packer

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	47.8	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		145.6		Pump stk/min	60@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	14600 kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up	105.1 min	6307 stk
Bit 156.5-mm 0		m³		Total Circulation	178.3 min	10695 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		SUCTION 23:40					**Products**	**Size**	**Amount**
FlowLine Temp	℃						FEDERAL SUPREME	40. KG BG	1
Depth/TVD	m	3482/3468					DEFOAM X	18.93 LT CN	1
Mud Weight /Temp	kg/m³	1120.0@20					ENGINEERING	1. EA	2
Funnel Viscosity	s/L	52							
Rheology Temp	℃	30							
R600/R300		30/20							
R200/R100		9/7							
R6/R3		4/3							
PV	mPa·s	10							
YP	Pa	5							
10s/10m/30m Gel	Pa	3/4/							
API Fluid Loss	cc/30min	19							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	2/							
Solids	%Vol	11							
Oil/Water	%Vol	/89					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	12					Shaker 1		
pH / Temp		8.3@20					Shaker 2		
Alkal Mud (Pm)									
Pf/Mf		.15/1.80					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33400					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		300							
							Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1120.0
							Viscosity	28	52
Reserve Volume	m³	135					Filtrate		19

REMARKS AND TREATMENT

Displace Annular 9% KCl Packer Fluid with 1150 kg/m3 Poly/Calcarb mud; Displaced at 1 m3/min through choke manifold to Degasser tank to pits. Shakers unloaded debris (fine/coarse) over 120 mesh screens at bottoms up (KCl/Mud interface). Segregated KCl Packer fluid and mud returns utilizing Floc tank/Surface Pits/Farm tank. Continue to circulate well through Degasser, treating mud to increase YP, lower density and lower Fluid loss with Xanvis/Drill water/Pac UL, respectively. Work Packer area

REMARKS

Rig up Top Drive to PT and set down wt, p/u 0.55 m and slack off 0.25 m. Continue working packer; Torque at +2200 ft-lbs. Fluid column observed 'bubbling' (communication from back and annular). Plan to displace KCl packer fluid when element relaxes. Displaced Packer fluid and continue working packer.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	1.1/ 35.5	np/na	0.585/0.242
Drilling		Water Added		KCl	0.8/ 20.5	Kp/Ka	0.266/1.033
Tripping		Mud Received		Low Gravity	5.3/ 136.7	Bit Pressure Loss %	/ 0.
Non-Productive Tim		Mud Returned		Bentonite	0.3/ 8.3	Bit HHP/HSI	/ 0.
Well Kill Ops	24	Shakers		Drill Solids	1.3/ 33.4	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	29.3
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	52.9
		Formation	6.8	Inert/React	2.4755	Cva Pipe	56
		Left in Hole		Average SG	2.6	Cva Collars	59
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1137.05
		Other	6				
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$2,003.35	$9,299.98

WATER-BASED MUD REPORT No. 9

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/19/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Work Tubing String

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1560 m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	100.7	52	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		149.8		Pump stk/min	0@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156.5-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Pits 23:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A				POLYPAC UL	22.68 KG BG	10
Depth/TVD	m	3482/3468/				DRILL WATER	1. M3 TK	4.01
Mud Weight /Temp	kg/m³	1120.0@				ENGINEERING	1. EA	2
Funnel Viscosity	s/L					XANVIS	25. KG BG	8
Rheology Temp	℃	30						
R600/R300		30/20						
R200/R100		9/7						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	3/4/						
API Fluid Loss	cc/30min	20						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	2/						
Solids	%Vol	11						
Oil/Water	%Vol	/89				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.15/1.80				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	32000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		260						
						Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1120.0
						Viscosity	28	
Reserve Volume	m³	135				Filtrate		20

REMARKS AND TREATMENT

Yp Raised to 5 and FL lowered to 20cc while circulating thru degasser. Continue trouble shooting Packer and back pressure valve, while closely monitoring the well. **NOTE**: Installed 6 New 120 mesh screens on shakers at a cost of $632.76

REMARKS

Bleed off tubing pressure thru backpressure valve and monitor gains. Hold safety meeting to discuss procedure for releasing pressure under back pressure valve. Screw into Tubing with top drive & try & release packer.. Continue working string trying to release packer. Wait on special third party tools while monitoring well. Hold safety meeting to discuss procedure for bleeding off tubing.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	24	Oil Added		NaCl	1./ 33.3	np/na	0.585/0.242
Drilling		Water Added		KCl	0.8/ 20.5	Kp/Ka	0.266/1.033
Tripping		Mud Received		Low Gravity	5.4/ 139.2	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.4/ 10.2	Bit HHP/HSI	/ 1.
Well Kill Ops		Shakers		Drill Solids	1.3/ 33.9	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	2.1545	Cva Pipe	56
		Left in Hole		Average SG	2.6	Cva Collars	59
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1120
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$8,886.80	$18,186.78

WATER-BASED MUD REPORT No. 10

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/20/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH with Tubing

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 114.3-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, 114.3-mm XO	244.-mm @2509 m (2509 TVD)	109.6	35.6	Pump Liner x Stk	140x305 mm	140x305 mm
834 m, 87.32-mm PT	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
921 m, 81.29-mm PT		98.3		Pump stk/min	100@97%	0@97%
10 m, 88.9-mm Tbg Jt		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
3 m, 93.17-mm Pup Jt		m		Pump Pressure	20000 kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up	42.4 min	4238 stk
Bit 156.5-mm 0		m³		Total Circulation	72. min	7201 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Flowline 15:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				PULPRO 10	22.68 KG BG	35
Depth/TVD	m	2300/3468				PULPRO 20	22.68 KG BG	35
Mud Weight /Temp	kg/m³	1150.0@20				PULPRO 30	22.68 KG BG	28
Funnel Viscosity	s/L	41				DRILL WATER	1. M3 TK	0.06
Rheology Temp	℃	20				ENGINEERING	1. EA	1
R600/R300		24/15						
R200/R100		12/8						
R6/R3		3/2						
PV	mPa·s	9						
YP	Pa	3						
10s/10m/30m Gel	Pa	3/8/						
API Fluid Loss	cc/30min	20						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	8						
Oil/Water	%Vol	/92				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		600						
Suction Temp	Celcius	21.				Centrifuge OF (kg/m3)		
Reserve Volume	m³	142						

MUD PROPERTY SPECS		Actual
Weight	1150	1150.0
Viscosity	40	41
Filtrate		20

REMARKS AND TREATMENT

Build 10m3 CaCo3 pill with Pulpro 10-20-30 equal amounts. Density of pill was 1250 kg/m3. Circulate thru tubing @ 1.0 -1.4m3/min. At Bottoms up heavy cuttings and debris observed coming over shaker. Cuttings mixed in with casing dope & Wax. Continue to circulate a second bottoms Up. shakers were clean. Pump 2.7m3 of CaCo3 pill into tubing and chase with 90 strokes of light mud. Continue to POOH with tubing to 1300m

REMARKS

Install Back pressure valve bypass Test Tool & Bleed off Tubing pressure. Continue to POOH with Tubing laying down the same. Perfrorm flow checks @ 3102m, 2904m & 2677m.2328m, & 2297m. Circulate B/U and condition Mud. POOH to 1400m and flow check while trouble shooting Rig watch System. PVT Volumes Incorrect. Approx 1.5m3 of volume was lost to shakers while circulating.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.9/ 29.6	np/na	0.678/0.395
Drilling		Water Added		KCl	0.7/ 20.1	Kp/Ka	0.112/0.536
Tripping		Mud Received		Low Gravity	7.4/ 192.6	Bit Pressure Loss %	/ 0.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.6	Bit HHP/HSI	/ 0.
Retrieve Packer	24	Shakers	1.5	Drill Solids	3.6/ 94.	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	48.9
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	43.5
		Formation		Inert/React	5.969	Cva Pipe	55
		Left in Hole		Average SG	2.6	Cva Collars	53
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1161.41
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$1,998.86	$20,185.64

WATER-BASED MUD REPORT No. 11

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/21/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1100 m, 127.-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, -mm	244.-mm @2509 m (2509 TVD)	113.2	53	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		91		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17.5x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Pits 17:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A				DRILL WATER	1. M3 TK	21
Depth/TVD	m	/3468				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1150.0@20						
Funnel Viscosity	s/L	40						
Rheology Temp	℃	20						
R600/R300		24/15						
R200/R100		12/8						
R6/R3		3/2						
PV	mPa·s	9						
YP	Pa	3						
10s/10m/30m Gel	Pa	3/8/						
API Fluid Loss	cc/30min	2						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	8						
Oil/Water	%Vol	/92				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		600						
Suction Temp	Celcius	N/A				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1150.0
						Viscosity	40	40
Reserve Volume	m³	142				Filtrate		2

REMARKS AND TREATMENT

Plan in place to Increase rheology when circulating @ +/- 2300m

REMARKS

Continue to pull Prod Tubing. perform Flow checks @ 1270m, 920m & 60m. Handle Packer & laydown same. Rig out power tongs & rig up floor to make up BHA and pick up DP. Make up 222mm Bit and proceed to pick up singles.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	24	Oil Added		NaCl	0.9/ 29.6	np/na	0.678/0.395
Drilling		Water Added		KCl	0.7/ 20.1	Kp/Ka	0.112/0.536
Tripping		Mud Received		Low Gravity	7.4/ 192.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.6	Bit HHP/HSI	/ 1.
Retrieve Packer		Shakers		Drill Solids	3.6/ 94.	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	5.969	Cva Pipe	57
		Left in Hole		Average SG	2.6	Cva Collars	57
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1150
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$21,085.64

WATER-BASED MUD REPORT No. 12

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/22/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	P/U Casing Scraper

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, -mm	244.-mm @2509 m (2509 TVD)	117.2	68	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		68		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17.5x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 15:30				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				CAUSTIC SODA	22.68 KG BG	1
Depth/TVD	m	2330/				PULPRO 10	22.68 KG BG	135
Mud Weight /Temp	kg/m³	1155.0@20				PULPRO 20	22.68 KG BG	135
Funnel Viscosity	s/L	48				PULPRO 30	22.68 KG BG	135
Rheology Temp	℃	20				POLYPAC R	22.68 KG BG	3
R600/R300		29/19				DRILL WATER	1. M3 TK	6.04
R200/R100		15/10				ENGINEERING	1. EA	1
R6/R3		4/2				XANVIS	25. KG BG	3
PV	mPa·s	10						
YP	Pa	4.5						
10s/10m/30m Gel	Pa	4/9/						
API Fluid Loss	cc/30min	17						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	10.5						
Oil/Water	%Vol	/90				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.15/1.30				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	31000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		680						
Suction Temp	Celcius	20.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1155.0
						Viscosity	40	48
Reserve Volume	m³	131				Filtrate		17

REMARKS AND TREATMENT

Circulate & condition mud. Add 0.5 kg/m3 of Xanvis & 0.5 kg/m3 of Polypac R to increase Rheologies & lower FL. Mixed 1 sx of Caustic to maintain PH above 8.5. While circulatingt the densirty waas increased to 1155 kg/m3 with equal amounts of Pulpro 10,20,30. Finish mixing & POOh to pick up casing scrapers.

REMARKS

RIH with 222mm BHA. RIH to 2300m and circulate bottoms then proceed to condition mud. No Visual changes seen at the shakers during calculated bottoms Up. Condition mud & POOH to pick up Casing scraper BHA.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.9/ 31.	np/na	
Drilling		Water Added		KCl	0.7/ 20.	Kp/Ka	
Tripping	18	Mud Received		Low Gravity	7.7/ 199.2	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 2.7	Bit HHP/HSI	
Condition Mud	6	Shakers	1.6	Drill Solids	3.9/ 101.4	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	6.4405	Cva Pipe	
		Left in Hole		Average SG	2.6	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$8,014.05	$29,099.69

WATER-BASED MUD REPORT No. 13

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/23/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH Casing Scraper

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1223 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	112.3	72.3	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		115.1		Pump stk/min	72@97%	73@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	2 m³/min	
m, -mm		m		Pump Pressure	4200 kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up	16. min	2316 stk
Bit 222-mm Smith		m³		Total Circulation	58.1 min	8419 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 18:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				ENGINEERING	1. EA	1
Depth/TVD	m	2300/						
Mud Weight /Temp	kg/m³	1165.0@20						
Funnel Viscosity	s/L	44						
Rheology Temp	℃	20						
R600/R300		30/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	4/10/						
API Fluid Loss	cc/30min	16						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/80	
pH / Temp		8.5@20				Shaker 2	120/120/80	
Alkal Mud (Pm)								
Pf/Mf		.15/1.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		600						
Suction Temp	Celcius	20.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	44
						Filtrate	<20	16
Reserve Volume	m³	131						

REMARKS AND TREATMENT

RIH to 2300m and circulate bottoms up. Small amounts of sand visible at the shaker at calculated bottoms up. Circulated mud in degasser tank while circulating. Density climbed to 1165 kg/m3 provbably due to fine solids from scraper run. Suction tank #1 is 1125 kg/m3 reserve mud to be used for safe working volume purposes.

REMARKS

PT Bops as per program. Pick up casing scraper & boot sub. RIH to 1000m and circulate bottoms up with small amounts of sand seen at bottoms up. RIH to 2200m and circ BU with small amounts of sand seen at bottoms up samples caught.Wash & work casing scraper through window area, Flow check & POOH to 1800m and circ BU

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	4	Oil Added		NaCl	0.9/ 29.3	np/na	0.585/0.343
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	0.266/0.875
Tripping	16	Mud Received		Low Gravity	8.4/ 217.5	Bit Pressure Loss %	1520 / 36.2
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.4	Bit HHP/HSI	50 / 1.1
Condition Hole	4	Shakers	0.6	Drill Solids	4.7/ 122.1	Jet Velocity	49
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	77.7
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	118
		Formation		Inert/React	7.7508	Cva Pipe	66
		Left in Hole		Average SG	2.6	Cva Collars	74
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1195.57
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$29,999.69

WATER-BASED MUD REPORT No. 14

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/24/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH Open Ended

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	117.2	67.4	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		67.4		Pump stk/min	72@97%	73@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	2 m³/min	
m, -mm		m		Pump Pressure	4200 kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up	0. min	0 stk
Bit 222-mm Smith		m³		Total Circulation	34. min	4927 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction pit 18:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A				ENGINEERING	1. EA	1
Depth/TVD	m	3842/3468						
Mud Weight /Temp	kg/m³	1165.0@20						
Funnel Viscosity	s/L	45						
Rheology Temp	℃	20						
R600/R300		30/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	4/10/						
API Fluid Loss	cc/30min	16						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/80	
pH / Temp		8.5@20				Shaker 2	120/120/80	
Alkal Mud (Pm)								
Pf/Mf		.15/1.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		600						
Suction Temp	Celcius	N/A				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	45
						Filtrate	<20	16
Reserve Volume	m³	131						

REMARKS AND TREATMENT

Finish POOH, density stable @ 1165 kg/m3. Run wireline logs as per program. Finish logging and lay down same.

REMARKS

Finish POOH and rig to run wireline Logs. Run Logs as per program. Evaluate logs and prepare to RIH open ended.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	2	Oil Added		NaCl	0.9/ 29.3	np/na	
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	
Tripping	10	Mud Received		Low Gravity	8.4/ 217.5	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.4	Bit HHP/HSI	
Wireline Logs	10	Shakers		Drill Solids	4.7/ 122.1	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	7.7508	Cva Pipe	
		Left in Hole		Average SG	2.6	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$30,899.69

WATER-BASED MUD REPORT No. 15

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/25/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with Packer

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1173 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	112.4	75.1	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		116.2		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 12:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				DRILL WATER	1. M3 TK	3
Depth/TVD	m	700/				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1165.0@20						
Funnel Viscosity	s/L	44						
Rheology Temp	℃	20						
R600/R300		31/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	11						
YP	Pa	4.5						
10s/10m/30m Gel	Pa	4/9/						
API Fluid Loss	cc/30min	18						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.10				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		680						
Suction Temp	Celcius	20.				Centrifuge OF (kg/m3)		
Reserve Volume	m³	131						

MUD PROPERTY SPECS		Actual
Weight	1150	1165.0
Viscosity	40	44
Filtrate	<20	18

REMARKS AND TREATMENT

No additions to the mud while circulating. Density stable at 1165 kg/m3. Well static. Degasser tank circulated while circulating active system.

REMARKS

RIH open ended to 700m and circulate & condition while WOO. POOH and rig to Rig Up & make packer and RIH to 1300m.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	1	Oil Added		NaCl	0.9/ 29.3	np/na	0.632/0.343
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	0.198/0.875
Tripping	11	Mud Received		Low Gravity	8.4/ 217.5	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.4	Bit HHP/HSI	/ 1.
Condition Hole	12	Shakers		Drill Solids	4.7/ 122.1	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	7.7508	Cva Pipe	66
		Left in Hole		Average SG	2.6	Cva Collars	74
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1165
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$31,799.69

WATER-BASED MUD REPORT No. 16

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/26/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH To Peforate

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	117.2	73.4	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		73.4		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction Pit #2 22:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A				DRILL WATER	1. M3 TK	3
Depth/TVD	m	/3468				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1165.0@20						
Funnel Viscosity	s/L	44						
Rheology Temp	℃	20						
R600/R300		30/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	4/10/						
API Fluid Loss	cc/30min	18						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.00				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	29000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		680						
Suction Temp	Celcius	N/A				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	44
						Filtrate	<20	18
Reserve Volume	m³	131						

REMARKS AND TREATMENT

Maintaining density @ 1165 kg/m3.

REMARKS

RIH with packer and set the same @ 2360m. POOH and rig to run perforating guns on wireline. RIH with pref guns and perforate 1m section as per program. POOH and reload guns for next perforation.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	24	Oil Added		NaCl	0.8/ 27.8	np/na	
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	
Tripping		Mud Received		Low Gravity	8.4/ 219.2	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.2	Bit HHP/HSI	
Condition Hole		Shakers		Drill Solids	4.8/ 124.	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	7.8724	Cva Pipe	
		Left in Hole		Average SG	2.6	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$32,699.69

WATER-BASED MUD REPORT No. 17

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/27/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pump into Perfs

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2293 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	108.3	108	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		187.7		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES

Sample From		Suction 0:00				
FlowLine Temp	℃	n/a				
Depth/TVD	m	2320/3468				
Mud Weight /Temp	kg/m³	1165.0@20				
Funnel Viscosity	s/L	44				
Rheology Temp	℃	20				
R600/R300		30/20				
R200/R100		15/10				
R6/R3		4/3				
PV	mPa·s	10				
YP	Pa	5				
10s/10m/30m Gel	Pa	4/10/				
API Fluid Loss	cc/30min	18				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	12				
Oil/Water	%Vol	/88				
Sand	%Vol					
MBT	kg/m³	14				
pH / Temp		8.5@20				
Alkal Mud (Pm)						
Pf/Mf		.10/1.10				
Chlorides	mg/L	29000				
Hardness (Ca++)		680				
Suction Temp	Celcius	n/a				
Reserve Volume	m³	137				

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 10	22.68 KG BG	10
PULPRO 20	22.68 KG BG	10
PULPRO 30	22.68 KG BG	45
DRILL WATER	1. M3 TK	37.04
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/120	
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS

		Actual
Weight	1150	1165.0
Viscosity	40	44
Filtrate	<20	18

REMARKS AND TREATMENT

Perform perf Set cement retainer & pump 10500 Kpa on annulas & 12000 Kpa on DP Pump 6500 Kpa inside DP & 6500 Kpa on Annulas. Approx 5.9m3 volume was lost from squeezing fluid into the formmation 21 m3 of 1020 kg/m3 KCL fluid from Floc tank was pumped to fill inside of DP. T/F over additional 51m3 of KCL make up water from Tank Farm tank #3 to refill floc Tank & Pit #1.

REMARKS

Rig up and RIH with Bridge plug assembly. RIH to 2359m drop ball and set bridge plug @ 2360m. Circ B/U pump pill. POOH and laydown bridge plug running tool. Perform three 1m perfs @ 2347m, 2339m, & 2331m..Make up 9 -5/8 EZ drill sub and RIH to 2338m. Attempt to set Packer (Misfired) PT Bops. RIH to 2330m & circ BU.. Set cement retainer @ 2326.8m.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	18
Drilling	
Tripping	
Non-Productive Tim	
Testing	6
BOP NU	
BOP Testing	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	
Formation	5.9
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.8/ 27.8
KCl	0.7/ 19.9
Low Gravity	8.4/ 219.2
Bentonite	0./ 0.2
Drill Solids	4.8/ 124.
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.8724
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.585/0.343
Kp/Ka	0.266/0.875
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	66
Cva Collars	74
ECD at Shoe	
ECD at TD	1165

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$1,680.90	$34,380.59

WATER-BASED MUD REPORT No. 18

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/28/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Lay Down Stinger

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
27 m, 165.-mm DC	244.-mm @2509 m (2509 TVD)	117.2	91	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		91		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 17x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 222-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Pits 0:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	n/a				PULPRO 10	22.68 KG BG	60
Depth/TVD	m	3482/3468				PULPRO 20	22.68 KG BG	60
Mud Weight /Temp	kg/m³	1165.0@20				PULPRO 30	22.68 KG BG	60
Funnel Viscosity	s/L	44				DRILL WATER	1. M3 TK	9.06
Rheology Temp	℃	20				ENGINEERING	1. EA	1
R600/R300		30/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	4/10/						
API Fluid Loss	cc/30min	18						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.00				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	29000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		680						
Suction Temp	Celcius	n/a				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	44
						Filtrate	<20	18
Reserve Volume	m³	138						

REMARKS AND TREATMENT

Displace 9.1m3 of cement with water. Displace 7.3 m3 of cement with mud. Total of 16.4m3 of cement was pumped. POOH and WOC

REMARKS

Pump 6500 KPa of Mud into annulas & 16000 Kpa of water into DP. Monitor pressures & bleed off 11000 Kpa Dp press (to 5500 Kpa) while monitoring volume (Bled off 6.6m3). Pull off retainer & wait for DP & annulas to equalize. Remove quill install stabbing valve, circ head & cementing equip. Pump H20 down DP to fill annulas, close annular & press up annulas to 1000Kpa.Pump cement Holding annulas press @ 9500 kpa with choke, & sting into retainer.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	10	Oil Added		NaCl	0.8/ 27.8	np/na	
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	
Tripping	8	Mud Received		Low Gravity	8.4/ 219.2	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.2	Bit HHP/HSI	
Cementing	6	Shakers		Drill Solids	4.8/ 124.	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation	19.7	Inert/React	7.8724	Cva Pipe	
		Left in Hole		Average SG	2.6	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$2,935.20	$37,315.79

WATER-BASED MUD REPORT No. 19

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/29/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wait on Cement

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
	244.-mm @2509 m (2509 TVD)	117.2	91	Pump Liner x Stk	140x305 mm	140x305 mm
	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		91		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Plts 0:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃					ENGINEERING	1. EA	1
Depth/TVD	m	3428/3468						
Mud Weight /Temp	kg/m³	1165.0@20						
Funnel Viscosity	s/L	20						
Rheology Temp	℃	20						
R600/R300		30/20						
R200/R100		15/10						
R6/R3		4/3						
PV	mPa·s	10						
YP	Pa	5						
10s/10m/30m Gel	Pa	4/10/						
API Fluid Loss	cc/30min	18						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/120	
pH / Temp		8.5@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.10/1.00				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	29000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		680						
Suction Temp	Celcius					Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	20
						Filtrate	<20	18
Reserve Volume	m³	138						

REMARKS AND TREATMENT

Bring out load of Pulpro and backload back to warehouse.21 drums SSOM, 70 sx Polypac UL, 87 sx of Douvis, 30 pails of Cleanup, & 16 sx of Polyplus RD

REMARKS

WOC

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.8/ 27.8	np/na	
Drilling		Water Added		KCl	0.7/ 19.9	Kp/Ka	
Tripping		Mud Received		Low Gravity	8.4/ 219.2	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.2	Bit HHP/HSI	
Wait on Cement	24	Shakers		Drill Solids	4.8/ 124.	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
		Formation		Inert/React	7.8724	Cva Pipe	
		Left in Hole		Average SG	2.6	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$900.00	$38,215.79

WATER-BASED MUD REPORT No. 20

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/30/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH For Bit #2

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
31 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
335 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	113.6	91.8	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 164.-mm x/0	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
82 m, 165.-mm DC		105.6		Pump stk/min	75@97%	71@97%
1 m, 165.-mm Bit Sub		Depth Drilled Last 24 hr		Flow Rate	2 m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 20x3 mm		Volume Drilled Last 24 hr		Bottoms Up	5.3 min	774 stk
Bit 216-mm Smith		m³		Total Circulation	53. min	7740 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 18:00	FL 10:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	19	19			POLY-PLUS RD	25. KG BG	1
Depth/TVD	m	2335/3468	2325/3468			PULPRO 20	22.68 KG BG	60
Mud Weight /Temp	kg/m³	1165.0@20	1180.0@20			DRILL WATER	1. M3 TK	1.21
Funnel Viscosity	s/L	40	40			ENGINEERING	1. EA	1
Rheology Temp	℃	20	20			XANVIS	25. KG BG	1
R600/R300		16/11	15/10			SODIUM BICARBONATE	50. LB BG	10
R200/R100		7/5	8/5			BLEACH	5. GA CN	2
R6/R3		3/2	2/1					
PV	mPa·s	5	5					
YP	Pa	3	2.5					
10s/10m/30m Gel	Pa	2/6/	2/5/					
API Fluid Loss	cc/30min	28	22					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	1/	1/					
Solids	%Vol	10	11					
Oil/Water	%Vol	/90	/89			SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	120/120/120	
pH / Temp		8.5@20	8.5@20			Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.05/2.20	.02/.15			Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000	29000			Centrifuge 2 (kg/m3)		
Hardness (Ca++)		800	720					
Suction Temp	Celcius	20.	20.			Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	40
						Filtrate	<20	28
Reserve Volume	m³	132						

REMARKS AND TREATMENT

Drill retainer & cement. Mixed 1.3 kg/m3 of Sodium Bicarb to treat out cement . Also added 0.2 l/m3 of bleach. Topped up Premix pit #4 (Kill Mud) with active mud and add 1 sx of Xanvis to increase rheoloy. incase density needs to be increased. Build Pill and pump prior to POOH. Degasser tank was circulated while drilling Cement.

REMARKS

Finish WOC. Make up BHA & RIH with same. PT casing to 16000 KPa with 1165 kg/m3 mud for 2 hrs. RIH to 2300m wash down and tag retainer @ 2325.5m. Drill out retainer f/2325.5 to 2326.5m. Drill cement from 2326.5m to 2332.7m. stop drilling cement due to excessive torque.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	3	Oil Added		NaCl	1./ 33.8	np/na	0.541/0.261
Drilling	9	Water Added		KCl	0.5/ 13.6	Kp/Ka	0.193/0.667
Tripping	12	Mud Received		Low Gravity	9.4/ 243.2	Bit Pressure Loss %	802 / 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	27 / 1.
Wait on Cement		Shakers		Drill Solids	6.4/ 166.7	Jet Velocity	35
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	78.1
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	118.6
		Formation		Inert/React	-	Cva Pipe	46
		Left in Hole		Average SG	2.6	Cva Collars	50
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1186.72
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$2,748.25	$40,964.04

WATER-BASED MUD REPORT No. 21

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	8/31/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Control Reaming

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1909 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
335 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	105.4	100.3	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 164.-mm x/0	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
64 m, 165.-mm DC		177.8		Pump stk/min	77@97%	0@97%
1 m, 172.-mm X/O		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
2 m, 215.-mm Stab		m		Pump Pressure	2100 kPa	
Nozzles 20x3 mm		Volume Drilled Last 24 hr		Bottoms Up	54.7 min	4216 stk
Bit 216-mm Smith		m³		Total Circulation	168.4 min	12965 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 23:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	21				DRILL WATER	1. M3 TK	0.07
Depth/TVD	m	2332/3468				CLEAN UP	18.93 LT CN	1
Mud Weight /Temp	kg/m³	1165.0@20				ENGINEERING	1. EA	1
Funnel Viscosity	s/L	37				DUO-VIS	11.34 KG BG	1
Rheology Temp	℃	20				SAFE-SOLV OM	208.1 LT DM	1
R600/R300		15/10						
R200/R100		8/5						
R6/R3		2/1						
PV	mPa·s	5						
YP	Pa	2.5						
10s/10m/30m Gel	Pa	2/5/						
API Fluid Loss	cc/30min	24						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	10						
Oil/Water	%Vol	/90				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	10				Shaker 1	120/120/80	
pH / Temp		8.5@20				Shaker 2	120/120/80	
Alkal Mud (Pm)								
Pf/Mf		.05/2.00				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		800						
Suction Temp	Celcius	20.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	37
						Filtrate	<20	24
Reserve Volume	m³	132						

REMARKS AND TREATMENT

Conitnue slowly reaming down monitoring torques & string weights. Density stable @ 1165 kg/m3. Degasser was circulated while reaming. 28m3 of 1125 kg/m3 Kill mud isolated in premix tank #4.

REMARKS

Finish POOH. Attempt to pressure test casing to 8000 KPa . Pressure test failed. Make up New BHA with stabalizer and RIH to 2330m and and circulate BU. wash down to 2332.8m & monitor torque and weight. Slowly start reaming down in 0.5m increments. Conitnue reaming down in 0.5 & 0.2m increments closley monitoring torque & string weight

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	1	Oil Added		NaCl	1./ 34.1	np/na	0.585/0.459
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	0.133/0.242
Tripping	11	Mud Received		Low Gravity	8.4/ 218.2	Bit Pressure Loss %	225 / 10.7
Non-Productive Tim		Mud Returned		Bentonite	0.047619048	Bit HHP/HSI	4 / 0.1
Reaming	12	Shakers		Drill Solids	4.9/ 127.4	Jet Velocity	19
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	41.4
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	69.4
		Formation		Inert/React	11.3218	Cva Pipe	40
		Left in Hole		Average SG	2.6	Cva Collars	48
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1188.37
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$4,466.23	$45,430.27

WATER-BASED MUD REPORT No. 22

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/1/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill out cmt/plug

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1936 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
335 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	103	95.3	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 164.-mm x/0	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
64 m, 165.-mm DC		173.7		Pump stk/min	107@97%	0@97%
1 m, 172.-mm X/O		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
2 m, 215.-mm Stab		m		Pump Pressure	4200 kPa	
Nozzles 20x3 mm		Volume Drilled Last 24 hr		Bottoms Up	39.9 min	4274 stk
		m³		Total Circulation	118.6 min	12690 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 21;00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	21					ENGINEERING	1. EA	2
Depth/TVD	m	2359/							
Mud Weight /Temp	kg/m³	1145.0@20							
Funnel Viscosity	s/L	35							
Rheology Temp	℃	20							
R600/R300		14/10							
R200/R100		8/5							
R6/R3		2/1							
PV	mPa·s	4							
YP	Pa	3							
10s/10m/30m Gel	Pa	2/5/							
API Fluid Loss	cc/30min	30							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	9							
Oil/Water	%Vol	/91					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	10					Shaker 1	120/120/120	
pH / Temp		8.3@20					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.05/2.00					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		800							
Suction Temp	Celcius	20.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1145.0
							Viscosity	40	35
Reserve Volume	m³	134					Filtrate	<20	30

REMARKS AND TREATMENT

Prepare sweep/slug (Xanvis/Calcarb) to pump after plug drilled out. Check density at Shaker Headerbox and Flowline (1145 kg/m3 at both sources). Review Shaker screen designations (Mesh size vs API) and post 'screen designation table'

REMARKS

Continue drilling out cement/plug.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	1.1/ 34.7	np/na	0.485/0.459
Drilling	24	Water Added		KCl	0.5/ 14.1	Kp/Ka	0.248/0.242
Tripping		Mud Received		Low Gravity	6.7/ 173.9	Bit Pressure Loss %	426 / 10.1
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 1.4	Bit HHP/HSI	10 / 0.5
Reaming		Shakers	1.5	Drill Solids	2.9/ 77.5	Jet Velocity	26
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	57.4
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	96.2
		Formation		Inert/React	6.8854	Cva Pipe	40
		Left in Hole		Average SG	2.7	Cva Collars	49
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1178.46
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$1,800.00	$47,230.27

WATER-BASED MUD REPORT No. 23

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/2/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
335 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	114.7	98.1	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 164.-mm x/0	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
64 m, 165.-mm DC		98.1		Pump stk/min	0@97%	0@97%
1 m, 172.-mm X/O		Depth Drilled Last 24 hr		Flow Rate	m³/min	
2 m, 215.-mm Stab		m		Pump Pressure	4200 kPa	
Nozzles 20x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 21:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	21					PULPRO 20	22.68 KG BG	60
Depth/TVD	m	2359/					PULPRO 30	22.68 KG BG	60
Mud Weight /Temp	kg/m³	1145.0@20							
Funnel Viscosity	s/L	35					ENGINEERING	1. EA	1
Rheology Temp	℃	20							
R600/R300		14/10							
R200/R100		8/5							
R6/R3		2/1							
PV	mPa·s	4							
YP	Pa	3							
10s/10m/30m Gel	Pa	2/5/							
API Fluid Loss	cc/30min	30							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	9							
Oil/Water	%Vol	/91					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	10					Shaker 1	120/120/120	
pH / Temp		8.3@20					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.05/2.00					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		800							
Suction Temp	Celcius	20.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1145.0
							Viscosity	40	35
Reserve Volume	m³	131					Filtrate	<20	30

REMARKS AND TREATMENT

Pumped 4 m3 1320 kg/m3 (+30 YP) sweep after drilled thru plug (No increase in debris or swarf observed).

REMARKS

Pump sweep and calcarb slug prior to POOH to pick up new BHA to run into 7 5/8 Liner. Function Test Blind Rams, P/U BHA and RIH to 2359 m; drill cement/bridge plug and wash through liner top to 2390 m. Circulate Bottoms up and POOH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1.1/ 34.7	np/na	
Drilling	4.25	Water Added		KCl	0.5/ 14.1	Kp/Ka	
Tripping	18	Mud Received		Low Gravity	6.7/ 173.9	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 1.4	Bit HHP/HSI	
Reaming		Shakers	1.5	Drill Solids	2.9/ 77.5	Jet Velocity	
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge		Chemical Conc	- / 95.	Va Collars	
Circualte bottoms u	1.5	Formation		Inert/React	6.8854	Cva Pipe	
		Left in Hole		Average SG	2.7	Cva Collars	
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Jody Kereliuk 709-690-1077		790-754-9001	$2,281.20	$49,511.47

WATER-BASED MUD REPORT No. 24

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/3/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1954 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
414 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	104.8	108.1	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 119.-mm Bit Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, 159.-mm Bit		188.4		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 20x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 159-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 21:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	21				ENGINEERING	1. EA	2
Depth/TVD	m	2359/						
Mud Weight /Temp	kg/m³	1145.0@20						
Funnel Viscosity	s/L	35						
Rheology Temp	℃	20						
R600/R300		14/10						
R200/R100		8/5						
R6/R3		2/1						
PV	mPa·s	4						
YP	Pa	3						
10s/10m/30m Gel	Pa	2/5/						
API Fluid Loss	cc/30min	30						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	9						
Oil/Water	%Vol	/91				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	10				Shaker 1	120/120/120	6.0
pH / Temp		8.3@20				Shaker 2	120/120/120	6.0
Alkal Mud (Pm)								
Pf/Mf		.05/2.00				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	30000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		800						
Suction Temp	Celcius	20.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1145.0
						Viscosity	40	35
						Filtrate	<20	30
Reserve Volume	m³	131						

REMARKS AND TREATMENT

Conducted wellsite inventory check. Carried out handover with relieving Mud Engineer.

REMARKS

L/D BHA. Pressured tested BOP's. P/U new BHA. Presently RIH with same.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1.1/ 34.7	np/na	0.485/0.459
Drilling		Water Added		KCl	0.5/ 14.1	Kp/Ka	0.248/0.242
Tripping	7.75	Mud Received		Low Gravity	6.7/ 173.9	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 1.4	Bit HHP/HSI	/ 1.
Reaming		Shakers		Drill Solids	2.9/ 77.5	Jet Velocity	
BOP NU	3	Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing	5	Centrifuge		Chemical Conc	- / 95.	Va Collars	
M/U BHA	2.75	Formation		Inert/React	6.8854	Cva Pipe	40
Condition Mud	5.25	Left in Hole		Average SG	2.7	Cva Collars	49
		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1145
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney		790-754-9001	$1,800.00	$51,311.47

WATER-BASED MUD REPORT No. 25

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/4/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
1509 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	104.5	113
1 m, 120.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
414 m, 88.9-mm HWDP		207.6	
1 m, 119.-mm Bit Sub		Depth Drilled Last 24 hr	
m, 159.-mm Bit		m	
Nozzles 20x3 mm		Volume Drilled Last 24 hr	
Bit 159-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES

Sample From		FL 16:50	FL 11:30	Hi Vis 16:30	
FlowLine Temp	°C	23	20		
Depth/TVD	m	3363/	3360/	/	
Mud Weight /Temp	kg/m³	1170.0@22	1145.0@19	1170.0@23	
Funnel Viscosity	s/L	35	35	100	
Rheology Temp	°C	22	19	23	
R600/R300		13/8	12/7	82/66	
R200/R100		6/4	5/3	59/48	
R6/R3		2/1	2/1	26/24	
PV	mPa·s	5	5	16	
YP	Pa	1.5	1	25	
10s/10m/30m Gel	Pa	1/1/	1/1/		
API Fluid Loss	cc/30min	35	35		
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	1/	1/		
Solids	%Vol	10	9		
Oil/Water	%Vol	/90	/91		
Sand	%Vol				
MBT	kg/m³	14	12		
pH / Temp		8.3@19	8.3@19		
Alkal Mud (Pm)					
Pf/Mf		.30/1.40	.20/1.30		
Chlorides	mg/L	27000	26000		
Hardness (Ca++)		1000	1000		
Suction Temp	Celcius	22.	19.		
Reserve Volume	m³	131			

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 20	22.68 KG BG	60
ENGINEERING	1. EA	2
XANVIS	25. KG BG	2
DRILLWATER	1. M3 TK	4.5

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/120	19.0
Shaker 2	120/120/120	19.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS

		Actual
Weight	1150	1170.0
Viscosity	40	35
Filtrate	<20	35

REMARKS AND TREATMENT

Built 7.6 m³ Hi Vis Sweep w/ Active mud and 6.6 kg/m³ Xanvis. Pumped 5 m³ Hi Vis Sweep at 3363 m and circulated same at 0.9 m³/min while in open hole. Increased pump rate to 1.5 m³/min with sweep in cased hole. Significant amount of debris noted at shakers with Sweep for approximately 10 minutes. Debris consisted of fines and coarse with coarse ranging to pebble size. Built and pumped trip slug.

REMARKS

Washed/Reamed from 2369 to 3340 m. Circulate and condition mud. Continued washing/reaming to 3363 m. Pumped 5 m³ Hi Vis Sweep. Circulated same OOH. Pump trip slug. Presently POOH.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	
Tripping	5
Non-Productive Tim	
Wash/Ream	16
BOP NU	
BOP Testing	
M/U BHA	
Condition Mud	1.25
Circualte bottoms u	1.5

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	0.5
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.9/ 29.6
KCl	0.5/ 13.8
Low Gravity	8.4/ 217.7
Bentonite	0./ 0.4
Drill Solids	4.5/ 122.3
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.7662
Average SG	2.7

RHEOLOGY & HYDRAULICS

np/na	0.700/0.395
Kp/Ka	0.052/0.268
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	38
Cva Collars	43
ECD at Shoe	
ECD at TD	1170

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614				
Sean Penney		790-754-9001	$3,649.70	$54,961.17

WATER-BASED MUD REPORT No. 26

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/5/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wash & Ream to btm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
1849 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	103	95.1
1 m, 120.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
405 m, 88.9-mm HWDP		195.8	
9 m, 121.-mm MudM		Depth Drilled Last 24 hr	
m, 156.-mm Bit		m	
Nozzles 18x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES

Sample From		FL 18:00	FL 12:00	FL 12:00	
FlowLine Temp	℃	34	30	20	
Depth/TVD	m	3360/	3359/	3359/	
Mud Weight /Temp	kg/m³	1160.0@33	1160.0@29	1170.0@19	
Funnel Viscosity	s/L	34	35	37	
Rheology Temp	℃	33	29	19	
R600/R300		20/14	18/12	19/12	
R200/R100		10/7	9/6	9/6	
R6/R3		2/1	2/1	2/1	
PV	mPa·s	6	6	7	
YP	Pa	4	3	2.5	
10s/10m/30m Gel	Pa	1/2/	1/2/	1/2/	
API Fluid Loss	cc/30min	36	36	36	
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	1/	1/	1/	
Solids	%Vol	10	10	10	
Oil/Water	%Vol	/90	/90	/90	
Sand	%Vol				
MBT	kg/m³	12	12	11	
pH / Temp		8.3@19	8.3@19	8.3@19	
Alkal Mud (Pm)					
Pf/Mf		.20/1.30	.25/1.30	.20/1.20	
Chlorides	mg/L	31000	31000	32000	
Hardness (Ca++)		850	900	900	
Suction Temp	Celcius	33.	29.	19.	
Reserve Volume	m³	156			

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 10	22.68 KG BG	120
ENGINEERING	1. EA	1
XANVIS	25. KG BG	5
DRILLWATER	1. M3 TK	5.42

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/120	8.0
Shaker 2	120/120/120	8.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	34
Filtrate	<20	36

REMARKS AND TREATMENT

Built and pumped a series of 6 m³ Hi Vis Sweeps and one tandem sweeps at 3359 m. Tandem sweep consisted of 2.5 m³ water followed by 8 m³ weighted Hi Vis sweep. Worked pipe while circ sweeps OOH. Sweeps returned slight to significant amount of debris consisting of fines and coarse with traces coarse in the pebble size range.

REMARKS

Completed POOH. M/U new BHA and commenced RIH to 3340 m. Began washing and reaming from 3340 to 3363 m. Circulated and conditioned hole pumping a series of Hi Vis and tandem sweeps. Continue washing and reaming from 3363 to 3365 m.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	
Tripping	7.25
Non-Productive Tim	1.25
Wash/Ream	9
BOP NU	
Other	2.25
M/U BHA	1
Condition Hole	3

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	0.7	
Evaporation		
Centrifuge		
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	1.1/ 35.9
KCl	0.5/ 13.9
Low Gravity	7.5/ 195.7
Bentonite	0./ 0.9
Drill Solids	3.7/ 99.8
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.3901
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	0.515/0.555
Kp/Ka	0.289/0.207
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	49
Cva Collars	67
ECD at Shoe	1160
ECD at TD	1160

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney		790-754-9001	$5,272.25	$61,061.42

WATER-BASED MUD REPORT No. 27

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/6/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Cont washing/reaming

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1893 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	102.8	96.5	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
405 m, 88.9-mm HWDP		197.9		Pump stk/min	85@97%	0@97%
9 m, 121.-mm MudM		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
m, 156.-mm Bit		m		Pump Pressure	16500 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	67.7 min	5753 stk
Bit 156-mm Smith		m³		Total Circulation	169.8 min	14431 stk

MUD PROPERTIES

Sample From		FL 16:30	FL 9:30			
FlowLine Temp	℃	26	25			
Depth/TVD	m	3380/	3404/			
Mud Weight /Temp	kg/m³	1160.0@25	1160.0@24			
Funnel Viscosity	s/L	38	38			
Rheology Temp	℃	25	24			
R600/R300		23/15	22/15			
R200/R100		12/8	11/8			
R6/R3		2/1	2/1			
PV	mPa·s	8	7			
YP	Pa	3.5	4			
10s/10m/30m Gel	Pa	1/2/	1/2/			
API Fluid Loss	cc/30min	32	32			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	9.5	9.5			
Oil/Water	%Vol	/91	/91			
Sand	%Vol					
MBT	kg/m³	12	14			
pH / Temp		8.5@23	8.3@22			
Alkal Mud (Pm)						
Pf/Mf		.50/1.30	.08/1.40			
Chlorides	mg/L	30000	30000			
Hardness (Ca++)		650	700			
Suction Temp	Celcius	25.	24.			
Reserve Volume	m³	146				

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1
XANVIS	25. KG BG	6
DRILLWATER	1. M3 TK	13.04

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/120	24.0
Shaker 2	120/120/120	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	38
Filtrate	<20	32

REMARKS AND TREATMENT

Continued to build and pump 6 m³ Hi Vis sweeps and Tandem Sweeps (2.5 m³ water followed by 8 m³ Wt'd Hi Vis) as required. All sweeps circulated OOH at 1.2 m³/min. Transferred KCl water from Floc Tank and suction tank #1 to Farm Tank #5.

REMARKS

Continued washing and reaming to bottom pumping sweeps as required. Circulate and condition hole as required.washing and reaming from 3365 to 3428

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	1./ 34.4	np/na	0.617/0.593
Drilling		Water Added		KCl	0.5/ 13.9	Kp/Ka	0.164/0.194
Tripping		Mud Received		Low Gravity	7.6/ 197.3	Bit Pressure Loss %	416 / 2.5
Non-Productive Tim		Mud Returned	20	Bentonite	0./ 0.7	Bit HHP/HSI	8 / 0.4
Wash/Ream	20	Shakers	1.6	Drill Solids	3.8/ 101.6	Jet Velocity	25
BOP NU		Evaporation		Weight Material	NA/ NA	Va Pipe	72.7
Back Ream	3.5	Centrifuge		Chemical Conc	- / 95.	Va Collars	153.1
M/U BHA		Formation		Inert/React	7.5245	Cva Pipe	52
		Left in Hole		Average SG	2.7	Cva Collars	74
		Haul Off (Pits)				ECD at Shoe	1179.85
		Sent to Storage				ECD at TD	1181.01
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney		790-754-9001	$4,577.10	$72,468.83

WATER-BASED MUD REPORT No. 28

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/7/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Cont Washing/Reaming

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
1952 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	102.5	88.7
1 m, 120.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
405 m, 88.9-mm HWDP		190.9	
9 m, 121.-mm MudM		Depth Drilled Last 24 hr	
m, 156.-mm Bit		m	
Nozzles 18x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	93@97%	0@97%
Flow Rate	1 m³/min	
Pump Pressure	15200 kPa	
Bottoms Up	62.1 min	5780 stk
Total Circulation	149.7 min	13923 stk

MUD PROPERTIES

Sample From		FL 20:15	FL 10:00	Hi Vis 10:30	
FlowLine Temp	℃	27	27	Tank #1	
Depth/TVD	m	3415/	3482/	/	
Mud Weight /Temp	kg/m³	1160.0@26	1160.0@26	1260.0@25	
Funnel Viscosity	s/L	41	42	100	
Rheology Temp	℃	26	26	25	
R600/R300		36/26	37/26	108/86	
R200/R100		21/15	22/17	75/66	
R6/R3		5/4	5/4	33/30	
PV	mPa·s	10	11	22	
YP	Pa	8	7.5	32	
10s/10m/30m Gel	Pa	3/5/	3/5/		
API Fluid Loss	cc/30min	26	28		
HTHP Fluid Loss	cc/30min	.0@	.0@		
Cake APT/HT	mm	1/	1/		
Solids	%Vol	10	10		
Oil/Water	%Vol	/90	/90		
Sand	%Vol				
MBT	kg/m³	12	13		
pH / Temp		8.3@26	8.3@26		
Alkal Mud (Pm)					
Pf/Mf		.06/1.30	.05/1.35		
Chlorides	mg/L	31000	31000		
Hardness (Ca++)		1100	1000		
Suction Temp	Celcius	26.	26.		
Reserve Volume	m³	161			

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 20	22.68 KG BG	120
ENGINEERING	1. EA	1
XANVIS	25. KG BG	23
DRILLWATER	1. M3 TK	7.23

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/200	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS

		Actual
Weight	1150	1160.0
Viscosity	40	41
Filtrate	<20	26

REMARKS AND TREATMENT

Built & pumped Hi Vis sweeps as required while washing/reaming to btm. All sweeps circ OOH at 1.2 m³/min w/ good returns noted at shakers. Treated active w/ 2 kg/m³ Xanvis to raise YP. After ssecond W/T pumped Tandem Sweep at 3416 m consisting of 2 m³ water & 4 m³ 1260 kg/m³ Hi Vis. Circ same OOH at 1.3 m³/min. Changed out 1 screen on shaker #1 and dressed with new 200 mesh.

REMARKS

Completed washing/reaming to btm conditioning hole & pumping Hi Vis sweeps as required. Conducted W/T from 3482 to 3340 m. RIH to btm conditioning hole. Conducted second W/T from 3482 to 3285 m. Encountered several tight spots during W/T (in & out). Pumped Tandem Sweep at 3416 m. Circ OOH at 1.3 m³/min. Continued washing & reaming back to btm conditioning hole.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	
Tripping	
Non-Productive Tim	
Wash/Ream	14.25
BOP NU	
Back Ream	
M/U BHA	
Circualte bottoms u	6.75
Wiper Trip	2.75

MUD VOL ACCTG (m³)

Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	1.1	
Evaporation		
Centrifuge		
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)

NaCl	1.1/ 35.9
KCl	0.5/ 13.9
Low Gravity	7.5/ 195.7
Bentonite	0./ 0.9
Drill Solids	3.7/ 99.8
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.3901
Average SG	2.7

RHEOLOGY & HYDRAULICS

np/na	0.469/0.377
Kp/Ka	0.711/1.105
Bit Pressure Loss %	498 / 3.3
Bit HHP/HSI	11 / 0.5
Jet Velocity	28
Va Pipe	79.5
Va Collars	167.5
Cva Pipe	87
Cva Collars	105
ECD at Shoe	1202.84
ECD at TD	1204.54

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$16,243.55	$88,712.38

WATER-BASED MUD REPORT No. 29

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/8/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Ream/Clean Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1817 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	103.1	117	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
405 m, 88.9-mm HWDP		217.2		Pump stk/min	93@97%	0@97%
9 m, 121.-mm MudM		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
m, 156.-mm Bit		m		Pump Pressure	15200 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	61.5 min	5716 stk
Bit 156-mm Smith		m³		Total Circulation	170.3 min	15838 stk

MUD PROPERTIES

Sample From		FL 16:15	FL 9:30			
FlowLine Temp	℃	27	26			
Depth/TVD	m	3482/	3462/			
Mud Weight /Temp	kg/m³	1170.0@26	1170.0@25			
Funnel Viscosity	s/L	54	48			
Rheology Temp	℃	26	25			
R600/R300		64/50	63/49			
R200/R100		44/36	42/34			
R6/R3		18/16	17/15			
PV	mPa·s	14	14			
YP	Pa	18	17.5			
10s/10m/30m Gel	Pa	8/11/	8/11/			
API Fluid Loss	cc/30min	14	16			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	10	10			
Oil/Water	%Vol	/90	/90			
Sand	%Vol					
MBT	kg/m³	13	14			
pH / Temp		8.5@25	8.5@24			
Alkal Mud (Pm)						
Pf/Mf		.05/1.55	.05/1.50			
Chlorides	mg/L	32000	32000			
Hardness (Ca++)		1200	1200			
Suction Temp	Celcius	26.	25.			
Reserve Volume	m³	137				

PRODUCTS USED Last 24 hr

Products	Size	Amount
SAWDUST	7. KG BG	10
POLYPAC UL	22.68 KG BG	2
PULPRO 10	22.68 KG BG	60
PULPRO 30	22.68 KG BG	30
ENGINEERING	1. EA	1
XANVIS	25. KG BG	6
DRILLWATER	1. M3 TK	5.42

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/20	24.0
Shaker 2	120/120/120	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS

		Actual
Weight	1150	1170.0
Viscosity	40	54
Filtrate	<20	14

REMARKS AND TREATMENT

At 3482 m pumped Tandem Sweep. Circ OOH at 1.3 m³/min. Pumped an additional Tandem Sweep at 3482 m and circ OOH at 1.3 m³/min. No significant increase in returns on both sweeps. Hole appears to be cleaning with increased YP. Treated active with an additional 0.5 kg/m³ Xanvis and 0.1 kg/m³ PolyPac UL. Pumped tandem sweep after cleaning/reaming to btm. Pump trip slug. Commenced POOH & encounter tight hole f/ 3480 to 3446m. Pump second trip slug.

REMARKS

Completed washing/reaming to btm. At 3482 m pumped Tandem Sweep & circ OOH at 1.3 m³/min. Pumped an additional Tandem at 3482 m & circ OOH. Conducted W/T from 3482 to 3462 m. Circ & condtion hole at 3462 m. Ran back to btm from 3462 to 3481.5 m. Tagged debris at 3481.5m, reamed/cleaned same to 3482.4 m. Pumped sweep & circ same aOOH at 1.2 m³/min. Flow check. Commenced POOH. Encountered tight hole from 3480 to 3446 m. Work pipe through same.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.5
Drilling	
Tripping	
Non-Productive Tim	
Wash/Ream	9.25
Condition Hole	7.25
Back Ream	
M/U BHA	
Circulate bottoms u	2.5
Wiper Trip	4.5

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	1
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	1.1/ 37.2	np/na	0.356/0.231
KCl	0.5/ 13.8	Kp/Ka	2.771/5.605
Low Gravity	8.1/ 209.7	Bit Pressure Loss %	503 / 3.3
Bentonite	0./ 0.3	Bit HHP/HSI	11 / 0.5
Drill Solids	4.2/ 114.4	Jet Velocity	28
Weight Material	NA/ NA	Va Pipe	79.5
Chemical Conc	- / 95.	Va Collars	118.6
Inert/React	7.8243	Cva Pipe	145
Average SG	2.7	Cva Collars	155
		ECD at Shoe	
		ECD at TD	1276.92

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$6,171.50	$94,883.88

WATER-BASED MUD REPORT No. 30

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/9/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Conditioning Mud

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1886 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	103.1	114.5	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
350 m, 88.9-mm HWDP		214.8		Pump stk/min	73@97%	0@97%
1 m, 90.-mm Bullnose		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
m, -mm		m		Pump Pressure	8300 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	78.3 min	5717 stk
Bit 156-mm Bullnose		m³		Total Circulation	215.6 min	15738 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 19:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	21					PULPRO 10	22.68 KG BG	6
Depth/TVD	m	3344/					PULPRO 20	22.68 KG BG	43
Mud Weight /Temp	kg/m³	1170.0@20					PULPRO 30	22.68 KG BG	96
Funnel Viscosity	s/L	52					ENGINEERING	1. EA	1
Rheology Temp	℃	20					DUO-VIS	11.34 KG BG	23
R600/R300		62/48					XANVIS	25. KG BG	11
R200/R100		43/35					DRILLWATER	1. M3 TK	0.01
R6/R3		17/15							
PV	mPa·s	14							
YP	Pa	17							
10s/10m/30m Gel	Pa	7/10/							
API Fluid Loss	cc/30min	12							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	10							
Oil/Water	%Vol	/90					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	13					Shaker 1	120/120/200	8.0
pH / Temp		8.3@20					Shaker 2	120/120/120	8.0
Alkal Mud (Pm)									
Pf/Mf		.08/1.60					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	32000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1200							
Suction Temp	Celcius	20.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1170.0
							Viscosity	40	52
Reserve Volume	m³	137					Filtrate	<20	12

REMARKS AND TREATMENT

Built & pumped trip slug. Noted significant amount of fines at shakers while circulating at 2.2 m³/min prior to shutting down to change out kelly hose. No other additions/treatments made today. Completed physical count of inventory and adjusted accordingly. 2.3 m³ other reflects loss from kelly hose rupture.

REMARKS

Completed backreaming from 3464 to 3332m. Conditioned mud. Pumped trip slug. POOH. L/D 3 bent HWDP & mud motor. Functioned tested blind rams. P/U & M/U BHA with bullnose. RIH to 3336m. Conditioned mud & circulated from 3336 to 3460 m at 2.2 m³/min. Shut down to change out kelly hose. POOH to 3336m Began conditioning mud at 1 m³/min at 3336m.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	1	Oil Added		NaCl	1.1/ 37.2	np/na	0.369/0.242
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	2.452/5.167
Tripping	11	Mud Received		Low Gravity	8.1/ 209.7	Bit Pressure Loss %	307 / 3.7
Non-Productive Tim	2.25	Mud Returned		Bentonite	0./ 0.3	Bit HHP/HSI	5 / 0.2
Wash/Ream		Shakers	1.6	Drill Solids	4.2/ 114.4	Jet Velocity	22
Condition Mud	5.25	Evaporation		Weight Material	NA/ NA	Va Pipe	62.1
Back Ream	2.75	Centrifuge		Chemical Conc	- / 95.	Va Collars	62.1
M/U / P/U BHA	1.5	Formation		Inert/React	7.8243	Cva Pipe	143
Circulate bottoms u		Left in Hole		Average SG	2.7	Cva Collars	143
Other	0.25	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1269.19
		Other	2.3				
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$13,390.01	$108,273.89

WATER-BASED MUD REPORT No. 31

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/10/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ DST Tools

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
563 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	108.5	78.8	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
331 m, 88.9-mm HWDP		149.2		Pump stk/min	0@97%	0@97%
10 m, 127.-mm DST Tool		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Pit #2 11:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃						PULPRO 20	22.68 KG BG	23
Depth/TVD	m	3482/					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1170.0@24							
Funnel Viscosity	s/L	45							
Rheology Temp	℃	23							
R600/R300		46/36							
R200/R100		28/23							
R6/R3		9/7							
PV	mPa·s	10							
YP	Pa	13							
10s/10m/30m Gel	Pa	5/9/							
API Fluid Loss	cc/30min	12							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	9.5							
Oil/Water	%Vol	/91					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	13					Shaker 1	120/120/200	6.0
pH / Temp		8.3@24					Shaker 2	120/120/120	6.0
Alkal Mud (Pm)									
Pf/Mf		.07/1.60					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	31000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1200							
Suction Temp	Celcius	24.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1170.0
							Viscosity	40	45
Reserve Volume	m³	166					Filtrate	<20	12

REMARKS AND TREATMENT

Circulated & conditioned mud at 2 m³/min. Built & pumped trip slug. No other treatments/additions made today.

REMARKS

Continued conditioning mud washing f/ 3336m to 3392m at 2 m³/min. Unable to pass 3392m. Pumped trip slug & POOH. Rack BHA laying down 2 bent singles of HWDP & bent mud motor. Functioned blind rams. M/U DST Tools & RIH with same to 920m. Conducted seal test. Continued RIH with DST Tools.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1.1/ 35.7	np/na	0.354/0.339
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	2.027/2.056
Tripping	17.5	Mud Received		Low Gravity	8.1/ 211.3	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.1	Bit HHP/HSI	/ 1.
Wash/Ream		Shakers	1.9	Drill Solids	4.3/ 116.2	Jet Velocity	
Condition Mud	4	Evaporation		Weight Material	NA/ NA	Va Pipe	
Back Ream		Centrifuge		Chemical Conc	- / 95.	Va Collars	
M/U / P/U BHA	2.25	Formation		Inert/React	7.9476	Cva Pipe	102
Circulate bottoms u		Left in Hole		Average SG	2.7	Cva Collars	109
Other		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1170
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$1,139.20	$109,413.09

WATER-BASED MUD REPORT No. 32

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/11/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Monitor Pressures

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1882 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	103	95.8	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
331 m, 88.9-mm HWDP		195.7		Pump stk/min	0@97%	0@97%
10 m, 127.-mm DST Tool		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Pit #2 13:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃						ENGINEERING	1. EA	1
Depth/TVD	m	3482/							
Mud Weight /Temp	kg/m³	1170.0@20							
Funnel Viscosity	s/L	49							
Rheology Temp	℃	20							
R600/R300		45/35							
R200/R100		27/23							
R6/R3		8/6							
PV	mPa·s	10							
YP	Pa	12.5							
10s/10m/30m Gel	Pa	5/8/							
API Fluid Loss	cc/30min	12							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	9.5							
Oil/Water	%Vol	/91					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	120/120/200	
pH / Temp		8.3@20					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.08/1.65					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	31000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1200							
Suction Temp	Celcius						Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1170.0
							Viscosity	40	49
Reserve Volume	m³	176					Filtrate	<20	12

REMARKS AND TREATMENT

No treatments made to mud today.

REMARKS

Continue RIH with DST Tools to 3224m. Rig in manifold & lines. Set packer. Fill drill string w/ N2 & pressure to 1500 kPa. Test formation, open packer & attempted to flow well. No go. Continue to pressure up to 2200 kPa. Test formation. Open DST tool & monitor pressures.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1.1/ 35.7	np/na	0.363/0.383
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	1.864/1.641
Tripping	4	Mud Received		Low Gravity	8.1/ 211.3	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 1.2	Bit HHP/HSI	/ 1.
Wash/Ream		Shakers		Drill Solids	4.3/ 115.1	Jet Velocity	
Condition Mud		Evaporation		Weight Material	NA/ NA	Va Pipe	
DST's et al	18.75	Centrifuge		Chemical Conc	- / 95.	Va Collars	
M/U / P/U BHA		Formation		Inert/React	7.3085	Cva Pipe	113
Circulate bottoms u		Left in Hole		Average SG	2.7	Cva Collars	132
Other	1	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1170
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$900.00	$110,313.09

WATER-BASED MUD REPORT No. 33

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/12/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH w/ DST Tools

DRILLING ASSEMBLY	CASING
510 m, 127.-mm DP 1100 m, 88.9-mm DP 1 m, 160.-mm X/O 331 m, 88.9-mm HWDP 10 m, 127.-mm DST Tool	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)

MUD VOLUME (m³)	
Hole	Active Pits
108.8	79.6
Total Circulating Volume	
148.3	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES

Sample From		Pit #2 15:00				
FlowLine Temp	℃					
Depth/TVD	m	3482/				
Mud Weight /Temp	kg/m³	1170.0@20				
Funnel Viscosity	s/L	49				
Rheology Temp	℃	20				
R600/R300		45/35				
R200/R100		27/23				
R6/R3		8/6				
PV	mPa·s	10				
YP	Pa	12.5				
10s/10m/30m Gel	Pa	5/8/				
API Fluid Loss	cc/30min	12				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	9.5				
Oil/Water	%Vol	/91				
Sand	%Vol					
MBT	kg/m³	14				
pH / Temp		8.3@20				
Alkal Mud (Pm)						
Pf/Mf		.08/1.65				
Chlorides	mg/L	31000				
Hardness (Ca++)		1200				
Suction Temp	Celcius					
Reserve Volume	m³	175				

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS

		Actual
Weight	1150	1170.0
Viscosity	40	49
Filtrate	<20	12

REMARKS AND TREATMENT

No treatments made to mud today.

REMARKS

Continue with DST's monitoring fluid and pressures. Close DST tool and bleed off string. Release Packer. Fill hole & bleed off remaining DPP. Shut in to manifold & record pressure for 10 min continuing to vent string. Presently POOH with DST Tools.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.5
Drilling	
Tripping	5.25
Non-Productive Tim	
Wash/Ream	
Condition Mud	
DST's et al	18.25
M/U / P/U BHA	
Circulate bottoms u	
Other	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	1.1/ 35.7
KCl	0.5/ 13.8
Low Gravity	8.1/ 211.3
Bentonite	0./ 1.2
Drill Solids	4.3/ 115.1
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.3085
Average SG	2.7

RHEOLOGY & HYDRAULICS

np/na	0.363/0.383
Kp/Ka	1.864/1.641
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	100
Cva Collars	109
ECD at Shoe	
ECD at TD	1170

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$900.00	$111,213.09

WATER-BASED MUD REPORT No. 34

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/13/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulating

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1901 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	102.8	109.8	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
335 m, 88.9-mm HWDP		210.4		Pump stk/min	60@97%	0@97%
19 m, 121.-mm Monel		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
9 m, 124.-mm MudM		m		Pump Pressure	10500 kPa	
Nozzles 12x3 mm		Volume Drilled Last 24 hr		Bottoms Up	95.7 min	5742 stk
Bit 156-mm Smith		m³		Total Circulation	257.5 min	15451 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 19:45	Pit #3 10:30				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19					ENGINEERING	1. EA	1
Depth/TVD	m	3301/	3482/						
Mud Weight /Temp	kg/m³	1160.0@18	1160.0@19						
Funnel Viscosity	s/L	38	37						
Rheology Temp	℃	18	19						
R600/R300		22/15	20/13						
R200/R100		11/7	9/7						
R6/R3		2/1	2/1						
PV	mPa·s	7	7						
YP	Pa	4	3						
10s/10m/30m Gel	Pa	1/1/	1/1/						
API Fluid Loss	cc/30min	28	28						
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	2/	2/						
Solids	%Vol	11	11						
Oil/Water	%Vol	1/89	1/89				**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	13	12				Shaker 1	120/120/200	
pH / Temp		8.0@18	8.0@19				Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.02/2.30	.02/2.40				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000	33000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1800	1500						
Suction Temp	Celcius	18.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		**Actual**
							Weight	1150	1160.0
							Viscosity	40	38
							Filtrate	<20	28
Reserve Volume	m³	141							

REMARKS AND TREATMENT

Monitor density & volumes. No treatments made to mud today.

REMARKS

Continue POOH w/ DST Tools to 1660 m. Encounter gas cut fluid. Reverse circ out at 0.4 m³/min. Complete POOH flow checking well. Function blind rams. Standby for orders. P/U BHA & M/U bit, mud motor & monels. Test mud motor. RIH to 3292m & wash/ream to 3301m. Circ & condition at 1.1 m³/min. Shut in well & circ via choke at 0.8 m³/min. Complete circ gas OOH. Open well & circ via flowline washing/reaming to 3365m at 1.2 m³/min. Shut in well & circ via choke at 0.8 m³/min.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1.2/ 38.7	np/na	0.553/0.555
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	0.244/0.207
Tripping	11.25	Mud Received		Low Gravity	7.7/ 200.6	Bit Pressure Loss %	1035 / 9.9
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 1.4	Bit HHP/HSI	14 / 0.6
Wash/Ream	3.25	Shakers		Drill Solids	3.9/ 104.1	Jet Velocity	40
Wait on orders	3.75	Evaporation		Weight Material	NA/ NA	Va Pipe	50.9
DST's et al		Centrifuge		Chemical Conc	- / 95.	Va Collars	116.1
M/U / P/U BHA	1.75	Formation		Inert/React	7.1212	Cva Pipe	49
Safety Meetings	0.25	Left in Hole		Average SG	2.7	Cva Collars	69
Circulate	2.5	Haul Off (Pits)				ECD at Shoe	1175.35
		Sent to Storage				ECD at TD	1175.92
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$900.00	$112,113.09

WATER-BASED MUD REPORT No. 35

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/14/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wash/Ream to bottom

DRILLING ASSEMBLY	CASING
1935 m, 127.-mm DP	340.-mm @495 m (495 TVD)
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)
221 m, 88.9-mm HWDP	
4 m, 120.-mm Jars	
110 m, 88.9-mm HWDP	
Nozzles 12x3 mm	
Bit 156-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
102.6	107.6
Total Circulating Volume	
208.6	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	86@97%	0@97%
Flow Rate	1 m³/min	
Pump Pressure	16900 kPa	
Bottoms Up	66.7 min	5732 stk
Total Circulation	177.5 min	15261 stk

MUD PROPERTIES						
Sample From		FL 20:30	FL 10:30			
FlowLine Temp	℃	24	23			
Depth/TVD	m	3399/	3385/			
Mud Weight /Temp	kg/m³	1160.0@23	1160.0@22			
Funnel Viscosity	s/L	38	39			
Rheology Temp	℃	23	22			
R600/R300		23/15	24/15			
R200/R100		11/7	11/7			
R6/R3		2/1	2/1			
PV	mPa·s	8	9			
YP	Pa	3.5	3			
10s/10m/30m Gel	Pa	1/3/	1/3/			
API Fluid Loss	cc/30min	30	30			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1.5/	1.5			
Solids	%Vol	12	12			
Oil/Water	%Vol	0.5/87.5	0.5/87.5			
Sand	%Vol					
MBT	kg/m³	14	14			
pH / Temp		8.0@23	8.0@22			
Alkal Mud (Pm)						
Pf/Mf		.01/2.30	.02/2.45			
Chlorides	mg/L	33000	33000			
Hardness (Ca++)		1900	1900			
Suction Temp	Celcius	23.	22.			
Reserve Volume	m³	142.7				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	120/120/200	24.0
Shaker 2	120/120/120	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	38
Filtrate	<20	30

REMARKS AND TREATMENT

No treatments made to system today.

REMARKS

Complete circulating gas out via choke. Continue washing/reaming from 3365 to 3399m. Complete rig service. Function annular rams.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	
Tripping	
Non-Productive Tim	
Wash/Ream	23
Wait on orders	
DST's et al	
M/U / P/U BHA	
Safety Meetings	
Circulate	0.5

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	0.4	
Evaporation		
Centrifuge		
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	1.2/ 38.7
KCl	0.5/ 13.8
Low Gravity	7.7/ 200.6
Bentonite	0.1/ 2.6
Drill Solids	3.8/ 103.
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	6.5411
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	0.617/0.555
Kp/Ka	0.164/0.207
Bit Pressure Loss %	2144 / 12.7
Bit HHP/HSI	42 / 1.9
Jet Velocity	58
Va Pipe	73.3
Va Collars	167
Cva Pipe	49
Cva Collars	69
ECD at Shoe	1180.86
ECD at TD	1183.2

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$900.00	$113,013.09

WATER-BASED MUD REPORT No. 36

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/15/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH

DRILLING ASSEMBLY	CASING
540 m, 127.-mm DP 1100 m, 88.9-mm DP 1 m, 160.-mm X/O 304 m, 88.9-mm HWDP 4 m, 120.-mm Jars 28 m, 88.9-mm HWDP	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)

MUD VOLUME (m³)	
Hole	Active Pits
108.5	93.8
Total Circulating Volume	
166.4	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES						
Sample From		Pit #2 13:00				
FlowLine Temp	℃					
Depth/TVD	m	3482/				
Mud Weight /Temp	kg/m³	1165.0@20				
Funnel Viscosity	s/L	38				
Rheology Temp	℃	20				
R600/R300		23/15				
R200/R100		11/7				
R6/R3		2/1				
PV	mPa·s	8				
YP	Pa	3.5				
10s/10m/30m Gel	Pa	1/3/				
API Fluid Loss	cc/30min	30				
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1.5/				
Solids	%Vol	11.5				
Oil/Water	%Vol	0.5/88				
Sand	%Vol					
MBT	kg/m³	14				
pH / Temp		8.0@20				
Alkal Mud (Pm)						
Pf/Mf		.01/2.30				
Chlorides	mg/L	33000				
Hardness (Ca++)		1900				
Suction Temp	Celcius					
Reserve Volume	m³	150				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 30	22.68 KG BG	42
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	0.04

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	120/120/200	8.0
Shaker 2	120/120/120	8.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1165.0
Viscosity	40	38
Filtrate	<20	30

REMARKS AND TREATMENT

Build 4.5 m³ 1330 kg/m³ trip slug in Pill tank.

REMARKS

Continued washing/reaming f/ 3399 to 3400m. Ream & clean at 3400m. Complete Wiper Trip into casing. Wash back to 3400m. Ream & clean pulling up into casing at 3320m. POOH checking/inspecting for washed pipe. Complete rig service. Function Annular & Blind rams. Presently RIH open ended.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	
Tripping	14
Non-Productive Time	
Wash/Ream	7
Wait on orders	
Wiper Trip	2.5
M/U / P/U BHA	
Safety Meetings	
Circulate	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	1.2
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	1.2/ 38.6
KCl	0.5/ 13.8
Low Gravity	8./ 208.4
Bentonite	0.1/ 1.6
Drill Solids	4.1/ 111.8
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	7.1003
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	0.617/0.555
Kp/Ka	0.164/0.207
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	40
Cva Collars	40
ECD at Shoe	
ECD at TD	1165

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$1,430.04	$114,443.13

WATER-BASED MUD REPORT No. 37

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/16/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Monitor Well

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1769 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	103.4	98.1	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
304 m, 88.9-mm HWDP		197.7		Pump stk/min	0@97%	0@97%
4 m, 120.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	m³/min	
28 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 11:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	21					ENGINEERING	1. EA	2
Depth/TVD	m	3364/							
Mud Weight /Temp	kg/m³	1160.0@20							
Funnel Viscosity	s/L	38							
Rheology Temp	℃	20							
R600/R300		23/14							
R200/R100		11/7							
R6/R3		2/1							
PV	mPa·s	9							
YP	Pa	2.5							
10s/10m/30m Gel	Pa	1/3/							
API Fluid Loss	cc/30min	30							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	2/							
Solids	%Vol	11.5							
Oil/Water	%Vol	0.5/88					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	120/120/200	21.0
pH / Temp		8.0@20					Shaker 2	120/120/120	21.0
Alkal Mud (Pm)									
Pf/Mf		.01/2.30					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1900							
Suction Temp	Celcius						Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		**Actual**
							Weight	1150	1160.0
							Viscosity	40	38
Reserve Volume	m³	150					Filtrate	<20	30

REMARKS AND TREATMENT

Mud properties remain stable while circulating on top of fish. Shakers clean; discontinue circulating and wait on cementer.

REMARKS

Continue RIH open-ended to 3339m. Condition mud & circulate B/U. Wash in hole from 3339 tagging fish at 3363m. Push fish to 3364.5m. Circulate & clean on top of fish. Monitor well; wait on cementer.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	1.2/ 38.7	np/na	0.716/0.555
Drilling		Water Added		KCl	0.5/ 13.8	Kp/Ka	0.082/0.207
Tripping	1	Mud Received		Low Gravity	7.7/ 200.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 2.6	Bit HHP/HSI	/ 1.
Wash/Ream		Shakers	0.8	Drill Solids	3.8/ 103.	Jet Velocity	
Wait on Cementer	2.75	Evaporation		Weight Material	NA/ NA	Va Pipe	
Wiper Trip		Centrifuge		Chemical Conc	- / 95.	Va Collars	
M/U / P/U BHA		Formation		Inert/React	6.5411	Cva Pipe	49
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	49
Circulate	19.75	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$1,800.00	$116,243.13

WATER-BASED MUD REPORT No. 38

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/17/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Squeeze Plug

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1204 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1100 m, 88.9-mm DP	244.-mm @2509 m (2509 TVD)	105.7	106.6	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
304 m, 88.9-mm HWDP		195.9		Pump stk/min	0@97%	0@97%
4 m, 120.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	m³/min	
28 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES

Sample From		FL 17:50	FL 11:00		
FlowLine Temp	℃	19	21		
Depth/TVD	m	2926/	3364/		
Mud Weight /Temp	kg/m³	1160.0@19	1160.0@20		
Funnel Viscosity	s/L	36	38		
Rheology Temp	℃	20	20		
R600/R300		16/10	23/14		
R200/R100		9/6	11/7		
R6/R3		2/1	2/1		
PV	mPa·s	6	9		
YP	Pa	2	2.5		
10s/10m/30m Gel	Pa	1/2/	1/3/		
API Fluid Loss	cc/30min	34	30		
HTHP Fluid Loss	cc/30min	.0@	.0@		
Cake APT/HT	mm	1/	2/		
Solids	%Vol	11.5	11.5		
Oil/Water	%Vol	0.5/88	0.5/88		
Sand	%Vol				
MBT	kg/m³	14	14		
pH / Temp		7.7@20	8.0@20		
Alkal Mud (Pm)					
Pf/Mf		.01/2.10	.01/2.30		
Chlorides	mg/L	33000	33000		
Hardness (Ca++)		1900	1900		
Suction Temp	Celcius				
Reserve Volume	m³	150			

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	2
SODIUM BICARBONATE	50. LB BG	3
DRILLWATER	1. M3 TK	7

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	6.0
Shaker 2	120/120/120	6.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	36
Filtrate	<20	34

REMARKS AND TREATMENT

Perform cement plug procedure as per Schlumberger/DLMC (Yield Point @ 2 Pa prior to job). Monitor pit volumes pror to, during and displacement; no losses observed and no traces of cement observed on bottoms up, after 15 stands pulled (ref. Remarks section). Prepare to build/pump Inhibitor Pill with 10 l/m3 Conqor 404 and 0.5 kg/m3 Oxygen Scavenger. 0.7 m3 loss represents, squeeze.

REMARKS

Continue to monitor well on trip tank while wait on cementer. Circulate/Wash from 3291m to 3365m (Top of fish). Rig up cementers and pump a total of 7.0 m3 of drill water (ahead and behind of plug) plus 4.5 m3 of 1900 Class G Cement. POOH 15 Stands (5 min/stand) and conventionally circulate annular and string volume. No traces of cement observed at shakers/headerbox. Continue to squeeze cement.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 32.1	np/na	0.678/0.511
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.074/0.222
Tripping		Mud Received		Low Gravity	7.4/ 193.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.5	Bit HHP/HSI	/ 1.
Monitor Well	9.5	Shakers		Drill Solids	3.5/ 95.	Jet Velocity	
Wait on Cementer		Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement	4.75	Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing	4.25	Formation	0.7	Inert/React	6.029	Cva Pipe	38
Safety Meetings	0.25	Left in Hole		Average SG	2.7	Cva Collars	45
Circulate	5	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Darryl Diamond 709-727-1614 Sean Penney 709-727-9168		790-754-9001	$1,883.94	$118,127.07

WATER-BASED MUD REPORT No. 39

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/18/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
995 m, 88.9-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, -mm	244.-mm @2509 m (2509 TVD)	111	101.2	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
304 m, 88.9-mm HWDP		151.6		Pump stk/min	0@97%	0@97%
4 m, 120.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	m³/min	
28 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Open Ended		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 14:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				ENGINEERING	1. EA	1
Depth/TVD	m	3317/				SODIUM BICARBONATE	50. LB BG	7
Mud Weight /Temp	kg/m³	1160.0@19						
Funnel Viscosity	s/L	36						
Rheology Temp	℃	20						
R600/R300		15/9						
R200/R100		6/4						
R6/R3		2/1						
PV	mPa·s	6						
YP	Pa	1.5						
10s/10m/30m Gel	Pa	1/1/						
API Fluid Loss	cc/30min	34						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	11.5						
Oil/Water	%Vol	1/88				**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/200	15.0
pH / Temp		10.0@20				Shaker 2	120/120/120	15.0
Alkal Mud (Pm)								
Pf/Mf		.20/2.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		880						
Suction Temp	Celcius	19.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		**Actual**
						Weight	1150	1160.0
						Viscosity	40	36
Reserve Volume	m³	147				Filtrate	<20	34

REMARKS AND TREATMENT

As per Remarks Section, staged in the hole and reverse circulated at mentioned depths 2 x Bottoms up. Each stage produced trace cement/fines at shakers. Maximum density observed at Shaker box was 1170 kg/m3 (10 kg/m3 over active mud). Pretreated mud at each stage wtih Sodium Bicarb (~ 2.5 kg/m3 in system). Mud properties stable with reduced Calcium Ion and pH increase to 10. No signs of 'burnt' Polymers while circulating. Clean up Shakers/shaker box/bellies of residual cement.

REMARKS

Attempt to find/tag top of cement plug. RIH to 3263m, 3276m, 3302m, 3317m, and 3345m; Reverse circulate at each interval (2xBottoms up) to clean DP residual cement. RIH to 3357 m and apply 15000 daN to Cement Top. POOH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 32.1	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.046/0.268
Tripping	7.5	Mud Received		Low Gravity	7.4/ 193.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.5	Bit HHP/HSI	/ 1.
Monitor Well		Shakers	1.2	Drill Solids	3.5/ 95.	Jet Velocity	
Wait on Cementer		Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement	3.25	Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation		Inert/React	6.029	Cva Pipe	34
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	34
Reverse Circulate	13	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D. Diamond/J. Kereliuk S Penney	709-727-1614	709-754-9001	$1,095.86	$119,222.93

WATER-BASED MUD REPORT No. 40

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/19/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Monitor Well

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3326 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 160.-mm XO	244.-mm @2509 m (2509 TVD)	103.3	102.6	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		202.9		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Open Ended		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 14:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				ENGINEERING	1. EA	1
Depth/TVD	m	3317/						
Mud Weight /Temp	kg/m³	1160.0@19						
Funnel Viscosity	s/L	36						
Rheology Temp	℃	20						
R600/R300		15/9						
R200/R100		6/4						
R6/R3		2/1						
PV	mPa·s	6						
YP	Pa	1.5						
10s/10m/30m Gel	Pa	1/1/						
API Fluid Loss	cc/30min	34						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	11.5						
Oil/Water	%Vol	0.5/88				**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/200	1.0
pH / Temp		10.0@20				Shaker 2	120/120/120	1.0
Alkal Mud (Pm)								
Pf/Mf		.20/2.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		880						
Suction Temp	Celcius	19.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		**Actual**
						Weight	1150	1160.0
						Viscosity	40	36
						Filtrate	<20	34
Reserve Volume	m³	153						

REMARKS AND TREATMENT

No change in gain/loss of Surface Mud Pits; density unchanged, 1160 kg/m3. Obtain Oil/Seawater samples for pilot testing. Approximately 60 m3 free space availablle in Suction Pit 1/Pill Tank/Floc tanks for upcoming cement plug job #2. Prepare to expedite Swaco Tech., Sodium Bicarb, Supersweep to rig site.

REMARKS

Continue to POOH, lay down 36 jts HWDP.. RIH to 3346m, circulate bottoms up and RIH to cement top at 3357m. Monitor well on trip tank while wait on cementer.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 32.1	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.046/0.268
Tripping	9	Mud Received		Low Gravity	7.4/ 193.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.5	Bit HHP/HSI	/ 1.
Monitor Well	9.75	Shakers		Drill Solids	3.5/ 95.	Jet Velocity	
Wait on Cementer	5	Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement		Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation		Inert/React	6.029	Cva Pipe	37
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	45
Reverse Circulate		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Diamond/J.Kereliuk S.Penney	709-727-1614	709-754-9001	$900.00	$120,122.93

WATER-BASED MUD REPORT No. 41

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/20/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	P&A ST#2 Ops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1477 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 160.-mm XO	244.-mm @2509 m (2509 TVD)	105.9	101.6	Pump Liner x Stk	140x305 mm	140x305 mm
1101 m, 88.9-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm		187.8		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Open Ended		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 16:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				SAPP	22.68 KG BG	1
Depth/TVD	m	2579/				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1165.0@19				DRILLWATER	1. M3 TK	12.5
Funnel Viscosity	s/L	35						
Rheology Temp	℃	20						
R600/R300		15/9						
R200/R100		6/4						
R6/R3		2/1						
PV	mPa·s	6						
YP	Pa	1.5						
10s/10m/30m Gel	Pa	1/1/						
API Fluid Loss	cc/30min	34						
HTHP Fluid Loss	cc/30min	.0@						
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	1/88				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/200	
pH / Temp		10.0@20				Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.20/2.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		880						
Suction Temp	Celcius	19.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1165.0
						Viscosity	40	35
Reserve Volume	m³	174				Filtrate	<20	34

REMARKS AND TREATMENT

Pumped cement plugs as per Remarks Section. Pulled 7 stands above Plug 1A, reverse circulated out with approximately 0.4 m3 cement observed at shakers (directed to Shale Catch Bin). Pulled 20 stands above Plug 1B, reverse circulated, with no cement observed from 1.5xBottoms up. Circulated conventionally at 1.1 m3/min with no cement observed at shakers. Mud properties stable. Cement/water volumes pumped equal Pit Gain. Prepare/Organize pits for inhibition pill.

REMARKS

Pumped two cement plugs as per Dowell/DLMC. Set Plug 1A from 3357m - 3132m and Plug 1B from 3132m - 2907m. For both Plugs, pumped 5 m3 freshwater, 5 m3 Class G, 1900 kg/m3 slurry and 1.2 m3 water. Displaced both cement plugs with 21 m3 and 19 m3, respectively, 1160 kg/m3 mud. Apply 3000 KPa cement squeeze.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 32.	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.1	Kp/Ka	0.046/0.268
Tripping		Mud Received		Low Gravity	7.8/ 201.2	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 2.5	Bit HHP/HSI	/ 1.
Monitor Well	12	Shakers	0.5	Drill Solids	3.8/ 103.8	Jet Velocity	
Wait on Cementer	0.5	Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement	2	Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing	9.25	Formation		Inert/React	6.5884	Cva Pipe	34
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	38
Reverse Circulate		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1165
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Diamond/J.Kereliuk S.Penney	709-727-1614	709-754-9001	$1,009.08	$121,132.01

WATER-BASED MUD REPORT No. 42

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/21/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with Bridge Plug

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1736 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 172.-mm XO	244.-mm @2509 m (2509 TVD)	107.1	104.6	Pump Liner x Stk	140x305 mm	140x305 mm
18 m, 171.-mm DC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, 172.-mm XO		164.2		Pump stk/min	0@97%	0@97%
m, 170.-mm XO		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, 120.-mm XO		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Open Ended		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 8:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	19				CONQOR 404	208.1 LT DM	1
Depth/TVD	m	2916/				PULPRO 10	22.68 KG BG	60
Mud Weight /Temp	kg/m³	1160.0@19				ENGINEERING	1. EA	1
Funnel Viscosity	s/L	35				SAFE-SCAV CA	15. LB BG	1
Rheology Temp	℃	20				DRILLWATER	1. M3 TK	3.5
R600/R300		15/9						
R200/R100		6/4						
R6/R3		2/1						
PV	mPa·s	6						
YP	Pa	1.5						
10s/10m/30m Gel	Pa	1/1/						
API Fluid Loss	cc/30min	34						
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/						
Solids	%Vol	12						
Oil/Water	%Vol	0.5/87.5				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14				Shaker 1	120/120/200	1.0
pH / Temp		10.0@20				Shaker 2	120/120/120	1.5
Alkal Mud (Pm)								
Pf/Mf		.20/2.20				Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1020						
Suction Temp	Celcius	19.				Centrifuge OF (kg/m3)		
						MUD PROPERTY SPECS		Actual
						Weight	1150	1160.0
						Viscosity	40	35
						Filtrate	<20	34
Reserve Volume	m³	174						

REMARKS AND TREATMENT

Spot Corrosion Inhibitor Pill from cement plug top 2916 m to 2300m (proposed top of second 9 5/8 composite plug). Pill consistancy; 13.5 m3, with 14 l/mi3 Conqor 404 plus 0.5 kg/m3 Oxygen Scavenger (Safe Scav). Pump 3.5 m3, 1350 kg/m3 Calcium Carbonate slug. Transfer mud to Floc tank for temperary storage (to prevent cross contamination with Inhibitor Pill). Plan to transfer Floc tank mud to Farm tank for reserve mud. Mud properties remain stable.

REMARKS

RIH to 2912m, set 5 kdaN on plug, reverse circulate with med/hard cement observed at shakers. RIH to 2916.4m, set 15 kdaN on plug. Mix/Spot Corrosion Inhibitor Pill, pump slug, POOH and L/D 3.5" DP. P/U BHA and RIH with Bridge Plug.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 32.1	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.046/0.268
Tripping	14.5	Mud Received		Low Gravity	7.4/ 193.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.5	Bit HHP/HSI	/ 1.
Monitor Well	3.25	Shakers		Drill Solids	3.5/ 95.	Jet Velocity	
Wait on Cementer		Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement	4.5	Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation		Inert/React	6.029	Cva Pipe	37
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	43
Reverse Circulate	1.5	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond/J.Kereliuk S.Penney	709-727-1614	709-754-9001	$4,159.88	$125,291.89

WATER-BASED MUD REPORT No. 43

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/22/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2265 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 172.-mm XO	244.-mm @2509 m (2509 TVD)	104.9	107.4	Pump Liner x Stk	140x305 mm	140x305 mm
18 m, 171.-mm DC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, 172.-mm XO		184.9		Pump stk/min	0@97%	0@97%
m, 170.-mm XO		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, 120.-mm XO		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Open Ended		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 11:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	19					PULPRO 30	22.68 KG BG	60
Depth/TVD	m	2278/					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1160.0@19							
Funnel Viscosity	s/L	35							
Rheology Temp	℃	20							
R600/R300		15/9							
R200/R100		6/4							
R6/R3		2/1							
PV	mPa·s	6							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	1/1/							
API Fluid Loss	cc/30min	34							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	12							
Oil/Water	%Vol	0.5/87.5					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	120/120/200	
pH / Temp		10.0@20					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.20/2.20					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	33000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		1020							
Suction Temp	Celcius	19.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		**Actual**
							Weight	1150	1160.0
							Viscosity	40	35
Reserve Volume	m³	174					Filtrate	<20	34

REMARKS AND TREATMENT

No change in gain/loss surface volume; mud properties stable. Troubleshoot eChoke with Swaco Rep. Perform phyical check on inventory and adjust as per count. Side Track Interval to begin when RIH with Mill Assembly. Losses represeent mud left behind casing (Top plug to cement plug).

REMARKS

RIH with Bridge Plug, set at 2358m , POOH. RIH with Bridge Plug #2, set at 2287m. Pressrue test plug/annular. POOH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.75	Oil Added		NaCl	1./ 32.1	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.046/0.268
Tripping	19	Mud Received		Low Gravity	7.4/ 193.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.5	Bit HHP/HSI	/ 1.
BOP Testing	4.25	Shakers		Drill Solids	3.5/ 95.	Jet Velocity	
Wait on Cementer		Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement		Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation		Inert/React	6.029	Cva Pipe	37
Safety Meetings		Left in Hole	14.8	Average SG	2.7	Cva Collars	43
Reverse Circulate		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Diamond/J.Kereliuk S.Penney	709-727-1614	709-754-9001	$1,657.20	$126,949.09

MI SWACO — WATER-BASED MUD REPORT No. 44

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/23/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/Mill/Scraper

DRILLING ASSEMBLY	CASING
1921 m, 127.-mm DP	340.-mm @495 m (495 TVD)
1 m, 172.-mm XO	244.-mm @2509 m (2509 TVD)
18 m, 171.-mm DC	194.-mm L @3352 m (3350 TVD)
m, -mm XO	
1 m, -mm Bit Sub	
1 m, -mm XO	
Nozzles 0 mm	
Bit 156-mm Gauge Mill	

MUD VOLUME (m³)	
Hole	Active Pits
106.3	108.4
Total Circulating Volume	
174.3	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES

	Unit				
Sample From		FL 19:00			
FlowLine Temp	°C	19			
Depth/TVD	m	1000/			
Mud Weight /Temp	kg/m³	1160.0@19			
Funnel Viscosity	s/L	35			
Rheology Temp	°C	19			
R600/R300		15/9			
R200/R100		6/4			
R6/R3		2/1			
PV	mPa·s	6			
YP	Pa	1.5			
10s/10m/30m Gel	Pa	0.5/1/			
API Fluid Loss	cc/30min	36			
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	2/			
Solids	%Vol	9.5			
Oil/Water	%Vol	0.5/90			
Sand	%Vol				
MBT	kg/m³	14			
pH / Temp		10.7@19			
Alkal Mud (Pm)					
Pf/Mf		.50/2.10			
Chlorides	mg/L	34000			
Hardness (Ca++)		440			
Suction Temp	Celcius	19.			
Reserve Volume	m³	171			

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	35
Filtrate	<20	36

REMARKS AND TREATMENT

Mud Properties remain stable. Transfer mud from Floc Tank to Reserve Tank Farm. Receive requested product via Way's Transport (Pulpro/Supersweep). Surface pits 'ready' for mill/drill ahead. Conduct M-I HSE Safety Inspection with Swaco Rep. Sidetrack interval to begin when RIH to cut window.

REMARKS

Continue to POOH, lay down R-Tool. RIH with Mill/Scraper Assembly; encounter tight spots inside 9 5/8" csg from 261m to 500m. Circulate 15 min per 5 stands.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.75
Drilling	
Tripping	23.25
Non-Productive Tim	
BOP Testing	
Wait on Cementer	
Squeeze Cement	
Cementing	
Safety Meetings	
Reverse Circulate	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	1./ 33.7
KCl	0.8/ 22.2
Low Gravity	7.4/ 191.8
Bentonite	0.1/ 3.7
Drill Solids	3.5/ 93.2
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	5.9145
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	0.737/0.395
Kp/Ka	0.046/0.268
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	37
Cva Collars	43
ECD at Shoe	
ECD at TD	1160

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
Diamond/J.Kereliuk S.Penney	709-727-1614	709-754-9001	$900.00	$127,849.09

WATER-BASED MUD REPORT No. 45

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3482 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/24/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ Whipstock

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2222 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 172.-mm XO	244.-mm @2509 m (2509 TVD)	105	109.9	Pump Liner x Stk	140x305 mm	140x305 mm
18 m, 171.-mm DC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, 172.-mm XO		186.4		Pump stk/min	0@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, -mm UBHO SUB		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Mill		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 9:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	19					PULPRO 20	22.68 KG BG	28
Depth/TVD	m	2287/					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1160.0@19							
Funnel Viscosity	s/L	35							
Rheology Temp	℃	19							
R600/R300		15/9							
R200/R100		6/4							
R6/R3		2/1							
PV	mPa·s	6							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	0.5/1/							
API Fluid Loss	cc/30min	36							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	2/							
Solids	%Vol	9.5							
Oil/Water	%Vol	0.5/90					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	120/120/200	
pH / Temp		10.7@19					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.50/2.10					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	34000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		440							
Suction Temp	Celcius	19.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1160.0
							Viscosity	40	35
Reserve Volume	m³	171					Filtrate	<20	36

REMARKS AND TREATMENT

Prepare/Communicate Drill Ahead Game Plan as per Pilot Testing and Drill/ahead Mud Parameters requirements (ref. attached document, p.5).

REMARKS

POOH with Gauge Mill Assembly. Pressure Test BOP's/Casing. P/U Whipstock/BHA Assembly and RIH with same.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	3.25	Oil Added		NaCl	1./ 33.7	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 22.2	Kp/Ka	0.046/0.268
Tripping	20	Mud Received		Low Gravity	7.4/ 191.8	Bit Pressure Loss %	/ 1.
Non-Productive Tim	0.25	Mud Returned		Bentonite	0.1/ 3.7	Bit HHP/HSI	/ 1.
BOP Testing		Shakers		Drill Solids	3.5/ 93.2	Jet Velocity	
Circulate	0.5	Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement		Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation		Inert/React	5.9145	Cva Pipe	37
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	43
Reverse Circulate		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1160
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,191.20	$129,040.29

WATER-BASED MUD REPORT No. 46

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2283 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/25/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH w/Mill

DRILLING ASSEMBLY	CASING
m, 127.-mm DP 1 m, 172.-mm XO 18 m, 171.-mm DC m, 172.-mm XO 9 m, 127.-mm HWDP m, -mm Nozzles 19x2 mm Bit 216-mm Mill	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)

MUD VOLUME (m³)	
Hole	Active Pits
87.2	99.1
Total Circulating Volume	
99.1	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES						
Sample From		FL 17:00				
FlowLine Temp	℃	18				
Depth/TVD	m	2283/				
Mud Weight /Temp	kg/m³	1160.0@18				
Funnel Viscosity	s/L	36				
Rheology Temp	℃	20				
R600/R300		17/11				
R200/R100		6/4				
R6/R3		3/2				
PV	mPa·s	6				
YP	Pa	2.5				
10s/10m/30m Gel	Pa	1/1/				
API Fluid Loss	cc/30min	36				
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	2/				
Solids	%Vol	10				
Oil/Water	%Vol	0.5/90				
Sand	%Vol					
MBT	kg/m³	14				
pH / Temp		10.2@20				
Alkal Mud (Pm)						
Pf/Mf		.50/2.10				
Chlorides	mg/L	34000				
Hardness (Ca++)		440				
Suction Temp	Celcius	18.				
Reserve Volume	m³	215				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 20	22.68 KG BG	60
ENGINEERING	1. EA	1
SUPER SWEEP FIBER	15. LB BX	1
SODIUM BICARBONATE	25. KG BG	2

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	120/120/200	13.0
Shaker 2	120/120/120	13.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	1150	1160.0
Viscosity	40	36
Filtrate	<20	36

REMARKS AND TREATMENT

Drill ahead, cut window, pump sweeps (ref. attached sweep sheet). POOH with Mill Assembly for probable worn bit with pump pressure increase from 2900 kPa to 4500 kPa prior to POOH. Execute mud transfers and premix 'mixing' for drill ahead (after Milling completed; ref. attached Mud Plan). Moved approximately 100 m3 of mud (transfers) with no incidents; good pre-job meetings/communications.

REMARKS

Orient Whipstock and pull Gyro from UBHO. Set Whipstock at 2279m, retrieve Gyro and Drill/Mill window from 2278.75m to 2282.9m.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	13.25
Tripping	8
Non-Productive Tim	1.25
BOP Testing	
Circulate	
Squeeze Cement	
Cementing	
Safety Meetings	
Wireline Logs	1

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	44
Mud Returned	
Shakers	1.6
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	1./ 33.7
KCl	0.8/ 22.2
Low Gravity	7.4/ 191.8
Bentonite	0.1/ 3.7
Drill Solids	3.5/ 93.2
Weight Material	NA/ NA
Chemical Conc	- / 95.
Inert/React	5.9145
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	
Kp/Ka	
Bit Pressure Loss %	
Bit HHP/HSI	
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	
Cva Collars	
ECD at Shoe	
ECD at TD	

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,877.64	$130,917.93

WATER-BASED MUD REPORT No. 47

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2284 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/26/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH w/ Mill

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1 m, 172.-mm XO	244.-mm @2509 m (2509 TVD)	87.2	97	Pump Liner x Stk	140x305 mm	140x305 mm
18 m, 171.-mm DC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, 172.-mm XO		97		Pump stk/min	0@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		1 m		Pump Pressure	kPa	
Nozzles 19x2 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 216-mm Mill		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 16:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	18					SAPP	22.68 KG BG	2
Depth/TVD	m	2284/					POLYPAC UL	22.68 KG BG	10
Mud Weight /Temp	kg/m³	1160.0@18					PULPRO 20	22.68 KG BG	60
Funnel Viscosity	s/L	36					ENGINEERING	1. EA	1
Rheology Temp	℃	20					XANVIS	25. KG BG	1
R600/R300		17/11					XCD POLYMER	25. KG BG	1
R200/R100		6/4							
R6/R3		3/2							
PV	mPa·s	6							
YP	Pa	2.5							
10s/10m/30m Gel	Pa	1/1/							
API Fluid Loss	cc/30min	36							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	2/							
Solids	%Vol	10							
Oil/Water	%Vol	1/90					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	120/120/200	10.0
pH / Temp		10.2@20					Shaker 2	120/120/120	10.0
Alkal Mud (Pm)									
Pf/Mf		.50/2.10					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	34000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		360							
Suction Temp	Celcius	18.					Centrifuge OF (kg/m3)		
							MUD PROPERTY SPECS		Actual
							Weight	1150	1160.0
							Viscosity	40	36
Reserve Volume	m³	215					Filtrate	<20	36

REMARKS AND TREATMENT

RIH with Mill Assembly #2 and drill 1m of new hole at 0.1m/hr. Pump SAPP Sweep and SuperSweep in interval (ref. attached sweep sheet). Lost 1.5 m3 to formation or probable microannulus (PVT Sensors non-functiona, suction pits 1 and 2l; loss detected visually with decrease in mud pit volumes). PolyPac UL used in Premix tank.

REMARKS

Ream window from 2281m to 2283m and drill ahead to 2284m. Pump Sweep, circulate out til shakers clean; pump Slug and POOH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 33.7	np/na	
Drilling	8.75	Water Added		KCl	0.8/ 22.2	Kp/Ka	
Tripping	15	Mud Received		Low Gravity	7.4/ 191.8	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 3.7	Bit HHP/HSI	
BOP Testing		Shakers	1	Drill Solids	3.5/ 93.2	Jet Velocity	
Circulate		Evaporation		Weight Material	NA/ NA	Va Pipe	
Squeeze Cement		Centrifuge		Chemical Conc	- / 95.	Va Collars	
Cementing		Formation	1.6	Inert/React	5.9145	Cva Pipe	
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	
Wireline Logs		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$5,119.61	$136,037.54

WATER-BASED MUD REPORT No. 48

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2294 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/27/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1510 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 171.-mm HWDP	244.-mm @2509 m (2509 TVD)	67.1	102.8	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
234 m, 171.-mm HWDP		169.9		Pump stk/min	0@97%	92@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.3 m³/min	
1 m, 163.-mm UBHO/XO		10 m		Pump Pressure	7750 kPa	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr		Bottoms Up	39.7 min	3656 stk
Bit 216-mm Smith		0.4 m³		Total Circulation	135.4 min	12452 stk

MUD PROPERTIES

Sample From		FL 16:00	Premix #4 17:00	Blend 0:00	
FlowLine Temp	℃	18			
Depth/TVD	m	2288/2288	2288/2288	2288/2288	
Mud Weight /Temp	kg/m³	1165.0@18	1030.0@19	1140.0@	
Funnel Viscosity	s/L	36			
Rheology Temp	℃	19	20	20	
R600/R300		17/11	91/55	23/15	
R200/R100		8/6	40/22	10/7	
R6/R3		2/1	2/1	2/1	
PV	mPa·s	6	36	8	
YP	Pa	2.5	9.5	3.5	
10s/10m/30m Gel	Pa	1/1/	1/1/	1/1/	
API Fluid Loss	cc/30min	36	4.5	13	
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	2/	1/	1/	
Solids	%Vol	8.5	8	8	
Oil/Water	%Vol	1/91	/92	/92	
Sand	%Vol				
MBT	kg/m³	14			
pH / Temp		10.5@20	9.2@20	10.0@20	
Alkal Mud (Pm)					
Pf/Mf		.40/2.10	.30/2.00	.34/2.10	
Chlorides	mg/L	34000	37000	35000	
Hardness (Ca++)		120	40	120	
Suction Temp	Deg C	17.			
Potassium Ion	mg/l	12800.	22500.	15000.	
Reserve Volume	m³	216			

PRODUCTS USED Last 24 hr

Products	Size	Amount
POLYPAC UL	22.68 KG BG	10
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	16.5
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)	1855	6.0
Centrifuge 2 (kg/m3)	1880	6.0
Centrifuge OF (kg/m3)	1090	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1165.0
Viscosity	40-45	36
Filtrate	<15	36

REMARKS AND TREATMENT

Continue with Mud Game Plan; Operate both centrifuges on the Active to lower density ~ 1070 kg/m3; losing approx. 1.5 m3/hr from centrifuges. Add PolyPac UL to Premix Pit #4 (Ref. Col.#2 mud check) and pilot test 20% Blend with Active. Blend density is with current Active Weight (blend density to change as centrifuges lower active weight). Hole cleaning good with 51m/min Ann. Vel. (ref. attached Virtual Hydraulics Profile).

REMARKS

RIH with BHA/Directional Tools and test MWD at 1078m and 2278m. Rig-in Wireline/Gyro and orientate tool. Time Drill ahead at 1.5"/min from 2284m to 2287m; increase to 1"/min f/ 2287m to 2288.5m. Increase ROP to 3 m/hr. Pit Volume Sensors corrected for volumes.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	1./ 33.5	np/na	0.628/0.511
Drilling	16.5	Water Added		KCl	0.8/ 22.1	Kp/Ka	0.112/0.222
Tripping	7.25	Mud Received		Low Gravity	7.7/ 199.9	Bit Pressure Loss %	1217 / 15.7
Non-Productive Tim		Mud Returned		Bentonite	0.1/ 1.4	Bit HHP/HSI	25 / 0.6
BOP Testing		Shakers	3.4	Drill Solids	4.2/ 113.5	Jet Velocity	43
Circulate		Evaporation		Weight Material	NA/ NA	Va Pipe	49.2
Squeeze Cement		Centrifuge	9.7	Chemical Conc	- / 85.	Va Collars	80.9
Cementing		Formation		Inert/React	7.2053	Cva Pipe	43
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	52
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1192.96
		Sent to Storage				ECD at TD	1193.07
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,084.00	$139,121.54

WATER-BASED MUD REPORT No. 49

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2336 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/28/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill Ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1552 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 171.-mm HWDP	244.-mm @2509 m (2509 TVD)	68.5	102.9	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
234 m, 171.-mm HWDP		171.4		Pump stk/min	0@97%	101@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.39 m³/min	
1 m, 163.-mm UBHO/XO		42 m		Pump Pressure	8450 kPa	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr		Bottoms Up	36.7 min	3710 stk
Bit 216-mm Smith		1.5 m³		Total Circulation	123.7 min	12498 stk

MUD PROPERTIES					
Sample From		FL 22:30	FL 17:20	FL 11:55	
FlowLine Temp	℃	23	22	20	
Depth/TVD	m	2336/2336	2327/2327	2320/2320	
Mud Weight /Temp	kg/m³	1095.0@23	1100.0@22	1110.0@18	
Funnel Viscosity	s/L	44	41	37	
Rheology Temp	℃	20	20	20	
R600/R300		36/25	26/17	16/10	
R200/R100		20/15	15/10	8/6	
R6/R3		5/3	3/2	2/1	
PV	mPa·s	11	9	6	
YP	Pa	7	4	2	
10s/10m/30m Gel	Pa	2/4/	1/2/	1/1/	
API Fluid Loss	cc/30min	11.5	18	25	
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	1/	1/	1/	
Solids	%Vol	5.25	5	8	
Oil/Water	%Vol	/95	/95	/92	
Sand	%Vol				
MBT	kg/m³				
pH / Temp		10.0@20	10.0@20	10.0@20	
Alkal Mud (Pm)					
Pf/Mf		.30/2.10	.30/2.10	.30/2.10	
Chlorides	mg/L	33000	33000	34000	
Hardness (Ca++)		80	80	80	
Suction Temp	Deg C	20.	20.	18.	
Potassium Ion	mg/l	16500.	16500.	16500.	
Reserve Volume	m³	205			

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SAPP	22.68 KG BG	2
POLYPAC UL	22.68 KG BG	12
ENGINEERING	1. EA	1
BLEACH	5. GA CN	1
XCD POLYMER	25. KG BG	10

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	120/120/200	19.0
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)	1820	24.0
Centrifuge 2 (kg/m3)	1825	24.0
Centrifuge OF (kg/m3)	1080	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	44
Filtrate	<15	11.5

REMARKS AND TREATMENT

Drill ahead 216mm hole and pump SAPP Sweep at 2309m (ref. attached sweep sheet). Continue to execute Mud Game Plan; lowered density with Centrifuges with High Bowl Speed (2250) and Premix Additions. Fluid Loss deceased to 11.5 from initial 36 with Slick/tight filtercake. Cuttings at shaker appear fresh cut wtih good conveyance over 120 mesh screens. Hole cleaning good with 55 m/min Ann Vel in casing and low end rheology. YP increased to 7 from 2.5. LGS% decreased from 7.7 to 4%.

REMARKS

Drill ahead from 2299m to 2309m and pump sweep. and run Gyro on Wireline. Continue to drill 216mm hole.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	19.75
Tripping	
Non-Productive Tim	
Direction Work	2.75
Circulate bottoms u	1
Squeeze Cement	
Cementing	
Safety Meetings	
Wireline Logs	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	2.2
Evaporation	
Centrifuge	7.6
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.9/ 30.3
KCl	1./ 27.
Low Gravity	4.1/ 106.
Bentonite	0./ 0.
Drill Solids	0.9/ 23.6
Weight Material	NA/ NA
Chemical Conc	- / 85.
Inert/React	-
Average SG	2.7

RHEOLOGY & HYDRAULICS	
np/na	0.526/0.459
Kp/Ka	0.480/0.725
Bit Pressure Loss %	1392 / 16.5
Bit HHP/HSI	32 / 0.8
Jet Velocity	48
Va Pipe	54.3
Va Collars	89.2
Cva Pipe	84
Cva Collars	101
ECD at Shoe	1159.69
ECD at TD	1160.66

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$9,613.96	$148,735.50

WATER-BASED MUD REPORT No. 50

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2364 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/29/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill Ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1580 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	79.6	100.9	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
234 m, 127.-mm HWDP		180.5		Pump stk/min	0@97%	102@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.4 m³/min	
1 m, 163.-mm UBHO/XO		28 m		Pump Pressure	8450 kPa	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr		Bottoms Up	42.4 min	4323 stk
Bit 216-mm Smith		1.0 m³		Total Circulation	129.4 min	13200 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 18:45	FL 8:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	23	23			SAPP	22.68 KG BG	2
Depth/TVD	m	2364/2364	2349/2349			ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1095.0@23	1090.0@23			DRILLWATER	1. M3 TK	2
Funnel Viscosity	s/L	42	43			SODIUM BICARBONATE	25. KG BG	4
Rheology Temp	℃	20	20					
R600/R300		32/23	33/23					
R200/R100		19/14	19/14					
R6/R3		4/3	4/3					
PV	mPa·s	9	10					
YP	Pa	7	6.5					
10s/10m/30m Gel	Pa	2/3/	2/3/					
API Fluid Loss	cc/30min	14	14					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/	1/					
Solids	%Vol	5.5	5.25					
Oil/Water	%Vol	/94	/95			SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	120/120/200	19.0
pH / Temp		9.8@20	10.0@20			Shaker 2	120/120/120	
Alkal Mud (Pm)								
Pf/Mf		.30/2.10	.30/2.10			Centrifuge 1 UF (kg/m3)	1900	24.0
Chlorides	mg/L	33000	33000			Centrifuge 2 (kg/m3)	1880	24.0
Hardness (Ca++)		40	40					
Suction Temp	Deg C	20.	20.			Centrifuge OF (kg/m3)	1080	
Potassium Ion	mg/l	16500.	16500.					
						MUD PROPERTY SPECS		Actual
						Weight	ALAP	1095.0
						Viscosity	40-45	42
Reserve Volume	m³	195				Filtrate	<15	14

REMARKS AND TREATMENT

Drill ahead to 2355m and pump sweep with 0.15 ppb SuperSweep and 8 kg/m3 SAPP incorporated to diisperse cement/formation (ref. attached Sweep sheet). Cuttings remain dispersed and centrifuges continue to yield a stable mud weight with 1080 kg/m3 overflow to Active. Continue to monitor cutting and treat as required.

REMARKS

Continue to drill ahead 216mm hole with Avg. ROP ~ 2 m/hr. Pumped Sweep prior to running Gyro. Change out Shaker #2 Motor while Gyro and inspect Shaker Screens for wear/tear (screens good). Drill ahead.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.9/ 30.3	np/na	0.476/0.439
Drilling	19.25	Water Added		KCl	1./ 27.	Kp/Ka	0.602/0.749
Tripping		Mud Received		Low Gravity	4.1/ 106.	Bit Pressure Loss %	1412 / 16.7
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	33 / 0.8
Direction Work	2.25	Shakers	1	Drill Solids	0.9/ 23.6	Jet Velocity	48
Circulate bottoms u	2.25	Evaporation		Weight Material	NA/ NA	Va Pipe	54.7
Squeeze Cement		Centrifuge	2	Chemical Conc	- / 85.	Va Collars	89.9
Cementing		Formation		Inert/React	-	Cva Pipe	81
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	96
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1131.23
		Sent to Storage				ECD at TD	1132.16
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,233.44	$149,968.94

WATER-BASED MUD REPORT No. 51

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2385 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	9/30/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH new BHA/BIT

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1601 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	80.2	98.3	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
234 m, 127.-mm HWDP		178.5		Pump stk/min	0@97%	102@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 163.-mm UBHO/XO		21 m		Pump Pressure	8200 kPa	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr		Bottoms Up	42.7 min	4359 stk
Bit 216-mm Smith		1 m³		Total Circulation	128. min	13054 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 9:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	22					PULPRO 30	22.68 KG BG	40
Depth/TVD	m	2385/					ENGINEERING	1. EA	2
Mud Weight /Temp	kg/m³	1090.0@22					DRILLWATER	1. M3 TK	0.04
Funnel Viscosity	s/L	44					XCD POLYMER	25. KG BG	2
Rheology Temp	℃	20							
R600/R300		33/22							
R200/R100		18/13							
R6/R3		5/3							
PV	mPa·s	11							
YP	Pa	5.5							
10s/10m/30m Gel	Pa	2/3/							
API Fluid Loss	cc/30min	13							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	4							
Oil/Water	%Vol	0.5/95.5					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	120/120/200	9.0
pH / Temp		9.5@20					Shaker 2	120/120/120	
Alkal Mud (Pm)									
Pf/Mf		.20/2.10					Centrifuge 1 UF (kg/m3)	1900	9.0
Chlorides	mg/L	33000					Centrifuge 2 (kg/m3)	1880	9.0
Hardness (Ca++)		40							
Suction Temp	Deg C	19.					Centrifuge OF (kg/m3)	1080	
Potassium Ion	mg/l	16500.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1090.0
							Viscosity	40-45	44
Reserve Volume	m³	195					Filtrate	<15	13

REMARKS AND TREATMENT

Circualted Bottums UP at 2385m; shakers clear of drill cuttings, POOH. Prepare Mud Game Plan, communicate and distribute as per attached. Volumes/Drill String represent pipe on bottom prior to POOH.

REMARKS

Drill 216mm hole from 2368m to 2385m. Circulate 1.5xBottoms up and POOH to change out BHA/Bit and RIH with same. Surface test MWD; continue to RIH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.9/ 30.3	np/na	0.585/0.418
Drilling	8.75	Water Added		KCl	1./ 27.	Kp/Ka	0.293/0.775
Tripping	14	Mud Received		Low Gravity	3.8/ 99.2	Bit Pressure Loss %	1406 / 17.1
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	33 / 0.8
Direction Work		Shakers	1	Drill Solids	0.6/ 16.	Jet Velocity	48
Circulate bottoms u	1	Evaporation		Weight Material	NA/ NA	Va Pipe	54.7
Squeeze Cement		Centrifuge	1.4	Chemical Conc	- / 85.	Va Collars	89.9
Cementing		Formation		Inert/React	-	Cva Pipe	79
Safety Meetings		Left in Hole		Average SG	2.7	Cva Collars	92
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1124.15
		Sent to Storage				ECD at TD	1125.02
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,466.00	$153,434.94

WATER-BASED MUD REPORT No. 52

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2455 m / 0 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/1/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1681 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	82.5	98.7	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		181.2		Pump stk/min	86@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		70 m		Pump Pressure	12600 kPa	
Nozzles 6.45x6 mm		Volume Drilled Last 24 hr		Bottoms Up	52.1 min	4480 stk
Bit 216-mm Smith		3 m³		Total Circulation	154.1 min	13256 stk

MUD PROPERTIES

Sample From		FL 18:10	FL 10:00			
FlowLine Temp	℃	24	23			
Depth/TVD	m	2424/	2391/			
Mud Weight /Temp	kg/m³	1090.0@20	1090.0@20			
Funnel Viscosity	s/L	43	44			
Rheology Temp	℃	20	20			
R600/R300		40/28	40/29			
R200/R100		22/15	23/17			
R6/R3		5/3	5/4			
PV	mPa·s	12	11			
YP	Pa	8	9			
10s/10m/30m Gel	Pa	2/4/	2/5/			
API Fluid Loss	cc/30min	13	14			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	0.7	0.7			
Solids	%Vol	4	4			
Oil/Water	%Vol	0.5/95.5	0.5/95.5			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.2@20	9.0@20			
Alkal Mud (Pm)						
Pf/Mf		.20/2.40	.20/2.50			
Chlorides	mg/L	30000	30000			
Hardness (Ca++)		40	40			
Suction Temp	Deg C	20.	20.			
Potassium Ion	mg/l	13500.	13500.			
Reserve Volume	m³	208				

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	2
KCl water	1. M3 BK	18.5

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	24.0
Shaker 2	120/120/120	24.0
Centrifuge 1 UF (kg/m3)	1860	16.0
Centrifuge 2 (kg/m3)	1840	16.0
Centrifuge OF (kg/m3)	1080	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	43
Filtrate	<15	13

REMARKS AND TREATMENT

Complete bleeding in premix from tank #4 previously treated with 9 kg/m³ PolyPac UL to maintain fluid loss within programmed specifications. Continue running centrifuges with overflow constant at 1080 kg/m³ into Active.

REMARKS

Continue RIH w/ new BHA. Slip & cut drill line. Trouble-shoot & repair blower breaker for top drive. Pattern bit & commence drilling 216mm hole from 2385m conducting surveys as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	1.5	Oil Added		NaCl	0.8/ 27.8	np/na	0.515/0.459
Drilling	14	Water Added		KCl	0.9/ 24.4	Kp/Ka	0.578/0.725
Tripping	1.5	Mud Received	18.5	Low Gravity	3.6/ 94.6	Bit Pressure Loss %	6033 / 47.9
Non-Productive Tim	5	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	118 / 2.8
Direction Work	2	Shakers	1	Drill Solids	0.2/ 5.1	Jet Velocity	100
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	46.1
Squeeze Cement		Centrifuge	1.6	Chemical Conc	- / 90.	Va Collars	75.7
Cementing		Formation		Inert/React	-	Cva Pipe	85
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	101
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1125.4
		Sent to Storage				ECD at TD	1126.41
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$1,800.00	$155,234.94

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/1/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 52

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	25.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	25.3		Active
Suction Pit #3	34	1090	23.2		Active
Premix Tank #4	38	1030	3.7	Mix H2O f/ Flo	Reserve
Shaker Tank #2	31	1090	23.7		Active
Shaker Tank #1	29	1090	22.5		Active
Pill Tank	10	1090			Reserve
Trip Tank	7	1090	1		Active
Lines	5	1090	3		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40	1030	3.4	Mix Water	Reserve
Degasser Tank	15	1090	10.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	99.0
Reserve	208.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	61.2	21.3		82.5
Volume Not Mud				
Mud Volume	61.2	21.3		82.5

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	178.5	195.4		373.9
Oil Added				
Water Added				
Vol Chem Added				
Chem Not For Mud				
Total Volume Built				
Received		18.5		18.5
Return				
From Active To		22		
From Reserve To	27.3			
From Premix To				
Daily Loss	2.6			2.6
Final Volume	181.2	208.6		389.8

LOSS BREAKDOWN (m3)

Shakers	1.0
Evaporation	
Centrifuge	1.6
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	2.6

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/1/2008
Report No: 52
Page 1

Cost Summary

Total Daily Cost: 1800.00 **Total Daily Tax:**
Cumulative Cost: 155234.94

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-61		61					-61	
DUO-VIS	11.34 KG BG	174.98			24		88		64		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		2	61						1800.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-44	18.5	63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	50				50			50	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	1		44		115		70	1	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	152		766		918			152	
PULPRO 30	22.68 KG BG	12.62	278		640		918			278	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	8		7		15			8	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	43				43			43	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	12		6		18			12	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	27		13		40			27	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	5				5			5	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/1/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity :

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**300**
Total	**300**

WATER-BASED MUD REPORT No. 53

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2507 m / 2502 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/2/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1733 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	84.2	100.1	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		184.3		Pump stk/min	98@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		52 m		Pump Pressure	14400 kPa	
Nozzles 6.45x6 mm		Volume Drilled Last 24 hr		Bottoms Up	46.8 min	4585 stk
Bit 216-mm Smith		2 m³		Total Circulation	138.1 min	13529 stk

MUD PROPERTIES

Sample From		FL 18:50	FL 9:30			
FlowLine Temp	℃	23	23			
Depth/TVD	m	2487/2483	2462/2459			
Mud Weight /Temp	kg/m³	1090.0@20	1090.0@21			
Funnel Viscosity	s/L	44	44			
Rheology Temp	℃	20	21			
R600/R300		39/27	38/26			
R200/R100		21/15	21/14			
R6/R3		4/2	4/2			
PV	mPa·s	12	12			
YP	Pa	7.5	7			
10s/10m/30m Gel	Pa	2/3/	2/3/			
API Fluid Loss	cc/30min	9	9			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	0.7/	0.7/			
Solids	%Vol	5.5	5.5			
Oil/Water	%Vol	0.5/94	0.5/94			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.0@20	9.0@21			
Alkal Mud (Pm)						
Pf/Mf		.10/2.50	.10/2.50			
Chlorides	mg/L	30000	30000			
Hardness (Ca++)		40	40			
Suction Temp	Deg C	20.	21.			
Potassium Ion	mg/l	16500.	16500.			
Reserve Volume	m³	212				

PRODUCTS USED Last 24 hr

Products	Size	Amount
POLYPAC UL	22.68 KG BG	11
PULPRO 20	22.68 KG BG	32
PULPRO 30	22.68 KG BG	-22
ENGINEERING	1. EA	1
XCD POLYMER	25. KG BG	2

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	18.0
Shaker 2	120/120/120	
Centrifuge 1 UF (kg/m3)	1800	24.0
Centrifuge 2 (kg/m3)	1785	24.0
Centrifuge OF (kg/m3)	1080	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1090.0
Viscosity	40-45	44
Filtrate	<15	9

REMARKS AND TREATMENT

Mud properties remained stable while repairing top drive circulating at 0.75 m³/min through circulating head. Overflow from centrifuges remaining stable at 1080 kg/m³. Complete physical inventory and adjust Onetrax accordingly.

REMARKS

Drill 216mm hole from 2459m to 2462m. Encounter problems with top drive. Trouble-shoot same. Install circulating head while working on top drive & circulate hole at 0.75 m³/min. Complete repairing top drive. Continue drilling 216mm hole sliding as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.7/ 23.4	np/na	0.531/0.575
Drilling	12.5	Water Added		KCl	1.1/ 29.9	Kp/Ka	0.504/0.400
Tripping		Mud Received		Low Gravity	3.7/ 97.3	Bit Pressure Loss %	7780 / 54.
Non-Productive Tim	11	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	173 / 4.1
Direction Work		Shakers	1	Drill Solids	0.3/ 8.2	Jet Velocity	113
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	52.3
Squeeze Cement		Centrifuge	1.1	Chemical Conc	- / 90.	Va Collars	86
Cementing		Formation		Inert/React	-	Cva Pipe	80
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	102
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1124.08
		Sent to Storage				ECD at TD	1125.3
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$4,518.76	$159,753.70

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/2/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 53

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	22.3		Active
Suction Pit #3	34	1090	25.2		Active
Premix Tank #4	38	1030	3.7	Mix H2O f/ Flo	Reserve
Shaker Tank #2	31	1090	25.1		Active
Shaker Tank #1	29	1090	22.5		Active
Pill Tank	10	1090			Reserve
Trip Tank	7	1090	2		Active
Lines	5	1090	3		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40	1030	3.4	Mix Water	Reserve
Degasser Tank	15	1090	10.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	100.0
Reserve	212.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	62.5	21.7		84.2
Volume Not Mud				
Mud Volume	62.5	21.7		84.2

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	186.2	212.6		398.8
Oil Added				
Water Added				
Vol Chem Added	0.2			0.2
Chem Not For Mud				
Total Volume Built	0.2			0.2
Received				
Return				
From Active To				
From Reserve To				
From Premix To				
Daily Loss	2.1			2.1
Final Volume	184.3	212.6		396.9

LOSS BREAKDOWN (m3)

Shakers	1.0
Evaporation	
Centrifuge	1.1
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	2.1

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/2/2008
Report No: 53
Page 1

Cost Summary

Total Daily Cost: 4518.76 **Total Daily Tax:**
Cumulative Cost: 159753.70

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-70	-0.02	70					-70	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	62						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	50				50			50	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	71	11	55		185		70	60	2402.40
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	152	32	798		918			120	332.80
PULPRO 30	22.68 KG BG	12.62	365	-22	618		1005			387	-277.64
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	43				43			43	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	67	2	15		80			65	1161.20

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/2/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**300**
Total	**300**

WATER-BASED MUD REPORT No. 54

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2613 m / 2606 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/3/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1839 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	87.6	96.2	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		183.8		Pump stk/min	101@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		106 m		Pump Pressure	15100 kPa	
Nozzles 6.45x6 mm		Volume Drilled Last 24 hr		Bottoms Up	46.9 min	4737 stk
Bit 216-mm Smith		4 m³		Total Circulation	132.7 min	13406 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 18:30	FL 9:55			**Products**	**Size**	**Amount**
FlowLine Temp	℃	26	26			ENGINEERING	1. EA	1
Depth/TVD	m	2597/2590	2564/2557					
Mud Weight /Temp	kg/m³	1090.0@24	1095.0@24					
Funnel Viscosity	s/L	44	45					
Rheology Temp	℃	22	23					
R600/R300		38/27	39/27					
R200/R100		21/15	21/15					
R6/R3		3/2	3/2					
PV	mPa·s	11	12					
YP	Pa	8	7.5					
10s/10m/30m Gel	Pa	2/5/	2/5/					
API Fluid Loss	cc/30min	11	11					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	0.7/	0.7/					
Solids	%Vol	5.5	5.75					
Oil/Water	%Vol	0.5/94	0.5/93.75					
Sand	%Vol					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
MBT	kg/m³					**Type**	**Model/Size**	**Hrs Used**
pH / Temp		8.8@20	8.8@21			Shaker 1	120/120/200	24.0
Alkal Mud (Pm)						Shaker 2	120/120/120	24.0
Pf/Mf		.10/2.60	.10/2.60			Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	36000	31000			Centrifuge 2 (kg/m3)		
Hardness (Ca++)		80	80					
Suction Temp	Deg C	22.	22.			Centrifuge OF (kg/m3)		
Potassium Ion	mg/l	16500.	16500.					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1090.0
						Viscosity	40-45	44
Reserve Volume	m³	211				Filtrate	<15	11

REMARKS AND TREATMENT

Mud properties remaining stable while drilling with no addititions/treatments made to system. Continue running both centrifuges with a stable overflow of 1085 kg/m³ into Active.

REMARKS

Continue drilling 216mm hole as per directional driller's instructions conducting surveys as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	1./ 32.9	np/na	0.493/0.575
Drilling	21.5	Water Added		KCl	1.1/ 29.9	Kp/Ka	0.637/0.400
Tripping		Mud Received		Low Gravity	3.3/ 86.6	Bit Pressure Loss %	8372 / 55.4
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	193 / 4.6
Direction Work	2	Shakers	0.6	Drill Solids	0.1/ 1.8	Jet Velocity	118
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	54.3
Squeeze Cement		Centrifuge	1	Chemical Conc	- / 85.	Va Collars	89.2
Cementing		Formation		Inert/React	-	Cva Pipe	80
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	102
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1124.6
		Sent to Storage				ECD at TD	1126.23
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$900.00	$160,653.70

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/3/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 54

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	19.7		Active
Suction Pit #3	34	1090	25.5		Active
Premix Tank #4	38	1030	3.7	Mix H2O f/ Flo	Reserve
Shaker Tank #2	31	1090	25.1		Active
Shaker Tank #1	29	1090	20.9		Active
Pill Tank	10	1090	2.3		Reserve
Trip Tank	7	1090	2		Active
Lines	5	1090	3		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	10.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	96.0
Reserve	211.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	65	22.7		87.7
Volume Not Mud				
Mud Volume	65	22.7		87.7

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	185.4	211.5		396.9
Oil Added				
Water Added				
Vol Chem Added				
Chem Not For Mud				
Total Volume Built				
Received				
Return				
From Active To				
From Reserve To				
From Premix To				
Daily Loss	1.6			1.6
Final Volume	183.8	211.5		395.3

LOSS BREAKDOWN (m3)

Shakers	0.6
Evaporation	
Centrifuge	1.0
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	1.6

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/3/2008
Report No: 54
Page 1

Cost Summary

Total Daily Cost: 900.00 **Total Daily Tax:**
Cumulative Cost: 160653.70

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-70		70					-70	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	63						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	50				50			50	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	60		55		185		70	60	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	387		618		1005			387	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	43				43			43	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	65		15		80			65	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/3/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**300**
Total	**300**

WATER-BASED MUD REPORT No. 55

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2687 m / 2680 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/4/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Prepare to POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1894 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	90.1	90.2	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		179.6		Pump stk/min	0@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, 165.-mm UBHO/XO		74 m		Pump Pressure	kPa	
Nozzles 6.45x6 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 216-mm Smith		3 m³		Total Circulation		

MUD PROPERTIES

Sample From		FL 16:50	FL 9:30		
FlowLine Temp	℃	27	27		
Depth/TVD	m	2670/2663	2650/2643		
Mud Weight /Temp	kg/m³	1090.0@24	1095.0@25		
Funnel Viscosity	s/L	43	43		
Rheology Temp	℃	21	23		
R600/R300		35/24	36/25		
R200/R100		19/13	19/14		
R6/R3		4/2	4/2		
PV	mPa·s	11	11		
YP	Pa	6.5	7		
10s/10m/30m Gel	Pa	2/5/	2/5/		
API Fluid Loss	cc/30min	13	13		
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	1/	1/		
Solids	%Vol	6	6		
Oil/Water	%Vol	0.5/93.5	0.5/93.5		
Sand	%Vol				
MBT	kg/m³				
pH / Temp		8.5@20	8.5@22		
Alkal Mud (Pm)					
Pf/Mf		.08/2.50	.08/2.50		
Chlorides	mg/L	30500	30500		
Hardness (Ca++)		80	80		
Suction Temp	Deg C	22.	22.		
Potassium Ion	mg/l	16500.	16500.		
Reserve Volume	m³	222			

PRODUCTS USED Last 24 hr

Products	Size	Amount
POLYPAC UL	22.68 KG BG	20
PULPRO 30	22.68 KG BG	30
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	12.57
XCD POLYMER	25. KG BG	7

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	24.0
Shaker 2	120/120/120	24.0
Centrifuge 1 UF (kg/m3)	1085	24.0
Centrifuge 2 (kg/m3)	1080	24.0
Centrifuge OF (kg/m3)	1950	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1090.0
Viscosity	40-45	43
Filtrate	<15	13

REMARKS AND TREATMENT

Treat Active with 1.3 kg/m³ PolyPac UL for fluid loss maintenance. build 16 m³ premix in tank 4, commence bleeding same into Active at 40 L/min. Adjust parameters on centrifuges to control LGS and reduce density of Active. Build & pump Hi Vis sweep. No increase in returns. Pump 3 m³ trip slug.

REMARKS

Continue drilling 216mm hole from 2614m to 2687m as per directional driller's instructions conducting surveys as required. Pump Hi Vis sweep & ciirculate OOH. Pump 3 m ³ trip slug. Prepare to POOH.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.5
Drilling	21.25
Tripping	
Non-Productive Time	
Direction Work	2.25
Circulate bottoms up	
Squeeze Cement	
Cementing	
Safety Meetings	
Wireline Logs	

MUD VOL ACCTG (m³)

Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	1.4	
Evaporation		
Centrifuge	4.5	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.7/ 24.2
KCl	1.1/ 29.9
Low Gravity	3.6/ 94.7
Bentonite	0./ 0.
Drill Solids	0.4/ 10.9
Weight Material	NA/ NA
Chemical Conc	- / 85.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.544/0.534
Kp/Ka	0.411/0.428
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	74
Cva Collars	92
ECD at Shoe	1090
ECD at TD	1090

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$9,710.80	$170,364.50

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/4/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 55

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	12.2		Active
Suction Pit #3	34	1090	19.8		Active
Premix Tank #4	38	1020	13.2	Premix	Reserve
Shaker Tank #2	31	1090	27.3		Active
Shaker Tank #1	29	1090	19.5		Active
Pill Tank	10	1090	1.5		Reserve
Trip Tank	7	1090	6.4		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40	1030		Mix Water	Reserve
Degasser Tank	15	1090	12.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	90.0
Reserve	222.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	66.2	23.2	0.7	90.1
Volume Not Mud				
Mud Volume	66.2	23.2	0.7	90.1

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	183.8	211.5		395.3
Oil Added				
Water Added				
Vol Chem Added	0.4	12.7		13.1
Chem Not For Mud				
Total Volume Built	0.4	12.7		13.1
Received				
Return				
From Active To		2		
From Reserve To	4			
From Premix To				
Daily Loss	5.9			5.9
Final Volume	180.3	222.2		402.5

LOSS BREAKDOWN (m3)

Shakers	1.4
Evaporation	
Centrifuge	4.5
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	5.9

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/4/2008
Report No: 55
Page 1

Cost Summary

Total Daily Cost: 9710.80 **Total Daily Tax:**
Cumulative Cost: 170364.50

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-70	12.57	82					-82	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	64						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	50				50			50	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	60	20	75		185		70	40	4368.00
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	387	30	648		1005			357	378.60
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	43				43			43	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	65	7	22		80			58	4064.20

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/4/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Prepare to POOH

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**300**
Total	**300**

WATER-BASED MUD REPORT No. 56

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2700 m / 2692 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/5/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drll ahead 216mm

DRILLING ASSEMBLY	CASING
1926 m, 127.-mm DP	340.-mm @495 m (495 TVD)
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)
224 m, 127.-mm HWDP	
9 m, 127.-mm HWDP	
1 m, 165.-mm UBHO/XO	
Nozzles 6.4x4/7.1x4 mm	
Bit 216-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
90.4	95.4
Total Circulating Volume	
185.8	
Depth Drilled Last 24 hr	
13 m	
Volume Drilled Last 24 hr	
1 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	100@97%	0@97%
Flow Rate	1 m³/min	
Pump Pressure	11500 kPa	
Bottoms Up	49.1 min	4908 stk
Total Circulation	136.1 min	13613 stk

MUD PROPERTIES

Sample From		FL 21:05				
FlowLine Temp	℃	22				
Depth/TVD	m	2961/2683				
Mud Weight /Temp	kg/m³	1100.0@21				
Funnel Viscosity	s/L	43				
Rheology Temp	℃	21				
R600/R300		34/23				
R200/R100		18/12				
R6/R3		3/2				
PV	mPa·s	11				
YP	Pa	6				
10s/10m/30m Gel	Pa	1/4/				
API Fluid Loss	cc/30min	12				
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/				
Solids	%Vol	6				
Oil/Water	%Vol	0.5/93.5				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.5@21				
Alkal Mud (Pm)						
Pf/Mf		.08/2.40				
Chlorides	mg/L	30000				
Hardness (Ca++)		80				
Suction Temp	Deg C	21.				
Potassium Ion	mg/l	16500.				
Reserve Volume	m³	216				

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 30	22.68 KG BG	30
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	0.04

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	120/120/200	6.0
Shaker 2	120/120/120	6.0
Centrifuge 1 UF (kg/m3)	1895	5.0
Centrifuge 2 (kg/m3)	1890	5.0
Centrifuge OF (kg/m3)	1090	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1100.0
Viscosity	40-45	43
Filtrate	<15	12

REMARKS AND TREATMENT

Bleed in premix from tank 4 at 40 L/min. Run centrifuges on Active with an overflow of 1090 kg/m³.

REMARKS

Complete POOH with BHA laying down MWD, mud motor & bit. M/U new BHA. Surface test MWD. RIH. Drill ahead 216mm hole as per directional driller's instructions.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	5.5
Tripping	15.75
Non-Productive Tim	
Direction Work	
Circulate bottoms u	
M/U / P/U BHA	2
Cementing	
Safety Meetings	0.25
Wireline Logs	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	0.2
Evaporation	
Centrifuge	1
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.7/ 23.3
KCl	1.1/ 29.7
Low Gravity	4.3/ 110.6
Bentonite	0./ 0.
Drill Solids	1.1/ 28.8
Weight Material	NA/ NA
Chemical Conc	- / 85.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.564/0.511
Kp/Ka	0.349/0.444
Bit Pressure Loss %	3828 / 33.3
Bit HHP/HSI	87 / 2.1
Jet Velocity	79
Va Pipe	53.5
Va Collars	87.9
Cva Pipe	71
Cva Collars	87
ECD at Shoe	1129.01
ECD at TD	1130.32

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$1,278.60	$171,643.10

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/5/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 56

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1100	17.5		Active
Suction Pit #3	34	1100	23.7		Active
Premix Tank #4	38	1020	7.1	Premix	Reserve
Shaker Tank #2	31	1100	26.3		Active
Shaker Tank #1	29	1100	20.4		Active
Pill Tank	10	1090	1.2		Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1100	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40	1030		Mix Water	Reserve
Degasser Tank	15	1090	12.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	95.0
Reserve	216.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	67	23.5		90.5
Volume Not Mud				
Mud Volume	67	23.5		90.5

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	180.3	222.2		402.5
Oil Added				
Water Added				
Vol Chem Added	0.3			0.3
Chem Not For Mud				
Total Volume Built	0.3			0.3
Received				
Return				
From Active To				
From Reserve To	6.4			
From Premix To				
Daily Loss	1.2			1.2
Final Volume	185.8	215.8		401.6

LOSS BREAKDOWN (m3)

Shakers	0.2
Evaporation	
Centrifuge	1.0
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	1.2

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/5/2008
Report No: 56
Page 1

Cost Summary

Total Daily Cost: 1278.60 **Total Daily Tax:**
Cumulative Cost: 171643.10

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-82	0.04	82					-82	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	65						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	50				50			50	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	40		75		185		70	40	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	357	30	678		1005			327	378.60
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	43				43			43	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	58		22		80			58	

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 10/5/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** Drll ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 57

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2786 m / 2777 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/6/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2012 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	93.2	100.6	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		193.8		Pump stk/min	100@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		86 m		Pump Pressure	10900 kPa	
Nozzles 6.4x4/7.1x4 mm		Volume Drilled Last 24 hr		Bottoms Up	50.6 min	5056 stk
Bit 216-mm Smith		3 m³		Total Circulation	142. min	14199 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 19:50	FL 10:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	29	28			ENGINEERING	1. EA	1
Depth/TVD	m	2782/2773	2740/2732			XCD POLYMER	25. KG BG	10
Mud Weight /Temp	kg/m³	1090.0@27	1095.0@26					
Funnel Viscosity	s/L	47	42					
Rheology Temp	℃	24	25					
R600/R300		44/32	30/20					
R200/R100		26/19	16/11					
R6/R3		5/4	2/1					
PV	mPa·s	12	10					
YP	Pa	10	5					
10s/10m/30m Gel	Pa	3/5/	1/4/					
API Fluid Loss	cc/30min	8	8					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	0.7/	0.7/					
Solids	%Vol	6	6.25					
Oil/Water	%Vol	0.5/93.5	0.5/93.25			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	200/200/200	24.0
pH / Temp		8.0@23	8.0@22			Shaker 2	200/200/200	24.0
Alkal Mud (Pm)								
Pf/Mf		.05/2.55	.05/2.55			Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	32000	32000			Centrifuge 2 (kg/m3)		
Hardness (Ca++)		180	160					
Suction Temp	Deg C	25.	24.			Centrifuge OF (kg/m3)		
Potassium Ion	mg/l	13500.	13500.					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1090.0
						Viscosity	40-45	47
Reserve Volume	m³	209				Filtrate	<15	8

REMARKS AND TREATMENT

Treat Active with 1.4 kg/m³ Kelzan XCD for rheology maintenance. YP increased to 10 from 5. Complete bleeding in premix from tank 4. Fluid loss decreased from 12 to 8 with premix bleed complete. Screen up shakers to 200 mesh screens to assist in controlling LGS & MW. Hole cleaning very good with 55 m/min Annular Velocity in casing and low end rheology, refer to attached Virtual Hydraulics Profile.

REMARKS

Drill ahead 216mm hole as per directional driller's instructions sliding/surveying as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.8/ 26.6	np/na	0.459/0.444
Drilling	20	Water Added		KCl	1.1/ 29.9	Kp/Ka	0.931/0.990
Tripping		Mud Received		Low Gravity	3.5/ 92.	Bit Pressure Loss %	3793 / 34.8
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	86 / 2.
Direction Work	3.5	Shakers	1	Drill Solids	0.5/ 13.5	Jet Velocity	79
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	53.5
M/U / P/U BHA		Centrifuge	1.2	Chemical Conc	- / 80.	Va Collars	87.9
Cementing		Formation		Inert/React	-	Cva Pipe	99
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	117
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1138.45
		Sent to Storage				ECD at TD	1140.54
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$6,706.00	$178,349.10

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/6/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 57

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	20.1		Active
Suction Pit #3	34	1090	24.9		Active
Premix Tank #4	38	1020		Premix	Reserve
Shaker Tank #2	31	1090	29.1		Active
Shaker Tank #1	29	1090	19		Active
Pill Tank	10	1090	1.2		Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40	1030		Mix Water	Reserve
Degasser Tank	15	1090	12.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	101.0
Reserve	209.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	69	24.2		93.2
Volume Not Mud				
Mud Volume	69	24.2		93.2

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	188.8	215.8		404.6
Oil Added				
Water Added				
Vol Chem Added	0.1			0.1
Chem Not For Mud				
Total Volume Built	0.1			0.1
Received				
Return				
From Active To				
From Reserve To	7.1			
From Premix To				
Daily Loss	2.2			2.2
Final Volume	193.8	208.7		402.5

LOSS BREAKDOWN (m3)

Shakers	1.0
Evaporation	
Centrifuge	1.2
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	2.2

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/6/2008
Report No: 57
Page 1

Cost Summary

Total Daily Cost: 6706.00 **Total Daily Tax:**
Cumulative Cost: 178349.10

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38		1		39			38	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-85		85					-85	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	66						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	56				56			56	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	40		75		185		70	40	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	327		678		1005			327	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	49				49			49	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23		1		24			23	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	58	10	32		80			48	5806.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/6/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 58

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2837 m / 2827 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/7/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2063 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	94.9	91.1	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		186		Pump stk/min	107@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		51 m		Pump Pressure	12800 kPa	
Nozzles 6.4x4/7.1x4 mm		Volume Drilled Last 24 hr		Bottoms Up	47.9 min	5130 stk
Bit 216-mm Smith		2 m³		Total Circulation	127. min	13590 stk

MUD PROPERTIES

Sample From		FL 19:50	FL 9:35			
FlowLine Temp	℃	31	31			
Depth/TVD	m	2830/2820	2806/2797			
Mud Weight /Temp	kg/m³	1090.0@28	1090.0@29			
Funnel Viscosity	s/L	44	46			
Rheology Temp	℃	23	24			
R600/R300		39/28	40/29			
R200/R100		21/16	23/17			
R6/R3		4/3	5/3			
PV	mPa·s	11	11			
YP	Pa	8.5	9			
10s/10m/30m Gel	Pa	2/4/	2/5/			
API Fluid Loss	cc/30min	10.5	10.5			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6.5	6.5			
Oil/Water	%Vol	0.5/93	0.5/93			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.5@22	8.5@22			
Alkal Mud (Pm)						
Pf/Mf		.20/2.65	.15/2.60			
Chlorides	mg/L	32000	32000			
Hardness (Ca++)		800	600			
Suction Temp	Deg C	29.	28.			
Potassium Ion	mg/l	13500.	13500.			
Reserve Volume	m³	214				

PRODUCTS USED Last 24 hr

Products	Size	Amount
CAUSTIC SODA	22.68 KG BG	4
ENGINEERING	1. EA	1
SUPER SWEEP FIBER	15. LB BX	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	200/200/200	24.0
Shaker 2	200/200/200	24.0
Centrifuge 1 UF (kg/m3)	1090	24.0
Centrifuge 2 (kg/m3)	1085	24.0
Centrifuge OF (kg/m3)	1810	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1090.0
Viscosity	40-45	44
Filtrate	<15	10.5

REMARKS AND TREATMENT

Treat Active with 0.5 kg/m³ Caustic Soda for pH maintenance. Build sweep in pill tank with Active mud & 0.9 kg/m³ SuperSweep. Hole cleaning remains good with 59 m/min Ann Vel in casing, refer to attached Virtual Hydraulics profile.

REMARKS

Control drill 216mm hole from 2786m as per directional driller's instructions sliding/surveying as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.9/ 30.9	np/na	0.478/0.477
Drilling	19	Water Added		KCl	0.9/ 24.4	Kp/Ka	0.726/0.703
Tripping		Mud Received		Low Gravity	3.6/ 94.3	Bit Pressure Loss %	4367 / 34.1
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	107 / 2.5
Direction Work	4.5	Shakers	1	Drill Solids	0.6/ 16.1	Jet Velocity	85
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	57.4
M/U / P/U BHA		Centrifuge	1	Chemical Conc	- / 80.	Va Collars	94.4
Cementing		Formation		Inert/React	-	Cva Pipe	88
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	105
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1131.14
		Sent to Storage				ECD at TD	1133.04
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$1,360.40	$179,709.50

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/7/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 58

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	16.6		Active
Suction Pit #3	34	1090	21.5		Active
Premix Tank #4	38	1020		Premix	Reserve
Shaker Tank #2	31	1090	29.1		Active
Shaker Tank #1	29	1090	16.4		Active
Pill Tank	10	1090	7	SuperSweep	Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	40.5	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	12.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	91.0
Reserve	214.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	70.2	24.7		94.9
Volume Not Mud				
Mud Volume	70.2	24.7		94.9

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	193.8	208.7		402.5
Oil Added				
Water Added				
Vol Chem Added				
Chem Not For Mud				
Total Volume Built				
Received				
Return				
From Active To		5.8		
From Reserve To				
From Premix To				
Daily Loss	2			2
Final Volume	186.0	214.5		400.5

LOSS BREAKDOWN (m3)

Shakers	1.0
Evaporation	
Centrifuge	1.0
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	2.0

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/7/2008
Report No: 58
Page 1

Cost Summary

Total Daily Cost: 1360.40 **Total Daily Tax:**
Cumulative Cost: 179709.50

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	38	4	5		39			34	164.40
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-85	-0.05	85					-85	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	67						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	56				56			56	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	40		75		185		70	40	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	327		678		1005			327	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	49				49			49	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	23	1	2		24			22	296.00
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	48		32		80			48	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/7/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**300**
Total	**300**

WATER-BASED MUD REPORT No. 59

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2879 m / 2868 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/8/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2105 m, 127.-mm DP 504 m, 127.-mm HWDP 7 m, 166.-mm JARS 224 m, 127.-mm HWDP 9 m, 127.-mm HWDP 1 m, 165.-mm UBHO/XO Nozzles 6.4x4/7.1x4 mm Bit 216-mm Smith	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)	Hole: 96.3 Active Pits: 97.9 Total Circulating Volume: 194.2 Depth Drilled Last 24 hr: 42 m Volume Drilled Last 24 hr: 2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	107@97%	0@97%
Flow Rate	1 m³/min	
Pump Pressure	11800 kPa	
Bottoms Up	48.6 min	5202 stk
Total Circulation	132.6 min	14189 stk

MUD PROPERTIES

Sample From		FL 17:15	FL 9:00			
FlowLine Temp	℃	32	32			
Depth/TVD	m	2863/2853	2851/2841			
Mud Weight /Temp	kg/m³	1095.0@28	1095.0@29			
Funnel Viscosity	s/L	42	43			
Rheology Temp	℃	25	26			
R600/R300		33/23	32/22			
R200/R100		18/12	17/11			
R6/R3		4/3	3/2			
PV	mPa·s	10	10			
YP	Pa	6.5	6			
10s/10m/30m Gel	Pa	2/4/	2/4/			
API Fluid Loss	cc/30min	12	12			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6.5	6.5			
Oil/Water	%Vol	0.5/93	0.5/93			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.0@23	8.0@23			
Alkal Mud (Pm)						
Pf/Mf		.02/2.65	.02/2.70			
Chlorides	mg/L	30000	30000			
Hardness (Ca++)		1000	1000			
Suction Temp	Deg C	27.	27.			
Potassium Ion	mg/l	15000.	15000.			
Reserve Volume	m³	201				

PRODUCTS USED Last 24 hr

Products	Size	Amount
POLYPAC UL	22.68 KG BG	15
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	-0.03
XCD POLYMER	25. KG BG	8

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	200/200/200	24.0
Shaker 2	200/200/200	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	42
Filtrate	<15	12

REMARKS AND TREATMENT

Treat Active with 0.4 kg/m³ Kelzan XCD for YP & low-end rheology maintenance. Build 20 m³ premix with 5 kg/m³ Kelzan XCD & 17 kg/m³ PolyPac UL. Bleeding same into Active at 60 L/min. Hole cleaning remaining good with Ann Vel of 59 m/min in casing and 63 m/min in open hole (refer to attached Virtual Hydraulics profile).

REMARKS

Continue control drilling 216mm hole as per directional driller's instructions sliding/surveying as required.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	20.5
Tripping	
Non-Productive Time	
Direction Work	3
Circulate bottoms up	
M/U / P/U BHA	
Cementing	
Safety Meetings	
Wireline Logs	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	1.3
Evaporation	
Centrifuge	3.9
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.8/ 27.6
KCl	0.9/ 24.3
Low Gravity	4.1/ 106.2
Bentonite	0./ 0.
Drill Solids	1.1/ 29.5
Weight Material	NA/ NA
Chemical Conc	- / 80.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.521/0.395
Kp/Ka	0.456/0.804
Bit Pressure Loss %	4388 / 37.2
Bit HHP/HSI	107 / 2.5
Jet Velocity	85
Va Pipe	57.4
Va Collars	94.4
Cva Pipe	75
Cva Collars	87
ECD at Shoe	1127.63
ECD at TD	1128.99

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$8,820.80	$188,530.30

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/8/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 59

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1095	18.7		Active
Suction Pit #3	34	1095	24.1		Active
Premix Tank #4	38	1070	6.7	Premix	Reserve
Shaker Tank #2	31	1095	29.2		Active
Shaker Tank #1	29	1095	18.4		Active
Pill Tank	10	1090	7	SuperSweep	Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1095	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1095	12.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	98.0
Reserve	201.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	71.2	25.1		96.3
Volume Not Mud				
Mud Volume	71.2	25.1		96.3

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	186	214.5		400.5
Oil Added				
Water Added				
Vol Chem Added		0.2		0.2
Chem Not For Mud				
Total Volume Built		0.2		0.2
Received				
Return				
From Active To				
From Reserve To	13.4			
From Premix To				
Daily Loss	5.2			5.2
Final Volume	194.2	201.3		395.5

LOSS BREAKDOWN (m3)

Shakers	1.3
Evaporation	
Centrifuge	3.9
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	5.2

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/8/2008
Report No: 59
Page 1

Cost Summary

Total Daily Cost: 8820.80 **Total Daily Tax:**
Cumulative Cost: 188530.30

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-85	-0.03	85					-85	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	68						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	56				56			56	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	40	15	90	70	255		70	95	3276.00
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	327		678	120	1125			447	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	49				49			49	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	48	8	40	40	120			80	4644.80

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 10/8/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 60

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2897 m / 2886 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/9/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2123 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	96.8	109.3	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		206.1		Pump stk/min	107@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		18 m		Pump Pressure	13100 kPa	
Nozzles 6.4x4/7.1x4 mm		Volume Drilled Last 24 hr		Bottoms Up	48.9 min	5233 stk
Bit 216-mm Smith		1 m³		Total Circulation	140.7 min	15058 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 9:30					**Products**	**Size**	**Amount**
FlowLine Temp	℃	32					PULPRO 30	22.68 KG BG	84
Depth/TVD	m	2895/2885					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1090.0@30					DRILLWATER	1. M3 TK	-0.02
Funnel Viscosity	s/L	44							
Rheology Temp	℃	27							
R600/R300		38/26							
R200/R100		20/14							
R6/R3		4/2							
PV	mPa·s	12							
YP	Pa	7							
10s/10m/30m Gel	Pa	2/4/							
API Fluid Loss	cc/30min	10							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	6.25							
Oil/Water	%Vol	0.5/93.25					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	200/200/200	13.0
pH / Temp		8.0@24					Shaker 2	200/200/200	13.0
Alkal Mud (Pm)									
Pf/Mf		.15/2.55					Centrifuge 1 UF (kg/m3)	1090	13.0
Chlorides	mg/L	29000					Centrifuge 2 (kg/m3)	1085	13.0
Hardness (Ca++)		1200							
Suction Temp	Deg C	30.					Centrifuge OF (kg/m3)	1865	
Potassium Ion	mg/l	16500.							
							MUD PROPERTY SPECS		Actual
							Weight	ALAP	1090.0
							Viscosity	40-45	44
Reserve Volume	m³	189					Filtrate	<15	10

REMARKS AND TREATMENT

Complete bleeding in premix from tank #4. Pump 5 m³ Sweep treated with 0.9 kg/m³ SuperSweep in Active mud. Circulate same OOH at 1.5 m³/min (refer to attached sweep sheet). Volumes/Drll String represent pipe on bottom prior to POOH.

REMARKS

Continue drilling 216mm hole from 2879m to 2897 as per directional driller's instructions sliding/surveying as required. Pump sweep & circ OOH at 1.5 m³/min. POOH to change out BHA/Bit.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.7/ 21.8	np/na	0.547/0.555
Drilling	6.5	Water Added		KCl	1.1/ 29.8	Kp/Ka	0.437/0.413
Tripping	9.75	Mud Received		Low Gravity	3.9/ 100.7	Bit Pressure Loss %	4367 / 33.3
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	107 / 2.5
Direction Work	5.25	Shakers	0.5	Drill Solids	0.7/ 17.7	Jet Velocity	85
Circulate bottoms u		Evaporation		Weight Material	NA/ NA	Va Pipe	57.4
M/U / P/U BHA	1	Centrifuge	1.2	Chemical Conc	- / 85.	Va Collars	94.4
Circulate bottoms u	1	Formation		Inert/React	-	Cva Pipe	77
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	97
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1123.92
		Sent to Storage				ECD at TD	1125.72
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$1,960.08	$190,490.38

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/9/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 60

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	23		Active
Suction Pit #3	34	1090	28		Active
Premix Tank #4	38	1070	0.5	Premix	Reserve
Shaker Tank #2	31	1090	29.2		Active
Shaker Tank #1	29	1090	21.6		Active
Pill Tank	10	1310	1.8	Trip Slug	Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	11.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	109.0
Reserve	189.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	71.6	25.2		96.8
Volume Not Mud				
Mud Volume	71.6	25.2		96.8

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	194.2	201.3		395.5
Oil Added				
Water Added				
Vol Chem Added	0.7			0.7
Chem Not For Mud				
Total Volume Built	0.7			0.7
Received				
Return				
From Active To				
From Reserve To	12.9			
From Premix To				
Daily Loss	1.7			1.7
Final Volume	206.1	188.4		394.5

LOSS BREAKDOWN (m3)

Shakers	0.5
Evaporation	
Centrifuge	1.2
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	1.7

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/9/2008
Report No: 60
Page 1

Cost Summary

Total Daily Cost: 1960.08 **Total Daily Tax:**
Cumulative Cost: 190490.38

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50				50			50	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-85	-0.02	85					-85	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	69						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	59				60			59	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	95		90		255		70	95	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	447	84	762		1125			363	1060.08
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	52				53			52	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	80		40		120			80	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/9/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : POOH

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 61

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2946 m / 2935 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/10/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2172 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	98.4	115.9	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		214.3		Pump stk/min	109@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		49 m		Pump Pressure	15500 kPa	
Nozzles 9.5x3 mm		Volume Drilled Last 24 hr		Bottoms Up	49. min	5344 stk
Bit 216-mm Smith		2 m³		Total Circulation	144.4 min	15736 stk

MUD PROPERTIES

Sample From		FL 18:10	FL 9:55			
FlowLine Temp	℃	38	27			
Depth/TVD	m	2929/2918	2907/2896			
Mud Weight /Temp	kg/m³	1090.0@35	1090.0@24			
Funnel Viscosity	s/L	44	41			
Rheology Temp	℃	34	22			
R600/R300		28/19	27/17			
R200/R100		16/10	13/9			
R6/R3		3/2	2/1			
PV	mPa·s	9	10			
YP	Pa	5	3.5			
10s/10m/30m Gel	Pa	1/3/	1/2/			
API Fluid Loss	cc/30min	10	10			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6.25	6.25			
Oil/Water	%Vol	0.5/93.25	0.5/93.25			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.5@25	8.5@22			
Alkal Mud (Pm)						
Pf/Mf		.08/2.70	.10/2.70			
Chlorides	mg/L	31000	31000			
Hardness (Ca++)		1400	1400			
Suction Temp	Deg C	35.	26.			
Potassium Ion	mg/l	16500.	16500.			
Reserve Volume	m³	189				

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	10.74
XCD POLYMER	25. KG BG	8
Asphasol Supreme	22.68 KG BG	4

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	200/200/200	18.0
Shaker 2	200/200/200	18.0
Centrifuge 1 UF (kg/m3)	1085	17.5
Centrifuge 2 (kg/m3)	1080	17.5
Centrifuge OF (kg/m3)	1950	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1090.0
Viscosity	40-45	44
Filtrate	<15	10

REMARKS AND TREATMENT

Treat Active with 1.0 kg/m³ Kelzan XCD over two circulations for YP & low-end rheology maintenance. Turn steam on in Active pit and heat up system in preparation for Asphasol Supreme additions. With system temperature at 40℃ shut down steam & commence Asphasol Supreme additions at 2 kg/m³.

REMARKS

Complete POOH. C/O bit & M/U BHA. RIH & surface test MWD. RIH with BHA. Drill 216mm hole as per directional driller's instructions sliding/surveying as required.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.7/ 25.	np/na	0.559/0.459
Drilling	4.5	Water Added		KCl	1.1/ 29.9	Kp/Ka	0.296/0.483
Tripping	16.25	Mud Received		Low Gravity	3.5/ 92.1	Bit Pressure Loss %	8176 / 52.8
Non-Productive Time		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	202 / 4.8
Direction Work	2.75	Shakers	1	Drill Solids	0.3/ 8.	Jet Velocity	116
Circulate bottoms up		Evaporation		Weight Material	NA/ NA	Va Pipe	58.2
M/U / P/U BHA		Centrifuge	1.7	Chemical Conc	- / 85.	Va Collars	95.6
Circulate bottoms up		Formation		Inert/React	-	Cva Pipe	65
Safety Meetings		Left in Hole		Average SG	2.6	Cva Collars	78
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1116.22
		Sent to Storage				ECD at TD	1117.44
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$6,134.16	$196,624.54

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/10/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 61

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	25.4		Active
Suction Pit #3	34	1090	30.8		Active
Premix Tank #4	38	1070	0.5	Premix	Reserve
Shaker Tank #2	31	1090	29.2		Active
Shaker Tank #1	29	1090	23.9		Active
Pill Tank	10	1310	1.8	Trip Slug	Reserve
Trip Tank	7	1090	1.6		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	11.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	116.0
Reserve	189.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	72.8	25.7		98.5
Volume Not Mud				
Mud Volume	72.8	25.7		98.5

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	206.1	188.4		394.5
Oil Added				
Water Added				
Vol Chem Added	10.9			10.9
Chem Not For Mud				
Total Volume Built	10.9			10.9
Received				
Return				
From Active To				
From Reserve To				
From Premix To				
Daily Loss	2.7			2.7
Final Volume	214.3	188.4		402.7

LOSS BREAKDOWN (m3)

Shakers	1.0
Evaporation	
Centrifuge	1.7
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	2.7

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/10/2008
Report No: 61
Page 1

Cost Summary

Total Daily Cost: 6134.16 **Total Daily Tax:**
Cumulative Cost: 196624.54

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	50	4	4		50			46	589.36
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-85	10.74	96					-96	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	70						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	59				60			59	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	95		90		255		70	95	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	363		762		1125			363	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	52				53			52	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	80	8	48		120			72	4644.80

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/10/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 62

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2959 m / 2948 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/11/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2185 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	98.9	118.6
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
224 m, 127.-mm HWDP		217.5	
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr	
1 m, 165.-mm UBHO/XO		13 m	
Nozzles 9.5x3 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		1 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	109@97%	0@97%
Flow Rate	1 m³/min	
Pump Pressure	15500 kPa	
Bottoms Up	49.2 min	5366 stk
Total Circulation	146.5 min	15971 stk

MUD PROPERTIES						
Sample From		FL 6:00				
FlowLine Temp	℃	36				
Depth/TVD	m	2959/2948				
Mud Weight /Temp	kg/m³	1090.0@34				
Funnel Viscosity	s/L	40				
Rheology Temp	℃	34				
R600/R300		22/14				
R200/R100		11/7				
R6/R3		3/1				
PV	mPa·s	8				
YP	Pa	3				
10s/10m/30m Gel	Pa	1/4/				
API Fluid Loss	cc/30min	14.5				
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/				
Solids	%Vol	6				
Oil/Water	%Vol	0.5/93.5				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.5@23				
Alkal Mud (Pm)						
Pf/Mf		.04/2.80				
Chlorides	mg/L	30000				
Hardness (Ca++)		1560				
Suction Temp	Deg C	36.				
Potassium Ion	mg/l	13500.				
Reserve Volume	m³	188				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	5.63
XCD POLYMER	25. KG BG	3
Asphasol Supreme	22.68 KG BG	11

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	200/200/200	
Shaker 2	200/200/200	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	40
Filtrate	<15	14.5

REMARKS AND TREATMENT

Complete treating Active w/ 1.7 kg/m³ Asphasol Supreme over 4 circ. Treat Active w/ 0.3 kg/m³ Kelzan XCD over 3 circ. Pump 3 m³ of water to flush bit due to suspected bit balling & circ OOH at 1.5 m³/min. Additional water added represents volume added via steam line. Volumes/Drill String represents pipe on bottom prior to POOH.

REMARKS

Drill ahead f/ 2947m to 2959m, encounter increase in torque with pressure differential dropping to zero. Bit balling suspected. Pull off btm & pump 3 m³ of water. Circ OOH at 1.5 m³/min. Torque returned to normal but pressure differential remained unchanged for the most part. Conduct Wiper Trip f/ 2959m to 2869m. Still no change in differential. POOH. C/O mud motor & bit. RIH w/ BHA.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	3.5
Tripping	11.25
Non-Productive Tim	
Direction Work	0.5
M/U / P/U BHA	2.75
Safety Meetings	
Circulate bottoms u	1
Wiper Trip	3
Condition Mud	1.5

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	1.6	
Evaporation		
Centrifuge	2.1	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.8/ 27.7
KCl	0.9/ 24.4
Low Gravity	3.8/ 99.6
Bentonite	0./ 0.
Drill Solids	0.8/ 22.
Weight Material	NA/ NA
Chemical Conc	- / 80.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.652/0.555
Kp/Ka	0.123/0.207
Bit Pressure Loss %	8176 / 52.8
Bit HHP/HSI	202 / 4.8
Jet Velocity	116
Va Pipe	58.2
Va Collars	95.6
Cva Pipe	48
Cva Collars	60
ECD at Shoe	1107.68
ECD at TD	1108.82

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$5,019.74	$201,644.28

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/11/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 62

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	26.1		Active
Suction Pit #3	34	1090	31.6		Active
Premix Tank #4	38	1070	0.5	Premix	Reserve
Shaker Tank #2	31	1090	29		Active
Shaker Tank #1	29	1090	24.4		Active
Pill Tank	10	1320	1.3	Trip Slug	Reserve
Trip Tank	7	1090	2.5		Active
Lines	5	1090	5		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	11.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	119.0
Reserve	188.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	73.1	25.8		98.9
Volume Not Mud				
Mud Volume	73.1	25.8		98.9

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	214.3	188.4		402.7
Oil Added				
Water Added				
Vol Chem Added	6.4			6.4
Chem Not For Mud				
Total Volume Built	6.4			6.4
Received				
Return				
From Active To				
From Reserve To	0.5			
From Premix To				
Daily Loss	3.7			3.7
Final Volume	217.5	187.9		405.4

LOSS BREAKDOWN (m3)

Shakers	1.6
Evaporation	
Centrifuge	2.1
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	3.7

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/11/2008
Report No: 62
Page 1

Cost Summary

Total Daily Cost: 5019.74 **Total Daily Tax:**
Cumulative Cost: 201644.28

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	46	11	15		50			35	1620.74
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-96	5.63	102					-102	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	71						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	59				60			59	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	95		90		255		70	95	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	363	60	822		1125			303	757.20
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	52				53			52	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	72	3	51		120			69	1741.80

MI SWACO

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 10/11/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** RIH w/ BHA

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 63

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	2999 m / 2987 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/12/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2225 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	100.2	111.3	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		211.5		Pump stk/min	107@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		40 m		Pump Pressure	14600 kPa	
Nozzles 9.5x3 mm		Volume Drilled Last 24 hr		Bottoms Up	50.5 min	5408 stk
Bit 216-mm Smith		2 m³		Total Circulation	144.4 min	15453 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 16:00	FL 8:30			**Products**	**Size**	**Amount**
FlowLine Temp	℃	31	31			POLYPAC UL	22.68 KG BG	15
Depth/TVD	m	2999/2987	2975/2963			ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1090.0@29	1090.0@26			XCD POLYMER	25. KG BG	4
Funnel Viscosity	s/L	41	38					
Rheology Temp	℃	28	25					
R600/R300		21/15	18/12					
R200/R100		11/9	8/5					
R6/R3		3/1	2/1					
PV	mPa·s	6	6					
YP	Pa	4.5	3					
10s/10m/30m Gel	Pa	1/4/	1/4/					
API Fluid Loss	cc/30min	13	16					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/	1/					
Solids	%Vol	6	6					
Oil/Water	%Vol	0.5/93.5	0.5/93.5			SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	200/200/230	17.0
pH / Temp		8.5@22	8.5@23			Shaker 2	200/200/230	17.0
Alkal Mud (Pm)								
Pf/Mf		.02/2.90	.02/2.90			Centrifuge 1 UF (kg/m3)	1890	17.0
Chlorides	mg/L	30000	30000			Centrifuge 2 (kg/m3)	1885	17.0
Hardness (Ca++)		1600	1600					
Suction Temp	Deg C	30.	30.			Centrifuge OF (kg/m3)	1085	
Potassium Ion	mg/l	13500.	13500.					
						MUD PROPERTY SPECS		Actual
						Weight	ALAP	1085.0
						Viscosity	40-45	41
Reserve Volume	m³	190				Filtrate	<15	13

REMARKS AND TREATMENT

Treat Active with 0.5 kg/m³ Kelzan XCD for YP & low-end rheology maintenance & 1.6 kg/m³ PolyPac UL to lower fluid loss. Hole cleaning remaining good with Ann Vel of 55 m/min in casing and 58 m/min in open hole (refer to attached Virtual Hydraulics profile). Install 2 new 230 mesh screens on shakers. Volumes/Drill String represents pipe on bottom prior to POOH.

REMARKS

Continue RIH to 2945m & wash to bottom. Pattern bit. Drill 216mm hole from 2945m to 2999m as per directional driller's instructions. POOH to check for wash, C/O jars & inspect mud motor.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.8/ 27.7	np/na	0.485/0.627
Drilling	8.75	Water Added		KCl	0.9/ 24.4	Kp/Ka	0.371/0.184
Tripping	10.25	Mud Received		Low Gravity	3.8/ 97.9	Bit Pressure Loss %	7922 / 54.3
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	193 / 4.6
Direction Work	4.5	Shakers	1.4	Drill Solids	0.6/ 16.8	Jet Velocity	115
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	57.4
Safety Meetings		Centrifuge	2.6	Chemical Conc	- / 83.	Va Collars	94.4
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	54
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	71
Condition Mud		Haul Off (Pits)				ECD at Shoe	1105.56
		Sent to Storage				ECD at TD	1106.96
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$6,498.40	$208,142.68

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/12/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 63

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	24.2		Active
Suction Pit #3	34	1090	30.1		Active
Premix Tank #4	38	1070	2.7	Premix	Reserve
Shaker Tank #2	31	1090	29		Active
Shaker Tank #1	29	1090	23		Active
Pill Tank	10	1320	1.3	Trip Slug	Reserve
Trip Tank	7	1090	1		Active
Lines	5	1090	4		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	11.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	111.0
Reserve	190.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	74	26.1		100.1
Volume Not Mud				
Mud Volume	74	26.1		100.1

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	217.5	187.9		405.4
Oil Added				
Water Added				
Vol Chem Added	0.2			0.2
Chem Not For Mud				
Total Volume Built	0.2			0.2
Received				
Return				
From Active To		2.2		
From Reserve To				
From Premix To				
Daily Loss	4			4
Final Volume	211.5	190.1		401.6

LOSS BREAKDOWN (m3)

Shakers	1.4
Evaporation	
Centrifuge	2.6
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	4.0

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/12/2008
Report No: 63
Page 1

Cost Summary

Total Daily Cost: 6498.40 **Total Daily Tax:**
Cumulative Cost: 208142.68

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-102	0.01	102					-102	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		1	72						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	59				60			59	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	95	15	105		255		70	80	3276.00
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	303		822		1125			303	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	52				53			52	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	69	4	55		120			65	2322.40

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 10/12/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** POOH

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 64

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3003 m / 2990 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/13/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 216mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2229 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	100.3	107.5	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		207.8		Pump stk/min	100@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 165.-mm UBHO/XO		4 m		Pump Pressure	9750 kPa	
Nozzles 11x4 mm		Volume Drilled Last 24 hr		Bottoms Up	54.3 min	5430 stk
Bit 216-mm Smith		0.1 m³		Total Circulation	152.3 min	15225 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 19:00					**Products**	**Size**	**Amount**
FlowLine Temp	°C	25					ENGINEERING	1. EA	2
Depth/TVD	m	3000/2988					DRILLWATER	1. M3 TK	0.04
Mud Weight /Temp	kg/m³	1090.0@23					XCD POLYMER	25. KG BG	6
Funnel Viscosity	s/L	39							
Rheology Temp	°C	23							
R600/R300		20/14							
R200/R100		10/8							
R6/R3		3/2							
PV	mPa·s	6							
YP	Pa	4							
10s/10m/30m Gel	Pa	1/4/							
API Fluid Loss	cc/30min	13							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	6							
Oil/Water	%Vol	0.5/93.5					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	200/200/230	9.0
pH / Temp		8.2@21					Shaker 2	200/200/230	9.0
Alkal Mud (Pm)									
Pf/Mf		.02/2.85					Centrifuge 1 UF (kg/m3)	1895	7.0
Chlorides	mg/L	30000					Centrifuge 2 (kg/m3)	1885	7.0
Hardness (Ca++)		1600							
Suction Temp	Deg C						Centrifuge OF (kg/m3)	1085	
Potassium Ion	mg/l	13500.							
							MUD PROPERTY SPECS		Actual
							Weight	ALAP	1090.0
							Viscosity	40-45	39
Reserve Volume	m³	193					Filtrate	<15	13

REMARKS AND TREATMENT

Treat Active with 0.7 kg/m³ Kelzan XCD over 4 circulations. Hole cleaning good with Ann Vel of 55 m/min in casing and 58 m/min in open hole (refer to attached Virtual Hydraulics profile).

REMARKS

Complete POOH laying down mud motor & jars. P/U & M/U new BHA. Surface test MWD. RIH to 2877m & wash to 2999m at 1.4 to 1.5 m³/min. Drill 216mm hole as per directional driller's instructions.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.8/ 27.7	np/na	0.515/0.395
Drilling	5.5	Water Added		KCl	0.9/ 24.4	Kp/Ka	0.289/0.536
Tripping	10	Mud Received		Low Gravity	3.7/ 96.2	Bit Pressure Loss %	2163 / 22.2
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	49 / 1.2
Direction Work	2	Shakers	0.2	Drill Solids	0.6/ 14.9	Jet Velocity	60
M/U / P/U BHA	4.75	Evaporation		Weight Material	NA/ NA	Va Pipe	53.5
Safety Meetings		Centrifuge	1.3	Chemical Conc	- / 83.	Va Collars	87.9
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	59
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	68
Wash to Bottom	1.25	Haul Off (Pits)				ECD at Shoe	1111.16
		Sent to Storage				ECD at TD	1112.01
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$5,283.60	$213,426.28

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 10/13/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 64

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1130	29.8	Kill Mud Tank	Reserve
Suction Pit #2	32	1090	22.5		Active
Suction Pit #3	34	1090	28.3		Active
Premix Tank #4	38	1070	4	Premix	Reserve
Shaker Tank #2	31	1090	29.1		Active
Shaker Tank #1	29	1090	21.6		Active
Pill Tank	10	1320	2.3	Trip Slug	Reserve
Trip Tank	7	1090	2		Active
Lines	5	1090	4		Active
Farm Tank #1	61		29.8	Produced Oil	Produced Oil
Farm Tank #2	58		11.2	Slop Water	Slop
Farm Tank #3	54	1160	46	Active @ 1160	Reserve
Farm Tank #4	54	1040	51.3	9% KCl Water	WBM Storage
Farm Tank #5	54	1040	20.4	3% KCl Water	Reserve
Farm Tank #6	51			Empty (Clean)	Reserve
Farm Tank #7	62			Empty (Clean)	Reserve
Farm Tank #8	83	1150	78.5	2K-39z Mud 11	Reserve
Rig Floc Tank	40				Reserve
Degasser Tank	15	1090	11.5	Roll if wt chang	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	108.0
Reserve	193.0
Premix	
OTHER VOLUME	
WBM Storage	51.0
Slop	11.0
Produced Oil	30.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	74.1	26.2		100.3
Volume Not Mud				
Mud Volume	74.1	26.2		100.3

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	211.5	190.1		401.6
Oil Added				
Water Added				
Vol Chem Added	0.1			0.1
Chem Not For Mud				
Total Volume Built	0.1			0.1
Received				
Return				
From Active To		2.3		
From Reserve To				
From Premix To				
Daily Loss	1.5			1.5
Final Volume	207.8	192.4		400.2

LOSS BREAKDOWN (m3)

Shakers	0.2
Evaporation	
Centrifuge	1.3
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	1.5

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 10/13/2008
Report No: 64
Page 1

Cost Summary

Total Daily Cost: 5283.60 **Total Daily Tax:**
Cumulative Cost: 213426.28

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00	5				5			5	
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	756				756			756	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00	-91		111		20			-91	
BLEACH	5. GA CN	69.00			3		3				
CALCIUM NITRATE	25. KG BG	65.20	40				40			40	
CAUSTIC SODA	22.68 KG BG	41.10	34		5		39			34	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	8				8			8	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	14		2		16			14	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-102	0.04	102					-102	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			24		88		64		
ENGINEERING	1. EA	900.00		2	74						1800.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	39				39			39	
MAGMA FIBER REG	13.61 KG BG	16.00									
OMYA CARB 100 PT	22.68 KG BG	13.32									
PALLETS	1. EA	16.00	59				60			59	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	24		3		27			24	
POLYPAC UL	22.68 KG BG	218.40	80		105		255		70	80	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	300		498		798			300	
PULPRO 20	22.68 KG BG	10.40	120		798		918			120	
PULPRO 30	22.68 KG BG	12.62	303		822		1125			303	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	18		7		25			18	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK										
SHRINK WRAPPING	1. EA	16.00	52				53			52	
SNOW WHITE 350	22.68 KG BG	12.62									
SODA ASH	22.68 KG BG	23.90	69				69			69	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98			20		20				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82	30		6		36			30	
SUPER SWEEP FIBER	15. LB BX	296.00	22		2		24			22	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	2				2			2	
XANVIS	25. KG BG	612.85	3		66		69			3	
XCD POLYMER	25. KG BG	580.60	65	6	61		120			59	3483.60

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 10/13/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Drill ahead 216mm

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 65

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3003 m / 2990 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/14/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wash To Bottom

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2226 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	100.3	107.8
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
224 m, 127.-mm HWDP		208	
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr	
1 m, 165.-mm UBHO/XO		m	
Nozzles 11.1x3 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	108@97%	0@97%
Flow Rate	1.48 m³/min	
Pump Pressure	13500 kPa	
Bottoms Up	50.2 min	5424 stk
Total Circulation	141.1 min	15236 stk

MUD PROPERTIES						
Sample From		FL 22:30				
FlowLine Temp	℃	24				
Depth/TVD	m	3000/2988				
Mud Weight /Temp	kg/m³	1090.0@24				
Funnel Viscosity	s/L	36				
Rheology Temp	℃	21				
R600/R300		20/14				
R200/R100		10/8				
R6/R3		3/2				
PV	mPa·s	6				
YP	Pa	4				
10s/10m/30m Gel	Pa	1/3/				
API Fluid Loss	cc/30min	12				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	6				
Oil/Water	%Vol	/94				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.0@21				
Alkal Mud (Pm)						
Pf/Mf		.01/2.60				
Chlorides	mg/L	30000				
Hardness (Ca++)		1600				
Suction Temp	Deg C	28.				
Potassium Ion	mg/l	13000.				
Reserve Volume	m³	193				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 30	22.68 KG BG	30
ENGINEERING	1. EA	2
XCD POLYMER	25. KG BG	6

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	200/200/230	
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	36
Filtrate	<15	12

REMARKS AND TREATMENT

Continue to control drill to 3004m as per DD instructions. Pump Pill & POOH for Bit. Make Up new BHA & Bit & RIH with same.

REMARKS

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	8
Tripping	16
Non-Productive Tim	
Direction Work	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.8/ 27.9
KCl	0.9/ 24.6
Low Gravity	3.6/ 92.6
Bentonite	0./ 0.
Drill Solids	0.4/ 10.8
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.515/0.395
Kp/Ka	0.289/0.536
Bit Pressure Loss %	4328 / 32.1
Bit HHP/HSI	106 / 2.5
Jet Velocity	85
Va Pipe	57.8
Va Collars	95
Cva Pipe	59
Cva Collars	68
ECD at Shoe	1111.82
ECD at TD	1112.74

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$5,662.20	$219,088.48

WATER-BASED MUD REPORT No. 66

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3037 m / 3010 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/15/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2263 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	101.4	103.9	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		205.3		Pump stk/min	104@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	**1.43 m³/min**	
1 m, 165.-mm UBHO/XO		34 m		Pump Pressure	12000 kPa	
Nozzles 11.1x3 mm		Volume Drilled Last 24 hr		Bottoms Up	52.6 min	5469 stk
Bit 216-mm Smith		1 m³		Total Circulation	144.1 min	14989 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 21:00	FL 13:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	29	29			CAUSTIC SODA	22.68 KG BG	2
Depth/TVD	m	3038/3010	3021/3000			POLYPAC R	22.68 KG BG	6
Mud Weight /Temp	kg/m³	1095.0@25	1095.0@25			ENGINEERING	1. EA	1
Funnel Viscosity	s/L	36	39					
Rheology Temp	℃	21	21					
R600/R300		18/10	20/12					
R200/R100		8/6	9/6					
R6/R3		2/1	3/2					
PV	mPa·s	8	8					
YP	Pa	1	2					
10s/10m/30m Gel	Pa	1/3/6	2/4/8					
API Fluid Loss	cc/30min	12	12					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	1/	1/					
Solids	%Vol	6	6					
Oil/Water	%Vol	1/93	1/93			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	200/200/230	
pH / Temp		8.0@	8.5@			Shaker 2	200/200/230	
Alkal Mud (Pm)								
Pf/Mf		.02/2.60	.05/2.60			Centrifuge 1 UF (kg/m3)	1830	24.0
Chlorides	mg/L	28000	28000			Centrifuge 2 UF (kg/m3)	1810	24.0
Hardness (Ca++)		1600	1600					
Suction Temp	Deg C	28.3	28.3			Centrifuge OF (kg/m3)	1090	
Buoyancy Factor	ppg	0.861	0.861					
Potassium Ion	mg/l	12000.	12000.					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1095.0
						Viscosity	40-45	36
Reserve Volume	m³	193				Filtrate	<15	12

REMARKS AND TREATMENT

Continue drilling ahead as per DD instructions. Added 0.5 kg/m3 of XCD & .75kg/m3 of Polypac R to maintain rheology. Running centrifuges to keep density ALAP. Also mixed .25 kg/m3 of Caustic to raise PH to 8.5.

REMARKS

Wash to bottom pattern new bit and drill ahead to 3037m as per DD Instructions.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.8/ 26.3	**np/na**	**0.848/0.511**
Drilling	24	Water Added		KCl	0.8/ 21.3	**Kp/Ka**	**0.026/0.222**
Tripping		Mud Received		Low Gravity	4.8/ 125.5	Bit Pressure Loss %	4059 / 33.8
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	96 / 2.3
Direction Work		Shakers	0.8	Drill Solids	1.8/ 47.9	Jet Velocity	82
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	55.8
Safety Meetings		Centrifuge	2.1	Chemical Conc	- / 83.	Va Collars	91.8
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	45
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	55
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1110.06
		Sent to Storage				ECD at TD	1110.97
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$2,292.60	$221,381.08

WATER-BASED MUD REPORT No. 67

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3080 m / 3063 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/16/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2306 m, 127.-mm DP 504 m, 127.-mm HWDP 7 m, 166.-mm JARS 224 m, 127.-mm HWDP 9 m, 127.-mm HWDP 1 m, 165.-mm UBHO/XO Nozzles 11.1x3 mm Bit 216-mm Smith	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)	Hole: 102.8	Active Pits: 101
		Total Circulating Volume: 203.8	
		Depth Drilled Last 24 hr: 43 m	
		Volume Drilled Last 24 hr: 2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	117@97%	0@97%
Flow Rate	**1.60 m³/min**	
Pump Pressure	12000 kPa	
Bottoms Up	47.6 min	5573 stk
Total Circulation	127.9 min	14960 stk

MUD PROPERTIES						
Sample From		FL 23:30	FL 13:00			
FlowLine Temp	℃	30	29			
Depth/TVD	m	3080/3063	3062/			
Mud Weight /Temp	kg/m³	1095.0@25	1095.0@25			
Funnel Viscosity	s/L	35	34			
Rheology Temp	℃	21	21			
R600/R300		16/10	16/9			
R200/R100		7/5	6/5			
R6/R3		2/1	2/1			
PV	mPa·s	6	7			
YP	Pa	2	1			
10s/10m/30m Gel	Pa	1/3/7	1/3/6			
API Fluid Loss	cc/30min	17	15			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	5.5	6			
Oil/Water	%Vol	1/94	1/93			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		8.0@	8.0@			
Alkal Mud (Pm)						
Pf/Mf		.00/2.40	.00/2.70			
Chlorides	mg/L	28000	28000			
Hardness (Ca++)		1300	1700			
Suction Temp	Deg C	28.	28.			
Buoyancy Factor		0.861	0.861			
Potassium Ion	mg/l	10000.	10000.			
Reserve Volume	m³	193				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SODA ASH	22.68 KG BG	6
Bleach	18.93 LT CN	3
ENGINEERING	1. EA	1
XANVIS	25. KG BG	2
X-Cide 102W	208.1 LT DM	1
DRILLWATER	1. M3 TK	2.03
XCD POLYMER	25. KG BG	2

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	200/200/230	24.0
Shaker 2	200/200/230	24.0
Centrifuge 1 UF (kg/m3)	1840	5.0
Centrifuge 2 UF (kg/m3)	1820	5.0
Centrifuge OF (kg/m3)	1085	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	35
Filtrate	<15	17

REMARKS AND TREATMENT

Drill ahead adding .75 kg/m3 of Soda ash to lower Ca+ Ion below 400 mg/l. Active sytem was alsio treated with 0.3 l/m3 of Bleach & 0.02l/m3 of Xcide 102w both for biodegradation. Add 0.25 kg/m3 of Both Xanvis & Kelzan XCD to maintain Rheologiers. Started running 6 -8 LPM of fresh water at the flowline. Plan in place to dispose of 30 m3 of Kill Mud (Suction Pit #1) wihich has biodegraded .

REMARKS

Drill ahead from 3037m to 3080m as per dd Instructions. Maintaining density ALAP by running centrtifuges when not mixing Polymers.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.8/ 26.5	np/na	0.678/0.459
Drilling	24	Water Added		KCl	0.8/ 21.5	Kp/Ka	0.074/0.242
Tripping		Mud Received		Low Gravity	4.2/ 108.9	Bit Pressure Loss %	5082 / 42.3
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	135 / 3.2
Direction Work		Shakers	2.8	Drill Solids	1.1/ 29.2	Jet Velocity	92
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	66.5
Safety Meetings		Centrifuge	1.1	Chemical Conc	- / 83.	Va Collars	102.7
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	42
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	49
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1110.09
		Sent to Storage				ECD at TD	1111.27
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$6,399.54	$227,780.62

WATER-BASED MUD REPORT No. 68

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3116 m / 3100 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/17/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH for Bit

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2342 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	104	105.4	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		209.4		Pump stk/min	0@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, 165.-mm UBHO/XO		36 m		Pump Pressure	kPa	
Nozzles 11.1x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 216-mm Smith		1 m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 20:00	FL 13:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	31	31			SODA ASH	22.68 KG BG	26
Depth/TVD	m	3116/3100	3105/3090			CAUSTIC SODA	22.68 KG BG	2
Mud Weight /Temp	kg/m³	1090.0@22	1090.0@22			PULPRO 30	22.68 KG BG	60
Funnel Viscosity	s/L	35	35			Bleach	18.93 LT CN	3
Rheology Temp	℃	22	22			ENGINEERING	1. EA	1
R600/R300		15/9	15/9			DRILLWATER	1. M3 TK	8.04
R200/R100		6/4	6/4					
R6/R3		2/1	2/1					
PV	mPa·s	6	6					
YP	Pa	1.5	1.5					
10s/10m/30m Gel	Pa	1/3/5	1/3/5					
API Fluid Loss	cc/30min	20	17					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	1/	1/					
Solids	%Vol	5.5	6					
Oil/Water	%Vol	1/94	1/93			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025	0.025			**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	20.0
pH / Temp		8.5@21	8.0@21			Shaker 2	230/230/230	20.0
Alkal Mud (Pm)		0.02						
Pf/Mf		.02/2.20	.00/2.60			Centrifuge 1 UF (kg/m3)	1820	20.0
Chlorides	mg/L	28000	28000			Centrifuge 2 UF (kg/m3)	1840	20.0
Hardness (Ca++)		400	600					
Suction Temp	Deg C	31.	31.			Centrifuge OF (kg/m3)	1090	20.0
Buoyancy Factor		0.861	0.861					
Potassium Ion	mg/l	10000.	10000.					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1090.0
						Viscosity	40-45	35
Reserve Volume	m³	190				Filtrate	<15	20

REMARKS AND TREATMENT

Drill ahead adding 3.0 kg/m3 of Soda Ash to lower Ca+ Ion below 400 mg/l. Also adding Caustic to maintain PH @ 8.5 min. Added another .03 l/m3 of Bleach to active thru flowline. Continue to maintain density ALAP by running Centrifuges as req'd. Continue running 6-8 LPM of Fresh water at the flowline for fresh dilution purposes.

REMARKS

Continue drilling ahead from 3080m to 3116m as per DD instructions. At 3116 m circulate bottoms up & Mix pill prior to POOH for BHA.

NOTE: This week the shakers were dressed with 6 new 230XR mesh screens at a cost of $643.62. These screens were charged off when delivered to location.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.8/ 26.6	np/na	0.737/0.395
Drilling		Water Added		KCl	0.8/ 21.6	Kp/Ka	0.046/0.268
Tripping		Mud Received		Low Gravity	3.9/ 100.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Direction Work		Shakers	2.2	Drill Solids	0.8/ 19.8	Jet Velocity	
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	
Safety Meetings		Centrifuge	3.4	Chemical Conc	- / 83.	Va Collars	
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	39
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	44
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1090
		Sent to Storage				ECD at TD	1090
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$2,567.80	$230,348.42

WATER-BASED MUD REPORT No. 69

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3116 m / 3100 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/18/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure test Bops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
504 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	117.7	91.7	Pump Liner x Stk	140x305 mm	140x305 mm
7 m, 166.-mm JARS	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
224 m, 127.-mm HWDP		91.7		Pump stk/min	0@97%	0@97%
9 m, 127.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, 165.-mm UBHO/XO		m		Pump Pressure	kPa	
Nozzles 11.1x3 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 216-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction Pit 21:00	Tank #8			Products	Size	Amount
FlowLine Temp	℃	N/A	Reserve Mud			ENGINEERING	1. EA	1
Depth/TVD	m	3116/3101						
Mud Weight /Temp	kg/m³	1090.0@21	1130.0@21					
Funnel Viscosity	s/L	34						
Rheology Temp	℃	21	21					
R600/R300		15/9	34/24					
R200/R100		6/4	18/14					
R6/R3		2/1	10/8					
PV	mPa·s	6	10					
YP	Pa	1.5	7					
10s/10m/30m Gel	Pa	1/3/5	5/12/18					
API Fluid Loss	cc/30min	20	32					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	1/	2/					
Solids	%Vol	6	10					
Oil/Water	%Vol	1/93	2/88			SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol	0.025				Type	Model/Size	Hrs Used
MBT	kg/m³		30			Shaker 1	230/230/230	
pH / Temp		8.0@21	8.0@21			Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.00/2.20	.00/1.00			Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	28000	26000			Centrifuge 2 UF (kg/m3)		
Hardness (Ca++)		400	400					
Suction Temp	Deg C	N/A				Centrifuge OF (kg/m3)		
Buoyancy Factor		0.861						
Potassium Ion	mg/l	10000.	16000.					
						MUD PROPERTY SPECS		Actual
						Weight	ALAP	1090.0
						Viscosity	40-45	34
Reserve Volume	m³	190				Filtrate	<15	20

REMARKS AND TREATMENT

POOH & pressure test BOPS as per program. NOTE: A sample of mud from Storage tank #8 was obtained and mud check results recorded in DMR

REMARKS

Finish POOH and laydown BHA & Bit. Rig to pressure test BOPS and test the same. Make up packer & trip in hole to 760m (packer is back 102m). pressure test against packer. POOH with Packer. laydown same and perform rig service.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.8/ 26.6	np/na	
Drilling		Water Added		KCl	0.8/ 21.6	Kp/Ka	
Tripping	12	Mud Received		Low Gravity	3.9/ 100.6	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
BOP Testing	12	Shakers		Drill Solids	0.8/ 19.8	Jet Velocity	
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$900.00	$231,248.42

WATER-BASED MUD REPORT No. 70

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3156 m / 3140 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/19/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
40 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
1960 m, 127.-mm DP (G&E)	244.-mm @2509 m (2509 TVD)	104.6	108.3
280 m, 127.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
383 m, 127.-mm DP(X95)		212.9	
168 m, 127.-mm HWDP		Depth Drilled Last 24 hr	
7 m, 165.-mm Jars		40 m	
Nozzles 7.9x4 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	117@97%	0@97%
Flow Rate	**1.60 m³/min**	
Pump Pressure	17000 kPa	
Bottoms Up	49.4 min	5775 stk
Total Circulation	133.6 min	15627 stk

MUD PROPERTIES						
Sample From		Flow Line 23:00	Flowline 14:00	**Active**		
FlowLine Temp	℃	28	27	**50 Celcius**		
Depth/TVD	m	3156/3140	3128/3110			
Mud Weight /Temp	kg/m³	1095.0@25	1095.0@25	1095.0@		
Funnel Viscosity	s/L	36	33			
Rheology Temp	℃	21	21	50		
R600/R300		15/8	15/8	9/5		
R200/R100		6/3	6/3	3/2		
R6/R3		1/	2/1	1/		
PV	mPa·s	7	7	4		
YP	Pa	0.5	0.5	0.5		
10s/10m/30m Gel	Pa	1/3/5	1/3/5	1/3/4		
API Fluid Loss	cc/30min	14	17			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6	6			
Oil/Water	%Vol	1/93	1/93			
Sand	%Vol	0.025	0.025			
MBT	kg/m³					
pH / Temp		8.5@21	8.0@21			
Alkal Mud (Pm)						
Pf/Mf		.12/2.00	.00/2.50			
Chlorides	mg/L	24000	26000			
Hardness (Ca++)		320	300			
Suction Temp	Deg C	28.	27.			
Buoyancy Factor		0.861	0.861			
Potassium Ion	mg/l	12000.	12000.			
Reserve Volume	m³	190				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	4
POLYPAC UL	22.68 KG BG	4
POLYPAC R	22.68 KG BG	4
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	6.06

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	14.0
Shaker 2	230/230/230	14.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	36
Filtrate	<15	14

REMARKS AND TREATMENT

RIH and wash to bottom. Adding 1.0 kg/m3 of Polypac UL & 1.0 kg/m3 of Polypac R to Lower fluidloss. Add 0.5 kg/m3 Caustic to raise PH to 9.0-9.5 range. Running 6-8 LPM of fresh water for dilution. Maintaining Density 1090-1095 kg/m3 by running centrifuges when not mixing Polymers.

REMARKS

POOH with packer & laydown same. M/U directional tools, P/U Motor & test MWD. RIH to 1300m flow check & fill pipe. Continue RIH to 3110m and wash to bottom. No Major fill reported. pattern Bit and continue drilling ahead to 3156m with no hole or fluid problems reported.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	12
Tripping	12
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	2.7
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.6/ 20.2
KCl	0.8/ 21.5
Low Gravity	4.5/ 116.
Bentonite	0./ 0.
Drill Solids	1.4/ 37.1
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.903/0.903
Kp/Ka	0.015/0.015
Bit Pressure Loss %	11141 / 65.5
Bit HHP/HSI	296 / 7.
Jet Velocity	136
Va Pipe	62.5
Va Collars	
Cva Pipe	14
Cva Collars	
ECD at Shoe	1113.62
ECD at TD	1115.37

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$2,811.60	$225,987.71

WATER-BASED MUD REPORT No. 71

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3228 m / 3210 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/20/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
112 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
1960 m, 127.-mm DP (G&E)	244.-mm @2509 m (2509 TVD)	106	106.6
280 m, 127.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
383 m, 127.-mm DP(X95)		212.6	
168 m, 127.-mm HWDP		Depth Drilled Last 24 hr	
7 m, 165.-mm Jars		72 m	
Nozzles 7.9x4 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		3 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	117@97%	0@97%
Flow Rate	**1.60 m³/min**	
Pump Pressure	17700 kPa	
Bottoms Up	50.4 min	5901 stk
Total Circulation	133.4 min	15605 stk

MUD PROPERTIES						
Sample From		FL 21:00	FL 12:00			
FlowLine Temp	℃	34	33			
Depth/TVD	m	3230/3210	3200/3185			
Mud Weight /Temp	kg/m³	1095.0@25	1095.0@25			
Funnel Viscosity	s/L	40	43			
Rheology Temp	℃	30	30			
R600/R300		19/11	20/12			
R200/R100		9/5	9/5			
R6/R3		2/1	2/1			
PV	mPa·s	8	8			
YP	Pa	1.5	2			
10s/10m/30m Gel	Pa	1/4/6	1/4/7			
API Fluid Loss	cc/30min	10	11			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6	6			
Oil/Water	%Vol	1/93	1/93			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.5@21	9.0@21			
Alkal Mud (Pm)						
Pf/Mf		.25/2.50	.15/2.00			
Chlorides	mg/L	23000	23000			
Hardness (Ca++)		200	200			
Suction Temp	Deg C	32.	32.			
Buoyancy Factor		0.861	0.861			
Potassium Ion	mg/l	10000.	12000.			
Reserve Volume	m³	160				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	6
POLYPAC UL	22.68 KG BG	4
DEFOAM X	18.93 LT CN	1
POLYPAC R	22.68 KG BG	9
ENGINEERING	1. EA	1
BLEACH	5. GA CN	2
DRILLWATER	1. M3 TK	8.06
XCD POLYMER	25. KG BG	5

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)	1865	12.0
Centrifuge 2 UF (kg/m3)	1850	12.0
Centrifuge OF (kg/m3)	1085	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	40
Filtrate	<15	10

REMARKS AND TREATMENT

Drill ahead adding 1.0 kg/m3 of Polypacr R & 0.5 kg/m3 of Polypac UL to lower Fluidloss below 12cc. Added 0.75 kg/m3 of Caustic to raise PH above 9.5 kg/m3. **NOTE** 30m3 of contaminated Kill Mud was disposed of to the floc tank. The Sandtraps were also sucked out and solids mixed with sawdust.

REMARKS

Continue drilling ahead from 3156m to 3228m as per DD Instructions. Maintaining density @ 1090-1095 kg/m3 by running centrifuges and fresh water dilution @ 6-8 LPM. The other 2.5m3 hauled of was volume from the sandtraps.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 18.7	np/na	0.788/0.459
Drilling	24	Water Added		KCl	0.8/ 21.5	Kp/Ka	0.041/0.242
Tripping		Mud Received		Low Gravity	4.5/ 117.7	Bit Pressure Loss %	11141 / 62.9
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	296 / 7.
BOP Testing		Shakers	3.4	Drill Solids	1.5/ 39.1	Jet Velocity	136
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	62.5
Safety Meetings		Centrifuge	2.6	Chemical Conc	- / 83.	Va Collars	
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	41
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	
Wash to Bottom		Haul Off (Pits)	32.5			ECD at Shoe	1110.09
		Sent to Storage				ECD at TD	1111.33
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$7,212.55	$233,200.26

WATER-BASED MUD REPORT No. 72

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3252 m / 3237 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/21/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING
136 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)
1960 m, 127.-mm DP (G&E)	244.-mm @2509 m (2509 TVD)
280 m, 127.-mm HWDP	194.-mm L @3352 m (3350 TVD)
383 m, 127.-mm DP(X95)	
168 m, 127.-mm HWDP	
7 m, 165.-mm Jars	
Nozzles 7.9x4 mm	
Bit 216-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
106.7	102
Total Circulating Volume	
208.7	
Depth Drilled Last 24 hr	
24 m	
Volume Drilled Last 24 hr	
1 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	65@97%	66@97%
Flow Rate	**1.80 m³/min**	
Pump Pressure	22500 kPa	
Bottoms Up	45.2 min	5915 stk
Total Circulation	116.4 min	15247 stk

MUD PROPERTIES						
Sample From		FL 23:00	FL 14:00			
FlowLine Temp	℃	34	34			
Depth/TVD	m	3253/3237	3240/3225			
Mud Weight /Temp	kg/m³	1090.0@30	1095.0@30			
Funnel Viscosity	s/L	36	40			
Rheology Temp	℃	35	35			
R600/R300		16/9	19/11			
R200/R100		7/5	8/5			
R6/R3		2/1	2/1			
PV	mPa·s	7	8			
YP	Pa	1	1.5			
10s/10m/30m Gel	Pa	1/3/5	1/3/6			
API Fluid Loss	cc/30min	12	10			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6	6			
Oil/Water	%Vol	1/93	1/93			
Sand	%Vol	0.025	0.025			
MBT	kg/m³					
pH / Temp		9.5@21	9.5@21			
Alkal Mud (Pm)						
Pf/Mf		.25/2.40	.20/2.20		**Premix >**	
Chlorides	mg/L	23000	23000		**Active >**	
Hardness (Ca++)		240	200			
Suction Temp	Deg C	33.	33.		**Premix >**	
Buoyancy Factor		0.861	0.861		**Active >**	
Potassium Ion	mg/l	10000.	10000.			
Reserve Volume	m³	173				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	1
ENGINEERING	1. EA	1
BLEACH	5. GA CN	5
X-Cide 102W	208.1 LT DM	1
DRILLWATER	1. M3 TK	16

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)	2000	8.0
Centrifuge 2 UF (kg/m3)	1900	12.0
Centrifuge#1 OF (kg/m3)	1160	
Centrifuge#2 OF (kg/m3)	1080	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	36
Filtrate	<15	12

REMARKS AND TREATMENT

Drill ahead add Caustic as req'd to Raise PH above 10. Dip Slides confirm Heavy bacterial growth present in the active system. Treat active system with 1.0 l/m3 of Xcide 102W and 1.0 l/m3 of Bleach to control Bacterial Growth. Maintaining FL below 15cc with Polypac as req'd. Density steady @ 1090-1095 kg/m3 by running centrifuges and fresh water dilution @ 6-8 LPM.
NOTE: 16m3 of rainwater was added to suction Pit #1 treated with bleach & Xcide and will be used for M/U water.

REMARKS

Continue drilling ahead from 3228m to 3252.5m as per DD Insructions. **NOTE:** One centrfiguge was configured to strip mud from premix tank #4. 34 m3 of 2K-39z mud was transfered to premix Tank #4 from tank #8 in Tank Farm. Currently stripping to cut density to 1090 range. This mud will be used for volume purposes & Chemical additions via using premix mud.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	24
Tripping	
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms up	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	1.8
Evaporation	
Centrifuge	5.4
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.6/ 21.5
KCl	0.7/ 17.9
Low Gravity	4.6/ 118.2
Bentonite	0./ 0.
Drill Solids	1.5/ 39.6
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.830/0.459
Kp/Ka	0.026/0.242
Bit Pressure Loss %	14036 / 62.4
Bit HHP/HSI	419 / 9.9
Jet Velocity	152
Va Pipe	70.3
Va Collars	
Cva Pipe	42
Cva Collars	
ECD at Shoe	1108.02
ECD at TD	1109.51

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
J. Kereliuk 709-690-1077 S. Penney 709-727-9168		709-754-9001	$4,048.34	$237,248.60

WATER-BASED MUD REPORT No. 73

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3267 m / 3250 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/22/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH for BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
44 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	114.5	89	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		126.1		Pump stk/min	65@97%	66@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.80 m³/min**	
280 m, 127.-mm HWDP		15 m		Pump Pressure	22500 kPa	
Nozzles 7.9x4 mm		Volume Drilled Last 24 hr		Bottoms Up	16.8 min	2199 stk
Bit 216-mm Smith		1 m³		Total Circulation	70.3 min	9211 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 16:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	36					CAUSTIC SODA	22.68 KG BG	4
Depth/TVD	m	3267/3250					PULPRO 30	22.68 KG BG	120
Mud Weight /Temp	kg/m³	1095.0@30					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	36					DRILLWATER	1. M3 TK	1.02
Rheology Temp	℃	35					SUPER SWEEP FIBER	15. LB BX	1
R600/R300		14/8							
R200/R100		6/4							
R6/R3		2/1							
PV	mPa·s	6							
YP	Pa	1							
10s/10m/30m Gel	Pa	1/3/5							
API Fluid Loss	cc/30min	14							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	6							
Oil/Water	%Vol	1/93					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	16.0
pH / Temp		10.5@21					Shaker 2	230/230/230	16.0
Alkal Mud (Pm)									
Pf/Mf		.35/2.40				Premix >	Centrifuge 1 UF (kg/m3)	1880	24.0
Chlorides	mg/L	22000				Active >	Centrifuge 2 UF (kg/m3)	1840	16.0
Hardness (Ca++)		120							
Suction Temp	Deg C	35.				Premix >	Centrifuge 1 OF (kg/m3)	1115	24.0
Buoyancy Factor		0.861				Active >	Centrifuge 2 OF (kg/m3)	1085	16.0
Potassium Ion	mg/l	10000.							
							MUD PROPERTY SPECS		Actual
							Weight	ALAP	1095.0
							Viscosity	40-45	36
Reserve Volume	m³	173					Filtrate	<15	14

REMARKS AND TREATMENT

Drill ahead maintaining density 1090-1095 kg/m3 range with centrfuge and fresh water dilution. Mixing Caustic as req'd to maintain PH above 10.5
.**NOTE:** Continue centrifuging 2K-39 mud, Density down to 1120 kg/m3.

REMARKS

Drill ahead from3252m to 3267m as per DD Instructions. Circ Bottoms up while mixing 4m3 Super Sweep Fibre caliper sweep. Sweep made from active mud with 1.5 kg/m3 of Super sweep Fibre. Sweep came back 1100 stks(15 m3) over calculated with a 200% - 300% increase of fines & sand lasting for 10 minutes after sweep was seen back at shakers.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 20.	np/na	0.807/0.395
Drilling	14	Water Added		KCl	0.7/ 17.9	Kp/Ka	0.027/0.268
Tripping	8	Mud Received		Low Gravity	4.6/ 119.9	Bit Pressure Loss %	14100 / 62.7
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	421 / 10.
BOP Testing		Shakers	4.1	Drill Solids	1.6/ 41.5	Jet Velocity	152
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	70.3
Safety Meetings		Centrifuge	3.2	Chemical Conc	- / 83.	Va Collars	1162.3
Circulate bottoms u	2	Formation		Inert/React	-	Cva Pipe	38
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	80
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1330.1
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$2,874.80	$240,123.40

WATER-BASED MUD REPORT No. 74

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3267 m / 3250 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/23/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with Bit #14

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2111 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	111.1	103
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
168 m, 127.-mm HWDP		214.1	
7 m, 165.-mm Jars		Depth Drilled Last 24 hr	
280 m, 127.-mm HWDP		m	
Nozzles 7.1x8 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	60@97%	60@97%
Flow Rate	**1.65 m³/min**	
Pump Pressure	14000 kPa	
Bottoms Up	51.7 min	6201 stk
Total Circulation	130.3 min	15630 stk

MUD PROPERTIES						
Sample From		FL 23:55				
FlowLine Temp	℃	24				
Depth/TVD	m	3267/3251				
Mud Weight /Temp	kg/m³	1105.0@30				
Funnel Viscosity	s/L	36				
Rheology Temp	℃	24				
R600/R300		20/12				
R200/R100		8/6				
R6/R3		3/1				
PV	mPa·s	8				
YP	Pa	2				
10s/10m/30m Gel	Pa	1/3/5				
API Fluid Loss	cc/30min	14				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	6.5				
Oil/Water	%Vol	1/93				
Sand	%Vol	0.025				
MBT	kg/m³					
pH / Temp		10.0@21				
Alkal Mud (Pm)						
Pf/Mf		.20/2.40				
Chlorides	mg/L	23000				
Hardness (Ca++)		160				
Suction Temp	Deg C	24.				
Buoyancy Factor		0.86				
Potassium Ion	mg/l	10000.				
Reserve Volume	m³	173				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	10.08

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	12.0
Shaker 2	230/230/230	12.0
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 UF (kg/m3)		
Centrifuge 1OF (kg/m3)		
Centrifuge 2OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1105.0
Viscosity	40-45	36
Filtrate	<15	14

REMARKS AND TREATMENT

Continue to centrfiuge 2K-39 mud in Premix Pit #4. Maintaining PH @ 10.5 with Caustic as req'. Plan in place to lower fluidloss below 15cc with Polypac R while drilling ahead. Maintaining density at 1090-1095 with centrifuges and fresh water dilution as req'd.

REMARKS

Coninue to POOH & handle directional tools & brake off Bit. Change mwd & sleeve in UBHO, scribe motor & shallow test MWD. Trip in hole to 2392m and MWD Failed . POOH for MWD Tool and handle & laydown the same. Change out MWD and shallow test MWD. RIH to 2334m and test MWD again. Continue to RIH to 3221m and wash to bottom with no fill reported.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 21.3	np/na	0.737/0.511
Drilling		Water Added		KCl	0.7/ 17.7	Kp/Ka	0.062/0.222
Tripping	24	Mud Received		Low Gravity	5.5/ 143.	Bit Pressure Loss %	4582 / 32.7
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	125 / 3.
BOP Testing		Shakers		Drill Solids	2.6/ 67.5	Jet Velocity	87
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	59.5
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	448.7
Circulate bottoms u		Formation		Inert/React	-	Cva Pipe	43
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	94
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1122.82
		Sent to Storage				ECD at TD	1133.73
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$1,657.20	$241,780.60

WATER-BASED MUD REPORT No. 75

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3320 m / 3301 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/24/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2164 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	112.3	102.1
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
168 m, 127.-mm HWDP		214.4	
7 m, 165.-mm Jars		Depth Drilled Last 24 hr	
280 m, 127.-mm HWDP		53 m	
Nozzles 7.1x8 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	67@97%	67@97%
Flow Rate	**1.84 m³/min**	
Pump Pressure	19800 kPa	
Bottoms Up	47.1 min	6316 stk
Total Circulation	117. min	15673 stk

MUD PROPERTIES						
Sample From		FL 22:00	FL 13:00			
FlowLine Temp	℃	35	32			
Depth/TVD	m	3320/3301	3292/3270			
Mud Weight /Temp	kg/m³	1095.0@30	1095.0@30			
Funnel Viscosity	s/L	35	35			
Rheology Temp	℃	35	35			
R600/R300		14/8	15/9			
R200/R100		5/3	5/3			
R6/R3		2/1	2/1			
PV	mPa·s	6	6			
YP	Pa	1	1.5			
10s/10m/30m Gel	Pa	1/3/5	1/3/5			
API Fluid Loss	cc/30min	16	14			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	6	6			
Oil/Water	%Vol	1/94	1/93			
Sand	%Vol					
MBT	kg/m³	18	15			
pH / Temp		10.0@	10.0@			
Alkal Mud (Pm)						
Pf/Mf		.40/2.30	.30/2.50		**Active >**	
Chlorides	mg/L	24000	23000		**Active >**	
Hardness (Ca++)		60	60			
Suction Temp	Deg C	34.	31.			
Buoyancy Factor		0.861	0.861			
Potassium Ion	mg/l	11000.	11000.			
Reserve Volume	m³	166				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	2
POLYPAC UL	22.68 KG BG	5
DEFOAM X	18.93 LT CN	1
POLYPAC R	22.68 KG BG	5
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	1.14

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)	1860	12.0
Centrifuge 2 UF (kg/m3)	1840	12.0
Centrifuge 1 OF (kg/m3)	1080	12.0
Centrifuge 2 OF (kg/m3)	1085	12.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	35
Filtrate	<15	16

REMARKS AND TREATMENT

Maintaining density @ 1090-1095 with centrifuges & freshwater dilution as req'd. Mixing Caustic as req'd to maintain PH above 10.5. Added +/- 12m3 of Premix (2K-39 mud) treated with an extra 6.0 kg/m3 of Both Polypac R & UL. adding premix as req'd for dilution & to control fluidloss below 15cc.

REMARKS

Continue drilling ahead from 3267m to 3320m building angle as per DD Instructions. No hole or fluid problems reported. Discuss plan to strip mud after this section.
NOTE: Reconfigure centrfigues so both are processing active system.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	22
Tripping	2
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	3.6	
Evaporation		
Centrifuge	4.9	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.7/ 23.2
KCl	0.7/ 18.
Low Gravity	4.4/ 114.3
Bentonite	0.6/ 16.3
Drill Solids	0.6/ 14.9
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	0.7368
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.807/0.313
Kp/Ka	0.027/0.306
Bit Pressure Loss %	5646 / 28.5
Bit HHP/HSI	172 / 4.1
Jet Velocity	96
Va Pipe	66.3
Va Collars	96.9
Cva Pipe	34
Cva Collars	37
ECD at Shoe	1107.56
ECD at TD	1112.93

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$3,351.95	$245,132.55

WATER-BASED MUD REPORT No. 76

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3347 m / 3330 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/25/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH for BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2191 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	113.2	109
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
168 m, 127.-mm HWDP		222.2	
7 m, 165.-mm Jars		Depth Drilled Last 24 hr	
280 m, 127.-mm HWDP		27 m	
Nozzles 7.1x8 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		1 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	67@97%	67@97%
Flow Rate	**1.84 m³/min**	
Pump Pressure	19800 kPa	
Bottoms Up	47.5 min	6371 stk
Total Circulation	121.2 min	16243 stk

MUD PROPERTIES						
Sample From		FL 12:00				
FlowLine Temp	℃	35				
Depth/TVD	m	3347/3330				
Mud Weight /Temp	kg/m³	1090.0@30				
Funnel Viscosity	s/L	35				
Rheology Temp	℃	35				
R600/R300		15/9				
R200/R100		5/3				
R6/R3		2/1				
PV	mPa·s	6				
YP	Pa	1.5				
10s/10m/30m Gel	Pa	1/3/5				
API Fluid Loss	cc/30min	14				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	6				
Oil/Water	%Vol	.5/93.5				
Sand	%Vol	0.025				
MBT	kg/m³	18				
pH / Temp		10.5@21				
Alkal Mud (Pm)						
Pf/Mf		.45/2.00				
Chlorides	mg/L	24000				
Hardness (Ca++)		80				
Suction Temp	Deg C	34.				
Buoyancy Factor		0.861				
Potassium Ion	mg/l	11000.				
Reserve Volume	m³	154				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	1
PULPRO 30	22.68 KG BG	60
POLYPAC R	22.68 KG BG	5
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	1.1
SUPER SWEEP FIBER	15. LB BX	1

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	12.0
Shaker 2	230/230/230	12.0
Centrifuge 1 UF (kg/m3)	1900	12.0
Centrifuge 2 UF (kg/m3)	1900	
Centrifuge OF (kg/m3)	1080	12.0
Centrifuge OF (kg/m3)	1080	12.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	35
Filtrate	<15	14

REMARKS AND TREATMENT

Drill ahead maintaining density @ 1090-1095 with centrfiguges and dilution as req'd. Add 7 kg/m3 of Polypac R to premix prior to bleeding into active. Mixing Caustic as req'd to maintain PH above 10.5.

REMARKS

Drill ahead as per DD Instructions to 3347m building angle . **SWEEP NOTE:** Pump a 4m3 Supersweep(1.5 kg/m3 Super sweep Fibre) prior to POOH which came back to shakers 300 stks over calculated with a 100% increase in fines lasting for 3-4 minutes. No Differenxce seen in Drag uop or down

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	12
Tripping	12
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	2.9
Evaporation	
Centrifuge	3
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.7/ 23.3
KCl	0.7/ 18.
Low Gravity	4.1/ 106.
Bentonite	0.7/ 17.4
Drill Solids	0.2/ 5.6
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	0.2769
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.737/0.313
Kp/Ka	0.046/0.306
Bit Pressure Loss %	5620 / 28.4
Bit HHP/HSI	172 / 4.1
Jet Velocity	96
Va Pipe	66.3
Va Collars	96.9
Cva Pipe	34
Cva Collars	37
ECD at Shoe	1102.51
ECD at TD	1107.8

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$3,086.30	$248,218.85

WATER-BASED MUD REPORT No. 77

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3385 m / 3360 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/26/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH for BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2229 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	114.6	103	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		217.6		Pump stk/min	67@97%	67@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.84 m³/min**	
280 m, 127.-mm HWDP		38 m		Pump Pressure	19000 kPa	
Nozzles 7.1x8 mm		Volume Drilled Last 24 hr		Bottoms Up	48.1 min	6448 stk
Bit 216-mm Smith		2 m³		Total Circulation	118.7 min	15907 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 17:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	33					PULPRO 30	22.68 KG BG	60
Depth/TVD	m	3385/3360					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1090.0@30					BLEACH	5. GA CN	1
Funnel Viscosity	s/L	38					DRILLWATER	1. M3 TK	1.17
Rheology Temp	℃	35							
R600/R300		16/9							
R200/R100		6/4							
R6/R3		2/1							
PV	mPa·s	7							
YP	Pa	1							
10s/10m/30m Gel	Pa	1/3/6							
API Fluid Loss	cc/30min	14							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	6							
Oil/Water	%Vol	1/93					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	25					Shaker 1	230/230/230	12.0
pH / Temp		10.5@21					Shaker 2	230/230/230	12.0
Alkal Mud (Pm)									
Pf/Mf		.45/2.40				**Active >**	Centrifuge 1 UF (kg/m3)	1870	12.0
Chlorides	mg/L	23000				**Active >**	Centrifuge 1 UF (kg/m3)	1855	12.0
Hardness (Ca++)		80							
Suction Temp	Deg C	33.				**Active >**	Centrifuge OF (kg/m3)	1080	12.0
Buoyancy Factor		0.861				**Active >**	Centrifuge OF (kg/m3)	1085	12.0
Potassium Ion	mg/l	11000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1090.0
							Viscosity	40-45	38
Reserve Volume	m³	155					Filtrate	<15	14

REMARKS AND TREATMENT

Drill ahead maintaining density @ 1090-1095 kg/m3 with centrfigues and dilution as req'd. Plan in place when back on bottom to mix Polypac to lower FL below 12cc. **NOTE**: Bring over 22m3 of 2K-39 mud to premix tank #4 and add 1.0 l/m3 Xcide 102W & 1.0 l/m3 Bleach. Reconfigure centrifuge to strip back this mud to 1100 kg/m3.

REMARKS

RIH with no tight spots or no fill encountered. Drill ahead as per DD instructions building angle to 3385m. survey, circulate bottoms up and POOH for Motor adjustment

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 21.6	np/na	0.830/0.395
Drilling	12	Water Added		KCl	0.7/ 17.9	Kp/Ka	0.026/0.268
Tripping	12	Mud Received		Low Gravity	4.2/ 109.9	Bit Pressure Loss %	5620 / 29.6
Non-Productive Tim		Mud Returned		Bentonite	1./ 24.8	Bit HHP/HSI	172 / 4.1
BOP Testing		Shakers	2.7	Drill Solids	0.1/ 2.1	Jet Velocity	96
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	66.3
Safety Meetings		Centrifuge	2.5	Chemical Conc	- / 83.	Va Collars	96.9
Circulate bottoms u		Formation		Inert/React	0.0757	Cva Pipe	37
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	42
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1105.95
		Sent to Storage				ECD at TD	1113.69
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$1,726.20	$249,945.05

WATER-BASED MUD REPORT No. 78

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3418 m / 3395 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/27/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2262 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	115.8	99	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		214.8		Pump stk/min	67@97%	67@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.84 m³/min**	
280 m, 127.-mm HWDP		33 m		Pump Pressure	19000 kPa	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr		Bottoms Up	48.6 min	6514 stk
Bit 216-mm Smith		1 m³		Total Circulation	117.2 min	15703 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 18:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	26					POLYPAC UL	22.68 KG BG	5
Depth/TVD	m	3386/3380					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1095.0@25					BLEACH	5. GA CN	2
Funnel Viscosity	s/L	38					DRILLWATER	1. M3 TK	3.01
Rheology Temp	℃	35							
R600/R300		17/10							
R200/R100		7/4							
R6/R3		1/1							
PV	mPa·s	7							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	1/3/5							
API Fluid Loss	cc/30min	13							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	6							
Oil/Water	%Vol	1/93					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	28					Shaker 1	230/230/230	18.0
pH / Temp		10.0@21					Shaker 2	230/230/230	18.0
Alkal Mud (Pm)									
Pf/Mf		.30/2.50					Centrifuge 1 UF (kg/m3)	1115	8.0
Chlorides	mg/L	23000					Centrifuge 1 UF (kg/m3)	1090	8.0
Hardness (Ca++)		80							
Suction Temp	Deg C	25.					Centrifuge 2 OF (kg/m3)	1115	8.0
Buoyancy Factor		0.861					Centrifuge 1 OF (kg/m3)	1090	8.0
Potassium Ion	mg/l	11000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1095.0
							Viscosity	40-45	38
Reserve Volume	m³	155					Filtrate	<15	13

REMARKS AND TREATMENT

RIH and wash to bottom with no problems. Mix `0.6kg/m,3 of Polypac UL to lower Fluidloss. maintaining density @ 1090-1100 kg/m3 by running centrifuges & running 6-8 LPM thru centrfigues. Mixing caustic as req'd to maintain PH above 10.5.,. Also add 0.2 l/m3 of Bleach to active system,.

REMARKS

Drill ahead building angle as per DD Instructions from 3385m to 3418m as per DD Instructions. **NOTE :** Reconfigure centrifuge #1 to strip back 2K-39 mud on premix tank #4.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 21.5	np/na	0.766/0.593
Drilling		Water Added		KCl	0.7/ 17.9	Kp/Ka	0.043/0.097
Tripping		Mud Received		Low Gravity	4.6/ 118.2	Bit Pressure Loss %	3609 / 19.
Non-Productive Tim		Mud Returned		Bentonite	1./ 27.1	Bit HHP/HSI	110 / 2.6
BOP Testing		Shakers		Drill Solids	0.3/ 8.1	Jet Velocity	77
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	66.3
Safety Meetings		Centrifuge	5.9	Chemical Conc	- / 83.	Va Collars	96.9
Circulate bottoms u		Formation		Inert/React	0.2559	Cva Pipe	30
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	37
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1115.38
		Sent to Storage				ECD at TD	1128.62
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$2,130.00	$252,075.05

WATER-BASED MUD REPORT No. 79

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3442 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/28/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wash to Bottom

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2199 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	117	99
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
168 m, 127.-mm HWDP		212.5	
7 m, 165.-mm Jars		Depth Drilled Last 24 hr	
280 m, 127.-mm HWDP		24 m	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr	
Bit 216-mm Smith		1 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	67@97%	67@97%
Flow Rate	**1.84 m³/min**	
Pump Pressure	13500 kPa	
Bottoms Up	47.7 min	6387 stk
Total Circulation	115.9 min	15535 stk

MUD PROPERTIES							
Sample From		FL 9:00					
FlowLine Temp	℃	34					
Depth/TVD	m	3442/3413					
Mud Weight /Temp	kg/m³	1095.0@30					
Funnel Viscosity	s/L	38					
Rheology Temp	℃	35					
R600/R300		16/10					
R200/R100		7/4					
R6/R3		2/1					
PV	mPa·s	6					
YP	Pa	2					
10s/10m/30m Gel	Pa	1/3/5					
API Fluid Loss	cc/30min	13					
HTHP Fluid Loss	cc/30min	.0@					
Cake APT/HT	mm	1/					
Solids	%Vol	6					
Oil/Water	%Vol	1/93					
Sand	%Vol						
MBT	kg/m³	28					
pH / Temp		10.5@21					
Alkal Mud (Pm)							
Pf/Mf		.20/2.00			**Premix >**		
Chlorides	mg/L	22000			**Active >**		
Hardness (Ca++)		160					
Suction Temp	Deg C	34.			**Premix >**		
Buoyancy Factor		0.861			**Active >**		
Potassium Ion	mg/l	10000.					
Reserve Volume	m³	138					

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	2
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1
XANVIS	25. KG BG	1
BLEACH	5. GA CN	1
DRILLWATER	1. M3 TK	3.04
XCD POLYMER	25. KG BG	1

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	16.0
Shaker 2	230/230/230	16.0
Centrifuge 1 UF (kg/m3)	1970	8.0
Centrifuge 1 UF (kg/m3)	1860	8.0
Centrifuge OF (kg/m3)	1110	8.0
Centrifuge OF (kg/m3)	1085	8.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1095.0
Viscosity	40-45	38
Filtrate	<15	13

REMARKS AND TREATMENT

Drilling ahead maintaining density @ 1090-1095 kg/m3 with centrifuges and fresh water dilution @ 6-8 LPM as Req'd. Mainatining PH above10.5 with Caustic as Req'd. Added 0.15 kg/m3 of Xanvis & XCD while drilling ahead to maintain rheologies. Centrifuge #1 still processing 2K-39 mud in premix Tank #4

REMARKS

Drill ahead sliding building angle from 3418m to 3442m with no hole or fluid problems reported. Circulate botttoms and condition hole till shakers clean, Pump pill & POOH for BHA. Handle BHA shallow test MWD and make up Bit. RIH to 3350m and wash to bottom.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	8
Tripping	16
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	1.4	
Evaporation		
Centrifuge	1	
Formation		
Left in Hole		
Haul Off (Pits)	17	
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.6/ 19.9
KCl	0.7/ 17.8
Low Gravity	4.9/ 128.2
Bentonite	1./ 25.9
Drill Solids	0.7/ 19.3
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	0.6141
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.678/0.395
Kp/Ka	0.074/0.268
Bit Pressure Loss %	3609 / 19.
Bit HHP/HSI	110 / 2.6
Jet Velocity	77
Va Pipe	66.3
Va Collars	96.9
Cva Pipe	37
Cva Collars	42
ECD at Shoe	1111.02
ECD at TD	1118.88

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-690-1077 J. Kereliuk 709-727-9168		709-754-9001	$3,001.85	$255,076.90

WATER-BASED MUD REPORT No. 80

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3480 m / 3433 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/29/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2324 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	115.8	105.5	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		221.3		Pump stk/min	67@97%	67@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.84 m³/min**	
280 m, 127.-mm HWDP		38 m		Pump Pressure	19000 kPa	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr		Bottoms Up	49.5 min	6640 stk
Bit 216-mm Smith		2 m³		Total Circulation	120.7 min	16177 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 22:00	FL 0:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	35	35				CAUSTIC SODA	22.68 KG BG	3
Depth/TVD	m	3480/3335	3460/3330				POLYPAC UL	22.68 KG BG	8
Mud Weight /Temp	kg/m³	1100.0@30	1100.0@30				POLYPAC R	22.68 KG BG	1
Funnel Viscosity	s/L	36	38				ENGINEERING	1. EA	1
Rheology Temp	℃	35	35				DRILLWATER	1. M3 TK	20.17
R600/R300		15/9	16/10				XCD POLYMER	25. KG BG	1
R200/R100		7/4	7/4						
R6/R3		1/1	2/1						
PV	mPa·s	6	6						
YP	Pa	1.5	2						
10s/10m/30m Gel	Pa	1/3/5	1/3/5						
API Fluid Loss	cc/30min								
HTHP Fluid Loss	cc/30min	13.0@	14.0@						
Cake APT/HT	mm	1/	1/						
Solids	%Vol	6	6						
Oil/Water	%Vol	1/93	1/93				**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025	0.025				**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24	24				Shaker 1	230/230/230	
pH / Temp		10.5@	10.0@21				Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.35/3.20	.25/2.00			**Active >**	Centrifuge 1 UF (kg/m3)	1840	12.0
Chlorides	mg/L	22000	22000			**Active >**	Centrifuge 2 UF (kg/m3)	1850	20.0
Hardness (Ca++)		160	120						
Suction Temp	Deg C	34.	34.			**Active >**	Centrifuge 1 OF (kg/m3)	1090	12.0
Buoyancy Factor		0.86	0.86			**Active >**	Centrifuge 2 OF (kg/m3)	1095	20.0
Potassium Ion	mg/l	10000.	10000.						
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1100.0
							Viscosity	40-45	36
Reserve Volume	m³	147					Filtrate	<15	

REMARKS AND TREATMENT

Density up to 1100 kg/m3. Reconfigure Centrfuge #1 back on active system and proceed to run 8-10 LPM thru the centrifuges to control density in the 1090-1095 kg/m3 range. Mixing Caustic to maintain Ph between 10.5 & 11.0. Add 10 kg/m3 Polypac UL to premix. Bleed in 13m3 Premix over one full circulation to maintain FL & safe working volume.

REMARKS

Continue drilling ahead from 3442m to 3480m sliding and building angle as per DD Instructions. Transfer rain water. **NOTE:** 19m3 of the water added was rain water & Make Up water transferred from the floc tank.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.6/ 19.8	np/na	0.737/0.593
Drilling	16	Water Added		KCl	0.7/ 17.7	Kp/Ka	0.046/0.097
Tripping	7	Mud Received		Low Gravity	5.3/ 136.5	Bit Pressure Loss %	3626 / 19.1
Non-Productive Tim	1	Mud Returned		Bentonite	0.8/ 20.3	Bit HHP/HSI	111 / 2.6
BOP Testing		Shakers	2.6	Drill Solids	1.3/ 33.1	Jet Velocity	77
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	66.3
Safety Meetings		Centrifuge	3.2	Chemical Conc	- / 83.	Va Collars	96.9
Circulate bottoms u		Formation		Inert/React	1.2275	Cva Pipe	30
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	37
Wash to Bottom		Haul Off (Pits)				ECD at Shoe	1120.59
		Sent to Storage				ECD at TD	1133.66
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,569.50	$258,646.40

WATER-BASED MUD REPORT No. 81

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3534 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/30/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2378 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	117.8	112	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		229.8		Pump stk/min	59@97%	58@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.60 m³/min**	
280 m, 127.-mm HWDP		54 m		Pump Pressure	14000 kPa	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr		Bottoms Up	57.9 min	6776 stk
Bit 216-mm Smith		2 m³		Total Circulation	144.2 min	16867 stk

MUD PROPERTIES

Sample From		Flowline 23:55	Flowline 18:00	FLowline 12:00		
FlowLine Temp	℃	35	35	34		
Depth/TVD	m	3534/3450	3520/3445	3508/3441		
Mud Weight /Temp	kg/m³	1095.0@30	1100.0@30	1100.0@		
Funnel Viscosity	s/L	39	37	37		
Rheology Temp	℃	35	35	35		
R600/R300		20/13	18/11	14/8		
R200/R100		10/7	9/5	6/4		
R6/R3		2/1	2/1	1/1		
PV	mPa·s	7	7	6		
YP	Pa	3	2	1		
10s/10m/30m Gel	Pa	2/5/6	2/4/6	1/3/5		
API Fluid Loss	cc/30min	11	15	14		
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1mm	1mm	1mm		
Solids	%Vol	6	7	7		
Oil/Water	%Vol	1/93	1/92	1/92		
Sand	%Vol					
MBT	kg/m³	20	24	24		
pH / Temp		10.5 @ 21	10.5 @ 21	10.5 @ 21		
Alkal Mud (Pm)						
Pf/Mf		.35/3.20	.30/3.20	.25/3.00	**Active >>**	
Chlorides	mg/L	21000	22000	21000	**Active >>**	
Hardness (Ca++)		80	120	120		
Suction Temp	Deg C	34.	34.	34.	**Active >>**	
Buoyancy Factor		0.86	0.861	0.861	**Active >>**	
Potassium Ion	mg/l	12000.	10000.	10000.		
Reserve Volume	m³	147				

PRODUCTS USED Last 24 hr

Products	Size	Amount
CAUSTIC SODA	22.68 KG BG	3
POLYPAC UL	22.68 KG BG	2
POLYPAC R	22.68 KG BG	4
ENGINEERING	1. EA	1
DUO-VIS	11.34 KG BG	-23
DRILLWATER	1. M3 TK	14
XCD POLYMER	25. KG BG	2

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)	1890	24.0
Centrifuge 2 UF (kg/m3)	1900	24.0
Centrifuge 1 OF (kg/m3)	1090	24.0
Centrifuge 2 OF (kg/m3)	1090	24.0

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1095.0
Viscosity	40-45	39
Filtrate	<15	11

REMARKS AND TREATMENT

Drill ahead with both centrifuges on Active system & running 8-10 LPM of fresh water to maitain density in the 1090-1095 kg/m3 range. Add 0.5 kg/m3 of Polypac UL & Reg to mainatin FL in the 10-12 range.. Currently adding 0.7 kg/m3 XCD Polymer to Increase rheology for casing point. PH being maintained above 10.5 with caustic as req'd. **NOTE:** 23 Douvis were credited from the warehouse

REMARKS

Continue drilling ahead building angle sliding from 3480m to 3534m with no hole or fluid problems reported

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	
Drilling	24
Tripping	
Non-Productive Tim	
BOP Testing	
M/U / P/U BHA	
Safety Meetings	
Circulate bottoms u	
Wiper Trip	
Wash to Bottom	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	2.6
Evaporation	
Centrifuge	2.9
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.5/ 18.3
KCl	0.7/ 17.8
Low Gravity	5./ 129.9
Bentonite	0.6/ 16.6
Drill Solids	1.2/ 30.3
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	1.3475
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.621/0.555
Kp/Ka	0.138/0.207
Bit Pressure Loss %	2729 / 19.5
Bit HHP/HSI	72 / 1.7
Jet Velocity	67
Va Pipe	57.7
Va Collars	84.2
Cva Pipe	47
Cva Collars	56
ECD at Shoe	1113.8
ECD at TD	1125.18

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	-$529.64	$258,116.76

WATER-BASED MUD REPORT No. 82

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	10/31/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2394 m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	118.3	112	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		230.3		Pump stk/min	59@97%	58@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.60 m³/min**	
280 m, 127.-mm HWDP		16 m		Pump Pressure	13000 kPa	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr		Bottoms Up	58.2 min	6809 stk
Bit 216-mm Smith		1 m³		Total Circulation	144.5 min	16904 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Flowline 6:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	35					CAUSTIC SODA	22.68 KG BG	2
Depth/TVD	m	3550/3450					POLYPAC UL	22.68 KG BG	8
Mud Weight /Temp	kg/m³	1095.0@1095					PULPRO 30	22.68 KG BG	60
Funnel Viscosity	s/L	42					POLYPAC R	22.68 KG BG	2
Rheology Temp	℃	35					ENGINEERING	1. EA	1
R600/R300		24/16					DRILLWATER	1. M3 TK	2.3
R200/R100		12/8					XCD POLYMER	25. KG BG	5
R6/R3		2/1					SUPER SWEEP FIBER	15. LB BX	1
PV	mPa·s	8							
YP	Pa	4							
10s/10m/30m Gel	Pa	2/4/6							
API Fluid Loss	cc/30min	11							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	7							
Oil/Water	%Vol	1/92					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24					Shaker 1	230/230/230	
pH / Temp		10.5@21					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.35/3.40					Centrifuge 1 UF (kg/m3)	1880	6.0
Chlorides	mg/L	21000					Centrifuge 2 UF (kg/m3)	1860	6.0
Hardness (Ca++)		80							
Suction Temp	Deg C	34.					Centrifuge OF (kg/m3)	1090	6.0
Buoyancy Factor		0.861					Centrifuge OF (kg/m3)	1090	6.0
Potassium Ion	mg/l	10000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1095.0
							Viscosity	40-45	42
Reserve Volume	m³	147					Filtrate	<15	11

REMARKS AND TREATMENT

Density steady @ 1095-1100 kg/m3 with fresh water dilution & centrifuges. Add 1.0 kg/m3 Of Polypac Ul & 0.6 kg/m3 XCD in preparation for trip. Ph being maintained above 10.5 with Caustic as required.

REMARKS

Drill ahead to 3550m and circulate up sample. Sample confirms TD of Intermediate casing point. Pump 4m3 Super Sweep (1.5 kg/m3 Super sweep fibre) which came back 300 stks over calcualted with no significant changes seen at the shakers.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.5/ 18.4	np/na	0.585/0.593
Drilling	6	Water Added		KCl	0.7/ 17.9	Kp/Ka	0.213/0.194
Tripping	12	Mud Received		Low Gravity	4.7/ 121.7	Bit Pressure Loss %	2729 / 21.
Non-Productive Tim		Mud Returned		Bentonite	0.9/ 22.2	Bit HHP/HSI	72 / 1.7
BOP Testing		Shakers	0.9	Drill Solids	0.6/ 16.5	Jet Velocity	67
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	57.7
Safety Meetings		Centrifuge	1.6	Chemical Conc	- / 83.	Va Collars	84.2
		Formation		Inert/React	0.612	Cva Pipe	49
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	61
Condition Hole	6	Haul Off (Pits)				ECD at Shoe	1116.37
		Sent to Storage				ECD at TD	1129.03
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$7,122.40	$265,239.16

WATER-BASED MUD REPORT No. 83

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/1/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH to Run Casing

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP (X95)	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
280 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	137.3	101	Pump Liner x Stk	140x305 mm	140x305 mm
383 m, 127.-mm DP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
168 m, 127.-mm HWDP		101		Pump stk/min	65@97%	67@97%
7 m, 165.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	**1.81 m³/min**	
280 m, 127.-mm HWDP		m		Pump Pressure	13000 kPa	
Nozzles 7.1x4/8.7x4 mm		Volume Drilled Last 24 hr		Bottoms Up	0. min	0 stk
Bit 216-mm Smith		m³		Total Circulation	56. min	7391 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Flowline 14:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	35					CAUSTIC SODA	22.68 KG BG	4
Depth/TVD	m	3550/3450					PULPRO 20	22.68 KG BG	87
Mud Weight /Temp	kg/m³	1095.0@30					PULPRO 30	22.68 KG BG	33
Funnel Viscosity	s/L	43					ENGINEERING	1. EA	1
Rheology Temp	℃	35					BLEACH	5. GA CN	6
R600/R300		22/15					DRILLWATER	1. M3 TK	1.01
R200/R100		12/8							
R6/R3		2/1							
PV	mPa·s	7							
YP	Pa	4							
10s/10m/30m Gel	Pa	2/4/8							
API Fluid Loss	cc/30min	10							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	7							
Oil/Water	%Vol	1/92					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24					Shaker 1	230/230/230	18.0
pH / Temp		11.0@21					Shaker 2	230/230/230	18.0
Alkal Mud (Pm)									
Pf/Mf		.50/3.00					Centrifuge 1 UF (kg/m3)	1980	6.0
Chlorides	mg/L	21000					Centrifuge 2 UF (kg/m3)	1980	6.0
Hardness (Ca++)		80							
Suction Temp	Deg C	34.					Centrifuge OF (kg/m3)	1085	6.0
Buoyancy Factor		0.861					Centrifuge OF (kg/m3)	1085	6.0
Potassium Ion	mg/l	10000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1095.0
							Viscosity	40-45	43
Reserve Volume	m³	139					Filtrate	<15	10

REMARKS AND TREATMENT

Circulate and condition mud. Add 0.5 l/m3 of bleach. Raise PH to 11.0 with Caustic. Bleed in 24m3 of premix treated with 12 kg/m3 Polypac UL.

NOTE: A caliper sweep consisting of 2kg/m3 of Rice was pumped and came back 550 stks over calculated. Hole volume estimated @ 7-8 % washout.

REMARKS

POOH laydown directional tools & make up Bit. RIH to bottom with no problems and no fill reported. Circulate bottoms up and condition mud for Casing

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.5/ 18.3	np/na	
Drilling		Water Added		KCl	0.7/ 17.8	Kp/Ka	
Tripping	12	Mud Received		Low Gravity	5./ 129.9	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0.8/ 21.1	Bit HHP/HSI	
Condition Mud	12	Shakers	1.4	Drill Solids	1./ 25.8	Jet Velocity	
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	
Safety Meetings		Centrifuge	1	Chemical Conc	- / 83.	Va Collars	
		Formation		Inert/React	0.9562	Cva Pipe	
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,799.66	$268,038.82

WATER-BASED MUD REPORT No. 84

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/2/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with 177mm Csg

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2000 m, 177.8-mm CSG	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
	244.-mm @2509 m (2509 TVD)	127.6	110.7	Pump Liner x Stk	140x305 mm	140x305 mm
	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		177.3		Pump stk/min	77@97%	77@97%
		Depth Drilled Last 24 hr		Flow Rate		
		m		Pump Pressure		
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction 12:00	0:00	0:00	0:00	**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A				ENGINEERING	1. EA	1
Depth/TVD	m	3550/3450	/	/	/			
Mud Weight /Temp	kg/m³	1095.0@30	.0@	.0@	.0@			
Funnel Viscosity	s/L	42						
Rheology Temp	℃	35						
R600/R300		22/15	/	/	/			
R200/R100		12/8	/	/	/			
R6/R3		2/1	/	/	/			
PV	mPa·s	7						
YP	Pa	4						
10s/10m/30m Gel	Pa	2/4/8	//	//	//			
API Fluid Loss	cc/30min	10						
HTHP Fluid Loss	cc/30min	.0@	.0@	.0@	.0@			
Cake APT/HT	mm	1/	/	/	/			
Solids	%Vol	7						
Oil/Water	%Vol	1/92	/	/	/	**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025				**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24				Shaker 1	230/230/230	
pH / Temp		11.0@21	.0@	.0@	.0@	Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.50/3.00	.00/.00	.00/.00	.00/.00	Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	21000				Centrifuge 2 (kg/m3)		
Hardness (Ca++)		80						
Suction Temp	Deg C	34.				Centrifuge OF (kg/m3)		
Buoyancy Factor		0.861						
Potassium Ion	mg/l	10000.						
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1095.0
						Viscosity	40-45	42
Reserve Volume	m³	139				Filtrate	<15	10

REMARKS AND TREATMENT	REMARKS
Run 178mm Casing	Run 178mm casing

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.9/ 32.	np/na	0.553/0.593
Drilling		Water Added		KCl	1.1/ 31.	Kp/Ka	0.244/0.194
Tripping	6	Mud Received		Low Gravity	0.038498042	Bit Pressure Loss %	4746 / 36.5
Non-Productive Tim		Mud Returned		Bentonite	9.6/ 248.1	Bit HHP/HSI	166 / 3.9
Running Casing	18	Shakers		Drill Solids	0.038526378	Jet Velocity	88
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	157.4
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	157.4
		Formation		Inert/React	-74.6983	Cva Pipe	71
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	71
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1317.3
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$268,938.82

WATER-BASED MUD REPORT No. 85

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/3/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with 178mm Csg

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2014 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
10 m, 177.8-mm Tie Back	244.-mm @2509 m (2509 TVD)	123.2	114.2	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 177.8-mm RBC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1371 m, 177.8-mm CSG		232.5		Pump stk/min	35@97%	35@97%
m, 177.8-mm LC		Depth Drilled Last 24 hr		Flow Rate	**0.96 m³/min**	
14 m, 177.8-mm CSG		m		Pump Pressure	3500 kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up	75.1 min	5258 stk
Bit 216-mm 0		m³		Total Circulation	243. min	17013 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction 21:00	Suction 9:00	Suction 9:00		**Products**	**Size**	**Amount**
FlowLine Temp	℃	25	14	14		POLYPAC R	22.68 KG BG	4
Depth/TVD	m	3550/3450	3550/3450	3550/3450		ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1095.0@20	1100.0@14	1100.0@14		DRILLWATER	1. M3 TK	1.02
Funnel Viscosity	s/L	44	48	48		XCD POLYMER	25. KG BG	2
Rheology Temp		**35**	**20**	**35**		SUPER SWEEP FIBER	15. LB BX	1
R600/R300		27/18	38/25	26/17				
R200/R100		14/10	18/12	14/9				
R6/R3		3/2	3/2	2/1				
PV	mPa·s	9	13	9				
YP	Pa	4.5	6	4				
10s/10m/30m Gel	Pa	2/5/7	2/5/8	3/7/9				
API Fluid Loss	cc/30min	11	10	10				
HTHP Fluid Loss	cc/30min	.0@	.0@	.0@				
Cake APT/HT	mm	1/	1/	1/				
Solids	%Vol	7	7	7				
Oil/Water	%Vol	1/92	1/92	1/92		SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24	24	24		Shaker 1	230/230/230	
pH / Temp		11	11	11		Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.50/3.00	.50/3.00	.50/3.00		Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	21000	21000	21000		Centrifuge 2 (kg/m3)		
Hardness (Ca++)		80	80	80				
Suction Temp	Deg C	12.	12.	12.		Centrifuge OF (kg/m3)		
Buoyancy Factor		0.861	0.861	0.861				
Potassium Ion	mg/l	10000.	10000.	10000.				
						MUD PROPERTY SPECS		Actual
						Weight	ALAP	1095.0
						Viscosity	40-45	44
Reserve Volume	m³	139				Filtrate	<15	11

REMARKS AND TREATMENT

Continue working tight spot @ 2960m while mixing 0.25 kg/m3 of XCD & 0.5 kg/m3 Polypac R to increase rheology. Pump 2m3 Super sweep containing 1.5 kg/m3 of Super Sweep Fibre. Sweep came back 500 stks over calculated wirh no changes seen at the shakers.

REMARKS

Continue running 178mm casing to 2960m. Working tight spot. Continue running 178mm casing to 3425m.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.5/ 18.4	np/na	0.585/0.459
Drilling		Water Added		KCl	0.7/ 17.9	Kp/Ka	0.239/0.483
Tripping		Mud Received		Low Gravity	4.7/ 121.7	Bit Pressure Loss %	/ 0.
Non-Productive Tim		Mud Returned		Bentonite	0.9/ 22.2	Bit HHP/HSI	/ 0.
Running Casing	24	Shakers	2	Drill Solids	0.6/ 16.5	Jet Velocity	
M/U / P/U BHA		Evaporation		Weight Material	NA/ NA	Va Pipe	37.5
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	64.9
		Formation		Inert/React	0.612	Cva Pipe	65
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	80
Condition Hole		Haul Off (Pits)				ECD at Shoe	1125.31
		Sent to Storage				ECD at TD	1141.17
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,230.80	$272,169.62

WATER-BASED MUD REPORT No. 86

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/4/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circ prior to Cement

DRILLING ASSEMBLY	CASING
2028 m, 127.-mm DP 10 m, 177.8-mm Tie Back 1 m, 177.8-mm RBC 1371 m, 177.8-mm CSG m, 177.8-mm LC 14 m, 177.8-mm CSG	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD)

MUD VOLUME (m³)	
Hole	Active Pits
123.1	110.6
Total Circulating Volume	
229.3	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	48@97%	47@97%
Flow Rate	1 m³/min	
Pump Pressure	11000 kPa	
Bottoms Up	55.8 min	5297 stk
Total Circulation	177.1 min	16820 stk

MUD PROPERTIES							
Sample From		FL 19:00	Mud Push				
FlowLine Temp	°C	25	N/A				
Depth/TVD	m	3550/3450	3550/3450				
Mud Weight /Temp	kg/m³	1100.0@20	1520.0@20				
Funnel Viscosity	s/L	45	60				
Rheology Temp	°C	35	35				
R600/R300		28/19	57/40				
R200/R100		15/10	34/20				
R6/R3		3/2	12/10				
PV	mPa·s	9	17				
YP	Pa	5	11.5				
10s/10m/30m Gel	Pa	2/5/8	8/11/13				
API Fluid Loss	cc/30min	10					
HTHP Fluid Loss	cc/30min	.0@					
Cake APT/HT	mm	1/					
Solids	%Vol	7.5					
Oil/Water	%Vol	1/92					
Sand	%Vol						
MBT	kg/m³						
pH / Temp		10.0@					
Alkal Mud (Pm)							
Pf/Mf		.30/3.20					
Chlorides	mg/L	21000					
Hardness (Ca++)		120					
Suction Temp	Deg C	25.					
Buoyancy Factor		0.861					
Potassium Ion	mg/l	10000.					
Reserve Volume	m³	142					

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	2
POLYPAC R	22.68 KG BG	2
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	1.04
XCD POLYMER	25. KG BG	4
NUT PLUG FINE	25. KG BG	50
NUT PLUG MEDIUM	25. KG BG	50

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 UF (kg/m3)		
Centrifuge OF (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1100.0
Viscosity	40-45	45
Filtrate	<15	10

REMARKS AND TREATMENT

Continue working trouble area @ 3438m while Mixing XCD to increase rheologies. Build 25m3 Nut Plug pill containing 100 kg/m3 of both Nut Plug Medium & Fine. Spot pill in open hole from shoe to window and commence working drill string with pumps off. Attempt to free obstruction was unsuccessful. Transfer over 35m3 from mud tanks to Floc Tank in preparation for cement job.

REMARKS

Continue to work 178mm casing @ 3438m. No pressuring up or packing off and no cuttings of any sort observed at the shakers at any time., while working string. Wellbore in good condition Discussion concludes mechanical obstruction of a collar or stabilizer hanging up at the window.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	
Tripping	
Non-Productive Tim	
Running Casing	16
Condition Hole	8
Safety Meetings	
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	3.5
Evaporation	
Centrifuge	
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.5/ 18.3
KCl	0.7/ 17.8
Low Gravity	5./ 129.9
Bentonite	0./ 0.
Drill Solids	2./ 52.8
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.559/0.459
Kp/Ka	0.296/0.483
Bit Pressure Loss %	/ 0.
Bit HHP/HSI	/ 0.
Jet Velocity	
Va Pipe	50.7
Va Collars	87.8
Cva Pipe	65
Cva Collars	80
ECD at Shoe	1134.27
ECD at TD	1152.84

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$7,145.40	$279,315.02

WATER-BASED MUD REPORT No. 87

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/5/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Work 178mm Casing

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2028 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
10 m, 177.8-mm Tie Back	244.-mm @2509 m (2509 TVD)	123.1	91.2	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 177.8-mm RBC	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1371 m, 177.8-mm CSG		209.9		Pump stk/min	15@97%	15@97%
m, 177.8-mm LC		Depth Drilled Last 24 hr		Flow Rate	**0.41 m³/min**	
14 m, 177.8-mm CSG		m		Pump Pressure	8000 kPa	
		Volume Drilled Last 24 hr		Bottoms Up	176.8 min	5304 stk
		m³		Total Circulation	514. min	15419 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Flowline 23:00	Flowline 10:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	24	24			BARITE - FEDERAL	40. KG BG	420
Depth/TVD	m	3430/3450	3430/3450			PULPRO 20	22.68 KG BG	33
Mud Weight /Temp	kg/m³	1075.0@24	1100.0@24			PULPRO 30	22.68 KG BG	-7
Funnel Viscosity	s/L	45	43			ENGINEERING	1. EA	1
Rheology Temp	℃	35	35			DRILLWATER	1. M3 TK	19.09
R600/R300		38/27	29/20			BASE OIL	1. CM	27
R200/R100		22/16	16/10					
R6/R3		5/4	3/2					
PV	mPa·s	11	9					
YP	Pa	8	5.5					
10s/10m/30m Gel	Pa	5/7/9	2/5/7					
API Fluid Loss	cc/30min	11	12					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	1/	1/					
Solids	%Vol	7.5	7.5					
Oil/Water	%Vol	9/84	1/92			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	20	24			Shaker 1	230/230/230	
pH / Temp		9.5@21	10.0@21			Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.20/3.00	.30/.00			Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	20000	20000			Centrifuge 2 (kg/m3)		
Hardness (Ca++)		80	80					
Suction Temp	Deg C	24.	24.			Centrifuge OF (kg/m3)		
Buoyancy Factor		0.863	0.861					
Potassium Ion	mg/l	10000.	10000.					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1075.0
						Viscosity	40-45	45
Reserve Volume	m³	189				Filtrate	<15	11

REMARKS AND TREATMENT

Continue working trouble spot while mixing XCD & Polypac R to maintain rheological properties. Transfer 27m3 of produced Oil from tank farm and spot in the open hole annulas & casing. Continue to work string Intermittedly turningon pumps pumping in .5m3 Increments.

REMARKS

Continue to work 178mm casing in trouble area 3424m - 3443m. Pump pressure starting to spike and pressuring up. Volumes accounting shows +/- 20m3 of volume lost to formation.(Pumped away)

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added	27	NaCl	0.5/ 15.4	np/na	0.493/0.395
Drilling		Water Added		KCl	0.6/ 16.3	Kp/Ka	0.637/1.072
Tripping		Mud Received		Low Gravity	4.8/ 124.	Bit Pressure Loss %	/ 0.
Non-Productive Tim		Mud Returned		Bentonite	0.7/ 17.4	Bit HHP/HSI	/ 0.
Running Casing	24	Shakers	1.6	Drill Solids	0.9/ 23.6	Jet Velocity	
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	16
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	27.7
		Formation	21	Inert/React	1.0499	Cva Pipe	91
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	108
Condition Hole		Haul Off (Pits)				ECD at Shoe	1110.5
		Sent to Storage				ECD at TD	1128.2
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$9,092.86	$288,407.88

WATER-BASED MUD REPORT No. 88

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3442.5 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/6/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH with DP

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
	244.-mm @2509 m (2509 TVD)	105.7	91.2	Pump Liner x Stk	140x305 mm	140x305 mm
	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
	178.-mm L @3443 m (3413 TVD)	91.2		Pump stk/min	25@97%	20@97%
		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
		m		Pump Pressure	8000 kPa	
		Volume Drilled Last 24 hr		Bottoms Up	0. min	0 stk
		m³		Total Circulation	147.7 min	6645 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 18:00	Mud Push 11:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A	N/A				SAPP	22.68 KG BG	4
Depth/TVD	m	3550/3450	3550/3450				CAUSTIC SODA	22.68 KG BG	3
Mud Weight /Temp	kg/m³	1080.0@21	1490.0@21				ENGINEERING	1. EA	1
Funnel Viscosity	s/L	48	58				DRILLWATER	1. M3 TK	1.02
Rheology Temp	℃	35	35						
R600/R300		38/26	65/48						
R200/R100		21/15	40/31						
R6/R3		4/3	13/11						
PV	mPa·s	12	17						
YP	Pa	7	15.5						
10s/10m/30m Gel	Pa	5/7/9	8/15/						
API Fluid Loss	cc/30min	11							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	7.5							
Oil/Water	%Vol	9/84					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	24					Shaker 1	200/200/230	
pH / Temp		10.0@21	7.5@				Shaker 2	200/200/230	
Alkal Mud (Pm)									
Pf/Mf		.30/3.00					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	20000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		120							
Suction Temp	Deg C	24.					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.862							
Potassium Ion	mg/l	10000.							
							MUD PROPERTY SPECS		Actual
							Weight	ALAP	1080.0
							Viscosity	40-45	48
Reserve Volume	m³	169					Filtrate	<15	11

REMARKS AND TREATMENT

Continue to circulate casing prior to cement. Starting to pack of so pump 4m3 Sapp Sweep containing 22.68 kg/m3 Sapp. Once sweep was in the annulas Pump pressures reduced.

REMARKS

Work 178mm casing string. Pump Spacers Mud push & cwement as per SLB Cementing program. Bump Plug & POOh to 1478m and circulate bottoms up with no traces of cement or spacers seen.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 10.7	np/na	
Drilling		Water Added		KCl	0.4/ 11.3	Kp/Ka	
Tripping	12	Mud Received		Low Gravity	31.2/ 809.1	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0.039184953	Bit HHP/HSI	
Cementing	8	Shakers		Drill Solids	30.4/ 789.9	Jet Velocity	
Condition Hole	4	Evaporation		Weight Material	NA/ NA	Va Pipe	
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	
		Formation		Inert/React	29.2561	Cva Pipe	
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing	38.5				

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,459.62	$289,867.50

WATER-BASED MUD REPORT No. 89

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3442.5 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/7/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH to Liner Top

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
2068 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
331 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	97	104.9
1 m, 120.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
m, -mm	178.-mm L @3443 m (3413 TVD)	181.2	
m, -mm		Depth Drilled Last 24 hr	
m, -mm		m	
Nozzles 18x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	37@97%	37@97%
Flow Rate	1 m³/min	
Pump Pressure	8500 kPa	
Bottoms Up	56.4 min	4171 stk
Total Circulation	180.1 min	13326 stk

MUD PROPERTIES							
Sample From		FL 20:00					
FlowLine Temp	℃	26					
Depth/TVD	m	3442/3413					
Mud Weight /Temp	kg/m³	1090.0@25					
Funnel Viscosity	s/L	48					
Rheology Temp	℃	35					
R600/R300		36/25					
R200/R100		20/14					
R6/R3		4/3					
PV	mPa·s	11					
YP	Pa	7					
10s/10m/30m Gel	Pa	5/7/2010					
API Fluid Loss	cc/30min	12					
HTHP Fluid Loss	cc/30min						
Cake APT/HT	mm	1/					
Solids	%Vol	7					
Oil/Water	%Vol	9/84					
Sand	%Vol						
MBT	kg/m³	24					
pH / Temp		9.5@					
Alkal Mud (Pm)							
Pf/Mf		.28/3.10			Stripping >		
Chlorides	mg/L	20000			Stripping >		
Hardness (Ca++)		100					
Suction Temp	Deg C	26.			Stripping >		
Buoyancy Factor		.862			Stripping >		
Potassium Ion	mg/l	10000					
Reserve Volume	m³	205					

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
LIME	25. KG BG	6
ENGINEERING	1. EA	1
CALCIUM NITRATE	25. KG BG	15
ZETAG 7557 (PERCOL 757	25. KG BG	6
DRILLWATER	1. M3 TK	31.04

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1910	12.0
Centrifuge 2 UF (kg/m3)	2020	12.0
Centrifuge 1 OF (kg/m3)	1025	12.0
Centrifuge 2 OF (kg/m3)	1030	12.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1090.0
Viscosity	40-45	48
Filtrate	<15	12

REMARKS AND TREATMENT

Active sytem shortened up to three tanks in order to accomodate stripping operationsReconfigure centrifuges and adjust ports for stripping operations. Commence stripping mud and storing water in 400bbl tanks

REMARKS

Set linear & cement. POOH and laydown DP. Make up Bit #16 and RIH while picking up 89mm DP. RIH and tag liner top @ 2336m. Drilll out liner top circulate bottoms up and proceed to RIH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	6	Oil Added		NaCl	0.5/ 15.2	np/na	0.526/0.439
Drilling		Water Added		KCl	0.6/ 16.1	Kp/Ka	0.480/0.749
Tripping	18	Mud Received		Low Gravity	5.7/ 148.8	Bit Pressure Loss %	291 / 3.4
Non-Productive Tim		Mud Returned		Bentonite	0.7/ 18.8	Bit HHP/HSI	5 / 0.2
Cementing		Shakers		Drill Solids	1.8/ 47.	Jet Velocity	22
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	140
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	73.8
		Formation		Inert/React	1.7401	Cva Pipe	110
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	89
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1128.64
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$5,101.80	$294,969.30

WATER-BASED MUD REPORT No. 90

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3442.5 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/8/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3068 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
331 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	93.3	85	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm	178.-mm L @3443 m (3413 TVD)	177.5		Pump stk/min	37@97%	37@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
m, -mm		m		Pump Pressure	8500 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	63.5 min	4700 stk
Bit 156-mm Smith		m³		Total Circulation	176.4 min	13051 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 14:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	2
Depth/TVD	m	3442/3413					SEAWATER	1. M3 TK	30.09
Mud Weight /Temp	kg/m³	1090.0@22					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	45					CALCIUM NITRATE	25. KG BG	7
Rheology Temp	℃	35					ZETAG 7557 (PERCOL 757	25. KG BG	7
R600/R300		35/25							
R200/R100		20/14							
R6/R3		4/3							
PV	mPa·s	10							
YP	Pa	7.5							
10s/10m/30m Gel	Pa	5/7/10							
API Fluid Loss	cc/30min	12							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	6.5							
Oil/Water	%Vol	9/85					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	20					Shaker 1	200/200/230	
pH / Temp		8.7@21					Shaker 2	200/200/230	
Alkal Mud (Pm)									
Pf/Mf		.15/2.50					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	20000					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		440							
Suction Temp	Deg C	24.					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.862							
Potassium Ion	mg/l	10000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1090.0
							Viscosity	40-45	45
Reserve Volume	m³	241					Filtrate	<15	12

REMARKS AND TREATMENT

Continue with stripping operations, sending water underflow to 400bbl tanks. vacuum truck cleaning mud tanks as well. Optimizing stripping process by adjusting feed rates & Bowl speeds on centrifuge. Ports adjusted several times to find optimal beach.

REMARKS

Make up 156mm bit & RIH to 2036m and tag liner top & drill & ream same. Circulate B/U & RIH to 3386m and tag & drill cement Continue to drill float & shoe from 3386m to 3421m.

NOTE: Hold BOP drill and follow up with safety meeting pertaining to well control.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	7	Oil Added		NaCl	0.5/ 15.2	np/na	0.485/0.439
Drilling	8	Water Added		KCl	0.6/ 16.1	Kp/Ka	0.619/0.749
Tripping	8	Mud Received		Low Gravity	5.7/ 148.8	Bit Pressure Loss %	291 / 3.4
Non-Productive Tim		Mud Returned		Bentonite	0.6/ 14.3	Bit HHP/HSI	5 / 0.2
Safety Meetings	1	Shakers		Drill Solids	2./ 51.5	Jet Velocity	22
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	140
Safety Meetings		Centrifuge	18.6	Chemical Conc	- / 83.	Va Collars	73.8
		Formation		Inert/React	2.2882	Cva Pipe	110
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	89
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1188.72
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$5,031.00	$300,000.30

WATER-BASED MUD REPORT No. 91

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3442.5 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/9/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill Cement & Shoe

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3110 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
331 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	93.1	70	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm	178.-mm L @3443 m (3413 TVD)	163.1		Pump stk/min	60@97%	60@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	**1.65 m³/min**	
m, -mm		m		Pump Pressure	25000 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	39.1 min	4687 stk
Bit 156-mm Smith		m³		Total Circulation	99.2 min	11906 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 6:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	2
Depth/TVD	m	3442/3413					SEAWATER	1. M3 TK	12.09
Mud Weight /Temp	kg/m³	1075.0@21					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	43					ALKAPAM 1003	25. KG BG	2
Rheology Temp	℃	35					CALCIUM NITRATE	25. KG BG	8
R600/R300		17/11					ZETAG 7557 (PERCOL 757	25. KG BG	11
R200/R100		9/6							
R6/R3		2/1							
PV	mPa·s	6							
YP	Pa	2.5							
10s/10m/30m Gel	Pa	2/3/6							
API Fluid Loss	cc/30min	15							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	6.5							
Oil/Water	%Vol	8/86					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	18					Shaker 1	230/230/230	
pH / Temp		11.3@21					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.25/2.40				**Active >**	Centrifuge 1 UF (kg/m3)	1650	24.0
Chlorides	mg/L	18000				**Tank #4 >**	Centrifuge 2 UF (kg/m3)	1320	24.0
Hardness (Ca++)		520							
Suction Temp	Deg C	24.				**Active >**	Centrifuge OF (kg/m3)	1035	24.0
Buoyancy Factor		0.863				**Tank #4 >**	Centrifuge OF (kg/m3)	1025	24.0
Potassium Ion	mg/l	8000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1075.0
							Viscosity	40-45	43
Reserve Volume	m³	245					Filtrate	<15	15

REMARKS AND TREATMENT

Continue to strip Excess active mud & active system.

REMARKS

POOH to 3198m & flow check. Continue to POOH, Pressure test variable rams. M/U Bit & sub & RIH to 3400m. Circulate B/U & drill out cement & shoe from 3421m. Drill shoe @ 3426m

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	8	Oil Added		NaCl	0.4/ 12.7	np/na	0.628/0.511
Drilling	4	Water Added		KCl	0.6/ 16.5	Kp/Ka	0.112/0.222
Tripping	8	Mud Received		Low Gravity	4.7/ 123.1	Bit Pressure Loss %	767 / 3.1
Non-Productive Tim		Mud Returned		Bentonite	0.6/ 15.2	Bit HHP/HSI	21 / 1.
Condition Hole	4	Shakers		Drill Solids	1./ 24.8	Jet Velocity	36
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	228.7
Safety Meetings		Centrifuge	14	Chemical Conc	- / 83.	Va Collars	120.6
		Formation		Inert/React	1.2261	Cva Pipe	65
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	50
Condition Hole		Haul Off (Pits)	9.2			ECD at Shoe	
		Sent to Storage				ECD at TD	1228.05
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$7,756.20	$307,756.50

WATER-BASED MUD REPORT No. 92

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/10/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pump Super Sweep

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1799 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1750 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	95.2	93.9	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm	178.-mm L @3443 m (3413 TVD)	189.1		Pump stk/min	60@97%	60@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	**1.65 m³/min**	
m, -mm		39 m		Pump Pressure	24000 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	45.1 min	5406 stk
Bit 156-mm Smith		1 m³		Total Circulation	115. min	13805 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Flowline 16:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	25					SEAWATER	1. M3 TK	20.03
Depth/TVD	m	3550/3450					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1065.0@25					ALKAPAM 1003	25. KG BG	1
Funnel Viscosity	s/L	35					CALCIUM NITRATE	25. KG BG	9
Rheology Temp	℃	35					ZETAG 7557 (PERCOL 757	25. KG BG	9
R600/R300		17/10					SUPER SWEEP FIBER	15. LB BX	1
R200/R100		8/5							
R6/R3		2/1							
PV	mPa·s	7							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	2/3/6							
API Fluid Loss	cc/30min	16							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	5.5							
Oil/Water	%Vol	8/87					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	18					Shaker 1	230/230/230	24.0
pH / Temp		11.9@21					Shaker 2	230/230/230	24.0
Alkal Mud (Pm)									
Pf/Mf		.45/2.50				**Active >**	Centrifuge 1 UF (kg/m3)	1860	18.0
Chlorides	mg/L	18000				**Tank #4 >**	Centrifuge 2 UF (kg/m3)	1280	18.0
Hardness (Ca++)		640							
Suction Temp	Deg C	24				**Active >**	Centrifuge 1 OF (kg/m3)	1035	18.0
Buoyancy Factor		.865				**Tank #4 >**	Centrifuge 2 OF (kg/m3)	1020	18.0
Potassium Ion	mg/l	8000							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1065.0
							Viscosity	40-45	35
Reserve Volume	m³	224					Filtrate	<15	16

REMARKS AND TREATMENT

Continue with stripping operations.on reserve mud & active system. Incorporate 35 m3 Of old Excess active mud into the active system.

REMARKS

Continue drilling cement & shoe till 3550m. Circulate 3 B/U & wiper trip. Tight spots so pump out to 3406m. RIH & circulate B/U. Pump super sweep with 1.5 kg/m3 Super sweep fibre which came back 300 stks over calculated with no changes observed at the shakers. Continue to circulate & condition hole . Wiper trip to shoe & RIH & Pump High vis Super Sweep

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	2	Oil Added		NaCl	0.7/ 22.7	np/na	0.766/0.459
Drilling	8	Water Added		KCl	1.1/ 29.5	Kp/Ka	0.043/0.242
Tripping	4	Mud Received		Low Gravity	3.7/96.3	Bit Pressure Loss %	760 / 3.2
Non-Productive Tim		Mud Returned		Bentonite	9./ 234.9	Bit HHP/HSI	21 / 0.9
Condition Hole	10	Shakers		Drill Solids	0.03851078	Jet Velocity	36
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	64.4
Safety Meetings		Centrifuge	15	Chemical Conc	- / 83.	Va Collars	127.5
		Formation		Inert/React	-96.4303	Cva Pipe	42
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	47
Condition Hole		Haul Off (Pits)				ECD at Shoe	1097.83
		Sent to Storage				ECD at TD	1098.87
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$6,752.80	$314,509.30

WATER-BASED MUD REPORT No. 93

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/11/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Displace to Water

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1149 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1750 m, 89.-mm HWDP	244.-mm @2509 m (2509 TVD)	97.8	92.7	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 120.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
	178.-mm L @3443 m (3413 TVD)	177.7		Pump stk/min	75@97%	75@97%
		Depth Drilled Last 24 hr		Flow Rate	2 m³/min	
		m		Pump Pressure	24000 kPa	
Nozzles 50x1 mm		Volume Drilled Last 24 hr		Bottoms Up	33.8 min	5077 stk
Bit 156-mm Smith		m³		Total Circulation	86.6 min	12986 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 11:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					PULPRO 30	22.68 KG BG	40
Depth/TVD	m	3550/3450					ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1060.0@24					DRILLWATER	1. M3 TK	1.04
Funnel Viscosity	s/L	35					XCD POLYMER	25. KG BG	1
Rheology Temp	℃	35					SUPER SWEEP FIBER	15. LB BX	1
R600/R300		16/9							
R200/R100		7/5							
R6/R3		2/1							
PV	mPa·s	7							
YP	Pa	1							
10s/10m/30m Gel	Pa	2/3/5							
API Fluid Loss	cc/30min	18							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	5							
Oil/Water	%Vol	7/88					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³	14					Shaker 1	200/200/230	
pH / Temp		11.6@21					Shaker 2	200/200/230	
Alkal Mud (Pm)									
Pf/Mf		.50/2.40					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	17000					Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		600							
Suction Temp	Deg C	24.					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.865					Centrifuge OF (kg/m3)		
Potassium Ion	mg/l	8000.							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1060.0
							Viscosity	40-45	35
Reserve Volume	m³	224					Filtrate	<15	18

REMARKS AND TREATMENT

Circulate & condition hole. Build 5 m3 HiVis XCD sweep with 2.0 kg/m3 Super sweep fibre. Pump sweep with no changes @ shakers observed. Conitnue to circulate while waiting on SLB. Transfer active mud to Floc tank & fill mud tanks with Stripped water from 400 bbl tanks, Displace well to Stripped water.

REMARKS

Wiper trip & RIH to bottom with 1 m of fill reported. Pump High vis Super Sweep Pill which came back to shakers 200 stks over calculated with no changes in cuttiings observed at the shakers. Circulate 2nd B/U & POOh to pick up cement stinger. RIH with Cement stinger to 2450m. Wait on Schlumberger cementers, plumbing & Batch Mixer cemented up. Cement as per SLB program . POOh to 2931m and Squeeze Cement plug

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 11.6	np/na	0.830/0.459
Drilling		Water Added		KCl	0.6/ 16.9	Kp/Ka	0.026/0.242
Tripping		Mud Received		Low Gravity	3.7/ 95.9	Bit Pressure Loss %	178 / 0.7
Non-Productive Tim		Mud Returned		Bentonite	0.5/ 14.1	Bit HHP/HSI	6 / 0.3
Condition Hole		Shakers		Drill Solids	0./ -1.3	Jet Velocity	17
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	80.4
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	150.5
		Formation		Inert/React	-0.0813	Cva Pipe	42
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	46
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1096.68
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,281.40	$316,790.70

WATER-BASED MUD REPORT No. 94

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3550 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/12/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill out cement

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
73 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
750 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	93	58.8	Pump Liner x Stk	140x305 mm	140x305 mm
968 m, 127.-mm Sub	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1600 m, 89.-mm HWDP	178.-mm L @3443 m (3413 TVD)	149.3		Pump stk/min	40@97%	40@97%
19 m, 120.-mm NMDC		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
1 m, 140.-mm UBHO		m		Pump Pressure	18000 kPa	
Nozzles 18x3 mm		Volume Drilled Last 24 hr		Bottoms Up	65.9 min	5272 stk
Bit 156-mm Smith		m³		Total Circulation	136.2 min	10899 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 2:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	2
Depth/TVD	m	3411/3413					SEAWATER	1. M3 TK	15.08
Mud Weight /Temp	kg/m³	1050.0@					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	32					CALCIUM NITRATE	25. KG BG	12
Rheology Temp	℃	35					ZETAG 7557 (PERCOL 757	25. KG BG	2
R600/R300		9/5							
R200/R100		3/2							
R6/R3		1/1							
PV	mPa·s	4							
YP	Pa	0.5							
10s/10m/30m Gel	Pa	1/2/4							
API Fluid Loss	cc/30min	N/A							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	3							
Oil/Water	%Vol	1/96					SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	
pH / Temp		12.0@21					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		2.30/3.00					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	15000					Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		800							
Suction Temp	Deg C	24.					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.866					Centrifuge OF (kg/m3)		
Potassium Ion	mg/l	6000.							
							MUD PROPERTY SPECS		Actual
							Weight	ALAP	1050.0
							Viscosity	40-45	32
Reserve Volume	m³	278					Filtrate	<15	N/A

REMARKS AND TREATMENT

Continue stripping ops. One centrifuge down due to electrical malfunction.

REMARKS

Conitnue to squeeze cement with 4000 Kpa. Total 28 stks. Displace wellbore to water pump pill & POOH to pick up directional tools. Shalloww test MWD & RIH to 3301m and tag cement . Continue to drill out cement to 3338m.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	4	Oil Added		NaCl	0.3/ 9.4	np/na	0.848/0.395
Drilling		Water Added		KCl	0.7/ 18.4	Kp/Ka	0.013/0.134
Tripping	20	Mud Received		Low Gravity	2.2/ 58.2	Bit Pressure Loss %	333 / 1.9
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	6 / 0.3
Condition Hole		Shakers		Drill Solids	0.039426523	Jet Velocity	24
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	42.9
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	501.7
		Formation		Inert/React	-	Cva Pipe	25
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	45
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1071.33
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,757.00	$319,547.70

WATER-BASED MUD REPORT No. 95

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3507 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/13/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulate Up Sweep

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
742 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
757 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	92.8	76.4
309 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
1593 m, 89.-mm DP	178.-mm L @3430 m (3413 TVD)	167.7	
19 m, 120.-mm NMDC		Depth Drilled Last 24 hr	
1 m, 140.-mm UBHO		m	
Nozzles 18x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	40@97%	40@97%
Flow Rate	1 m³/min	
Pump Pressure	18000 kPa	
Bottoms Up	67.7 min	5419 stk
Total Circulation	153.1 min	12245 stk

MUD PROPERTIES						
Sample From		FL 23:55				
FlowLine Temp	℃	24				
Depth/TVD	m	3500/3413				
Mud Weight /Temp	kg/m³	1040.0@21				
Funnel Viscosity	s/L	32				
Rheology Temp	℃	35				
R600/R300		9/5				
R200/R100		3/2				
R6/R3		1/1				
PV	mPa·s	4				
YP	Pa	0.5				
10s/10m/30m Gel	Pa	1/2/4				
API Fluid Loss	cc/30min	N/A				
HTHP Fluid Loss	cc/30min	.0@				
Cake APT/HT	mm	/				
Solids	%Vol	3				
Oil/Water	%Vol	1/96				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.8@21				
Alkal Mud (Pm)						
Pf/Mf		1.40/2.50				
Chlorides	mg/L	16000				
Hardness (Ca++)		800				
Suction Temp	Deg C	24.				
Buoyancy Factor		0.866				
Potassium Ion	mg/l	6000.				
Reserve Volume	m³	278				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 30	22.68 KG BG	30
SEAWATER	1. M3 TK	17.09
ENGINEERING	1. EA	1
XCD POLYMER	25. KG BG	4
SUPER SWEEP FIBER	15. LB BX	2

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	24.0
Centrifuge 1 UF (kg/m3)	1600	18.0
Centrifuge 2 UF (kg/m3)		
Centrifuge OF (kg/m3)	1035	18.0
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	40-45	32
Filtrate	<15	N/A

REMARKS AND TREATMENT

Continue drilling ahead maintaining demnsity ALAP by running Centrifuge #1 on active system. Density constant @ 1040-1050 kg/m3.

REMARKS

Continue to drill cement from 3338m to 3468m. Wipertrip to 3420m. Drill ahead as per DD instructions to 3507m. Trouble shoot motor with no success. Pump Hivis XCD sweep with 1.5 kg/m3 Super Sweep Fibre, which came back 200 stks over calc. There was a 400% increase in coarse drill cuttings lasting 7-8 min after the sweep was seen. POOH to 3400m and pull 26,000 over. Circulate B/U while building anothe High vis sweep.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.5/ 16.9	np/na	0.848/0.395
Drilling	12	Water Added		KCl	0.4/ 11.1	Kp/Ka	0.013/0.134
Tripping	8	Mud Received		Low Gravity	1.3/ 32.6	Bit Pressure Loss %	330 / 1.8
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	6 / 0.3
Condition Hole	4	Shakers		Drill Solids	0.038800705	Jet Velocity	24
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	80.4
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	501.7
		Formation		Inert/React	-	Cva Pipe	27
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	45
Condition Hole		Haul Off (Pits)				ECD at Shoe	1060.68
		Sent to Storage				ECD at TD	1060.68
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,193.00	$323,740.70

WATER-BASED MUD REPORT No. 96

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3507 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/14/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Make Up BHA

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	106.9	52.4	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	52.4		Pump stk/min	44@97%	44@97%
5 m, 121.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	1 m³/min	
109 m, 89.-mm HWDP		m		Pump Pressure	18000 kPa	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr		Bottoms Up	0. min	0 stk
Bit 156-mm Smith		m³		Total Circulation	43.5 min	3824 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 14:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	27					CAUSTIC SODA	22.68 KG BG	8
Depth/TVD	m	3200/3413					PULPRO 30	22.68 KG BG	30
Mud Weight /Temp	kg/m³	1045.0@24					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	33					XANVIS	25. KG BG	3
Rheology Temp	℃	35					DRILLWATER	1. M3 TK	1.06
R600/R300		6/4					XCD POLYMER	25. KG BG	3
R200/R100		2/1					SUPER SWEEP FIBER	15. LB BX	6
R6/R3		1/							
PV	mPa·s	2							
YP	Pa	1							
10s/10m/30m Gel	Pa	1/`1.5/3							
API Fluid Loss	cc/30min	N/A							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	N/A/							
Solids	%Vol	3							
Oil/Water	%Vol	1/96					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	165/165/165	
pH / Temp		11.9@21					Shaker 2	165/165/165	
Alkal Mud (Pm)									
Pf/Mf		1.40/2.30					Centrifuge 1 UF (kg/m3)	1650	16.0
Chlorides	mg/L	14000					Centrifuge 1 UF (kg/m3)		
Hardness (Ca++)		560							
Suction Temp	Deg C	27.					Centrifuge OF (kg/m3)	1035	16.0
Buoyancy Factor							Centrifuge OF (kg/m3)		
Potassium Ion	mg/l								
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1045.0
							Viscosity	40-45	33
Reserve Volume	m³	290					Filtrate	<15	N/A

REMARKS AND TREATMENT

Build 20m3 High vis XCD Pill and add 1.5 kg/m3 of Super sweep Fibre. Pump sweep around with no changes at the shakers. sweep was captured back at surface in Suction Pit #2. Add 8m3 of Active mud to pill tank & heat to 100 Celcius with steam. Pump 8m3 Hot active mud ahead of 20m3 XCD Sweep. Again no changes seen at shaker. Adding 2.0 kg/m3 Caustic to raise PH & nuetralize Stripping Polymers.

REMARKS

POOH to 3200m and still pulling 20,000 + Over. Build 20m3 High vis XCD Pill with 1.5 kg/m3 Supersweep fibre. Sweep came back 200 stks over calculated with no visible changes in cuttings at the shaker but large amounts of waxy Oil embedded in the super Fibre. Circulate second sweep with no changes. POOH for BHA. NOTE : Shakers dressed with 6 New 165 mesh Screens.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.4/ 13.6	np/na	
Drilling		Water Added		KCl	0.4/ 11.	Kp/Ka	
Tripping	8	Mud Received		Low Gravity	2./ 52.7	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
Condition Hole	16	Shakers		Drill Solids	0.038123167	Jet Velocity	
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	
Safety Meetings		Centrifuge		Chemical Conc	- / 83.	Va Collars	
		Formation		Inert/React	-	Cva Pipe	
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$6,963.75	$330,704.45

WATER-BASED MUD REPORT No. 97

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3510 m / 3413 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/15/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drilling Ahead

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
846 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	90	68.3
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	158.3	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		3 m	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		0 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	90@97%	0@97%
Flow Rate	**1.23 m³/min**	
Pump Pressure	18000 kPa	
Bottoms Up	61. min	5491 stk
Total Circulation	129.2 min	11627 stk

MUD PROPERTIES						
Sample From		FL 23:55	FL 18:00			
FlowLine Temp	℃	27	24			
Depth/TVD	m	3507/3413	3507/3413			
Mud Weight /Temp	kg/m³	1040.0@24	1040.0@24			
Funnel Viscosity	s/L	37	33			
Rheology Temp	℃	35	35			
R600/R300		16/10	14/8			
R200/R100		8/6	6/4			
R6/R3		2/1	1/1			
PV	mPa·s	6	6			
YP	Pa	2	1			
10s/10m/30m Gel	Pa	1/2/4	1/2/3			
API Fluid Loss	cc/30min	16	26			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	4	3.5			
Oil/Water	%Vol	1/95	1/96			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.0@	11.5@21			
Alkal Mud (Pm)						
Pf/Mf		.40/2.00	1.00/2.30			
Chlorides	mg/L	13000	15000			
Hardness (Ca++)		320	400			
Suction Temp	Deg C	27.	24.			
Buoyancy Factor		0.867	0.867			
Potassium Ion	mg/l	5000.	5000.			
Reserve Volume	m³	290				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SODA ASH	22.68 KG BG	6
ENGINEERING	1. EA	1
XANVIS	25. KG BG	3
BLEACH	5. GA CN	6
DRILLWATER	1. M3 TK	1.01
SODIUM BICARBONATE	25. KG BG	6
CITRIC ACID	25. KG BG	12

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	
Shaker 2	165/165/165	
Centrifuge 1 UF (kg/m3)	1710	8.0
Centrifuge 2 UF (kg/m3)		
Centrifuge OF (kg/m3)	1035	8.0
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	37
Filtrate	<15	16

REMARKS AND TREATMENT

RIH to 3420m and circulate B/U while conditioning mud..Add 1.0 L/m3 of bleach to inhibit bacterial growth. Add 3.0 kg/m3 of Citric Acid to Active to lower PH. Add 2.0 kg/m3 of Sodium Bicarbonate for cement Contamination. Also mixing Soda ash to lower Calcium Ion. Added 0.5 kg/m3 Xanvis to increase low end rheologies. Maintaining density ALAP @ 1040 kg/m3 by running Cent #1 on the active system.

REMARKS

Lay down Motor & BHA. make up new BHA & RIH to 1639m. lay down 5 inch Drill pipe & pick up 3.5 inch Spriral HWDP. RIH to 3420m and circulate B/U and condition Mud. Slowly wash to bottom while Condtioning mud. **NOTE Dress Shaker #1 with 3 new 230 mesh Screens. Also all Mud Tank PVT's were recalibrated By rig watch technician**

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.4/ 12.1	np/na	0.678/0.511
Drilling		Water Added		KCl	0.4/ 11.1	Kp/Ka	0.074/0.222
Tripping		Mud Received		Low Gravity	1.5/ 38.1	Bit Pressure Loss %	1036 / 5.8
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	21 / 1.
Condition Hole		Shakers		Drill Solids	0.037623762	Jet Velocity	42
Condition Hole		Evaporation	1	Weight Material	NA/ NA	Va Pipe	48
Safety Meetings		Centrifuge	1.5	Chemical Conc	- / 83.	Va Collars	160.9
		Formation		Inert/React	-	Cva Pipe	46
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	65
Condition Hole		Haul Off (Pits)				ECD at Shoe	1064.16
		Sent to Storage				ECD at TD	1066.62
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,990.11	$335,694.56

WATER-BASED MUD REPORT No. 98

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3586 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/16/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill 216mm Hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
922 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	90.9	68
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	158.9	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		76 m	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	88@97%	0@97%
Flow Rate	**1.21 m³/min**	
Pump Pressure	19000 kPa	
Bottoms Up	62.4 min	5493 stk
Total Circulation	131.8 min	11600 stk

MUD PROPERTIES						
Sample From		FL 18:00	FL 18:00	FL 9:00		
FlowLine Temp	℃	31	31	29		
Depth/TVD	m	3580/2450	3580/2450	3550/3449		
Mud Weight /Temp	kg/m³	1040.0@25	1035.0@25	1035.0@25		
Funnel Viscosity	s/L	44	40	38		
Rheology Temp	℃	35	35	35		
R600/R300		18/13	17/12	15/10		
R200/R100		10/7	10/7	8/5		
R6/R3		2/1	2/1	2/1		
PV	mPa·s	5	5	5		
YP	Pa	4	3.5	2.5		
10s/10m/30m Gel	Pa	1/2/4	1/2/4	1/2/4		
API Fluid Loss	cc/30min	13	16	16		
HTHP Fluid Loss	cc/30min	.0@	.0@	.0@		
Cake APT/HT	mm	1/	1/	1/		
Solids	%Vol	3	3	3.5		
Oil/Water	%Vol	3/94	2/95	1/96		
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.0@21	11.4@21	11.6@21		
Alkal Mud (Pm)						
Pf/Mf		.60/1.60	1.60/3.50	.70/2.00		
Chlorides	mg/L	12000	14000	15000		
Hardness (Ca++)		160	300	480		
Suction Temp	Deg C	31.	31.	29.		
Buoyancy Factor		0.867	0.867	0.867		
Potassium Ion	mg/l	5000.	5000.	5000.		
Reserve Volume	m³	290				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SODA ASH	22.68 KG BG	6
ENGINEERING	1. EA	1
XANVIS	25. KG BG	5
ALKAPAM 1003	25. KG BG	2
DRILLWATER	1. M3 TK	2.01
SODIUM BICARBONATE	25. KG BG	18
CITRIC ACID	25. KG BG	8

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	165/165/165	24.0
Centrifuge 1 UF (kg/m3)	1780	24.0
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)	1030	24.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	44
Filtrate	<15	13

REMARKS AND TREATMENT

Drill ahead while conditioning mud. Mix 2.7 kg/m3 of Sodium Bicarb to treat out cement contamination. Also mix 1.3 kg/m3 of Citric acid to lower PH. Mix 1.0 kg/m3 of Soda ash to lower Calcium ion below 200 mg/l. Increase Rheology by mixing 0.8 kg/m3 Of Xanvis. maintaining density ALAP by running centrifuge #1 on active system.

REMARKS

Continue to condition mud while washing to 3507m. Drill out cement from 3512 to 3545m. Continue control drilling ahead from 3545m to 3586m with no hole or fluid problems reported. Note: Steam Hose in Suction Tank #3 to Increase suction temp to 30 degrees Celcius.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	24
Tripping	
Non-Productive Tim	
Condition Hole	
Condition Hole	
Safety Meetings	
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.9
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.3/ 11.7
KCl	0.3/ 9.
Low Gravity	1.9/ 48.1
Bentonite	0./ 0.
Drill Solids	0.038265306
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.469/0.555
Kp/Ka	0.355/0.207
Bit Pressure Loss %	1002 / 5.3
Bit HHP/HSI	20 / 0.9
Jet Velocity	42
Va Pipe	47.2
Va Collars	158.3
Cva Pipe	49
Cva Collars	72
ECD at Shoe	1066.62
ECD at TD	1069.8

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$6,220.57	$341,915.13

WATER-BASED MUD REPORT No. 99

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3610 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/17/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulate up Sample

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
946 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	91.3	66
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	157.3	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		24 m	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		0.50 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	88@97%	0@97%
Flow Rate	1.21 m³/min	
Pump Pressure	19000 kPa	
Bottoms Up	62.6 min	5504 stk
Total Circulation	130.5 min	11484 stk

MUD PROPERTIES						
Sample From		FL 22:00				
FlowLine Temp	℃	34				
Depth/TVD	m	3610/3450				
Mud Weight /Temp	kg/m³	1040.0@25				
Funnel Viscosity	s/L	40				
Rheology Temp	℃	50				
R600/R300		15/10				
R200/R100		8/6				
R6/R3		2/1				
PV	mPa·s	5				
YP	Pa	2.5				
10s/10m/30m Gel	Pa	1/2/4				
API Fluid Loss	cc/30min					
HTHP Fluid Loss	cc/30min	16.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	3				
Oil/Water	%Vol	/97				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.0@21				
Alkal Mud (Pm)						
Pf/Mf		.50/1.40				
Chlorides	mg/L	14000				
Hardness (Ca++)		160				
Suction Temp	Deg C	32.				
Buoyancy Factor		0.867				
Potassium Ion	mg/l	5000.				
Reserve Volume	m³	290				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SODA ASH	22.68 KG BG	6
CAUSTIC SODA	22.68 KG BG	4
ENGINEERING	1. EA	2
XANVIS	25. KG BG	3
SODIUM BICARBONATE	50. LB BG	6
SODIUM BICARBONATE	25. KG BG	6
CITRIC ACID	25. KG BG	18

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	165/165/165	24.0
Centrifuge 1 UF (kg/m3)	1650	24.0
Centrifuge 1 UF (kg/m3)		
Centrifuge OF (kg/m3)	1050	24.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	40
Filtrate	<15	

REMARKS AND TREATMENT

Continue to Mix Citric acid to lower PH. Also mixing Bicarb to treat out cement contamination. maintaining density ALAP by running Centrifuge #1 on active system

REMARKS

Drill ahead to 3610m circulating up samples as requested. Continue to circulate while waiting on Optimal pressure drilling.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	6
Tripping	
Non-Productive Tim	
Condition Hole	18
Condition Hole	
Safety Meetings	
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	1	
Evaporation		
Centrifuge	1.2	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.5/ 15.3
KCl	0.3/ 9.3
Low Gravity	1.6/ 40.6
Bentonite	0./ 0.
Drill Solids	0.037735849
Weight Material	NA/ NA
Chemical Conc	- / 83.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.585/0.511
Kp/Ka	0.133/0.222
Bit Pressure Loss %	1002 / 5.3
Bit HHP/HSI	20 / 0.9
Jet Velocity	42
Va Pipe	47.2
Va Collars	158.3
Cva Pipe	46
Cva Collars	65
ECD at Shoe	1064.28
ECD at TD	1067.27

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$6,569.01	$348,484.14

WATER-BASED MUD REPORT No. 100

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3654 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/18/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
990 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	91.9	75.7
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	167.6	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		44 m	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		0.8 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	84@97%	0@97%
Flow Rate	1.15 m³/min	
Pump Pressure	22900 kPa	
Bottoms Up	66.1 min	5549 stk
Total Circulation	146.3 min	12288 stk

MUD PROPERTIES						
Sample From		FL 21:40	FL 11:00			
FlowLine Temp	℃	34	34			
Depth/TVD	m	3647/3450	3610/			
Mud Weight /Temp	kg/m³	1050.0@30	1045.0@25			
Funnel Viscosity	s/L	37	40			
Rheology Temp	℃	50	50			
R600/R300		15/10	15/10			
R200/R100		8/6	8/6			
R6/R3		1/1	2/1			
PV	mPa·s	5	5			
YP	Pa	2.5	2.5			
10s/10m/30m Gel	Pa	1/1/2	1/2/4			
API Fluid Loss	cc/30min	14				
HTHP Fluid Loss	cc/30min	16.0@	16.0@			
Cake APT/HT	mm	1/1	1/			
Solids	%Vol	3	3			
Oil/Water	%Vol	3/94	3/94			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.0@21	11.0@21			
Alkal Mud (Pm)						
Pf/Mf		.70/1.90	.50/1.40		Dewater	
Chlorides	mg/L	11000	14000		Repairs	
Hardness (Ca++)		160	160			
Suction Temp	Deg C	32.5	32.		Dewater	
Buoyancy Factor		0.868	0.867			
Potassium Ion	mg/l	5000.	5000.			
60 Min Gel	Pa	2.5				
Reserve Volume	m³	276				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	3
PULPRO 10	22.68 KG BG	120
PULPRO 20	22.68 KG BG	83
PULPRO 30	22.68 KG BG	134
ENGINEERING	1. EA	2

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	165/165/165	
Centrifuge 1 UF (kg/m3)	1265	12.0
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)	1045	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1050.0
Viscosity	30-40	37
Filtrate	<15	14

REMARKS AND TREATMENT

Continue with mud dewatering operations (4 PDIP Farm tanks remaining to strip). Utilizing water to build 1110 kg/m3 Kill Mud with 55 m3 currently built and stored in Sunchild 400 BBL tank #1. Coninuing to prepare batch #2 of Kill Mud for storage in second Sunchild 400 BBL tank. Active Mud properties remaining stable (placed centrifuge on Active to contol density.)
Cleaned/Vac'd out Floc tank of solids and stripped back floc tank mud to 1040 kg/m3. Steam hoses on Active and plan to reduce Ca

REMARKS

Drill ahead from 3609m to 3648m (surveys and work pipe). Continue to wait on equipment required for pressure drilling. NOTE: PDIP Farm Tanks Volumes to be updated on next report.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.5
Drilling	4
Tripping	
Non-Productive Tim	
Circulate	15.5
Condition Hole	
Safety Meetings	
Direction Work	4
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.7
Formation	
Left in Hole	
Haul Off (Pits)	5
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.3/ 10.
KCl	0.3/ 8.9
Low Gravity	2.9/ 74.5
Bentonite	0./ 0.
Drill Solids	0.1/ 2.8
Weight Material	NA/ NA
Chemical Conc	- / 72.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.585/0.709
Kp/Ka	0.133/0.080
Bit Pressure Loss %	914 / 4.
Bit HHP/HSI	17 / 0.8
Jet Velocity	40
Va Pipe	44.9
Va Collars	150.4
Cva Pipe	37
Cva Collars	64
ECD at Shoe	1075.73
ECD at TD	1079.82

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$5,785.58	$354,269.72

WATER-BASED MUD REPORT No. 101

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3734 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/19/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
1070 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	93.1	73.9
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	167	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		80 m	
Nozzles 14.3x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		1.5 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	84@97%	0@97%
Flow Rate	1.15 m³/min	
Pump Pressure	21300 kPa	
Bottoms Up	66.5 min	5587 stk
Total Circulation	145.8 min	12244 stk

MUD PROPERTIES						
Sample From		FL 21:50	FL 21:50	FL 11:00		
FlowLine Temp	℃	35	35	34		
Depth/TVD	m	3734/3450	3734/3450	3695/3450		
Mud Weight /Temp	kg/m³	1040.0@25	1040.0@25	1045.0@30		
Funnel Viscosity	s/L	37	37	37		
Rheology Temp	℃	50	35	50		
R600/R300		16/12	20/15	15/10		
R200/R100		9/7	12/10	8/6		
R6/R3		2/1	3/2	1/1		
PV	mPa·s	4	5	5		
YP	Pa	4	5	2.5		
10s/10m/30m Gel	Pa	1/1/2	2/3/3	1/1/2		
API Fluid Loss	cc/30min	14		14		
HTHP Fluid Loss	cc/30min	16.0@120		16.0@		
Cake APT/HT	mm	1/1		1/1		
Solids	%Vol	3		3		
Oil/Water	%Vol	3/94		3/94		
Sand	%Vol					
MBT	kg/m³					
pH / Temp		11.0@22		11.0@21		
Alkal Mud (Pm)						
Pf/Mf		.80/2.30		.70/1.90	Active Pits	
Chlorides	mg/L			11000		
Hardness (Ca++)		80		160		
Suction Temp	Deg C	32.		32.5		
Buoyancy Factor		0.867		0.868		
Potassium Ion	mg/l	5000.		5000.		
60 Min Gel	Pa	2	3	2.5		
Reserve Volume	m³	278				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
CAUSTIC SODA	22.68 KG BG	2
PULPRO 10	22.68 KG BG	60
PULPRO 20	22.68 KG BG	97
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1
XANVIS	25. KG BG	2
SODIUM BICARBONATE	50. LB BG	6
BLEACH	5. GA CN	1
CITRIC ACID	25. KG BG	1

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	165/165/165	
Centrifuge 1 UF (kg/m3)	1655	24.0
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)	1045	
Centrifuge 1 RPM	2100	
Centrifuge 1 F.R lpm	550	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	37
Filtrate	<15	14

REMARKS AND TREATMENT

Completed building of Kill Mud (Sunchild Storage Tanks). Reduced Calcium Ion in active system with Soda Ash/Bicarb and increased YP to 4 Pa with Xanvis. Preparing Premix to bleed into Active System. Both centrifuges operational with Cent. #1 on Active. Controlling density at 1040 kg/m3 minimum. Col.#2 mud Rheology check at 35 Deg C. Virtual Hydraulics to be on next report (updating).

REMARKS

Drill/Slide156mm hole from 3648m to 3734. Adjust PDIP tank Farm status to reflect movements. PDIP Tanks 5 through 8 to be dewatered (awaiting Zetag Chemical).

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	16.5
Tripping	
Non-Productive Tim	
Circulate	
Condition Hole	
Safety Meetings	
Direction Work	7.25
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers		
Evaporation		
Centrifuge	0.6	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.028571429
KCl	0.3/ 9.
Low Gravity	3./ 77.7
Bentonite	0./ 0.
Drill Solids	0.2/ 5.7
Weight Material	NA/ NA
Chemical Conc	- / 72.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.415/0.555
Kp/Ka	0.461/0.207
Bit Pressure Loss %	905 / 4.2
Bit HHP/HSI	17 / 0.8
Jet Velocity	40
Va Pipe	44.9
Va Collars	150.4
Cva Pipe	49
Cva Collars	72
ECD at Shoe	1066.35
ECD at TD	1070.15

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,991.55	$359,261.27

WATER-BASED MUD REPORT No. 102

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3841 m / 3450 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/20/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
1177 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	94.6	77.4
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	172	
5 m, 121.-mm Jars		Depth Drilled Last 24 hr	
109 m, 89.-mm HWDP		107 m	
Nozzles 10.3x3/12.7x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		2.0 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	88@97%	0@97%
Flow Rate	1.21 m³/min	
Pump Pressure	24191 kPa	
Bottoms Up	63.8 min	5613 stk
Total Circulation	142.7 min	12556 stk

MUD PROPERTIES						
Sample From		FL 23:55	FL 11:30	FL 11:30		
FlowLine Temp	℃	36	36			
Depth/TVD	m	3841/3450	3791/3456			
Mud Weight /Temp	kg/m³	1040.0@29	1045.0@29			
Funnel Viscosity	s/L	38	37			
Rheology Temp	℃	50	50	35		
R600/R300		17/12	17/12	18/13		
R200/R100		10/8	10/8	10/8		
R6/R3		6/2	2/1	2/1		
PV	mPa·s	5	5	5		
YP	Pa	3.5	3.5	4		
10s/10m/30m Gel	Pa	1/2/2	1/2/2	1/2/2		
API Fluid Loss	cc/30min	13	13			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	/	/			
Solids	%Vol	2.5	2.5			
Oil/Water	%Vol	3/95	3/95			
Sand	%Vol		<.25			
MBT	kg/m³					
pH / Temp		10.5@22	10.5@22			
Alkal Mud (Pm)						
Pf/Mf		.70/3.20	.70/3.40			
Chlorides	mg/L	10000	10200			
Hardness (Ca++)		100	100			
Suction Temp	Deg C	34.	33.			
Buoyancy Factor		0.867	0.867			
Potassium Ion	mg/l	4900.	5000.			
60 Min Gel	Pa	2.5	2.5	2.5		
Reserve Volume	m³	268				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
DEFOAM X	18.93 LT CN	1
PULPRO 20	22.68 KG BG	30
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1
XANVIS	25. KG BG	2

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	8.0
Centrifuge 1 UF (kg/m3)	1965	24.0
Centrifuge 2 (kg/m3)		12.0
Centrifuge OF (kg/m3)	1040	

Continuing to evaluate Port Settings; Value above is at Port Setting of 5.25

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	38
Filtrate	<15	13

REMARKS AND TREATMENT

Initiate plan to lower mud denstiy to 1030 kg/m3 utilizing centrifuges (changed port configuration on Centrifuge 1 to evaluate from 5.25 to 4 setting; centrifuges torqued and replaced shear pins.. Placed shaker #2 on line with 230 mesh. Mud properties remain stable with slight decrease in LGS and retorted oil. (continuing to update Virtual Hydraulics)

REMARKS

Drill/Dir Drill ahead form 3734m to 3842m with hole drag up 16-20 and 10-14 down.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	17
Tripping	
Non-Productive Tim	
Circulate	
Condition Hole	
Safety Meetings	
Direction Work	6.75
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	2	
Evaporation		
Centrifuge	3.9	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.2/ 8.5
KCl	0.3/ 9.
Low Gravity	2.2/ 57.9
Bentonite	0./ 0.
Drill Solids	0.5/ 12.9
Weight Material	NA/ NA
Chemical Conc	- / 45.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.503/0.395
Kp/Ka	0.267/0.536
Bit Pressure Loss %	586 / 2.4
Bit HHP/HSI	12 / 0.5
Jet Velocity	32
Va Pipe	47.2
Va Collars	158.3
Cva Pipe	60
Cva Collars	77
ECD at Shoe	1069.31
ECD at TD	1072.67

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,380.65	$362,641.92

WATER-BASED MUD REPORT No. 103

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3942 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/21/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill Ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1278 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
727 m, 127.-mm HWDP	244.-mm @2509 m (2509 TVD)	96.1	78.7	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	174.8		Pump stk/min	88@97%	0@97%
5 m, 121.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	1.21 m³/min	
109 m, 89.-mm HWDP		101 m		Pump Pressure	23800 kPa	
Nozzles 10.3x3/12.7x3 mm		Volume Drilled Last 24 hr		Bottoms Up	64.3 min	5661 stk
Bit 156-mm Smith		1.9 m³		Total Circulation	145. min	12761 stk

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		FL 12:00	FL 14:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃	38	38			ENGINEERING	1. EA	1
Depth/TVD	m	3895/3468	3901/3466					
Mud Weight /Temp	kg/m³	1040.0@29	1040.0@29					
Funnel Viscosity	s/L	38	38					
Rheology Temp	℃	50	50					
R600/R300		18/13	17/12					
R200/R100		10/8	9/7					
R6/R3		2/1	2/1					
PV	mPa·s	5	5					
YP	Pa	4	3.5					
10s/10m/30m Gel	Pa	1/2/3	1/2/3					
API Fluid Loss	cc/30min	14	14					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/	1/					
Solids	%Vol	5	5					
Oil/Water	%Vol	2/93	2/93			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	24.0
pH / Temp		10.5@22	10.5@22			Shaker 2	230/230/230	24.0
Alkal Mud (Pm)								
Pf/Mf		.80/4.00	.85/4.00			Centrifuge 1 UF (kg/m3)	1780	
Chlorides	mg/L	10400	10400			Centrifuge 2 UF (kg/m3)	1695	
Hardness (Ca++)		80	80					
Suction Temp	Deg C	33.	33.			Centrifuge OF (kg/m3)	1040	
Buoyancy Factor		0.867	0.867			Bowl Speed	2100	
Potassium Ion	mg/l	4800.	4800.			Feed	700	
60 Min Gel	Pa	3.0	3.0					
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1040.0
						Viscosity	30-40	38
Reserve Volume	m³	268				Filtrate	<15	14

REMARKS AND TREATMENT

Mud properties remain stable with a slight increase in 60 min gel. Fluid loss filter cake showing 'better definition' with slicker texture. Degasser tank circulated on mud row. Currently heating 20 m3 of isolated mud to pump down hole prior to planned wipertrip. Mud density remaining stable at 1040 kg/m3 with 2 centrifuges on Active; Flowline temperature increased 2 deg over 24 hrs (PV unchanged). Circulating Kill Mud 400 bbl tanks every tour.

REMARKS

Continue to directionally drill from 3842 to 3942m. Hole drag 17-22 up with 14-20 down.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.3/ 9.5	np/na	0.469/0.593
Drilling	14.75	Water Added		KCl	0.3/ 8.7	Kp/Ka	0.355/0.194
Tripping		Mud Received		Low Gravity	2.1/ 55.2	Bit Pressure Loss %	586 / 2.5
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	12 / 0.5
Circulate		Shakers	0.7	Drill Solids	0.4/ 10.2	Jet Velocity	32
Condition Hole		Evaporation		Weight Material	NA/ NA	Va Pipe	47.2
Safety Meetings		Centrifuge	2.5	Chemical Conc	- / 45.	Va Collars	158.3
Direction Work	9	Formation		Inert/React	-	Cva Pipe	53
Wiper Trip		Left in Hole		Average SG	2.6	Cva Collars	80
Condition Hole		Haul Off (Pits)				ECD at Shoe	1072.86
		Sent to Storage				ECD at TD	1078.8
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$363,541.92

WATER-BASED MUD REPORT No. 104

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3925 m / 3467 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/22/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Nipple up RBOP

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
864 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
727 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	97.7	73.2	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	163.3		Pump stk/min	88@97%	0@97%
5 m, 121.-mm Jars		Depth Drilled Last 24 hr		Flow Rate	1.21 m³/min	
109 m, 89.-mm HWDP		m		Pump Pressure	23800 kPa	
Nozzles 10.3x3/12.7x3 mm		Volume Drilled Last 24 hr		Bottoms Up	62.1 min	5466 stk
Bit 156-mm Smith		m³		Total Circulation	135.5 min	11922 stk

MUD PROPERTIES

Sample From		FL 11:00	SUCTION 18:10		
FlowLine Temp	℃	29			
Depth/TVD	m	3895/3468	/		
Mud Weight /Temp	kg/m³	1040.0@29	1040.0@22		
Funnel Viscosity	s/L	38	36		
Rheology Temp	℃	50	50		
R600/R300		17/12	17/12		
R200/R100		10/8	9/7		
R6/R3		2/1	2/1		
PV	mPa·s	5	5		
YP	Pa	3.5	3.5		
10s/10m/30m Gel	Pa	1/2/3	1/2/2		
API Fluid Loss	cc/30min	14			
HTHP Fluid Loss	cc/30min	.0@			
Cake APT/HT	mm	1/			
Solids	%Vol	5			
Oil/Water	%Vol	2/93			
Sand	%Vol				
MBT	kg/m³				
pH / Temp		10.5@22			
Alkal Mud (Pm)					
Pf/Mf		.80/4.00			
Chlorides	mg/L	10400			
Hardness (Ca++)		80			
Suction Temp	Deg C	24.			
Buoyancy Factor		0.867			
Potassium Ion	mg/l	4800.			
60 Min Gel	Pa	3.0			
Reserve Volume	m³	270			

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	15.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1620	15.0
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
FeedRate	750	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1040.0
Viscosity	30-40	38
Filtrate	<15	14

REMARKS AND TREATMENT

Maximum density observed while circulating to 3520m at 1050 kg/m3; density decreased to 1040 kg/m3 prior to bottoms up. Prepare/discuss/Action Game Plan for slurry returns for N2 operations. Col. #2 represents Rheology spot-check.

REMARKS

Wipertrip from 3925m to 3064m; hole conditions good; drag up 20. Slip/Cut; P/U 48 jts G-105 and circulate in hole to 3520 m. Circulate Bottoms up and hold Safety Meeting prior to Pressure testing Underbalance equipment. P/Test BOP's plus underbalance eqpt. Nipple up RBOP.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	1
Drilling	
Tripping	10.5
Non-Productive Tim	0.5
Circulate	4.75
BOP Testing	1
BOP NU	6.25
Direction Work	
Wiper Trip	
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers	0.7	
Evaporation		
Centrifuge	1.2	
Formation		
Left in Hole		
Haul Off (Pits)		
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 9.5
KCl	0.3/ 8.7
Low Gravity	2.1/ 55.2
Bentonite	0./ 0.
Drill Solids	0.4/ 10.2
Weight Material	NA/ NA
Chemical Conc	- / 45.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.503/0.593
Kp/Ka	0.267/0.194
Bit Pressure Loss %	586 / 2.5
Bit HHP/HSI	12 / 0.5
Jet Velocity	32
Va Pipe	47.2
Va Collars	158.3
Cva Pipe	53
Cva Collars	80
ECD at Shoe	1071.37
ECD at TD	1074.59

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$364,441.92

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 11/22/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 104

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33		21	Adding Steam to pit	Reserve
Suction Pit #2	32		6.2		Reserve
Suction Pit #3	34	1040	26.5	Active	Active
Premix Tank #4	38	1040		Return Slurry tank	Reserve
Shaker Tank #2	31	1040	22.9		Active
Shaker Tank #1	29	1040	19.5		Active
Pill Tank	10				Reserve
Trip Tank	7	1040	2.8		Active
Lines	5	1040	1.5		Active
Rig 400 BBl Tank #1	64	1115	57	Kill Mud	Reserve
Rig 400 BBl Tank #2	64	1115	54.7	Kill Mud	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	1	PDIP 4	Produced Oil
Farm Tank #5	54	1040	53.9	To be dewatered	Reserve
Farm Tank #6	51		50.4	To be dewatered	WBM Storage
Farm Tank #7	62	1020	57	Seawater	WBM Storage
Farm Tank #8	83	1180	53	To be dewatered	Reserve
Rig Floc Tank	40	1040	11	Dewatered Reserve	Reserve
Degasser Tank	15	1040	13	Rolled Nov.21	Reserve

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	73.0
Reserve	270.0
Premix	
OTHER VOLUME	
WBM Storage	107.0
Slop	
Produced Oil	6.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	74.9	15.2	7.6	97.7
Volume Not Mud				
Mud Volume	74.9	15.2	7.6	97.7

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	174.8	267.6		442.4
Oil Added				
Water Added				
Vol Chem Added				
Chem Not For Mud				
Total Volume Built				
Received				
Return				
From Active To		2		
From Reserve To				
From Premix To				
Daily Loss	1.9			1.9
Final Volume	170.9	269.6		440.5

LOSS BREAKDOWN (m3)

Shakers	0.7
Evaporation	
Centrifuge	1.2
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	1.9

WELLSITE CHEMICAL INVENTORY

Daily Report

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Location: NAD27

Date : 11/22/2008
Report No: 104
Page 1

Cost Summary

Total Daily Cost: 900.00 **Total Daily Tax:**
Cumulative Cost: 364441.92

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	336		420		756			336	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00									
BLEACH	5. GA CN	69.00	15		27		42			15	
CALCIUM NITRATE	25. KG BG	65.20	67		51		118			67	
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	11		5		16			11	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-363		347					-363	
DUAL-FLO	50. LB BG	319.70	70				70			70	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	117						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	67		12		79			67	
NUT PLUG FINE	25. KG BG	34.04			50		50				
NUT PLUG MEDIUM	25. KG BG	34.04			50		50				
OMYA CARB 100 PT	50. LB BG	13.32	120				120			120	
PALLETS	1. EA	16.00	116				116			116	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	52		45		97			52	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90	420		678		1098			420	
PULPRO 20	22.68 KG BG	10.40	330		1128		1458			330	
PULPRO 30	22.68 KG BG	12.62	313		1712		2025			313	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-94		94					-94	
SHRINK WRAPPING	1. EA	16.00	107				107			107	
SNOW WHITE 350	50. LB BG	12.62	162				162			162	
SODA ASH	25. KG BG	26.34									
SODA ASH	22.68 KG BG	23.90	59		50		109			59	
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 11/22/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** Nipple up RBOP

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

ONE-TRAX

Operator : PDI Production Inc.
Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Description : GHS-0010-ICO-0066-PCM
Location : NAD27

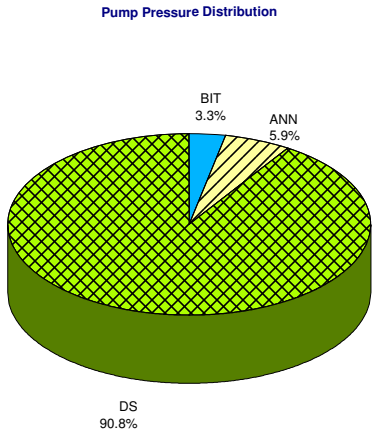
API Hydraulics

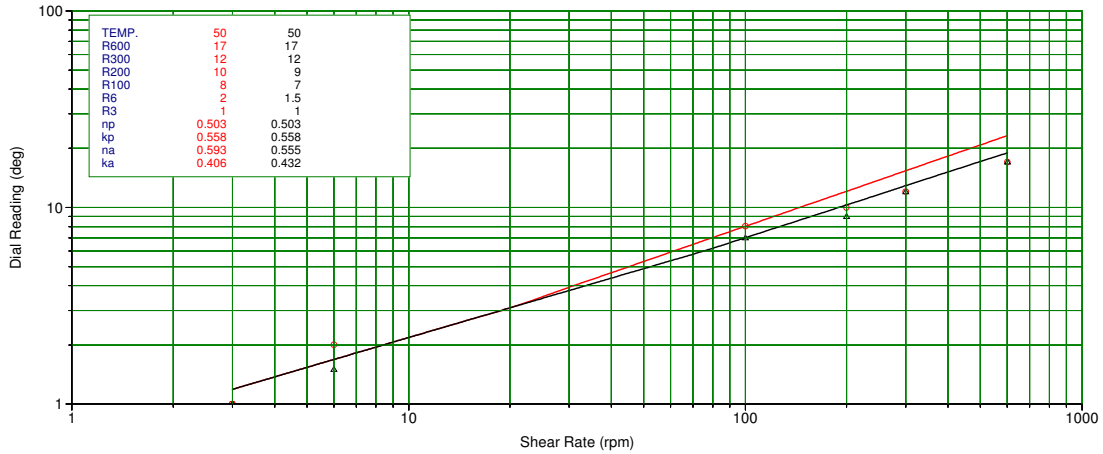
Report No. 104

Comments:

Depth (m)	3925	**TVD (m)**	3467
MUD PROPERTIES		**PRESSURE LOSSES**	
Fluid Type	Poly CalCarb	Drill String (kPa)	16312
Mud Weight (kg/m³)	1040	Annulus (kPa)	1058
Test Temp (°C)	29	Bit (kPa)	586
Plastic Viscosity (mPa·s)	5	Calculated Pump (kPa)	17956
Yield Point and Gels (Pa)	3.5	Actual Pump (kPa)	23800
BIT INFORMATION		**Bit Hydraulics**	
Diameter (mm)	156	Bit Pressure Loss (kPa)	586
Type	Smith	Bit Pressure Loss (%)	2.5
Nozzles (mm)	3x10.3 /3x12.7 /	Bit HHP (kWatt)	12
TFA (mm²)	629.919	Bit HIS	0.5
		Jet Velocity (m/s)	32
SYSTEM DATA		Impact Force (Newton)	666
Flow Rate (m³/min)	1.21		
ROP (m/h)	2.9		

	Section	Hole/Csg ID	Pipe OD	Pipe ID	Pipe P Loss	Ann Vel	Ann Cr Vel	Ann P Loss	ECD
	(m)	(mm)	(mm)	(mm)	(kPa)	(m/min)	(m/min)	(kPa)	(kg/m³)
1	9.1	156.000	121.000	.000	0	158	80	24	1074.59
2	864.2	220.500	127.000	101.000	533	47	53	142	1058.88
3	139.5	220.500	89.000	55.000	1154	38	46	12	1056.89
4	1393.4	159.000	89.000	55.000	11528	88	59	635	1071.37
5	60.1	156.000	89.000	55.000	497	93	61	32	1071.87
6	.8	220.500	171.000	69.000	3	79	69	1	1058.91
7	191.5	220.500	89.000	69.000	602	38	46	16	1057.91
8	4.7	220.500	121.000	69.000	15	45	51	1	1057.91
9	108.9	220.500	89.000	69.000	342	38	46	9	1057.43
10	.7	156.000	121.000	73.000	2	158	80	2	1073.90
11	727	220.500	127.000	75.000	1600	47	53	119	1058.88





WATER-BASED MUD REPORT No. 105

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3950 m / 3468 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/23/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure Drilling

DRILLING ASSEMBLY	CASING
1286 m, 127.-mm DP	340.-mm @495 m (495 TVD)
727 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
1 m, 171.-mm X/O	194.-mm L @3352 m (3350 TVD)
192 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)
5 m, 121.-mm Jars	
109 m, 89.-mm HWDP	
Nozzles 10.3x3/12.7x3 mm	
Bit 156-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
96.2	66.3
Total Circulating Volume	
162.5	
Depth Drilled Last 24 hr	
25 m	
Volume Drilled Last 24 hr	
0.5 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	83@97%	0@97%
Flow Rate	1.14 m³/min	
Pump Pressure	25850 kPa	
Bottoms Up	68.3 min	5671 stk
Total Circulation	143.1 min	11876 stk

MUD PROPERTIES

Sample From		Suct. 3 20:00	FL 10:45			
FlowLine Temp	℃	25	28			
Depth/TVD	m	3950/3468	3842/			
Mud Weight /Temp	kg/m³	1045.0@25	1045.0@22			
Funnel Viscosity	s/L	38	38			
Rheology Temp	℃	50	50			
R600/R300		15/10	15/10			
R200/R100		8/6	8/6			
R6/R3		2/1	1/1			
PV	mPa·s	5	5			
YP	Pa	2.5	2.5			
10s/10m/30m Gel	Pa	1/1/1	1/1/1			
API Fluid Loss	cc/30min	14	14			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	4.5	5			
Oil/Water	%Vol	2/94	2/93			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		10.5@22	10.5@22			
Alkal Mud (Pm)						
Pf/Mf		.70/3.80	.70/3.80			
Chlorides	mg/L	10500	10500			
Hardness (Ca++)		80	80			
Suction Temp	Deg C	22.	22.			
Buoyancy Factor		0.867	0.867			
Potassium Ion	mg/l	4800.	4800.			
60 Min Gel	Pa	2	1.5			
Reserve Volume	m³	277				

PRODUCTS USED Last 24 hr

Products	Size	Amount
DEFOAM X	18.93 LT CN	2
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	2.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1710	8.0
Centrifuge 2 (kg/m3)	1780	8.0
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
FeedRate	800	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1045.0
Viscosity	30-40	38
Filtrate	<15	14

REMARKS AND TREATMENT

Configure Shaker Pits and Centrifuges for Pressure Drilling with Nitrogen. Well Return Slurry directed to Premix #4 via Separator with centrifuges processing slurry off Premix #4 and Overflow back to Active Mud Suction. Periodically checking chlorides in return slurry tank with no changes observed. Optimizing centrifuges feed rates with return slurry. Bled in 20 m3 of 50 Deg C, 1 YP 'mud' to Active System. Adding Defoam X to Return Slurry Pit to miniimize mix pump cavitation.

REMARKS

Completed N/U, testing of BOP's. Hold Pre-Job Safety Meeting and commence Pressure Drilling with Nitrogen. Drill from 3926m to 3952m. Initial Nitrogen rates at 5 m3/min to 20 m3/min maximum. Mud tank volumes recorded during drilling/sliding operations (N2 pumping ceased). Col. #2 mud checked while circulating to bottom. Col. #1 mud checked on Return Slurry.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	1
Tripping	3.25
Non-Productive Tim	1.5
Circulate	2.5
BOP Testing	5.25
BOP NU	3
Safety Meetings	1
Direction Work	6.25
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.4
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 9.6
KCl	0.3/ 8.7
Low Gravity	2.4/ 63.3
Bentonite	0./ 0.
Drill Solids	0.3/ 8.3
Weight Material	NA/ NA
Chemical Conc	- / 55.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.585/0.511
Kp/Ka	0.133/0.222
Bit Pressure Loss %	523 / 2.
Bit HHP/HSI	10 / 0.4
Jet Velocity	30
Va Pipe	44.5
Va Collars	149.1
Cva Pipe	46
Cva Collars	65
ECD at Shoe	1070.5
ECD at TD	1074.85

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,271.50	$365,713.42

WATER-BASED MUD REPORT No. 106

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3975 m / 3469 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/24/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure Drilling

DRILLING ASSEMBLY	CASING
1038 m, 127.-mm DP	340.-mm @495 m (495 TVD)
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
308 m, 118.-mm HWDP	194.-mm L @3352 m (3350 TVD)
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)
561 m, 120.-mm HWDP	
1 m, 120.-mm XO	
Nozzles 10.3x3/12.7x3 mm	
Bit 156-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
99.1	70.1
Total Circulating Volume	
169.2	
Depth Drilled Last 24 hr	
25 m	
Volume Drilled Last 24 hr	
0.5 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	83@97%	0@97%
Flow Rate	1.14 m³/min	
Pump Pressure	25850 kPa	
Bottoms Up	67.9 min	5636 stk
Total Circulation	149. min	12365 stk

MUD PROPERTIES

Sample From		Suction 3 21:15	Separator 21:00			
FlowLine Temp	°C					
Depth/TVD	m	3975/3469	3975/3469			
Mud Weight /Temp	kg/m³	1045.0@24	1040.0@19			
Funnel Viscosity	s/L	37				
Rheology Temp	°C	50	50			
R600/R300		13/9	13/9			
R200/R100		7/4	7/5			
R6/R3		1/1	1/1			
PV	mPa·s	4	4			
YP	Pa	2.5	2.5			
10s/10m/30m Gel	Pa	1/1/1	1/1/1			
API Fluid Loss	cc/30min	14.5	14.5			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	/	/			
Solids	%Vol	3	3.25			
Oil/Water	%Vol	1/96	1/96			
Sand	%Vol	<0.1	<0.1			
MBT	kg/m³					
pH / Temp		10.4@22	10.4@22			
Alkal Mud (Pm)						
Pf/Mf		.65/3.00	.65/3.00			
Chlorides	mg/L	10700	10700			
Hardness (Ca++)		120	120			
Suction Temp	Deg C	32.				
Buoyancy Factor						
Potassium Ion	mg/l	4500.	4500.			
60 Min Gel	Pa	1.0	1.0			
Reserve Volume	m³	291				

PRODUCTS USED Last 24 hr

Products	Size	Amount
DEFOAM X	18.93 LT CN	5
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	4.0
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1810	24.0
Centrifuge 2 (kg/m3)	1810	24.0
Centrifuge OF (kg/m3)	1035	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1045.0
Viscosity	30-40	37
Filtrate	<15	14.5

REMARKS AND TREATMENT

Transfer 43 m3 from Rig Tanks to Farm Tank #4 to prepare for Nitrogen pumping (40 m3 on surface for initial start up). Continue with Return Slurry from Separator Packaga to Premix 4 and centrifuge same. Defoamer added at Mud Pump Suction and Return Slurry. Mud Check, col. #2, at Separator (Premix #4 feed) with Primary check on Downhole Suction. Both checks showing consistant properties. Chlorides increased slightly with a reduction in oil content (past 24 hrs).

REMARKS

Drill/Dir. Drill from 3952m to 3975m. Wipertrip to 3545m and RIH to 3975; Circualte Bottoms Up and prepare to circualte well with Nitrogen. Prepare/disucss Mud Logisitics Plan for probable whole well N2 Displacement. Mud Volume Accounting Losses include centrifuge and "others" represent 'slop emulsion sent to Tank Farm Slop tank. 29 m3 'not mud' in Hole from N2 Displacement.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	3.75
Tripping	7.25
Non-Productive Tim	
Circulate	5.75
BOP Testing	
BOP NU	
Nitrogen Pumping	6
Direction Work	1
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	7.5
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	1
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.5
KCl	0.3/ 8.2
Low Gravity	2.3/ 60.
Bentonite	0./ 0.
Drill Solids	0.6/ 16.
Weight Material	NA/ NA
Chemical Conc	- / 44.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.531/0.593
Kp/Ka	0.168/0.097
Bit Pressure Loss %	523 / 2.
Bit HHP/HSI	10 / 0.4
Jet Velocity	30
Va Pipe	44.5
Va Collars	149.1
Cva Pipe	32
Cva Collars	48
ECD at Shoe	1078.49
ECD at TD	1081.78

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,828.75	$367,542.17

WATER-BASED MUD REPORT No. 106

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3975 m / 3469 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/24/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure Drilling

DRILLING ASSEMBLY	CASING
1038 m, 127.-mm DP	340.-mm @495 m (495 TVD)
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
308 m, 118.-mm HWDP	194.-mm L @3352 m (3350 TVD)
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)
561 m, 120.-mm HWDP	
1 m, 120.-mm XO	
Nozzles 10.3x3/12.7x3 mm	
Bit 156-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
99.1	70.1
Total Circulating Volume	
169.2	
Depth Drilled Last 24 hr	
25 m	
Volume Drilled Last 24 hr	
0.5 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	83@97%	0@97%
Flow Rate	1.14 m³/min	
Pump Pressure	25850 kPa	
Bottoms Up	67.9 min	5636 stk
Total Circulation	149. min	12365 stk

MUD PROPERTIES

Sample From		Suction 3 21:15	Separator 21:00
FlowLine Temp	°C		
Depth/TVD	m	3975/3469	3975/3469
Mud Weight /Temp	kg/m³	1045.0@24	1040.0@19
Funnel Viscosity	s/L	37	
Rheology Temp	°C	50	50
R600/R300		13/9	13/9
R200/R100		7/4	7/5
R6/R3		1/1	1/1
PV	mPa·s	4	4
YP	Pa	2.5	2.5
10s/10m/30m Gel	Pa	1/1/1	1/1/1
API Fluid Loss	cc/30min	14.5	14.5
HTHP Fluid Loss	cc/30min	.0@	.0@
Cake APT/HT	mm	/	/
Solids	%Vol	3	3.25
Oil/Water	%Vol	1/96	1/96
Sand	%Vol	<0.1	<0.1
MBT	kg/m³		
pH / Temp		10.4@22	10.4@22
Alkal Mud (Pm)			
Pf/Mf		.65/3.00	.65/3.00
Chlorides	mg/L	10700	10700
Hardness (Ca++)		120	120
Suction Temp	Deg C	32.	
Buoyancy Factor			
Potassium Ion	mg/l	4500.	4500.
60 Min Gel	Pa	1.0	1.0
Reserve Volume	m³	291	

PRODUCTS USED Last 24 hr

Products	Size	Amount
DEFOAM X	18.93 LT CN	5
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	4.0
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1810	24.0
Centrifuge 2 (kg/m3)	1810	24.0
Centrifuge OF (kg/m3)	1035	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1045.0
Viscosity	30-40	37
Filtrate	<15	14.5

REMARKS AND TREATMENT

Transfer 43 m3 from Rig Tanks to Farm Tank #4 to prepare for Nitrogen pumping (40 m3 on surface for initial start up). Continue with Return Slurry from Separator Package to Premix 4 and centrifuge same. Defoamer added at Mud Pump Suction and Return Slurry. Mud Check, col. #2, at Separator (Premix #4 feed) with Primary check on Downhole Suction. Both checks showing consistant properties. Chlorides increased slightly with a reduction in oil content (past 24 hrs).

REMARKS

Drill/Dir. Drill from 3952m to 3975m. Wipertrip to 3545m and RIH to 3975; Circulate Bottoms Up and prepare to circulate well with Nitrogen. Prepare/disucss Mud Logisitics Plan for probable whole well N2 Displacement. Mud Volume Accounting Losses include centrifuge and "others" represent 'slop emulsion sent to Tank Farm Slop tank. 29 m3 'not mud' in Hole from N2 Displacement.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	3.75
Tripping	7.25
Non-Productive Tim	
Circulate	5.75
BOP Testing	
BOP NU	
Nitrogen Pumping	6
Direction Work	1
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	7.5
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	1
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.5
KCl	0.3/ 8.2
Low Gravity	2.3/ 60.
Bentonite	0./ 0.
Drill Solids	0.6/ 16.
Weight Material	NA/ NA
Chemical Conc	- / 44.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.531/0.593
Kp/Ka	0.168/0.097
Bit Pressure Loss %	523 / 2.
Bit HHP/HSI	10 / 0.4
Jet Velocity	30
Va Pipe	44.5
Va Collars	149.1
Cva Pipe	32
Cva Collars	48
ECD at Shoe	1078.49
ECD at TD	1081.78

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,828.75	$367,542.17

WATER-BASED MUD REPORT No. 107

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3975 m / 3469 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/25/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING
10 m, 127.-mm DP	340.-mm @495 m (495 TVD)
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
308 m, 118.-mm HWDP	194.-mm L @3352 m (3350 TVD)
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)
561 m, 120.-mm HWDP	
1 m, 120.-mm XO	
Nozzles 10.3x3/12.7x3 mm	
Bit 156-mm Smith	

MUD VOLUME (m³)	
Hole	Active Pits
102.6	64
Total Circulating Volume	
146.6	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	83@97%	0@97%
Flow Rate	1.14 m³/min	
Pump Pressure	25850 kPa	
Bottoms Up	61.8 min	5126 stk
Total Circulation	129.1 min	10713 stk

MUD PROPERTIES						
Sample From		Flowline 18:15	Return Slurry			
FlowLine Temp	℃	27				
Depth/TVD	m	3975/3469	3975/3469			
Mud Weight /Temp	kg/m³	1040.0@22	1045.0@29			
Funnel Viscosity	s/L	37	37			
Rheology Temp	℃	50	50			
R600/R300		13/9	14/9			
R200/R100		8/5	7/5			
R6/R3		1/1	1/1			
PV	mPa·s	5	5			
YP	Pa	2	2			
10s/10m/30m Gel	Pa	1/1/1	1/1/1			
API Fluid Loss	cc/30min	13.5	13.5			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	3	8			
Oil/Water	%Vol	3.5/93.5	Mar-89			
Sand	%Vol	<0.1	<0.1			
MBT	kg/m³					
pH / Temp		10.4@22	10.4@22			
Alkal Mud (Pm)						
Pf/Mf		.70/3.00	.65/3.00			
Chlorides	mg/L	10300	10300			
Hardness (Ca++)		120	120			
Suction Temp	Deg C	30.	30.			
Buoyancy Factor						
Potassium Ion	mg/l	4300.	4300.			
60 Min Gel	Pa	1	1			
Reserve Volume	m³	288				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
DEFOAM X	18.93 LT CN	2
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	3.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1790	
Centrifuge 2 (kg/m3)	1790	
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
FeedRate	750	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	37
Filtrate	<15	13.5

REMARKS AND TREATMENT

Col. #2 mud check on Return Slurry (after Separator) and Col. #1 mud check represents a composite sample of mud while pumping OOH from bottoms up. Mud properties remaining consistant with a slight increase in Retort %oil and chlorides remaining same. % Solids in Return Slurry tank at 8% (good suspension of solids in receiving tank). Placed centrifuges on Active system while circulating conventionally thru rig manifold over shakers. Active System @25 m3 gain of fluid.

REMARKS

Circulate well with Production Equipment (pumping Nitrogen). Cease pumping Nitrogen and prepare to POOH. Pump OOH conventionally to inside of shoe with returns over shakers through rig manifold. Pulled tight into shoe, (10-15 over) work string 3 times and continue to POOH. Pumped 1115 kg/m3 Kill Mud; flow check and remove RBOP. Continue to POOH.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	
Tripping	8
Non-Productive Tim	0.75
Circulate	
BOP Testing	
BOP NU	
Nitrogen Pumping	15
Direction Work	
Condition Hole	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.2
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.3/ 9.9
KCl	0.3/ 7.7
Low Gravity	2.5/ 64.8
Bentonite	0./ 0.
Drill Solids	0.8/ 20.8
Weight Material	NA/ NA
Chemical Conc	- / 44.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.613/0.627
Kp/Ka	0.095/0.092
Bit Pressure Loss %	520 / 2.
Bit HHP/HSI	10 / 0.4
Jet Velocity	30
Va Pipe	44.5
Va Collars	135.9
Cva Pipe	34
Cva Collars	51
ECD at Shoe	
ECD at TD	1060.61

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,271.50	$368,813.67

WATER-BASED MUD REPORT No. 108

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3975 m / 3469 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/26/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Log in hole

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
619 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	100.5	72.1	Pump Liner x Stk	140x305 mm	140x305 mm
308 m, 118.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)	164.6		Pump stk/min	87@97%	0@97%
561 m, 120.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.19 m³/min	
1 m, 120.-mm XO		m		Pump Pressure	25850 kPa	
Nozzles 10.3x3/12.7x3 mm		Volume Drilled Last 24 hr		Bottoms Up	62.8 min	5462 stk
Bit 156-mm Smith		m³		Total Circulation	138.8 min	12079 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 19:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃						ENGINEERING	1. EA	1
Depth/TVD	m	3975/3469							
Mud Weight /Temp	kg/m³	1040.0@22							
Funnel Viscosity	s/L	37							
Rheology Temp	℃	50							
R600/R300		13/9							
R200/R100		8/5							
R6/R3		1/1							
PV	mPa·s	5							
YP	Pa	2							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min	13.5							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	3							
Oil/Water	%Vol	3.5/93.5					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	<0.1					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	
pH / Temp		10.4@22					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.70/3.00					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	10400					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		120							
Suction Temp	Deg C	30.					Centrifuge OF (kg/m3)		
Buoyancy Factor									
Potassium Ion	mg/l	4300.							
60 Min Gel	Pa	1							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1040.0
							Viscosity	30-40	37
							Filtrate	<15	13.5
Reserve Volume	m³	287							

REMARKS AND TREATMENT

Re-evaluate/analyze data of Active fluid influx to determine volume and type. Consistent Density, Funnel Vis., Chlorides, pH ruled out freshwater/seawater influx. Volume of intrusion concluded at 31 m3. Expedite Defoam X to replenish inventory for potential Pressure Drilling Operations.

REMARKS

Continue to POOH for Logging Tools. RIH with GRT Resistivity Tool and stage-circulate in hole, logging zones of interest.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.3/ 10.	np/na	0.613/0.627
Drilling		Water Added		KCl	0.3/ 7.7	Kp/Ka	0.095/0.092
Tripping	13.25	Mud Received		Low Gravity	2.5/ 64.6	Bit Pressure Loss %	567 / 2.2
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	11 / 0.5
Circulate		Shakers		Drill Solids	0.8/ 20.6	Jet Velocity	31
BOP Testing		Evaporation		Weight Material	NA/ NA	Va Pipe	46.5
BOP NU		Centrifuge	1	Chemical Conc	- / 44.	Va Collars	155.7
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	34
Direction Work	10.25	Left in Hole		Average SG	2.6	Cva Collars	53
Condition Hole		Haul Off (Pits)				ECD at Shoe	1064.81
		Sent to Storage				ECD at TD	1067.85
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$369,713.67

WATER-BASED MUD REPORT No. 109

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	3991 m / 3469 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/27/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
717 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	101.5	80.8
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	182.3	
1629 m, 89.-mm HWDP		Depth Drilled Last 24 hr	
19 m, 120.-mm DC		16 m	
Nozzles 14.3x3/11.1x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith MS1613		0.3 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	87@97%	0@97%
Flow Rate	1.19 m³/min	
Pump Pressure	26200 kPa	
Bottoms Up	70.3 min	6113 stk
Total Circulation	153.8 min	13378 stk

MUD PROPERTIES

Sample From		Flowline 22:15	Flowline 13:00			
FlowLine Temp	℃	32	29.5			
Depth/TVD	m	3991/3469	3980/3469			
Mud Weight /Temp	kg/m³	1045.0@22	1045.0@22			
Funnel Viscosity	s/L	37	39			
Rheology Temp	℃	50	50			
R600/R300		15/10	17/11			
R200/R100		8/6	9/6			
R6/R3		1/1	1/1			
PV	mPa·s	5	6			
YP	Pa	2.5	2.5			
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/1			
API Fluid Loss	cc/30min	13.5	13.5			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	3	2.5			
Oil/Water	%Vol	3/94	3/93.5			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		10.5@22	10.5@22			
Alkal Mud (Pm)						
Pf/Mf		.60/3.00	.60/3.00			
Chlorides	mg/L	10400	10400			
Hardness (Ca++)		120	120			
Suction Temp	Deg C	29.	26.			
Buoyancy Factor		0.867	0.867			
Potassium Ion	mg/l	3900.	4300.			
60 Min Gel	Pa	1.5	1.5			
Reserve Volume	m³	284				

PRODUCTS USED Last 24 hr

Products	Size	Amount
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	12.0
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1940	12.0
Centrifuge 2 (kg/m3)	1920	12.0
Centrifuge OF (kg/m3)	1040	
Bowlspeed	2100	
FeedRate	635	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1045.0
Viscosity	30-40	37
Filtrate	<15	13.5

REMARKS AND TREATMENT

Mud Properties remaining stable with two centrifuges on Acitve. Flowline Temperature slightly increasing (32 Deg. C current temp.). Discuss Pit Status includiing circulating Kill Mud 'Sunchild' Tanks with returning Rig Crew. Update Virtual Hydraulics (see attached VH Snapshot).

REMARKS

Continue to RIH, Circulate/Wash to bottom/Log Hole with GRT Restistivity Tool from 3500-3975m. Directionally drill ahead from 3975m..

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.5
Drilling	1
Tripping	11.25
Non-Productive Tim	
Circulate	
BOP Testing	
BOP NU	
Nitrogen Pumping	
Direction Work	11.25
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	0.8
Evaporation	
Centrifuge	2.5
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.1
KCl	0.3/ 7.7
Low Gravity	2.6/ 67.5
Bentonite	0./ 0.
Drill Solids	1.3/ 32.5
Weight Material	NA/ NA
Chemical Conc	- / 35.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.585/0.709
Kp/Ka	0.133/0.080
Bit Pressure Loss %	379 / 1.4
Bit HHP/HSI	7 / 0.3
Jet Velocity	26
Va Pipe	46.5
Va Collars	151.9
Cva Pipe	38
Cva Collars	64
ECD at Shoe	1073.15
ECD at TD	1080.24

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$370,613.67

WATER-BASED MUD REPORT No. 110

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4086 m / 3464 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/28/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
812 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	103	93.5
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	196.5	
1629 m, 89.-mm HWDP		Depth Drilled Last 24 hr	
19 m, 120.-mm DC		95 m	
Nozzles 14.3x3/11.1x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith MS1613		1.8 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	88@97%	0@97%
Flow Rate	1.21 m³/min	
Pump Pressure	27220 kPa	
Bottoms Up	69.6 min	6123 stk
Total Circulation	163. min	14347 stk

MUD PROPERTIES

Sample From		Flowline 20:00	Flowline 8:00			
FlowLine Temp	℃	33	32			
Depth/TVD	m	4086/3464	4048/3464			
Mud Weight /Temp	kg/m³	1040.0@27	1045.0@27			
Funnel Viscosity	s/L	37	38			
Rheology Temp	℃	50	50			
R600/R300		12/8	13/8			
R200/R100		6/4	6/4			
R6/R3		1/1	1/1			
PV	mPa·s	5	5			
YP	Pa	1.5	1.5			
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/1			
API Fluid Loss	cc/30min	13.5	13.5			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	3	3.25			
Oil/Water	%Vol	3/94	3.25/93.5			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		10.7@22	10.5@22			
Alkal Mud (Pm)						
Pf/Mf		.70/3.00	.65/3.00			
Chlorides	mg/L	10400	10400			
Hardness (Ca++)		100	120			
Suction Temp	Deg C	31.	31.			
Buoyancy Factor		0.868	0.867			
Potassium Ion	mg/l	4300.	4300.			
60 Min Gel	Pa	1.5	1.5			
Reserve Volume	m³	271				

PRODUCTS USED Last 24 hr

Products	Size	Amount
SODA ASH	22.68 KG BG	3
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	24.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1720	24.0
Centrifuge 2 (kg/m3)	1720	24.0
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
FeedRates	640	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1040.0
Viscosity	30-40	37
Filtrate	<15	13.5

REMARKS AND TREATMENT

Bleed in Reserve Premix to Active: Slight change in Mud properties with decreased Retort Oil (3.25 to 3.0). YP decreased to 1.5 from 2.5 with a reduction in LGS% (2.6 to 2.1%). Density decreased to 1040 from 1045 kg/m3. Both centrifuges on Active with optimal feed rates/bowl speeds.

REMARKS

Contine to drill/directionally drill ahead @ 92.9 deg inclination.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	13.75
Tripping	
Non-Productive Tim	
Circulate	
BOP Testing	
BOP NU	
Nitrogen Pumping	
Direction Work	10
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	0.4
Evaporation	
Centrifuge	2.9
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.1
KCl	0.3/ 7.8
Low Gravity	2.2/ 58.3
Bentonite	0./ 0.
Drill Solids	0.9/ 23.3
Weight Material	NA/ NA
Chemical Conc	- / 35.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.678/0.593
Kp/Ka	0.056/0.097
Bit Pressure Loss %	390 / 1.4
Bit HHP/HSI	8 / 0.4
Jet Velocity	26
Va Pipe	47.2
Va Collars	154.5
Cva Pipe	32
Cva Collars	48
ECD at Shoe	1063.82
ECD at TD	1070.11

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$971.70	$371,585.37

WATER-BASED MUD REPORT No. 111

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4153 m / 3461 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/29/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Drill ahead 156mm

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
879 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	104	97.6
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	201.7	
1629 m, 89.-mm HWDP		Depth Drilled Last 24 hr	
19 m, 120.-mm DC		67 m	
Nozzles 14.3x3/11.1x3 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith MS1613		1.3 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	91@97%	0@97%
Flow Rate	1.25 m³/min	
Pump Pressure	28376 kPa	
Bottoms Up	67.7 min	6159 stk
Total Circulation	161.9 min	14736 stk

MUD PROPERTIES

Sample From		Flowline 23:20	Flowline 7:30			
FlowLine Temp	℃	36	35			
Depth/TVD	m	4140/3461	4124/3462			
Mud Weight /Temp	kg/m³	1045.0@28	1045.0@28			
Funnel Viscosity	s/L	40	38			
Rheology Temp	℃	50	50			
R600/R300		14/9	11/7			
R200/R100		5/3	5/3			
R6/R3		1/1	1/1			
PV	mPa·s	5	4			
YP	Pa	2	1.5			
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/1			
API Fluid Loss	cc/30min	13.7	13.5			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	1/	1/			
Solids	%Vol	3	3			
Oil/Water	%Vol	3/94	3/94			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		10.8@22	10.8@22			
Alkal Mud (Pm)						
Pf/Mf		.70/3.20	.70/3.20			
Chlorides	mg/L	10400	10400			
Hardness (Ca++)		110	100			
Suction Temp	Deg C	31.	31.			
Buoyancy Factor		0.867	0.867			
Potassium Ion	mg/l	4300.	4300.			
60 Min Gel	Pa	1.5	1.5			
Reserve Volume	m³	269				

PRODUCTS USED Last 24 hr

Products	Size	Amount
PULPRO 30	22.68 KG BG	120
Vac Tank	1. M3 TK	5
ENGINEERING	1. EA	1
BLEACH	5. GA CN	3

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	24.0
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1845	24.0
Centrifuge 2 (kg/m3)	1845	
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
RPM	700	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1045.0
Viscosity	30-40	40
Filtrate	<15	13.7

REMARKS AND TREATMENT

Rotate and slide ahead. Pump viscous XCD Pill (+30 YP, reference attached sweep sheet) with hole drag parameters remaining consistent. Density at 1040-1045 kg/m3 with both centrifuges processing active. Analyse Bacterial Dip Slides (showing low-med.) and add 3 pails of bleach to active for preventative maintenance. Prepare weighted Calcarb Sweep. Continue to circulate Kill Mud 'Sunchild' Tanks tourly.

REMARKS

Continue to directionally drill 156mm hole. Hole drag up/down at 22-26/23-25 respectively.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.5
Drilling	6.25
Tripping	
Non-Productive Tim	
Circulate bottoms u	1.25
BOP Testing	
BOP NU	
Nitrogen Pumping	
Direction Work	16
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	1
Evaporation	
Centrifuge	1.7
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.1
KCl	0.3/ 7.7
Low Gravity	2.6/ 66.5
Bentonite	0./ 0.
Drill Solids	1.2/ 31.5
Weight Material	NA/ NA
Chemical Conc	- / 35.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.637/0.511
Kp/Ka	0.086/0.111
Bit Pressure Loss %	418 / 1.5
Bit HHP/HSI	9 / 0.4
Jet Velocity	27
Va Pipe	48.8
Va Collars	159.6
Cva Pipe	29
Cva Collars	40
ECD at Shoe	1066.58
ECD at TD	1072.38

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,621.40	$374,206.77

WATER-BASED MUD REPORT No. 112

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4191 m / 3461 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	11/30/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure Drilling

DRILLING ASSEMBLY	CASING
917 m, 127.-mm DP	340.-mm @495 m (495 TVD)
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)
1629 m, 89.-mm HWDP	
19 m, 120.-mm DC	
Nozzles 14.3x3/11.1x3 mm	
Bit 156-mm Smith MS1613	

MUD VOLUME (m³)	
Hole	Active Pits
104.6	81.5
Total Circulating Volume	
186.1	
Depth Drilled Last 24 hr	
38 m	
Volume Drilled Last 24 hr	
0.7 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	91@97%	0@97%
Flow Rate	1.25 m³/min	
Pump Pressure	28376 kPa	
Bottoms Up	67.9 min	6176 stk
Total Circulation	149.4 min	13597 stk

MUD PROPERTIES

Sample From		Suction 17:00	Flowline 13:00			
FlowLine Temp	℃		36			
Depth/TVD	m	4191/3460	4190/3460			
Mud Weight /Temp	kg/m³	1045.0@30	1045.0@30			
Funnel Viscosity	s/L	38	37			
Rheology Temp	℃	50	50			
R600/R300		14/9	13/9			
R200/R100		7/5	6/4			
R6/R3		0.5/0.5	0.5/0.5			
PV	mPa·s	5	5			
YP	Pa	2	2			
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/1			
API Fluid Loss	cc/30min	13.8	13.8			
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	1/			
Solids	%Vol	3	2.5			
Oil/Water	%Vol	3/94	3/94.5			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		10.8@22	10.8@22			
Alkal Mud (Pm)					N2 PUMPING	
Pf/Mf		.70/3.20	.70/3.20		Return Slurry@Suct.	
Chlorides	mg/L	10400	10400		#4	
Hardness (Ca++)		100	100			
Suction Temp	Deg C	30.	30.			
Buoyancy Factor			0.867			
Potassium Ion	mg/l	4300.	4300.			
60 Min Gel	Pa	1.5	1.5			
Reserve Volume	m³	293				

PRODUCTS USED Last 24 hr

Products	Size	Amount
DEFOAM X	18.93 LT CN	4
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	16.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1860	24.0
Centrifuge 2 (kg/m3)	1860	24.0
Centrifuge OF (kg/m3)	1045	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1045.0
Viscosity	30-40	38
Filtrate	<15	13.8

REMARKS AND TREATMENT

Configure Surface Pits/Centrifuges for Drill/slide ahead while pumping Nitrogen. Surface Pit Start Volume prior to N2 Pumping @ 101.5 m3; End of Report Surface Volume @ 104 m3 with 7 m3 at Separator Test Pkg. Total Gain = 9.5 m3. Centrifuge UF while conventionally circulating at 1860 kg/m3. Centrifuges processing N2 Slurry return with feed density of 1055 kg/m3 and Overflow to Active density at 1045 kg/m3.

REMARKS

Directionally drill from 4153m to 4188m (rotated 35m). Control drill/slide 0.28m and dir. drill to 4191m. Hold pre-job Nitrogen Pumping Safety Meeting. Directionally drill/slide while puming N2 @ 15 m3/min.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	13
Tripping	
Non-Productive Tim	0.25
Circulate bottoms up	
BOP Testing	
BOP NU	
Nitrogen Pumping	2.5
Direction Work	8
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.2
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 10.1
KCl	0.3/ 7.7
Low Gravity	2.6/ 67.5
Bentonite	0./ 0.
Drill Solids	1.3/ 32.5
Weight Material	NA/ NA
Chemical Conc	- / 35.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.637/0.657
Kp/Ka	0.086/0.088
Bit Pressure Loss %	418 / 1.5
Bit HHP/HSI	9 / 0.4
Jet Velocity	27
Va Pipe	48.8
Va Collars	159.6
Cva Pipe	35
Cva Collars	56
ECD at Shoe	1074.5
ECD at TD	1083.02

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$1,643.00	$375,849.77

WATER-BASED MUD REPORT No. 113

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/1/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH for MWD

DRILLING ASSEMBLY	CASING
981 m, 127.-mm DP	340.-mm @495 m (495 TVD)
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)
1629 m, 89.-mm HWDP	
19 m, 120.-mm DC	
Nozzles 14.3x3/11.1x3 mm	
Bit 156-mm Smith MS1613	

MUD VOLUME (m³)	
Hole	Active Pits
105.6	92.1
Total Circulating Volume	
197.7	
Depth Drilled Last 24 hr	
64 m	
Volume Drilled Last 24 hr	
1.2 m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	78@97%	0@97%
Flow Rate	1.07 m³/min	
Pump Pressure	28376 kPa	
Bottoms Up	79.7 min	6213 stk
Total Circulation	185.5 min	14466 stk

MUD PROPERTIES

Sample From		SUCTION 14:00	SUCTION 17:00		
FlowLine Temp	℃				
Depth/TVD	m	4245/3458	4191/3460		
Mud Weight /Temp	kg/m³	1045.0@24	1045.0@30		
Funnel Viscosity	s/L	38	38		
Rheology Temp	℃	50	50		
R600/R300		17/11	14/9		
R200/R100		8/5	7/5		
R6/R3		0.5/0.5	0.5/0.5		
PV	mPa·s	6	5		
YP	Pa	2.5	2		
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/1		
API Fluid Loss	cc/30min	14	13.8		
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	0.5	0.5		
Solids	%Vol	4	3		
Oil/Water	%Vol	6/90	3/94		
Sand	%Vol				
MBT	kg/m³				
pH / Temp		10.8@22	10.8@22		
Alkal Mud (Pm)					
Pf/Mf		.65/3.00	.70/3.20	N2 Pumping	
Chlorides	mg/L	10400	10400		
Hardness (Ca++)		120	100		
Suction Temp	Deg C	28.	30.		
Buoyancy Factor		0.867	0.867	Return Slurry	
Potassium Ion	mg/l	4300.	4300.		
60 Min Gel	Pa	1.5	1.5		
Reserve Volume	m³	286			

PRODUCTS USED Last 24 hr

Products	Size	Amount
DEFOAM X	18.93 LT CN	9
PULPRO 20	22.68 KG BG	90
PULPRO 30	22.68 KG BG	60
ENGINEERING	1. EA	1

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	5.0
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)	1875	20.0
Centrifuge 2 (kg/m3)	1875	20.0
Centrifuge OF (kg/m3)	1045	
Centrifuge Feed	1055	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1045.0
Viscosity	30-40	38
Filtrate	<15	14

REMARKS AND TREATMENT

See attached N2 Summary for Mud Property Overview. Change in %oil (increased from 3% to 6%) with other properties consistent. Mud volumes recorded prior to and post N2 Operations showed a 14.4 m3 gain/influx of fluid. Total accummulated influx to date = 45.4 m3. Pumped weighted sweep prior to POOH (ref. attached sweep sheet) and capture same in Reserve Pit. Product useage for Sweep and Pill (Calcarb). Defoam X included inventory adjustment.

REMARKS

Drill 156mm hole with N2 injection from 4200m to 4245m. Circulate/displace Nitrogen OOH with Active 1045 kg/m3 mud. Log drilled hole with Resistivity Tool. Drill ahead to 4255m with mud in hole. Pump Sweep and circulate out first two stands. Continue to POOH with no pumps; hole conditons good while tripping in horizontal.

TIME DISTRIBUTION Last 24 hrs

Rig Up/Service	0.25
Drilling	4.75
Tripping	2.5
Non-Productive Tim	
Circulate bottoms u	
BOP Testing	
BOP NU	
Nitrogen Pumping	9.75
Direction Work	6.75
Condition Hole	

MUD VOL ACCTG (m³)

Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.7
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)

NaCl	0.3/ 9.7
KCl	0.3/ 7.4
Low Gravity	3.1/ 79.4
Bentonite	0./ 0.
Drill Solids	1.7/ 44.4
Weight Material	NA/ NA
Chemical Conc	- / 35.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS

np/na	0.628/0.657
Kp/Ka	0.112/0.088
Bit Pressure Loss %	307 / 1.1
Bit HHP/HSI	5 / 0.2
Jet Velocity	23
Va Pipe	41.8
Va Collars	136.6
Cva Pipe	35
Cva Collars	56
ECD at Shoe	1068.69
ECD at TD	1075.64

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,264.95	$380,114.72

WATER-BASED MUD REPORT No. 114

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/2/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
981 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
436 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	105.6	90.6	Pump Liner x Stk	140x305 mm	140x305 mm
616 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
561 m, 89.-mm HWDP	178.-mm L @3430 m (3413 TVD)	196.2		Pump stk/min	78@97%	0@97%
1629 m, 89.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.07 m³/min	
19 m, 120.-mm DC		m		Pump Pressure	28376 kPa	
Nozzles 14.3x3/11.1x3 mm		Volume Drilled Last 24 hr		Bottoms Up	79.7 min	6213 stk
Bit 156-mm Smith MS1613		m³		Total Circulation	184.1 min	14356 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 16:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃						ENGINEERING	1. EA	1
Depth/TVD	m	4245/3458							
Mud Weight /Temp	kg/m³	1045.0@24							
Funnel Viscosity	s/L	38							
Rheology Temp	℃	50							
R600/R300		17/11							
R200/R100		8/5							
R6/R3		0.5/0.5							
PV	mPa·s	6							
YP	Pa	2.5							
10s/10m/30m Gel	Pa	0.5/0.5/0.1							
API Fluid Loss	cc/30min	14							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	0.5							
Solids	%Vol	4							
Oil/Water	%Vol	6/90					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	2.5
pH / Temp		10.8@22					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.65/3.00					Centrifuge 1 UF (kg/m3)	1850	12.0
Chlorides	mg/L	10400					Centrifuge 2 (kg/m3)	1850	12.0
Hardness (Ca++)		120							
Suction Temp	Deg C	28.					Centrifuge OF (kg/m3)	1045	
Buoyancy Factor		0.867							
Potassium Ion	mg/l	4300.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1045.0
							Viscosity	30-40	38
							Filtrate	<15	14
Reserve Volume	m³	286							

REMARKS AND TREATMENT

Centrifuge Surface Mud Pits while tripping. Prepare Game Plan for spotting pills (horizontal interval) and tight spot under shoe, prior to next POOH.

REMARKS

Continue to POOH and work tight spot from 3441-3426m (under shoe). Pump pill, blow down N2 lines and remove rotating head; POOH. RIH to 1150m; change order of operation and POOH. Lay down dir tools and prepare to RIH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.3/ 9.7	np/na	0.628/0.657
Drilling		Water Added		KCl	0.3/ 7.4	Kp/Ka	0.112/0.088
Tripping	21.5	Mud Received		Low Gravity	3.1/ 79.4	Bit Pressure Loss %	307 / 1.1
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	5 / 0.2
Circulate bottoms u	2.25	Shakers		Drill Solids	1.7/ 44.4	Jet Velocity	23
BOP Testing		Evaporation		Weight Material	NA/ NA	Va Pipe	41.8
BOP NU		Centrifuge	1.5	Chemical Conc	- / 35.	Va Collars	136.6
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	35
Direction Work		Left in Hole		Average SG	2.6	Cva Collars	56
Condition Hole		Haul Off (Pits)				ECD at Shoe	1068.69
		Sent to Storage				ECD at TD	1075.64
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$381,014.72

WATER-BASED MUD REPORT No. 115

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/3/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Wait on Fishing tool

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
977 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	121.2	75	Pump Liner x Stk	140x305 mm	140x305 mm
1593 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)	75		Pump stk/min	0@97%	0@97%
560 m, 120.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, 120.-mm X0		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 13:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃						ENGINEERING	1. EA	1
Depth/TVD	m	4245/3458					DUAL-FLO	50. LB BG	6
Mud Weight /Temp	kg/m³	1045.0@24							
Funnel Viscosity	s/L	38							
Rheology Temp	℃	50							
R600/R300		14/9							
R200/R100		5/3							
R6/R3		0.5/0.5							
PV	mPa·s	5							
YP	Pa	2							
10s/10m/30m Gel	Pa	0.5/0.5/1							
API Fluid Loss	cc/30min	14							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	2.5							
Oil/Water	%Vol	5.5/92					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	
pH / Temp		10.8@22					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.65/3.00					Centrifuge 1 UF (kg/m3)	1880	20.0
Chlorides	mg/L	10400					Centrifuge 2 (kg/m3)	1880	20.0
Hardness (Ca++)		120							
Suction Temp	Deg C	28.					Centrifuge OF (kg/m3)	1040	
Buoyancy Factor		0.867					Bowl Speed	2050	
Potassium Ion	mg/l	4300.					FeedRate	550	
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1045.0
							Viscosity	30-40	38
							Filtrate	<15	14
Reserve Volume	m³	283							

REMARKS AND TREATMENT

Continue to centrifuge surface mud and prepare/discuss Game Plans for Spotting Pills (for horizontal section and shoe). Pilot test pill formulations and mix 'horizontal pill'. Expedite Idlube XL to location.

REMARKS

RIH with to 2037m (TOL) and tag bit (fish). POOH. Nipple down RBOP/BOP/N2 Valve Assembly and lines. Continue to monitor well.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.3/ 10.9	np/na	
Drilling		Water Added		KCl	0.2/ 6.1	Kp/Ka	
Tripping	9.75	Mud Received		Low Gravity	3./ 77.6	Bit Pressure Loss %	
Non-Productive Tim	8.25	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
Circulate bottoms u		Shakers		Drill Solids	1.4/ 37.6	Jet Velocity	
BOP Testing		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP NU	5.75	Centrifuge	3	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	
Direction Work		Left in Hole		Average SG	2.6	Cva Collars	
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,818.20	$383,832.92

WATER-BASED MUD REPORT No. 116

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/4/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Fishing Ops

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
977 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	121.2	82	Pump Liner x Stk	140x305 mm	140x305 mm
1593 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)	82		Pump stk/min	0@97%	0@97%
560 m, 120.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1 m, 120.-mm X0		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 21:25					**Products**	**Size**	**Amount**
FlowLine Temp	℃						ENGINEERING	1. EA	1
Depth/TVD	m	4255/3458							
Mud Weight /Temp	kg/m³	1040.0@24							
Funnel Viscosity	s/L	38							
Rheology Temp	℃	50							
R600/R300		14/9							
R200/R100		5/3							
R6/R3		1/1							
PV	mPa·s	5							
YP	Pa	2							
10s/10m/30m Gel	Pa	0.5/0.5/1							
API Fluid Loss	cc/30min	14							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	0.5							
Solids	%Vol	2.5							
Oil/Water	%Vol	5.25/92.25					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	<0.25					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	1.0
pH / Temp		10.8@22					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.65/3.00					Centrifuge 1 UF (kg/m3)	Off	
Chlorides	mg/L	10400					Centrifuge 2 (kg/m3)	Off	
Hardness (Ca++)		120							
Suction Temp	Deg C	22					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.867							
Potassium Ion	mg/l	4300.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1040.0
							Viscosity	30-40	38
							Filtrate	<15	14
Reserve Volume	m³	276							

REMARKS AND TREATMENT

Use reclaimed weighted sweep for pill prior to POOH with attempted fish recovery. No fish. RIH with same tool configuration for attempt #2. Continue to Pilot Test spotting pill for logging operations. Surface Mud centrifuged to 1040 kg/m3.

REMARKS

RIH with Fishing Tool and tag fish at 2037m. Pump weighted pill and POOH; check for fish; Run back in hole and work fish. POOH.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.3/ 10.9	np/na	
Drilling		Water Added		KCl	0.2/ 6.1	Kp/Ka	
Tripping		Mud Received		Low Gravity	2.6/ 68.4	Bit Pressure Loss %	
Non-Productive Tim	0.25	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
Circulate bottoms u		Shakers		Drill Solids	1.1/ 28.4	Jet Velocity	
Fishing	8.5	Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP NU		Centrifuge		Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	
Monitor Well	10	Left in Hole		Average SG	2.6	Cva Collars	
Condition Hole		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$900.00	$384,732.92

WATER-BASED MUD REPORT No. 117

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/5/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH (push fish)

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1020 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
1437 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	105.3	99.9	Pump Liner x Stk	140x305 mm	140x305 mm
200 m, 120.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)	205.1		Pump stk/min	0@97%	0@97%
1590 m, 88.9-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES						
Sample From		FL 19:25	FL 15:15	DualFlo Pill		
FlowLine Temp	℃	27	25			
Depth/TVD	m	4248/3547	3550/3457	4255/3547		
Mud Weight /Temp	kg/m³	1040.0@20	1055.0@20	1040.0@20		
Funnel Viscosity	s/L	40	40	43		
Rheology Temp	℃	50	50	50		
R600/R300		14/9	16/10	19/14		
R200/R100		7/5	7/5	11/9		
R6/R3		0.5/0.5	1/1	3/1		
PV	mPa·s	5	6	5		
YP	Pa	2	2	4.5		
10s/10m/30m Gel	Pa	0.5/0.5/1	1/1.25/1.5	1/2/4		
API Fluid Loss	cc/30min	13.5	13.5	4.5		
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm	0.5	0.5	0.4		
Solids	%Vol	2.5	3	2.5		
Oil/Water	%Vol	4.5/93	5/93	4.5/93		
Sand	%Vol	<0.25	<0.25	<0.25		
MBT	kg/m³					
pH / Temp		10.4@22	10.4@22	10.8@22		
Alkal Mud (Pm)						
Pf/Mf		.55/3.40	.55/3.40	.65/3.20		
Chlorides	mg/L	10400	10400	10400		
Hardness (Ca++)		100	120	100		
Suction Temp	Deg C	23.	22.			
Buoyancy Factor		0.867	0.873	0.867		
Potassium Ion	mg/l	4300.	4300.	4300.		
60 Min Gel	Pa	1.5	2.0	3.5		
Reserve Volume	m³	271				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
SODA ASH	22.68 KG BG	4
PULPRO 20	22.68 KG BG	30
ENGINEERING	1. EA	1
DUAL-FLO	50. LB BG	4

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	11.5
Shaker 2	230/230/230	11.5
Centrifuge 1 UF (kg/m3)	1945	11.5
Centrifuge 2 (kg/m3)	1945	11.5
Centrifuge OF (kg/m3)	1040	
Bowl Speed	2100	
Feed	750	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1040.0
Viscosity	30-40	40
Filtrate	<15	13.5

REMARKS AND TREATMENT

While circulating to bottom, treated Active with Soda Ash to lower Calcium. Placed both centrifuges on Active to reduce solids from pills previously pumped (density decreased to 1040 from 1055). Check density at staged intervals while circulating bottoms up (max wt observed at 1060 kg/m3). Fines observed at shakers 2000 stks prior to Bottoms up and subsided after 1000 stks over B/U. Centrifuges continuing to strip solids/Pulpro from Active.

REMARKS

POOH with Fishing assembly with unsuccessful catch. RIH with Bit/bit sub. Wash to bottom, pushing fish 2m off bottom. Circulate and work pipe. Column #3 mud check represents Horizontal Low Fluid Pill Pilot Test with Dual Flo/3% Idlube XL. No change in Rheology observed with Idlube addition and Fluid Loss at 4.5. Filter Cake observed as thin/slick.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.3/ 11.	np/na	0.637/0.657
Drilling		Water Added		KCl	0.2/ 6.2	Kp/Ka	0.086/0.088
Tripping	16.5	Mud Received		Low Gravity	2.5/ 65.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Circulate bottoms u	1.25	Shakers	0.5	Drill Solids	1./ 25.4	Jet Velocity	
Fishing	5.75	Evaporation		Weight Material	NA/ NA	Va Pipe	
Condition Hole		Centrifuge	2.8	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	59
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	41
Condition Hole		Haul Off (Pits)				ECD at Shoe	1040
		Sent to Storage				ECD at TD	1040
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,586.40	$387,319.32

WATER-BASED MUD REPORT No. 118

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/6/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	POOH to Log

DRILLING ASSEMBLY	CASING
25 m, 127.-mm DP	340.-mm @495 m (495 TVD)
884 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)
200 m, 120.-mm HWDP	194.-mm L @3352 m (3350 TVD)
1 m, 120.-mm XO	178.-mm L @3430 m (3413 TVD)
1590 m, 88.9-mm HWDP	
m, -mm	
Nozzles 0 mm	
Bit 156-mm 0	

MUD VOLUME (m³)	
Hole	Active Pits
111.7	122.1
Total Circulating Volume	
203.5	
Depth Drilled Last 24 hr	
m	
Volume Drilled Last 24 hr	
m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES					
Sample From		FL 17:00	Wt'd Viscous Pill	Horizontal Pill	
FlowLine Temp	℃	28			
Depth/TVD	m	4245/3547	4245/3547	4255/3547	
Mud Weight /Temp	kg/m³	1045.0@20	1210.0@20	1040.0@20	
Funnel Viscosity	s/L	41	>100	43	
Rheology Temp	℃	50	50	50	
R600/R300		14/9	103/84	19/14	
R200/R100		7/5	75/67	11/9	
R6/R3		1/1	33/27	3/1	
PV	mPa·s	5	19	5	
YP	Pa	2	32.5	4.5	
10s/10m/30m Gel	Pa	1/1/1	15/19/21	1/2/4	
API Fluid Loss	cc/30min	13.5	3.9	4.5	
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm	0.5	0.8	0.5	
Solids	%Vol	2.5	4	2.5	
Oil/Water	%Vol	4.5/93	4.5/91.5	4.5/93	
Sand	%Vol	<0.25	<0.25	<0.25	
MBT	kg/m³				
pH / Temp		10.3@22	10.5@22	10.8@22	
Alkal Mud (Pm)					
Pf/Mf		.60/3.30	.65/3.20	.65/3.20	
Chlorides	mg/L	10400	10400	10400	
Hardness (Ca++)		100	100	100	
Suction Temp	Deg C	23.			
Buoyancy Factor		0.867	0.867	0.867	
Potassium Ion	mg/l	4300.	4300.	4300.	
60 Min Gel	Pa	1.5	22.5	3.5	
Reserve Volume	m³	242			

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 10	22.68 KG BG	48
PULPRO 20	22.68 KG BG	30
ENGINEERING	1. EA	1
XCD POLYMER	25. KG BG	2
IDLUBE XL	55. GA DM	3

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	9.0
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1720	9.0
Centrifuge 2 (kg/m3)	1720	9.0
Centrifuge OF (kg/m3)	1040	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1045.0
Viscosity	30-40	41
Filtrate	<15	13.5

REMARKS AND TREATMENT

Monitor Up/Down Drags during wipertrip (ref. Remarks). Column #3 check represents mud in Horizontal Section; Col. #2 check = Pill spotted under shoe (weighted-viscous) with Col. #1 check at Flowline while circulationg Bottoms up. Plan forward; begin dewatering operations while TLC Logging.

REMARKS

Wipertrip from 4248m to 3410m with tight spot observed at 3437 to 3433m. Avg. Hole Drag up at 15-18 daN over, while pulling 6-8 m/min. RIH at 8-10 m/min with Avg. Drag at 5-8 daN. Circulate bottoms up evaluating shakers with no significant change in cuttings mass flow rate (shakers clean). Pump/Spot weighted lo-fluid loss pill (with 3% Idlube) in horizontal section. POOH and record Drag (significant reduction observed); Preparing Hole drag charts. Spot viscous pill over tight area (under shoe) and POOH for TLC Logging.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	
Tripping	14
Non-Productive Tim	
Circulate bottoms up	9.75
Fishing	
Condition Hole	
Nitrogen Pumping	
Monitor Well	
Condition Hole	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	1.6
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.3/ 11.
KCl	0.2/ 6.2
Low Gravity	2.8/ 73.6
Bentonite	0./ 0.
Drill Solids	1.3/ 33.6
Weight Material	NA/ NA
Chemical Conc	- / 40.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	0.637/0.657
Kp/Ka	0.086/0.088
Bit Pressure Loss %	/ 1.
Bit HHP/HSI	/ 1.
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	35
Cva Collars	40
ECD at Shoe	
ECD at TD	1045

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$7,043.60	$394,362.92

WATER-BASED MUD REPORT No. 119

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/7/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Logging

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
67 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	106.6	89.5	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	177.4		Pump stk/min	0@97%	0@97%
1 m, 120.-mm XO		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1593 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction					**Products**	**Size**	**Amount**
FlowLine Temp	℃						PULPRO 10	22.68 KG BG	132
Depth/TVD	m	4255/3547					PULPRO 20	22.68 KG BG	60
Mud Weight /Temp	kg/m³	1045.0@20					SEAWATER	1. M3 TK	11
Funnel Viscosity	s/L	41					ENGINEERING	1. EA	1
Rheology Temp	℃	50							
R600/R300		14/9							
R200/R100		7/5							
R6/R3		1/1							
PV	mPa·s	5							
YP	Pa	2							
10s/10m/30m Gel	Pa	0.5/05/1							
API Fluid Loss	cc/30min	13.5							
HTHP Fluid Loss	cc/30min								
Cake APT/HT	mm	1/							
Solids	%Vol	2.5							
Oil/Water	%Vol	4.5/93					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	<0.25					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/230	
pH / Temp		10.3@22					Shaker 2	230/230/230	
Alkal Mud (Pm)									
Pf/Mf		.60/3.30				Stip Mud	Centrifuge 1 UF (kg/m3)		1
Chlorides	mg/L	10400					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		100							
Suction Temp	Deg C	23.					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.867							
Potassium Ion	mg/l	4300.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1045.0
							Viscosity	30-40	41
Reserve Volume	m³	291					Filtrate	<15	13.5

REMARKS AND TREATMENT

Mud check represent approximately 85% of Active Mud System in hole. Mud density in hole (pills) consist of 5 m3 of 1230 kg/m3, 5 m3 of 1115 kg/m3 and 3.5 m3 of 1415 kg/m3; Initiate mud stripping operations on Reserve Mud and place mud order for future Packer Fluid.

REMARKS

POOH to P/U Logging Assembly and RIH with same.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.25	Oil Added		NaCl	0.3/ 11.	np/na	0.637/0.657
Drilling		Water Added		KCl	0.2/ 6.2	Kp/Ka	0.086/0.088
Tripping	4.25	Mud Received		Low Gravity	2.8/ 73.6	Bit Pressure Loss %	/ 1.
Non-Productive Tim	0.75	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Circulate bottoms u		Shakers		Drill Solids	1.3/ 33.6	Jet Velocity	
Fishing		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing	0.25	Centrifuge	1	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	35
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	40
Wireline Logs	18.5	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1045
		Other	1				
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,962.80	$397,325.72

WATER-BASED MUD REPORT No. 120

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/8/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Logging

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
67 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	106.6	105.7	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	193.6		Pump stk/min	0@97%	0@97%
1 m, 120.-mm XO		Depth Drilled Last 24 hr		Flow Rate	m³/min	
1593 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 0:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A					LIME	25. KG BG	3
Depth/TVD	m	4255/3547					PULPRO 10	22.68 KG BG	120
Mud Weight /Temp	kg/m³	1045.0@20					SEAWATER	1. M3 TK	2.15
Funnel Viscosity	s/L	41					ENGINEERING	1. EA	2
Rheology Temp	℃	50					CALCIUM NITRATE	25. KG BG	8
R600/R300		12/8					ZETAG 7557 (PERCOL 757	25. KG BG	6
R200/R100		6/4							
R6/R3		1/1							
PV	mPa·s	4							
YP	Pa	2							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min								
HTHP Fluid Loss	cc/30min	14.5@							
Cake APT/HT	mm	1/							
Solids	%Vol	2.5							
Oil/Water	%Vol	5/93					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	200/200/230	
pH / Temp		10.3@120					Shaker 2	200/200/230	
Alkal Mud (Pm)									
Pf/Mf		.50/3.10					Centrifuge 1 UF (kg/m3)		
Chlorides	mg/L	10500					Centrifuge 2 (kg/m3)		
Hardness (Ca++)		100							
Suction Temp	Deg C	N/A					Centrifuge OF (kg/m3)		
Buoyancy Factor		0.867							
Potassium Ion	mg/l	4300.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1045.0
							Viscosity	30-40	41
							Filtrate	<15	
Reserve Volume	m³	271							

REMARKS AND TREATMENT

Strip 20 m3 Mud from 1045 to 1025 kgt/m3 while RIH with logging tools. Hauled off XX m3 of for disposal. Prior to POOH with logging assembly, circulated out weighted pill and reclaimed weighed mud to use as Pill for POOH with Log Sutie. Check all densities in surface pits (ref. mud vol accounting, p.2 of DMR). Active density prior to POOH at 1060 kg/m3. Prepare plan to continuing with stripping operations.

REMARKS

RIH with logging tools to 3281m. RIH with wireline wet connect; latch and test tool. POOH due to logging tool failure.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 11.2	np/na	0.585/0.593
Drilling		Water Added		KCl	0.2/ 6.2	Kp/Ka	0.106/0.097
Tripping	24	Mud Received		Low Gravity	2.8/ 73.5	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Circulate bottoms u		Shakers		Drill Solids	1.3/ 33.5	Jet Velocity	
Fishing		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge	7.2	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	32
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	36
Wireline Logs		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1045
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$6,801.50	$404,127.22

WATER-BASED MUD REPORT No. 121

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/9/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Lay Down Tools

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	121.2	79.5
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	79.5	
1 m, 120.-mm XO		Depth Drilled Last 24 hr	
1593 m, 88.9-mm HWDP		m	
Nozzles 0 mm		Volume Drilled Last 24 hr	
Bit 156-mm 0		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES						
Sample From		Suction 23:55				
FlowLine Temp	℃	N/A				
Depth/TVD	m	4255/3547				
Mud Weight /Temp	kg/m³	1055.0@20				
Funnel Viscosity	s/L	42				
Rheology Temp	℃	50				
R600/R300		12/8				
R200/R100		6/4				
R6/R3		1/1				
PV	mPa·s	4				
YP	Pa	2				
10s/10m/30m Gel	Pa	1/1/1				
API Fluid Loss	cc/30min					
HTHP Fluid Loss	cc/30min	14.0@				
Cake APT/HT	mm	1/				
Solids	%Vol	3				
Oil/Water	%Vol	5/93				
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.8@20				
Alkal Mud (Pm)						
Pf/Mf		.50/3.10				
Chlorides	mg/L					
Hardness (Ca++)		10500				
Suction Temp	Deg C	N/A				
Buoyancy Factor		0.867				
Potassium Ion	mg/l	4000.				
60 Min Gel	Pa	1.5				
Reserve Volume	m³	248				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
PULPRO 10	22.68 KG BG	120
ENGINEERING	1. EA	1
DRILLWATER	1. M3 TK	1.07

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	200/200/230	
Shaker 2	200/200/230	
Centrifuge 1 UF (kg/m3)		
Centrifuge 2 (kg/m3)		
Centrifuge OF (kg/m3)		

MUD PROPERTY SPECS		Actual
Weight	ALAP	1055.0
Viscosity	30-40	42
Filtrate	<15	

REMARKS AND TREATMENT

Continue with stripping operations, Haul Off 30m3 of stripped water & continue to strip active mud. Plan in place to continue stripping all mud in storage tanks. Running one centrifuge on active system, density steady @ 1050 kg/m3, other centrifuge on stripping ops.

REMARKS

Continue to RIH with Wireline Logs to 3280m and install side entry sub & run wirelinei nside DP to latch tools. Perform pull & communication test. Continue RIH with string & wireline. Log to 3464m and try and work by ledge/trouble spot with no success. POOH to 3272m, release from wet connect & lay down side entry sub. Pump Pill & POOh to lay down logging tools.

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	
Drilling	
Tripping	18
Non-Productive Tim	
Wireline Logs	6
Fishing	
BOP Testing	
Nitrogen Pumping	
Monitor Well	
Wireline Logs	

MUD VOL ACCTG (m³)	
Oil Added	
Water Added	
Mud Received	
Mud Returned	
Shakers	
Evaporation	
Centrifuge	7.1
Formation	
Left in Hole	
Haul Off (Pits)	30
Sent to Storage	
Other	
Left Behind Casing	

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.020833333
KCl	0.2/ 6.1
Low Gravity	4.2/ 108.
Bentonite	0./ 0.
Drill Solids	2.6/ 68.
Weight Material	NA/ NA
Chemical Conc	- / 40.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	
Kp/Ka	
Bit Pressure Loss %	
Bit HHP/HSI	
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	
Cva Collars	
ECD at Shoe	
ECD at TD	

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$2,208.00	$406,335.22

WATER-BASED MUD REPORT No. 122

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/10/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Pressure Testing

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
83 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	108.9	87.9	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	158.6		Pump stk/min	40@97%	40@97%
1 m, 120.-mm XO		Depth Drilled Last 24 hr		Flow Rate	1.10 m³/min	
593 m, 88.9-mm HWDP		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up	53.7 min	4297 stk
Bit 156-mm 0		m³		Total Circulation	144.7 min	11577 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		Suction 0:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	N/A					LIME	25. KG BG	5
Depth/TVD	m	4255/3547					PULPRO 30	22.68 KG BG	30
Mud Weight /Temp	kg/m³	1055.0@20					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	40					CALCIUM NITRATE	25. KG BG	10
Rheology Temp	℃	50					ZETAG 7557 (PERCOL 757	25. KG BG	5
R600/R300		12/8					DRILLWATER	1. M3 TK	22.08
R200/R100		6/4							
R6/R3		1/1							
PV	mPa·s	4							
YP	Pa	2							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min								
HTHP Fluid Loss	cc/30min	16.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	3							
Oil/Water	%Vol	5/93					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/165	
pH / Temp		9.7@20					Shaker 2	230/230/165	
Alkal Mud (Pm)									
Pf/Mf		.35/2.80					Centrifuge 1 UF (kg/m3)	1625	24.0
Chlorides	mg/L	10000					Centrifuge 2 UF (kg/m3)	1560	24.0
Hardness (Ca++)		40							
Suction Temp	Deg C						Centrifuge OF (kg/m3)	1025	24.0
Buoyancy Factor							Centrifuge OF (kg/m3)	1020	24.0
Potassium Ion	mg/l	4000.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1055.0
							Viscosity	30-40	40
							Filtrate	<15	
Reserve Volume	m³	238							

REMARKS AND TREATMENT

Continue stripping operations. Excess Oil & Wax along with Colloidial Calcium Carbonate, hindering stripping ops. Continue Pilot testing new formulations to optimize stripping ops

REMARKS

Continue POOH with logging tools & lay down same. RIH with 9 5/8 packer assembly to 2337m and set packer. Pressure test as per program & POOH weith packer and laydown same. P/U 7 in packer & RIH with same to PT 7 inch casing.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	4	Oil Added		NaCl	0.3/ 10.3	np/na	0.585/0.593
Drilling		Water Added		KCl	0.2/ 6.1	Kp/Ka	0.106/0.097
Tripping	13	Mud Received		Low Gravity	3.5/ 90.7	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
BOP Testing	7	Shakers		Drill Solids	2./ 50.7	Jet Velocity	
Fishing		Evaporation		Weight Material	NA/ NA	Va Pipe	42.9
BOP Testing		Centrifuge	6.2	Chemical Conc	- / 40.	Va Collars	80.3
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	32
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	36
Wireline Logs		Haul Off (Pits)	30			ECD at Shoe	
		Sent to Storage				ECD at TD	1067.68
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,617.10	$410,952.32

WATER-BASED MUD REPORT No. 123

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/11/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulate sweep

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
483 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	105.2	53	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	147.6		Pump stk/min	40@97%	40@97%
1 m, 120.-mm XO		Depth Drilled Last 24 hr		Flow Rate	1.10 m³/min	
1593 m, 88.9-mm HWDP		m		Pump Pressure	1500 kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up	68.6 min	5489 stk
Bit 156-mm Smith		m³		Total Circulation	134.7 min	10774 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 23:45					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	24
Depth/TVD	m	4255/3458					SEAWATER	1. M3 TK	33
Mud Weight /Temp	kg/m³	1060.0@20					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	40					CALCIUM NITRATE	25. KG BG	8
Rheology Temp	℃	50					ZETAG 7557 (PERCOL 757	25. KG BG	19
R600/R300		13/8					DRILLWATER	1. M3 TK	40.06
R200/R100		6/4							
R6/R3		1/1							
PV	mPa·s	5							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min	16							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	3.5							
Oil/Water	%Vol	5/92					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/165	8.0
pH / Temp		9.5@20					Shaker 2	230/230/165	8.0
Alkal Mud (Pm)									
Pf/Mf		.35/2.80					Centrifuge 1 UF (kg/m3)	1580	24.0
Chlorides	mg/L	10000					Centrifuge 1 UF (kg/m3)	1640	24.0
Hardness (Ca++)		40							
Suction Temp	Deg C	22.					Centrifuge OF (kg/m3)	1020	24.0
Buoyancy Factor							Centrifuge OF (kg/m3)	1025	24.0
Potassium Ion	mg/l	4000.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1060.0
							Viscosity	30-40	40
Reserve Volume	m³	314					Filtrate	<15	16

REMARKS AND TREATMENT

Continue with stripping ops. Start heating up mud with steam to aid in stripping . Continue to pilot test formulations and adjust centrifuge ports to optimize stripping Ops. Density stable @ 1060 kg/m3. Dress Shakers with 165mesh screens on the ends to accomodate high vis sweeps.

REMARKS

Continue to RIH with 7 inch packer & set same @ 3216m. Pressure test successful. Release packer, flow check & POOH. Laydown packer & M/U Bit BHA and RIH with same to 3460m. Work tight spot. Pump 6m3 High vis pill . Pill came back 400 stks over calculated with a 400% increase in coarse cuttings lasting for 1-2 minutes. Continue to ccirculate while building another sweep.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	2	Oil Added		NaCl	0.3/ 10.2	np/na	0.700/0.593
Drilling		Water Added		KCl	0.2/ 6.1	Kp/Ka	0.052/0.097
Tripping	18	Mud Received		Low Gravity	3.9/ 100.9	Bit Pressure Loss %	/ 0.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 0.
Condition Hole	4	Shakers		Drill Solids	2.3/ 60.9	Jet Velocity	
Fishing		Evaporation		Weight Material	NA/ NA	Va Pipe	42.9
BOP Testing		Centrifuge	6.6	Chemical Conc	- / 40.	Va Collars	84.9
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	32
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	36
Wireline Logs		Haul Off (Pits)	30			ECD at Shoe	1085.17
		Sent to Storage				ECD at TD	1086.75
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$11,716.80	$422,669.12

WATER-BASED MUD REPORT No. 124

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/12/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulating

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1027 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	102.2	76.2	Pump Liner x Stk	140x305 mm	140x305 mm
1 m, 160.-mm XO	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
856 m, 120.-mm HWDP	178.-mm L @3430 m (3413 TVD)	178.2		Pump stk/min	110@97%	0@97%
1 m, 120.-mm XO		Depth Drilled Last 24 hr		Flow Rate	1.51 m³/min	
1593 m, 88.9-mm HWDP		m		Pump Pressure	24000 kPa	
Nozzles 50x1 mm		Volume Drilled Last 24 hr		Bottoms Up	52.3 min	5754 stk
Bit 156-mm Smith		m³		Total Circulation	118.5 min	13030 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 3:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	12
Depth/TVD	m	4255/3458					BARITE - FEDERAL	40. KG BG	13
Mud Weight /Temp	kg/m³	1060.0@					SEAWATER	1. M3 TK	10
Funnel Viscosity	s/L	38					ENGINEERING	1. EA	1
Rheology Temp	℃						CALCIUM NITRATE	25. KG BG	4
R600/R300		11/7					ZETAG 7557 (PERCOL 757	25. KG BG	4
R200/R100		5/4					BLEACH	5. GA CN	3
R6/R3		1/1					DRILLWATER	1. M3 TK	19.06
PV	mPa·s	4					XCD POLYMER	25. KG BG	1
YP	Pa	1.5							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min								
HTHP Fluid Loss	cc/30min	16.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	4 .5							
Oil/Water	%Vol	5/91					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol	0.025					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/165	
pH / Temp		9.0@20					Shaker 2	230/230/165	
Alkal Mud (Pm)									
Pf/Mf		.20/3.00					Centrifuge 1 UF (kg/m3)	1470	24.0
Chlorides	mg/L	11000					Centrifuge 1 UF (kg/m3)	1520	24.0
Hardness (Ca++)		40							
Suction Temp	Deg C	25.					Centrifuge OF (kg/m3)	1015	24.0
Buoyancy Factor							Centrifuge OF (kg/m3)	1020	24.0
Potassium Ion	mg/l	3000.							
		0.865							
60 Min Gel	Pa	2							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1060.0
							Viscosity	30-40	38
							Filtrate	<15	
Reserve Volume	m³	309							

REMARKS AND TREATMENT

Continue with stripping ops. Continue to fine tune formulations & Centrifuge paramaters to optimize stripping ops. Add 0.5 l/m3 of Bleach to Active System. Pretreat 25m3 of SW in Suction tank #1 with 4.0 l/m3 of Xcide 102W & 1.0 l/m3 of Bleach. Seawater also being heated with steam.

REMARKS

Continue to circulate & work tight hole from 3460m to 3790m. Pump 6m3 Hiwt (1250) Hivis (YP >20), which was seen at the shakers 200 stks over calculated. There was a 200% increase in fines (Like Cofee grinds) lasting for 3-4 minutes after the sweep. Continue to wash to bottom and circ B/U. Circulate & Condition while holding safety meeting pertaining to Acid Job. Pickle DP with HCL & circ same out of hole. Continue to circ waiting daylight to commence acid job.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	4	Oil Added		NaCl	0.3/ 11.7	np/na	0.652/0.593
Drilling		Water Added		KCl	0.2/ 6.1	Kp/Ka	0.061/0.097
Tripping	12	Mud Received		Low Gravity	3.8/ 99.2	Bit Pressure Loss %	96 / 0.4
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	2 / 0.1
Condition Hole		Shakers	8	Drill Solids	2.3/ 59.2	Jet Velocity	13
Circulate	8	Evaporation		Weight Material	NA/ NA	Va Pipe	58.9
BOP Testing		Centrifuge	6.2	Chemical Conc	- / 40.	Va Collars	116.5
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	32
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	36
Wireline Logs		Haul Off (Pits)				ECD at Shoe	1136.58
		Sent to Storage				ECD at TD	1136.83
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$4,481.70	$427,150.82

WATER-BASED MUD REPORT No. 125

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/13/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Circulate Bottoms Up

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
264 m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	107.3	76
305 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
562 m, 120.-mm Spirals	178.-mm L @3430 m (3413 TVD)	168.7	
1593 m, 89.-mm HWDP		Depth Drilled Last 24 hr	
m, 156.-mm Stinger		m	
Nozzles 50x1 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	110@97%	0@97%
Flow Rate	1.51 m³/min	
Pump Pressure	24000 kPa	
Bottoms Up	50.1 min	5512 stk
Total Circulation	112.1 min	12334 stk

MUD PROPERTIES						
Sample From		FL 14:00	Seawater 0:00			
FlowLine Temp	℃					
Depth/TVD	m	4255/3450	4255/3450			
Mud Weight /Temp	kg/m³	1060.0@22	1020.0@			
Funnel Viscosity	s/L	38	28			
Rheology Temp	℃	50				
R600/R300		11/7	2/1			
R200/R100		5/4	1/			
R6/R3		1/1	1/			
PV	mPa·s	4	1			
YP	Pa	1.5	0.3			
10s/10m/30m Gel	Pa	1/1/1	1/1/1			
API Fluid Loss	cc/30min	16				
HTHP Fluid Loss	cc/30min	.0@	.0@			
Cake APT/HT	mm	1/	14/			
Solids	%Vol	4.5	1			
Oil/Water	%Vol	5/91	/99			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.0@20	8..0@			
Alkal Mud (Pm)						
Pf/Mf		.15/2.60	.00/.00			
Chlorides	mg/L	10000	18000			
Hardness (Ca++)		40	480			
Suction Temp	Deg C					
Buoyancy Factor		0.867				
Potassium Ion	mg/l	3000.	0.			
60 Min Gel	Pa	2				
Reserve Volume	m³	285				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
LIME	25. KG BG	10
BARITE - FEDERAL	40. KG BG	20
ENGINEERING	1. EA	1
CALCIUM NITRATE	25. KG BG	10
ZETAG 7557 (PERCOL 757	25. KG BG	2
DRILLWATER	1. M3 TK	16.02
SNOW WHITE 350	50. LB BG	60

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/165	
Shaker 2	230.230/165	
Centrifuge 1 UF (kg/m3)	1400	6.0
Centrifuge 1 UF (kg/m3)		6.0
Centrifuge OF (kg/m3)	1015	6.0
Centrifuge OF (kg/m3)	1015	6.0

MUD PROPERTY SPECS		Actual
Weight	ALAP	1060.0
Viscosity	30-40	38
Filtrate	<15	16

REMARKS AND TREATMENT

Circulate & Condition hole, density stable @ 1060 kg/m3. Finish stripping another 35 m3 and dispose of 30m3 of stripped water via Haul Off.

REMARKS

Continue to circulate hole while waiting for daybreak & trouble shooting Rigwatch system. Hold prejob safety meeting for Acid squeeze. Pump 14m3 of Seawater & PT lines with BJ Services. batch mix Acid and pump 14m3 same as per program. POOH to 3489m, flow check & reverse circulate 12.6m3. Squeeze acid (Vol Pumped = 6m3). Circulate B/U while Building pill to spot under shoe.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 11.2	np/na	0.652/0.593
Drilling		Water Added		KCl	0.2/ 5.3	Kp/Ka	0.061/0.097
Tripping		Mud Received		Low Gravity	1.4/ 35.5	Bit Pressure Loss %	96 / 0.4
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	2 / 0.1
Condition Hole		Shakers		Drill Solids	0.044444444	Jet Velocity	13
Circulate		Evaporation		Weight Material	NA/ NA	Va Pipe	58.9
BOP Testing		Centrifuge	5.8	Chemical Conc	- / 40.	Va Collars	116.7
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	32
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	37
Wireline Logs		Haul Off (Pits)	30			ECD at Shoe	1096.43
		Sent to Storage				ECD at TD	1097.14
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,900.20	$431,051.02

WATER-BASED MUD REPORT No. 126

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/14/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Set liner & POOH

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	121.2	68	Pump Liner x Stk	140x305 mm	140x305 mm
305 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
562 m, 120.-mm Spirals	178.-mm L @3430 m (3413 TVD)	68		Pump stk/min	110@97%	0@97%
1593 m, 89.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	1.51 m³/min	
150 m, 114.-mm PT		m		Pump Pressure	20000 kPa	
Nozzles 50x1 mm		Volume Drilled Last 24 hr		Bottoms Up	5400 stks	
Bit 156-mm Smith		m³		Total Circulation	120 min	1100 stk

MUD PROPERTIES							PRODUCTS USED Last 24 hr		
Sample From		FL 20:00					**Products**	**Size**	**Amount**
FlowLine Temp	℃	24					LIME	25. KG BG	5
Depth/TVD	m	3450/3458					BARITE - FEDERAL	40. KG BG	87
Mud Weight /Temp	kg/m³	1055.0@20					ENGINEERING	1. EA	1
Funnel Viscosity	s/L	38					CALCIUM NITRATE	25. KG BG	4
Rheology Temp	℃	50					DRILLWATER	1. M3 TK	12.11
R600/R300		11/7					XCD POLYMER	25. KG BG	1
R200/R100		5/4					GYPSUM	20. KG BG	18
R6/R3		1/1							
PV	mPa·s	4							
YP	Pa	1.5							
10s/10m/30m Gel	Pa	1/1/1							
API Fluid Loss	cc/30min	16							
HTHP Fluid Loss	cc/30min	.0@							
Cake APT/HT	mm	1/							
Solids	%Vol	4							
Oil/Water	%Vol	4/92					**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol						**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³						Shaker 1	230/230/165	8.0
pH / Temp		9.0@20					Shaker 2	230/230/165	8.0
Alkal Mud (Pm)									
Pf/Mf		.15/2.70					Centrifuge 1 UF (kg/m3)	1660	24.0
Chlorides	mg/L	10000					Centrifuge 2 UF (kg/m3)	1600	24.0
Hardness (Ca++)		80							
Suction Temp	Deg C	22.					Centrifuge OF (kg/m3)	1025	24.0
Buoyancy Factor							Centrifuge OF (kg/m3)	1025	24.0
Potassium Ion	mg/l	3500.							
60 Min Gel	Pa	1.5							
							MUD PROPERTY SPECS		**Actual**
							Weight	ALAP	1055.0
							Viscosity	30-40	38
							Filtrate	<15	16
Reserve Volume	m³	287							

REMARKS AND TREATMENT

Density stable @ 1060 kgm3. Continue with stripping ops. Adjust ports on centrifuge #2 to 6.0 inches, and reduce feed rates on both to 550-600 RPM. Waiting on trucks to dispose of stripped water. 33m3 in Suction Pit #1 is ready for Hauloff. Currently stripping another 30m3 in Premix #4 (Suction #4). 2 pallets of Zetag arrived on Location. Full steam ahead with stripping Ops

REMARKS

Continue to circulate while building Hivis Hiwt Pill under Shoe. Spot 6m3 1600kg/m3 pill (YP>20)under shoe. POOH and rig up to run 114mm Linear. make up 150 m of liner & RIH with same on DP.RIh to 3475m and wash to 3530m with no problems. Circulate heavy pill out the hole & set Hanger/packer assembly. Set Linear and spot 9m3 of Seawter from 3530m to 3180m.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	2	Oil Added		NaCl	0.3/ 11.1	np/na	
Drilling		Water Added		KCl	0.2/ 5.3	Kp/Ka	
Tripping	16	Mud Received		Low Gravity	3.4/ 88.8	Bit Pressure Loss %	
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
Condition Hole		Shakers		Drill Solids	1.9/ 48.8	Jet Velocity	
Circulate	6	Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge	6	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	
Wireline Logs		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 J. Kereliuk 709-690-1077		709-754-9001	$3,865.50	$434,916.52

WATER-BASED MUD REPORT No. 127

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/15/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH with Packer

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
m, 127.-mm DP	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
766 m, 127.-mm DP	244.-mm @2509 m (2509 TVD)	121.2	70	Pump Liner x Stk	140x305 mm	140x305 mm
305 m, 89.-mm HWDP	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
562 m, 120.-mm Spirals	178.-mm L @3430 m (3413 TVD)	191.2		Pump stk/min	0@97%	0@97%
1593 m, 89.-mm HWDP		Depth Drilled Last 24 hr		Flow Rate	m³/min	
150 m, 114.-mm PT		m		Pump Pressure	kPa	
Nozzles 50x1 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm Smith		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Hole	Strip Mud			**Products**	**Size**	**Amount**
FlowLine Temp	℃	24				LIME	25. KG BG	7
Depth/TVD	m	3450/3458	4255/3458			BARITE - FEDERAL	40. KG BG	20
Mud Weight /Temp	kg/m³	1055.0@20	1020.0@17			SEAWATER	1. M3 TK	27
Funnel Viscosity	s/L	38	29			ENGINEERING	1. EA	2
Rheology Temp	℃	50	20			CALCIUM NITRATE	25. KG BG	8
R600/R300		11/7	7/4			ZETAG 7557 (PERCOL 757	25. KG BG	7
R200/R100		5/4	2/1			BLEACH	5. GA CN	2
R6/R3		1/1	1/1			X-Cide 102W	208.1 LT DM	1
PV	mPa·s	4	3			DRILLWATER	1. M3 TK	16.96
YP	Pa	1.5	0.5			GYPSUM	20. KG BG	16
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/0.5					
API Fluid Loss	cc/30min	16	>25					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/						
Solids	%Vol	4	2					
Oil/Water	%Vol	4/92	2/96			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		9.0@20	11.0@20			Shaker 2	230/230/165	
Alkal Mud (Pm)								
Pf/Mf		.15/2.70	.50/1.20	Stripping Operations		Centrifuge 1 UF (kg/m3)	1280	
Chlorides	mg/L	10000	10000			Centrifuge 2 (kg/m3)	1300	
Hardness (Ca++)		80	2000					
Suction Temp	Deg C	22.				Centrifuge OF (kg/m3)	1020	
Buoyancy Factor								
Potassium Ion	mg/l	3500.	3500.					
60 Min Gel	Pa	1.5						
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1055.0
						Viscosity	30-40	38
						Filtrate	<15	16
Reserve Volume	m³	324						

REMARKS AND TREATMENT

Continue with Stripping Operations. Volume available for Haul-off for Dec. 16th (a:m) approximately 65 m3. Remaining Volume to strip on surface = 160 m3 plus 190 m3 in tank farm (350 m3).

REMARKS

POOH and RIH with Scraper Assembly. Tag Liner Top at 3385m. POOH and lay down same. Flush Stack with stripped mud and prepare to RIH with Packer on Wireline.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	0.5	Oil Added		NaCl	0.3/ 11.1	np/na	
Drilling		Water Added		KCl	0.2/ 5.3	Kp/Ka	
Tripping	21.75	Mud Received		Low Gravity	3.4/ 88.8	Bit Pressure Loss %	
Non-Productive Tim	0.75	Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	
Condition Hole		Shakers		Drill Solids	1.9/ 48.8	Jet Velocity	
Circulate		Evaporation		Weight Material	NA/ NA	Va Pipe	
BOP Testing		Centrifuge	6	Chemical Conc	- / 40.	Va Collars	
Nitrogen Pumping		Formation		Inert/React	-	Cva Pipe	
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	
Wireline Logs	1	Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$9,710.54	$444,627.06

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/15/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 127

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020	30	Ready to haul Off	Reserve
Suction Pit #2	32		5	Excess Active	Reserve
Suction Pit #3	34	1055	25		Active
Premix Tank #4	38	1020	30.6	Ready to Haul off	Reserve
Shaker Tank #2	31	1055	22		Active
Shaker Tank #1	29	1055	20		Active
Pill Tank	10	1275	8	Zetag Mix	Reserve
Trip Tank	7	1055	3		Active
Lines	5	1055		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1115	55	Excess Active	Reserve
Rig 400 BBl Tank #2	64	1105	35	Kill Mud	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	43.2	Excess Active	Reserve
Farm Tank #5	54	1040	53.9	To be dewatered	Reserve
Farm Tank #6	51		50.4	To be dewatered	WBM Storage
Farm Tank #7	62			Seawater	WBM Storage
Farm Tank #8	83	1180	53	To be dewatered	Reserve
Rig Floc Tank	40	1040	12	Boiler Blowdown slop	WBM Storage
Degasser Tank	15	1040	10	Circulated Daily	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	70.0
Reserve	324.0
Premix	
OTHER VOLUME	
WBM Storage	62.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume			121.2	121.2
Volume Not Mud	45.5			45.5
Mud Volume	-45.5		121.2	75.7

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	143.7	286.7		430.4
Oil Added				
Water Added				
Vol Chem Added	44	0.8		44.8
Chem Not For Mud				
Total Volume Built	44	0.8		44.8
Received				
Return				
From Active To		36		
From Reserve To				
From Premix To				
Daily Loss	6			6
Final Volume	145.7	323.5		469.2

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	6.0
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	6.0

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	216	20	560		756			196	378.00
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00									
BLEACH	5. GA CN	69.00	9	2	35		42			7	138.00
CALCIUM NITRATE	25. KG BG	65.20	23	8	103		118			15	521.60
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-473	16.96	474					-490	
DUAL-FLO	50. LB BG	319.70	60		10		70			60	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			1		88		87		
ENGINEERING	1. EA	900.00		2	142						1800.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	78	16	34		96			62	349.60
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	8	7	78		79			1	121.10
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04	50		50		100			50	
NUT PLUG MEDIUM	25. KG BG	34.04	50		50		100			50	
OMYA CARB 100 PT	50. LB BG	13.32	120				120			120	
PALLETS	1. EA	16.00	126			2	128			128	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	52		45		97			52	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	120		1338		1458			120	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-170	27	197					-197	
SHRINK WRAPPING	1. EA	16.00	112				112			112	
SNOW WHITE 350	50. LB BG	12.62	102		60		162			102	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	4	1	3		6			3	2762.24
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	59		101		160			59	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00		7	78	72	143			65	3640.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/15/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : RIH with Packer

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 128

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/16/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH Prod. String

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)	
m, -mm	340.-mm @495 m (495 TVD)	Hole	Active Pits
m, -mm	244.-mm @2509 m (2509 TVD)	121.2	68.5
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume	
m, -mm	178.-mm L @3430 m (3413 TVD)	68.5	
m, -mm		Depth Drilled Last 24 hr	
m, -mm		m	
Nozzles 0 mm		Volume Drilled Last 24 hr	
Bit 156-mm Smith		m³	

CIRCULATION DATA		
Pump Make	EMSCO FB-1600	EMSCO FB-1600
Pump Liner x Stk	140x305 mm	140x305 mm
Pump Capacity L/stk	13.66	13.66
Pump stk/min	0@97%	0@97%
Flow Rate	m³/min	
Pump Pressure	kPa	
Bottoms Up		
Total Circulation		

MUD PROPERTIES						
Sample From		HOLE	IN			
FlowLine Temp	℃					
Depth/TVD	m	3450/3458	/3458			
Mud Weight /Temp	kg/m³	1055.0@20	1020.0@17			
Funnel Viscosity	s/L	38	29			
Rheology Temp	℃	50	20			
R600/R300		11/7	7/4			
R200/R100		5/4	2/1			
R6/R3		0.5/1	0.5/0.5			
PV	mPa·s	4	3			
YP	Pa	1.5	0.5			
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/0.5			
API Fluid Loss	cc/30min	16	>25			
HTHP Fluid Loss	cc/30min					
Cake APT/HT	mm					
Solids	%Vol	4	2			
Oil/Water	%Vol	4/92	2/96			
Sand	%Vol					
MBT	kg/m³					
pH / Temp		9.0@20	11.0@20			
Alkal Mud (Pm)						
Pf/Mf		.15/2.70	.50/1.20			
Chlorides	mg/L	10000	10000			
Hardness (Ca++)		80	2000			
Suction Temp	Deg C	22.				
Buoyancy Factor						
Potassium Ion	mg/l	3500.	3500.			
60 Min Gel	Pa	1.5				
Reserve Volume	m³	292				

PRODUCTS USED Last 24 hr		
Products	**Size**	**Amount**
LIME	25. KG BG	10
ENGINEERING	1. EA	1
CALCIUM NITRATE	25. KG BG	9
ZETAG 7557 (PERCOL 757	25. KG BG	7
GYPSUM	20. KG BG	17

SOLIDS CONTROL EQUIPMENT Last 24 hr		
Type	**Model/Size**	**Hrs Used**
Shaker 1	230/230/230	
Shaker 2	230/230/165	
Centrifuge 1 UF (kg/m3)	1490	16.0
Centrifuge 2 (kg/m3)	1520	16.0
Centrifuge OF (kg/m3)	1015	

MUD PROPERTY SPECS		Actual
Weight	ALAP	1055.0
Viscosity	30-40	38
Filtrate	<15	16

REMARKS AND TREATMENT

Continue with mud stripping operations. Daily Haul Off = 50 m³ Cummulative Haul Off = 140 m³ Surface volume to strip = 130 m³ Tank Farm volume to strip = 190 m³ Hole Volume to strip = 102 m³ Total volume to strip = 435 m3

REMARKS

Wireline logs and run Packer on wireline. Pressure test casing shoe/casing. Rig up to run production tubing. Losses include 19.2 m3 left under packer (set at 3285m).

TIME DISTRIBUTION Last 24 hrs	
Rig Up/Service	0.25
Drilling	
Tripping	2.5
Non-Productive Tim	12.5
Condition Hole	
Circulate	
Testing	3
Safety Meetings	0.5
Monitor Well	
Wireline Logs	5.25

MUD VOL ACCTG (m³)		
Oil Added		
Water Added		
Mud Received		
Mud Returned		
Shakers		
Evaporation		
Centrifuge	5.8	
Formation		
Left in Hole	19.2	
Haul Off (Pits)	50	
Sent to Storage		
Other		
Left Behind Casing		

SOLIDS ANALYSIS (%/kg/m³)	
NaCl	0.3/ 11.1
KCl	0.2/ 5.3
Low Gravity	3.4/ 88.8
Bentonite	0./ 0.
Drill Solids	1.9/ 48.8
Weight Material	NA/ NA
Chemical Conc	- / 40.
Inert/React	-
Average SG	2.6

RHEOLOGY & HYDRAULICS	
np/na	
Kp/Ka	
Bit Pressure Loss %	
Bit HHP/HSI	
Jet Velocity	
Va Pipe	
Va Collars	
Cva Pipe	
Cva Collars	
ECD at Shoe	
ECD at TD	

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$5,671.25	$450,298.31

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/16/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 128

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020	4	Empty	Reserve
Suction Pit #2	32	1020	25	Hole Fill - Stripped	Reserve
Suction Pit #3	34	1055	25	Stripping	Active
Premix Tank #4	38	1020	34.6	Ready to Haul off	Reserve
Shaker Tank #2	31	1055	22	Stripping	Active
Shaker Tank #1	29	1055	20	Stripping	Active
Pill Tank	10	1275	8	Zetag Mix	Reserve
Trip Tank	7	1055	1.5	RIH return tank	Active
Lines	5	1055		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1115	45	Excess Active	Reserve
Rig 400 BBl Tank #2	64	1105	15	Kill Mud	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	43.2	Excess Active	Reserve
Farm Tank #5	54	1040	53.9	To be dewatered	Reserve
Farm Tank #6	51		50.4	To be dewatered	WBM Storage
Farm Tank #7	62			Seawater	WBM Storage
Farm Tank #8	83	1180	53	To be dewatered	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdown slop	WBM Storage
Degasser Tank	15	1040	10	Circulated Daily	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES

MUD VOLUME	m3
Active	69.0
Reserve	292.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume			121.2	121.2
Volume Not Mud	45.4			45.4
Mud Volume	-45.4		121.2	75.8

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	145.7	323.5		469.2
Oil Added				
Water Added				
Vol Chem Added	40.6	0.5		41.1
Chem Not For Mud				
Total Volume Built	40.6	0.5		41.1
Received				
Return				
From Active To		3		
From Reserve To	10			
From Premix To				
Daily Loss	49	26		75
Final Volume	144.3	291		435.3

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	5.8
Formation	
Left in Hole	19.2
Haul Off (Pits)	50.0
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	75.0

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	196		560		756			196	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00									
BLEACH	5. GA CN	69.00	7		35		42			7	
CALCIUM NITRATE	25. KG BG	65.20	15	9	112	49	167			55	586.80
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-490	15.04	489					-505	
DUAL-FLO	50. LB BG	319.70	60		10		70			60	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			1		88		87		
ENGINEERING	1. EA	900.00		1	143						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	62	17	51		96			45	371.45
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	1	10	88	40	119			31	173.00
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04	50		50		100			50	
NUT PLUG MEDIUM	25. KG BG	34.04	50		50		100			50	
OMYA CARB 100 PT	50. LB BG	13.32	120				120			120	
PALLETS	1. EA	16.00	128			2	130			130	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	52		45		97			52	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	120		1338		1458			120	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	112			2	114			114	
SNOW WHITE 350	50. LB BG	12.62	102		60		162			102	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
X-CIDE 102W	55. GA DM	1985.33									
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	59		101		160			59	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	65	7	85		143			58	3640.00

MI SWACO

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 12/16/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** RIH Prod. String

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 129

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/17/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ Prod String

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
601 m, 94.-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
	244.-mm @2509 m (2509 TVD)	118.9	56.9	Pump Liner x Stk	140x305 mm	140x305 mm
	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
	178.-mm L @3430 m (3413 TVD)	77.5		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Hole 0:00	IN 14:30			**Products**	**Size**	**Amount**
FlowLine Temp	℃					LIME	25. KG BG	7
Depth/TVD	m	3450/3458				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1055.0@20	1020.0@8			CALCIUM NITRATE	25. KG BG	12
Funnel Viscosity	s/L	38	29			ZETAG 7557 (PERCOL 757	25. KG BG	5
Rheology Temp	℃	50	50			DRILLWATER	1. M3 TK	16.75
R600/R300		11/7	7/4			GYPSUM	20. KG BG	18
R200/R100		5/4	2/1					
R6/R3		1/1	1/1					
PV	mPa·s	4	3					
YP	Pa	1.5	0.5					
10s/10m/30m Gel	Pa	0.5/0.5/1	0.5/0.5/0.5					
API Fluid Loss	cc/30min	16	>25					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	1/						
Solids	%Vol	4	2					
Oil/Water	%Vol	4/92	2/96			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		9.0@20	11.0@20			Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.15/2.70	.50/1.20			Centrifuge 1 UF (kg/m3)	1450	24.0
Chlorides	mg/L	10000	10000			Centrifuge 2 (kg/m3)	1490	24.0
Hardness (Ca++)		80	2000					
Suction Temp	Deg C	22.				Centrifuge OF (kg/m3)	1015	
Buoyancy Factor								
Potassium Ion	mg/l	3500.	3500.					
60 Min Gel	Pa	1.5						
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1055.0
						Viscosity	30-40	38
						Filtrate	<15	16
Reserve Volume	m³	287						

REMARKS AND TREATMENT

Continue with mud stripping operations: **Daily Haul off** = 30 m³ Cummulative Haul off = 170 m³ Surface volume to strip = 45 m³ Tank Farm volume to strip = 190 m³ Hole Volume to strip = 102 m³ Total volume to strip = m3

REMARKS

RIH with Production Tubing as per program. Re-palletizing chemicals in mud van in preparation for backload.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 11.1	np/na	0.652/0.593
Drilling		Water Added		KCl	0.2/ 5.3	Kp/Ka	0.061/0.097
Tripping		Mud Received		Low Gravity	3.4/ 88.8	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Condition Hole		Shakers		Drill Solids	1.9/ 48.8	Jet Velocity	
Run Completions	24	Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing		Centrifuge	6.1	Chemical Conc	- / 40.	Va Collars	
Safety Meetings		Formation		Inert/React	-	Cva Pipe	28
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	28
Wireline Logs		Haul Off (Pits)	30			ECD at Shoe	
		Sent to Storage				ECD at TD	1055
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$4,796.80	$455,095.11

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/17/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 129

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020		Trip Tank retur	Reserve
Suction Pit #2	32	1020	23.8	Hole Fill - Strip	Reserve
Suction Pit #3	34	1015	20.8	Ready for Haul	Active
Premix Tank #4	38	1020	25.4	Strip Tank	Reserve
Shaker Tank #2	31	1015	17.8	Ready for Haul	Active
Shaker Tank #1	29	1015	15.3	Ready for Haul	Active
Pill Tank	10	1275	4.9	Zetag Mix	Reserve
Trip Tank	7	1055	3	RIH return tank	Active
Lines	5	1055		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1115	15	Excess Active	Reserve
Rig 400 BBl Tank #2	64	1015	58	Ready for Haul	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	43.2	Excess Active	Reserve
Farm Tank #5	54	1040	53.9	To be dewatere	Reserve
Farm Tank #6	51		50.4	To be dewatere	WBM Storage
Farm Tank #7	62			Seawater	WBM Storage
Farm Tank #8	83	1180	53	To be dewatere	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	10	Stripped Mud	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	57.0
Reserve	287.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	18.8	1.8	98.3	118.9
Volume Not Mud				
Mud Volume	18.8	1.8	98.3	118.9

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	189.7	291		480.7
Oil Added				
Water Added				
Vol Chem Added		17.2		17.2
Chem Not For Mud				
Total Volume Built		17.2		17.2
Received				
Return				
From Active To		15.1		
From Reserve To	1.2			
From Premix To				
Daily Loss		36.1		36.1
Final Volume	175.8	286		461.8

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	6.1
Formation	
Left in Hole	
Haul Off (Pits)	30.0
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	36.1

WELLSITE CHEMICAL INVENTORY

Daily Report

Cost Summary

Total Daily Cost: 4796.80 **Total Daily Tax:**

Cumulative Cost: 455095.11

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34	35		15		50			35	
BARITE - FEDERAL	40. KG BG	18.90	196		560		756			196	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	55	12	124		167			43	782.40
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-531	16.75	532					-548	
DUAL-FLO	50. LB BG	319.70	60		10		70			60	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	144						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	45	18	69		96			27	393.30
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	31	7	95		119			24	121.10
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04	50		50		100			50	
NUT PLUG MEDIUM	25. KG BG	34.04	50		50		100			50	
OMYA CARB 100 PT	50. LB BG	13.32	120				120			120	
PALLETS	1. EA	16.00	130				130			130	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	52		45		97			52	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	120		1338		1458			120	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	114				114			114	
SNOW WHITE 350	50. LB BG	12.62	102		60		162			102	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/17/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : RIH w/ Prod String

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 130

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/18/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH Dual Prod Tbg

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
1802 m, 94.-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
m, -mm	244.-mm @2509 m (2509 TVD)	114.2	75.9	Pump Liner x Stk	140x305 mm	140x305 mm
m, -mm	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
m, -mm	178.-mm L @3430 m (3413 TVD)	137.7		Pump stk/min	0@97%	0@97%
m, -mm		Depth Drilled Last 24 hr		Flow Rate	m³/min	
m, -mm		m		Pump Pressure	kPa	
Nozzles 0 mm		Volume Drilled Last 24 hr		Bottoms Up		
Bit 156-mm 0		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Trip Tank 21:20	Farm Tk 8 19:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃					LIME	25. KG BG	6
Depth/TVD	m	3450/3458	3450/3458			ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1020.0@8	1110.0@9			CALCIUM NITRATE	25. KG BG	8
Funnel Viscosity	s/L	38				ZETAG 7557 (PERCOL 757	25. KG BG	6
Rheology Temp	℃	50	50			DRILLWATER	1. M3 TK	30.03
R600/R300		9/7	15/12			GYPSUM	20. KG BG	14
R200/R100		4/1	10/8					
R6/R3		1/1	5/4					
PV	mPa·s	2	3					
YP	Pa	2.5	4.5					
10s/10m/30m Gel	Pa	1/1/1	3/4/5					
API Fluid Loss	cc/30min	>25	>25					
HTHP Fluid Loss	cc/30min	.0@	.0@					
Cake APT/HT	mm	/	/					
Solids	%Vol	1	10					
Oil/Water	%Vol	1/98	1/90			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		8.5@20	10.0@20			Shaker 2	230/230/165	
Alkal Mud (Pm)								
Pf/Mf		.08/1.20	.18/1.70	Pilot Testing samples (mud change; Tank farm) to optimize solids removal; Evaluating Port Settings.		Centrifuge 1 UF (kg/m3)	1160	24.0
Chlorides	mg/L	10000	20000			Centrifuge 2 (kg/m3)	1160	24.0
Hardness (Ca++)		720	2000					
Suction Temp	Deg C					Centrifuge OF (kg/m3)	1080	
Buoyancy Factor						Centrifuge Feed Rate	700	
Potassium Ion	mg/l	3800.	6200.			Centrifuge Feed Wt.	1110	
60 Min Gel	Pa							
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1020.0
						Viscosity	30-40	38
						Filtrate	<15	>25
Reserve Volume	m³	206						

REMARKS AND TREATMENT

Continue with mud stripping operations: Currently stipping PDIP Tank Farm) Daily Haul off = 84 m³ Cummulative Haul off = 254 m³ Surface volume to strip = 0 m³ Tank Farm volume to strip = 147 m³ Hole Volume to strip = 102 m³ Total volume to strip = 249 m³ (Approximately 10 truck loads required).

REMARKS

Primary Mud Check represenst volume displaced from hole (RIH) to Trip Tank. Chemicals 'taken-out' of inventory, as per backload to Way's (Final end-of-well count to be completed when all product backloaded off location). Begin running Dual Producion String from 1280m. Column #2 mud check represents Tank Farm #8 prior to stripping with water/chemical inclusive. Continue to pilot test this pit for optimum solids removal.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 10.6	np/na	0.363/0.198
Drilling		Water Added		KCl	0.2/ 7.1	Kp/Ka	0.373/0.185
Tripping	24	Mud Received		Low Gravity	0.7/ 19.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Condition Hole		Shakers		Drill Solids	0.2/ 4.4	Jet Velocity	
Run Completions		Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing		Centrifuge	12.7	Chemical Conc	- / 15.	Va Collars	
Safety Meetings		Formation		Inert/React	-	Cva Pipe	20
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	20
Wireline Logs		Haul Off (Pits)	84			ECD at Shoe	
		Sent to Storage				ECD at TD	1020
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$4,951.30	$460,046.41

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/18/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 130

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020		Trip Tank returns	Reserve
Suction Pit #2	32	1020	19.8	Hole Fill - Stripped	Reserve
Suction Pit #3	34	1015	25.8	Ready for Haul off	Active
Premix Tank #4	38	1020	37.4	Strip Tank	Reserve
Shaker Tank #2	31	1015	27.8	Mud to Strip	Active
Shaker Tank #1	29	1015	15.3	Mud to Strip	Active
Pill Tank	10	1275	7.9	Zetag Mix	Reserve
Trip Tank	7	1055	6	RIH return tank	Active
Lines	5	1055	1	Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1015	30	Ready to Haul Off	Reserve
Rig 400 BBl Tank #2	64				Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	43.2	Excess Active	Reserve
Farm Tank #5	54	1040	53.9	To be dewatered	Reserve
Farm Tank #6	51		50.4	To be dewatered	WBM Storage
Farm Tank #7	62			Seawater	WBM Storage
Farm Tank #8	83	1180	4	Dead Volume	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdown slop	WBM Storage
Degasser Tank	15	1020	10	Stripped Mud	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	76.0
Reserve	206.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	56.3	5.4	52.4	114.1
Volume Not Mud				
Mud Volume	56.3	5.4	52.4	114.1

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	175.8	286		461.8
Oil Added				
Water Added				
Vol Chem Added		30.4		30.4
Chem Not For Mud				
Total Volume Built		30.4		30.4
Received				
Return				
From Active To				
From Reserve To	27			
From Premix To				
Daily Loss	12.7	84		96.7
Final Volume	190.1	205.4		395.5

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	12.7
Formation	
Left in Hole	
Haul Off (Pits)	84.0
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	96.7

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34	35		15		50	35	35		
BARITE - FEDERAL	40. KG BG	18.90	196		560		756			196	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	43	8	132	49	216			84	521.60
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-548	30.03	562					-578	
DUAL-FLO	50. LB BG	319.70	60		10		70	61	61	-1	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	145						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	27	14	83	96	192			109	305.90
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	24	6	101		119			18	103.80
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04	50		50		100	50	50		
NUT PLUG MEDIUM	25. KG BG	34.04	50		50		100	50	50		
OMYA CARB 100 PT	50. LB BG	13.32	120				120	120	120		
PALLETS	1. EA	16.00	130			3	133			133	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	52		45		97	35	35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	120		1338		1458	60	60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	114			3	117			117	
SNOW WHITE 350	50. LB BG	12.62	102		60		162	90	90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	59		101		160	40	40	19	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	53	6	96		143			47	3120.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/18/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : RIH Dual Prod Tbg

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 131

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/19/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	RIH w/ Dual Prod Tbg

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
2765 m, 94.-mm PT	340.-mm @495 m (495 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
	244.-mm @2509 m (2509 TVD)	110.4	91.9	Pump Liner x Stk	140x305 mm	140x305 mm
	194.-mm L @3352 m (3350 TVD)	Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
	178.-mm L @3430 m (3413 TVD)	173.3		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES

Sample From		Trip Tank 21:00	Stripped 23:30	Farm Tk 8 16:00	
FlowLine Temp	℃				
Depth/TVD	m	3450/3458			
Mud Weight /Temp	kg/m³	1025.0@7	1025.0@5	1110.0@9	
Funnel Viscosity	s/L	38	28		
Rheology Temp	℃	50	50	50	
R600/R300		9/7	5/3	15/12	
R200/R100		4/1	2/1	10/8	
R6/R3		1/1	1/1	5/4	
PV	mPa·s	2	2	3	
YP	Pa	2.5	0.5	4.5	
10s/10m/30m Gel	Pa	0.5/0.5/0.5	0.5/0.5/0.5	3/4/5	
API Fluid Loss	cc/30min	>25	>25	>25	
HTHP Fluid Loss	cc/30min				
Cake APT/HT	mm				
Solids	%Vol	1	0.75	10	
Oil/Water	%Vol	1/98	0.25/99	0.5/89.5	
Sand	%Vol				
MBT	kg/m³				
pH / Temp		8.5@20	10.5@20	10.0@20	
Alkal Mud (Pm)					
Pf/Mf		.08/1.20	.30/1.20	.18/1.70	
Chlorides	mg/L	10000	13000	20000	
Hardness (Ca++)		720	2000	2000	
Suction Temp	Deg C				
Buoyancy Factor					
Potassium Ion	mg/l	3800.	5500.	6200.	
60 Min Gel	Pa				
Reserve Volume	m³	222			

Stripping Operations

PRODUCTS USED Last 24 hr

Products	Size	Amount
LIME	25. KG BG	3
BARITE - FEDERAL	40. KG BG	12
ENGINEERING	1. EA	1
CALCIUM NITRATE	25. KG BG	4
ZETAG 7557 (PERCOL 757	25. KG BG	4
DRILLWATER	1. M3 TK	37
GYPSUM	20. KG BG	8

SOLIDS CONTROL EQUIPMENT Last 24 hr

Type	Model/Size	Hrs Used
Shaker 1	230/230/230	
Shaker 2	230/230/230	
Centrifuge 1 UF (kg/m3)	1410	24.0
Centrifuge 2 (kg/m3)	1410	24.0
Centrifuge OF (kg/m3)	1025	
Centrifuge Feed Rate	550	
Centrifuge Feed Wt.	1050	

MUD PROPERTY SPECS

		Actual
Weight	ALAP	1025.0
Viscosity	30-40	38
Filtrate	<15	>25

REMARKS AND TREATMENT

Continue with mud stripping operations: Continue stipping PDIP Tank Farm) Daily Haul off = 0 m³ Cummulative Haul off = 254 m³ Surface volume to strip = 0 m³ Tank Farm volume to strip = 104 m³ Hole Volume to strip = 91 m³ Total volume to strip = 282 m³ (Approximately 10 truck loads required).

REMARKS

Continue RIH with Dual Production String. Primary Mud Check represents volume displaced to Trip Tank from RIH. Column #2 mud check represents Farm Tank #8 after stripping operations. Mud check for Farm Tank #8 prior to stripping operations shown in column #8. No trucks available for haul off today.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.3/ 10.6	np/na	0.363/0.198
Drilling		Water Added		KCl	0.2/ 7.1	Kp/Ka	0.373/0.185
Tripping	24	Mud Received		Low Gravity	0.7/ 19.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Condition Hole		Shakers		Drill Solids	0.2/ 4.4	Jet Velocity	
Run Completions		Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing		Centrifuge	8.8	Chemical Conc	- / 15.	Va Collars	
Safety Meetings		Formation		Inert/React	-	Cva Pipe	20
Monitor Well		Left in Hole		Average SG	2.6	Cva Collars	22
Wireline Logs		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1025
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$3,694.30	$463,740.71

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/19/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 131

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020	10.5	Trip Tank retur	Reserve
Suction Pit #2	32	1020	16.3	Hole Fill - Strip	Reserve
Suction Pit #3	34	1040	34.8	Mud to Strip	Active
Premix Tank #4	38	1020	32.4	Strip Tank	Reserve
Shaker Tank #2	31	1015	29.8	Mud to Strip	Active
Shaker Tank #1	29	1015	22.3	Mud to Strip	Active
Pill Tank	10	1275	4.9	Zetag Mix	Reserve
Trip Tank	7	1055	4	RIH return tank	Active
Lines	5	1055	1	Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1015	51	Ready to Haul (	Reserve
Rig 400 BBl Tank #2	64	1020	37	Ready to Haul (	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	2.2	Dead Volume	Reserve
Farm Tank #5	54	1040	53.9	To be dewatere	Reserve
Farm Tank #6	51		50.4	To be dewatere	WBM Storage
Farm Tank #7	62			MEG Glycol U	WBM Storage
Farm Tank #8	83	1180	4	Dead Volume	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	10	Stripped Mud	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	92.0
Reserve	222.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	73.1	8.3	29	110.4
Volume Not Mud				
Mud Volume	73.1	8.3	29	110.4

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	190.1	205.4		395.5
Oil Added				
Water Added				
Vol Chem Added	5	32.3		37.3
Chem Not For Mud				
Total Volume Built	5	32.3		37.3
Received				
Return				
From Active To		2		
From Reserve To	18			
From Premix To				
Daily Loss	8.8			8.8
Final Volume	202.3	221.7		424

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	8.8
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	8.8

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34			15		50		35		
BARITE - FEDERAL	40. KG BG	18.90	196	12	572		756			184	226.80
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	84	4	136		216			80	260.80
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-578	37	599					-615	
DUAL-FLO	50. LB BG	319.70	-1		10		70		61	-1	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	146						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	109	8	91		192			101	174.80
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	18	3	104		119			15	51.90
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04			50		100		50		
NUT PLUG MEDIUM	25. KG BG	34.04			50		100		50		
OMYA CARB 100 PT	50. LB BG	13.32					120		120		
PALLETS	1. EA	16.00	133				133			133	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	17		45		97		35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	60		1338		1458		60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	117				117			117	
SNOW WHITE 350	50. LB BG	12.62	12		60		162		90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	19		101		160		40	19	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	47	4	100		143			43	2080.00

MI SWACO

Equipment Usage and Cost

Operator :	**PDI Production Inc.**	**Well Name :** Port au Port #1 ST-3H	**Date :** 12/19/2008
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Field/Area :** Western NL, Canada	**Spud Date :** 9/19/1994
Contractor:	Nabors Drilling Ltd.	**Location :** NAD27	**Mud Type :** Poly CalCarb
Report For :	R. Zenner/B. Kramps		**Activity :** RIH w/ Dual Prod Tbg

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 132

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/20/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Attempt to L/O Tbg

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3207 m, 94.-mm PT	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD) 178.-mm L @3430 m (3413 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
		108.6	81.6	Pump Liner x Stk	140x305 mm	140x305 mm
		Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		170		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction 2 21:00	Returns 19:30			**Products**	**Size**	**Amount**
FlowLine Temp	℃		11			LIME	25. KG BG	2
Depth/TVD	m	3247/	3247/			ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1020.0@8	1060.0@11			CALCIUM NITRATE	25. KG BG	4
Funnel Viscosity	s/L	28	33			ZETAG 7557 (PERCOL 757	25. KG BG	4
Rheology Temp	℃	50	50			DRILLWATER	1. M3 TK	32.72
R600/R300		5/3	7/4			GYPSUM	20. KG BG	6
R200/R100		2/1	2/1					
R6/R3		1/1	1/1					
PV	mPa·s	2	3					
YP	Pa	0.5	0.5					
10s/10m/30m Gel	Pa	0.5/0.5/0.5	0.5/0.5/0.5					
API Fluid Loss	cc/30min	>25	>25					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	/	/					
Solids	%Vol	0.75	5					
Oil/Water	%Vol	/99	2/93			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		10.5@20	8.3@20			Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.30/1.20	.02/1.80	Stripping Operations		Centrifuge 1 UF (kg/m3)	1250	18.0
Chlorides	mg/L	13000	14000			Centrifuge 2 (kg/m3)	1250	18.0
Hardness (Ca++)		2000	8400					
Suction Temp	Deg C	7.				Centrifuge OF (kg/m3)	1025	
Buoyancy Factor						Centrifuge Feed Rate	550	
Potassium Ion	mg/l	5500.	4500.			Centrifuge Feed Wt.	1040	
60 Min Gel	Pa							
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1020.0
						Viscosity	30-40	28
Reserve Volume	m³	210				Filtrate	N/A	>25

REMARKS AND TREATMENT

Execute Game Plan to Displace wellbore to 1020 kg/m3 stripped water. Pumped viscous pill ahead of water; pill returned and subsided, followed by water as per calculated strokes. All mud requiring stripping, now on Surface, 400 bbl tank and Tank Farm. Daily Haul off = 52 m³ Cummulative Haul off = 306 m³ Surface volume to strip = 182 m³ Tank Farm volume to strip = 104 m³ Total volume to strip =286 m³ (Approximately 10 truck loads required).

REMARKS

Run Dual Production String to 3247m and tag Packer Assembly; Pressure up Control Lines to 20,000 PSI to close sliding sleeve. Attempt to land Tubing in Packer, 'no go'; displace wellbore to stripped mud (1020 kg/m3 water). Primary Mud Check represents hole and column #2 is mud returns from displacement.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.4/ 13.	np/na	0.737/0.737
Drilling		Water Added		KCl	0.4/ 10.3	Kp/Ka	0.015/0.015
Tripping		Mud Received		Low Gravity	0.7/ 18.7	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Condition Hole		Shakers		Drill Solids	0.038338658	Jet Velocity	
Run Completions	11.5	Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing	1.5	Centrifuge	5	Chemical Conc	- / 50.	Va Collars	
Safety Meetings		Formation		Inert/React	-	Cva Pipe	9
Displace Well	4	Left in Hole		Average SG	2.6	Cva Collars	14
Other	7	Haul Off (Pits)	52			ECD at Shoe	
		Sent to Storage				ECD at TD	1020
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$3,406.50	$467,147.21

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/20/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 132

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1060	26.5	Trip Tank retur	Reserve
Suction Pit #2	32	1020	10.3	Stripped	Reserve
Suction Pit #3	34	1060	30	Mud to Strip	Active
Premix Tank #4	38	1060	30.4	Mud to Strip	Reserve
Shaker Tank #2	31	1060	26.8	Mud to Strip	Active
Shaker Tank #1	29	1060	22.3	Mud to Strip	Active
Pill Tank	10	1070	7.9	Zetag Mix	Reserve
Trip Tank	7	1025	2.5		Active
Lines	5	1025		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1060	51	Mud to Strip	Reserve
Rig 400 BBl Tank #2	64	1020	15	Stripped	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	2.2	Dead Volume	Reserve
Farm Tank #5	54	1040	53.9	To be dewatere	Reserve
Farm Tank #6	51		50.4	To be dewatere	WBM Storage
Farm Tank #7	62			MEG Glycol U	WBM Storage
Farm Tank #8	83	1180	4	Dead Volume	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	9	Stripped	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	82.0
Reserve	210.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	78.8	9.7	20.2	108.7
Volume Not Mud				
Mud Volume	78.8	9.7	20.2	108.7

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	202.3	221.7		424
Oil Added				
Water Added				
Vol Chem Added	32.9			32.9
Chem Not For Mud				
Total Volume Built	32.9			32.9
Received				
Return				
From Active To		22		
From Reserve To	34			
From Premix To				
Daily Loss	57			57
Final Volume	190.2	209.7		399.9

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	5.0
Formation	
Left in Hole	
Haul Off (Pits)	52.0
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	57.0

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34			15		50		35		
BARITE - FEDERAL	40. KG BG	18.90	184		572		756			184	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	80	4	140		216			76	260.80
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-615	32.72	631					-647	
DUAL-FLO	50. LB BG	319.70	-1		10		70		61	-1	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	147						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	101	6	97		192			95	131.10
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	15	2	106		119			13	34.60
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04			50		100		50		
NUT PLUG MEDIUM	25. KG BG	34.04			50		100		50		
OMYA CARB 100 PT	50. LB BG	13.32					120		120		
PALLETS	1. EA	16.00	133				133			133	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	17		45		97		35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	60		1338		1458		60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	117				117			117	
SNOW WHITE 350	50. LB BG	12.62	12		60		162		90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	19		101		160		40	19	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	43	4	104		143			39	2080.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/20/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Attempt to L/O Tbg

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 133

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/21/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Sting Tbg in Packer

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3277 m, 94.-mm PT	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD) 178.-mm L @3430 m (3413 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
		108.4	84.7	Pump Liner x Stk	140x305 mm	140x305 mm
		Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		174.3		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Suction 2 21:00	Stripped 20:00			**Products**	**Size**	**Amount**
FlowLine Temp	℃					LIME	25. KG BG	4
Depth/TVD	m	3247/				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1020.0@8	1020.0@5			CALCIUM NITRATE	25. KG BG	8
Funnel Viscosity	s/L	28	29			ZETAG 7557 (PERCOL 757	25. KG BG	9
Rheology Temp	℃	50	50			DRILLWATER	1. M3 TK	51.61
R600/R300		5/3	5/3			GYPSUM	20. KG BG	15
R200/R100		2/1	2/1					
R6/R3		1/1	1/1					
PV	mPa·s	2	2					
YP	Pa	0.5	0.5					
10s/10m/30m Gel	Pa	0.5/0.5/0.5	0.5/0.5/0.5					
API Fluid Loss	cc/30min	>25	>25					
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol	0.75	0.75					
Oil/Water	%Vol	0.25/99	0.25/99			**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		10.5@20	10@20			Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.30/1.20	.30/1.20	Stripping Operations		Centrifuge 1 UF (kg/m3)	1360	24.0
Chlorides	mg/L	13000	12000			Centrifuge 2 (kg/m3)	1360	24.0
Hardness (Ca++)		2000	2000					
Suction Temp	Deg C	7.				Centrifuge OF (kg/m3)	1020	
Buoyancy Factor						Centrifuge Feed Rate	500	
Potassium Ion	mg/l	5500.	5500.			Centrifuge Feed Wt.	1060	
60 Min Gel	Pa							
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1020.0
						Viscosity	30-40	28
						Filtrate	N/A	>25
Reserve Volume	m³	250						

REMARKS AND TREATMENT

Continue with mud stripping operations: Daily Haul off = 0 m³ Cummulative Haul off = 306 m³ Surface volume to strip = 95 m³ Tank Farm volume to strip = 104 m³ Total volume to strip = 199 m³ (Approximately 10 truck loads required).

REMARKS

Continue attempting to L/O Tubing in Packer, successful. Pressure Test to 3500 kPa. Space out Tubing, intall dognut, splice control lines and run through dognut. Sting into Packer. No haul off today due to trucks unavailable.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service		Oil Added		NaCl	0.4/ 13.	np/na	0.737/0.737
Drilling		Water Added		KCl	0.4/ 10.3	Kp/Ka	0.015/0.015
Tripping	23.5	Mud Received		Low Gravity	0.7/ 18.7	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
Condition Hole		Shakers		Drill Solids	0.038338658	Jet Velocity	
Back Ream		Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing	0.5	Centrifuge	9.1	Chemical Conc	- / 50.	Va Collars	
Safety Meetings		Formation		Inert/React	-	Cva Pipe	9
Displace Well		Left in Hole		Average SG	2.6	Cva Collars	14
Other		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1020
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$6,498.55	$473,645.76

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/21/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 133

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1060	29.5	Mud to Strip	Reserve
Suction Pit #2	32	1020	17.7	Stripped	Reserve
Suction Pit #3	34	1020	32	Stripped	Active
Premix Tank #4	38	1060	14.5	Mud to Strip	Reserve
Shaker Tank #2	31	1060	27.2	Stripped	Active
Shaker Tank #1	29	1060	23	Stripped	Active
Pill Tank	10	1070	6.4	Zetag Mix	Reserve
Trip Tank	7	1025	2.5		Active
Lines	5	1025		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1060	51	Mud to Strip	Reserve
Rig 400 BBl Tank #2	64	1020	59	Stripped	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	2.2	Dead Volume	Reserve
Farm Tank #5	54	1040	53.9	To be dewatere	Reserve
Farm Tank #6	51		50.4	To be dewatere	WBM Storage
Farm Tank #7	62			MEG Glycol U	WBM Storage
Farm Tank #8	83	1180	4	Dead Volume	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	12	Stripped	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	85.0
Reserve	250.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	79.7	9.9	18.8	108.4
Volume Not Mud				
Mud Volume	79.7	9.9	18.8	108.4

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	190.2	209.7		399.9
Oil Added				
Water Added				
Vol Chem Added		52		52
Chem Not For Mud				
Total Volume Built		52		52
Received				
Return				
From Active To				
From Reserve To	2.9			
From Premix To				
Daily Loss		9.1		9.1
Final Volume	193.1	249.7		442.8

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	9.1
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	9.1

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34			15		50		35		
BARITE - FEDERAL	40. KG BG	18.90	184		572		756			184	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	76	8	148		216			68	521.60
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-647	51.61	683					-699	
DUAL-FLO	50. LB BG	319.70	-1		10		70		61	-1	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	148						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	95	15	112		192			80	327.75
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	13	4	110		119			9	69.20
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04			50		100		50		
NUT PLUG MEDIUM	25. KG BG	34.04			50		100		50		
OMYA CARB 100 PT	50. LB BG	13.32					120		120		
PALLETS	1. EA	16.00	133				133			133	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	17		45		97		35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	60		1338		1458		60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	117				117			117	
SNOW WHITE 350	50. LB BG	12.62	12		60		162		90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	19		101		160		40	19	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	39	9	113		143			30	4680.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/21/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Sting Tbg in Packer

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 134

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/22/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	Nipple Down BOP

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3283 m, 94.-mm PT	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD) 178.-mm L @3430 m (3413 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
		108.3	90.1	Pump Liner x Stk	140x305 mm	140x305 mm
		Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		179.7		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Stripped 10:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃					LIME	25. KG BG	4
Depth/TVD	m	3247/				ENGINEERING	1. EA	1
Mud Weight /Temp	kg/m³	1020.0@4				CALCIUM NITRATE	25. KG BG	8
Funnel Viscosity	s/L	29				ZETAG 7557 (PERCOL 757)	25. KG BG	7
Rheology Temp	℃	50				DRILLWATER	1. M3 TK	25.46
R600/R300		5/3				GYPSUM	20. KG BG	12
R200/R100		2/1						
R6/R3		1/1						
PV	mPa·s	2						
YP	Pa	0.5						
10s/10m/30m Gel	Pa	0.5/0.5/0.5						
API Fluid Loss	cc/30min	>25						
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm	/						
Solids	%Vol	0.75						
Oil/Water	%Vol	0.25/99				**SOLIDS CONTROL EQUIPMENT Last 24 hr**		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		10.0@20				Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.20/1.00				Centrifuge 1 UF (kg/m3)	1310	24.0
Chlorides	mg/L	12000				Centrifuge 2 (kg/m3)	1310	24.0
Hardness (Ca++)		2000						
Suction Temp	Deg C					Centrifuge OF (kg/m3)	1020	
Buoyancy Factor						Centrifuge Feed Rate	500	
Potassium Ion	mg/l	5500.				Centrifuge Feed Wt.	1060	
60 Min Gel	Pa							
						MUD PROPERTY SPECS		**Actual**
						Weight	ALAP	1020.0
						Viscosity	30-40	29
Reserve Volume	m³	261				Filtrate	N/A	>25

REMARKS AND TREATMENT

Continue with mud stripping operations: Daily Haul off = 0 m³ Cummulative Haul off = 306 m³ Surface volume to strip = 64 m³ Tank Farm volume to strip = 104 m³ Total volume to strip = 168 m³ (Approximately 10 truck loads required).

REMARKS

Connect control & land Tubing Hanger. Pressure Test same as per program. Nipple down BOP. Rig out Weatherford Dual String running equipment.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	2	Oil Added		NaCl	0.3/ 11.4	np/na	0.737/0.737
Drilling		Water Added		KCl	0.4/ 10.4	Kp/Ka	0.015/0.015
Tripping		Mud Received		Low Gravity	0.5/ 12.4	Bit Pressure Loss %	/ 1.
Non-Productive Tim		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
BOP NU	10.5	Shakers		Drill Solids	0.037234043	Jet Velocity	
Control Lines/L/O Tb	7	Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing	4	Centrifuge	8.8	Chemical Conc	- / 50.	Va Collars	
Safety Meetings	0.5	Formation		Inert/React	-	Cva Pipe	9
Displace Well		Left in Hole		Average SG	2.6	Cva Collars	14
Other		Haul Off (Pits)				ECD at Shoe	
		Sent to Storage				ECD at TD	1020
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$5,393.00	$479,038.76

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/22/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 134

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020	32.6	Stripped	Reserve
Suction Pit #2	32	1015	26.7	Stripped	Reserve
Suction Pit #3	34	1020	33	Stripped	Active
Premix Tank #4	38	1060	30.3	Mud to Strip	Reserve
Shaker Tank #2	31	1020	27.2	Stripped	Active
Shaker Tank #1	29	1020	23	Stripped	Active
Pill Tank	10	1070	6	Zetag Mix	Reserve
Trip Tank	7	1025	6.8	Stripped	Active
Lines	5	1025		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64	1060	34.5	Mud to Strip	Reserve
Rig 400 BBl Tank #2	64	1020	59	Stripped	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	2.2	Dead Volume	Reserve
Farm Tank #5	54	1040	53.9	To be dewatere	Reserve
Farm Tank #6	51		50.4	To be dewatere	WBM Storage
Farm Tank #7	62				WBM Storage
Farm Tank #8	83	1180	4	Dead Volume	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	12	Stripped	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	90.0
Reserve	261.0
Premix	
OTHER VOLUME	
WBM Storage	75.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	79.7	9.9	18.7	108.3
Volume Not Mud				
Mud Volume	79.7	9.9	18.7	108.3

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	193.1	249.7		442.8
Oil Added				
Water Added				
Vol Chem Added	-0.1	25.8		25.7
Chem Not For Mud				
Total Volume Built	-0.1	25.8		25.7
Received				
Return				
From Active To				
From Reserve To	5.3			
From Premix To				
Daily Loss		8.8		8.8
Final Volume	198.3	261.4		459.7

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	8.8
Formation	
Left in Hole	
Haul Off (Pits)	
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	8.8

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34			15		50		35		
BARITE - FEDERAL	40. KG BG	18.90	184		572		756			184	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
BLEACH	5. GA CN	69.00	7		35		42			7	
Bleach	18.93 LT CN	69.00									
CALCIUM NITRATE	25. KG BG	65.20	68	8	156		216			60	521.60
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-699	25.46	708					-724	
DUAL-FLO	50. LB BG	319.70	-1		10		70		61	-1	
DUO-VIS	11.34 KG BG	174.98			1		88		87		
DUO-VIS	25. KG BG	385.80									
ENGINEERING	1. EA	900.00		1	149						900.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	80	12	124		192			68	262.20
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	9	4	114		119			5	69.20
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04			50		100		50		
NUT PLUG MEDIUM	25. KG BG	34.04			50		100		50		
OMYA CARB 100 PT	50. LB BG	13.32					120		120		
PALLETS	1. EA	16.00	133				133			133	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	17		45		97		35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	60		1338		1458		60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	117				117			117	
SNOW WHITE 350	50. LB BG	12.62	12		60		162		90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	19		101		160		40	19	
ZETAG 7557 (PERCOL 757)	25. KG BG	520.00	30	7	120		143			23	3640.00

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/22/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : Nipple Down BOP

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

WATER-BASED MUD REPORT No. 135

Operator :	**PDI Production Inc.**	**Field/Area :**	Western NL, Canada	**Depth/TVD :**	4255 m / 3458 m
Report For :	S.McIntosh/L.McIntosh/T.Papp	**Description :**	GHS-0010-ICO-0066-PCM	**Date :**	12/23/2008
Well Name :	Port au Port #1 ST-3H	**Location :**	NAD27	**Spud Date :**	9/19/1994
Contractor:	Nabors Drilling Ltd.	**Water Depth :**	0 m	**Mud Type :**	Poly CalCarb
Report For :	R. Zenner/B. Kramps	**Rig Name :**	Nabors C45E	**Activity :**	R/D Equipment

DRILLING ASSEMBLY	CASING	MUD VOLUME (m³)		CIRCULATION DATA		
3283 m, 94.-mm PT	340.-mm @495 m (495 TVD) 244.-mm @2509 m (2509 TVD) 194.-mm L @3352 m (3350 TVD) 178.-mm L @3430 m (3413 TVD)	Hole	Active Pits	Pump Make	EMSCO FB-1600	EMSCO FB-1600
		108.3	88.9	Pump Liner x Stk	140x305 mm	140x305 mm
		Total Circulating Volume		Pump Capacity L/stk	13.66	13.66
		178.5		Pump stk/min	0@97%	0@97%
		Depth Drilled Last 24 hr		Flow Rate	m³/min	
		m		Pump Pressure	kPa	
		Volume Drilled Last 24 hr		Bottoms Up		
		m³		Total Circulation		

MUD PROPERTIES						PRODUCTS USED Last 24 hr		
Sample From		Stripped 11:00				**Products**	**Size**	**Amount**
FlowLine Temp	℃					LIME	25. KG BG	2
Depth/TVD	m	3247/				ENGINEERING	1. EA	2
Mud Weight /Temp	kg/m³	1015.0@4				CALCIUM NITRATE	25. KG BG	4
Funnel Viscosity	s/L	29				ZETAG 7557 (PERCOL 757)	25. KG BG	4
Rheology Temp	℃	50				DRILLWATER	1. M3 TK	58.22
R600/R300		4/3				GYPSUM	20. KG BG	6
R200/R100		1/1						
R6/R3		0.5/0.5						
PV	mPa·s	1						
YP	Pa	1						
10s/10m/30m Gel	Pa	0.5/0.5/0.5						
API Fluid Loss	cc/30min	>25						
HTHP Fluid Loss	cc/30min							
Cake APT/HT	mm							
Solids	%Vol	0.75						
Oil/Water	%Vol	0.25/99				SOLIDS CONTROL EQUIPMENT Last 24 hr		
Sand	%Vol					**Type**	**Model/Size**	**Hrs Used**
MBT	kg/m³					Shaker 1	230/230/230	
pH / Temp		10.0@20				Shaker 2	230/230/230	
Alkal Mud (Pm)								
Pf/Mf		.30/1.10				Centrifuge 1 UF (kg/m3)	1290	24.0
Chlorides	mg/L	13000				Centrifuge 2 (kg/m3)	1290	24.0
Hardness (Ca++)		2000		Stripping Operations				
Suction Temp	Deg C					Centrifuge OF (kg/m3)	1015	
Buoyancy Factor						Centrifuge Feed Rate	550	
Potassium Ion	mg/l	5500.				Centrifuge Feed Wt.	1040	
60 Min Gel	Pa							
						MUD PROPERTY SPECS		Actual
						Weight	ALAP	1015.0
						Viscosity	30-40	29
						Filtrate	N/A	>25
Reserve Volume	m³	259						

REMARKS AND TREATMENT

Continue with mud stripping operations: Daily Haul off = 51 m³ Cummulative Haul off = 357 m³ Surface volume to strip = 76 m³ Tank Farm volume to strip = 30 m³ Total volume to strip = 106 m³ (Approximately 10 truck loads required).

REMARKS

Install Wellhead/Xmas Tree. Connect control lines & gauges to wellhead. R/O flare lines, choke lines and other related equipment. R/U Nitrogen equipment to wellhead. Test N2 equipment. Continue R/D of various equipment. Receive 7 totes of Glycol (7.1 m³), remaining 30 m³ to arrive in morning. Tranfer 130 m³ of stripped water to Farm Tanks 5 & 8 to enable continuation of stripping operations.

TIME DISTRIBUTION Last 24 hrs		MUD VOL ACCTG (m³)		SOLIDS ANALYSIS (%/kg/m³)		RHEOLOGY & HYDRAULICS	
Rig Up/Service	23	Oil Added		NaCl	0.4/ 13.1	np/na	0.415/0.198
Drilling		Water Added		KCl	0.4/ 10.4	Kp/Ka	0.115/0.185
Tripping		Mud Received		Low Gravity	0.4/ 10.5	Bit Pressure Loss %	/ 1.
Non-Productive Time		Mud Returned		Bentonite	0./ 0.	Bit HHP/HSI	/ 1.
BOP NU		Shakers		Drill Solids	0.037974684	Jet Velocity	
Control Lines/L/O Tb		Evaporation		Weight Material	NA/ NA	Va Pipe	
Testing	0.25	Centrifuge	10.4	Chemical Conc	- / 50.	Va Collars	
Safety Meetings	0.75	Formation		Inert/React	-	Cva Pipe	20
Displace Well		Left in Hole		Average SG	2.6	Cva Collars	22
Other		Haul Off (Pits)	51			ECD at Shoe	
		Sent to Storage				ECD at TD	1015
		Other					
		Left Behind Casing					

M-I ENGR / PHONE	RIG PHONE	WAREHOUSE PHONE	DAILY COST	CUMULATIVE COST
D.Diamond 709-727-1614 S. Penney 709-727-9168		709-754-9001	$4,306.50	$483,345.26

MUD VOLUME ACCOUNTING

Daily Report

Operator : PDI Production Inc. **Date :** 12/23/2008

Well Name: Port au Port #1 ST-3H **Report No.:** 135

TANK	CAPACITY m³	WEIGHT kg/m3	VOLUME m3	REMARKS	CLASS
Suction Pit #1	33	1020	28.6	Stripped	Reserve
Suction Pit #2	32	1015	11	Stripped	Reserve
Suction Pit #3	34	1020	32.1	Stripped	Active
Premix Tank #4	38	1060	25.9	Mud to Strip	Reserve
Shaker Tank #2	31	1020	27	Mud to Strip	Active
Shaker Tank #1	29	1020	23	Mud to Strip	Active
Pill Tank	10	1070	4.2	Zetag Mix	Reserve
Trip Tank	7	1025	6.8	Stripped	Active
Lines	5	1025		Rig/TankFarm	Active
Rig 400 BBl Tank #1	64		41.5	Stripped	Reserve
Rig 400 BBl Tank #2	64	1020		For Glycol Stor	Reserve
Farm Tank #1	61		2	PDIP 1	Produced Oil
Farm Tank #2	58		2.4	PDIP 2	Produced Oil
Farm Tank #3	54	1160	1	PDIP 3	Produced Oil
Farm Tank #4	54	1040	2.2	Dead Volume	Reserve
Farm Tank #5	54	1020	55	Stripped	Reserve
Farm Tank #6	51		30	Mud to Strip	WBM Storage
Farm Tank #7	62				WBM Storage
Farm Tank #8	83	1015	79	Stripped	Reserve
Rig Floc Tank	40	1040	25	Boiler Blowdow	WBM Storage
Degasser Tank	15	1020	12	Stripped	Reserve
Separator	10	1040		Off system	Active

SUM PIT VOLUMES	
MUD VOLUME	m3
Active	89.0
Reserve	259.0
Premix	
OTHER VOLUME	
WBM Storage	55.0
Slop	
Produced Oil	5.0

MUD IN HOLE (m3)

MUD IN HOLE:	ANNULUS	PIPE	BELOW BIT	TOTAL
Total Hole Volume	79.7	9.9	18.7	108.3
Volume Not Mud				
Mud Volume	79.7	9.9	18.7	108.3

VOLUME BALANCE (m3)

IN/TO:	ACTIVE	RESERVE	PREMIX	TOTAL
Start Volume	198.4	261.4		459.8
Oil Added				
Water Added				
Vol Chem Added	0.2	58.2		58.4
Chem Not For Mud				
Total Volume Built	0.2	58.2		58.4
Received				
Return				
From Active To		1.4		
From Reserve To				
From Premix To				
Daily Loss		61.4		61.4
Final Volume	197.2	259.6		456.8

LOSS BREAKDOWN (m3)

Shakers	
Evaporation	
Centrifuge	10.4
Formation	
Left in Hole	
Haul Off (Pits)	51.0
Sent to Storage	
Other	
Left Behind Casing	
Total Loss	61.4

WELLSITE CHEMICAL INVENTORY

Daily Report

Product	Unit Size	Unit Price	Start Amt.	Daily Used	Cum Used	Daily Rec'd	Cum Rec'd	Daily Return	Cum. Return	Final Stock	Daily Cost
ALKAPAM 1003	25. KG BG	290.00			5		5				
Asphasol Supreme	22.68 KG BG	147.34			15		50		35		
BARITE - FEDERAL	40. KG BG	18.90	184		572		756			184	
BASE OIL	1. CM		-27		27					-27	
BAYFERROX DYE	22.68 KG BG	108.33	1				1			1	
Bleach	18.93 LT CN	69.00									
BLEACH	5. GA CN	69.00	7		35		42			7	
CALCIUM NITRATE	25. KG BG	65.20	60	4	160		216			56	260.80
CAUSTIC SODA	22.68 KG BG	41.10	60		63		123			60	
CELL-O-FLAKE 3/8	11.34 KG BG	65.50	9				9			9	
CITRIC ACID	25. KG BG	126.77	5		39		44			5	
CLEAN UP	18.93 LT CN	78.25	4		1		35		30	4	
CONQOR 303 A	1. BL DM	1138.90	8				8			8	
CONQOR 404	208.1 LT DM	2373.50	1		1		2			1	
DEFOAM X	18.93 LT CN	185.75	24		27		51			24	
DRILL THIN	11.34 KG BG	118.76	65				65			65	
DRILLWATER	1. M3 TK		-724	58.22	767					-783	
DUAL-FLO	50. LB BG	319.70	-1		10		70		61	-1	
DUO-VIS	25. KG BG	385.80									
DUO-VIS	11.34 KG BG	174.98			1		88		87		
ENGINEERING	1. EA	900.00		2	151						1800.00
FEDERAL SUPREME	40. KG BG	17.60	87		1		88			87	
Glycol	0. KG BK	3.06				7	7			7	
GUAR GUM 3500 CPS	25. KG BG	200.44	3				3			3	
GYPSUM	20. KG BG	21.85	68	6	130		192			62	131.10
IDLUBE XL	55. GA DM	1382.40	1		3		4			1	
KCl water	1. M3 BK		-63		63					-63	
LIGNITE	22.68 KG BG	21.10	19				19			19	
LIME	25. KG BG	17.30	5	2	116	40	159			43	34.60
METHANOL	55. GA DM	615.58	4				4			4	
NUT PLUG FINE	25. KG BG	34.04			50		100		50		
NUT PLUG MEDIUM	25. KG BG	34.04			50		100		50		
OMYA CARB 100 PT	50. LB BG	13.32					120		120		
PALLETS	1. EA	16.00	133			1	134			134	
POLY-PLUS RD	25. KG BG	193.60	15		1		46		30	15	
POLYPAC R	22.68 KG BG	218.40	17		45		97		35	17	
POLYPAC UL	22.68 KG BG	218.40	44		141		255		70	44	
POTASSIUM CHLORIDE	25. KG BG	44.09									
PULPRO 10	22.68 KG BG	10.90			1098		1098				
PULPRO 20	22.68 KG BG	10.40	60		1338		1458		60	60	
PULPRO 30	22.68 KG BG	12.62	103		1922		2025			103	
SAFE-SCAV CA	15. LB BG	232.38	2		1		3			2	
SAFE-SOLV OM	208.1 LT DM	3313.00			1		21		20		
SAPP	22.68 KG BG	109.08	14		11		25			14	
SAWDUST	7. KG BG	12.50	346		10		356			346	
SEAWATER	1. M3 TK		-197		197					-197	
SHRINK WRAPPING	1. EA	16.00	117			1	118			118	
SNOW WHITE 350	50. LB BG	12.62	12		60		162		90	12	
SODA ASH	22.68 KG BG	23.90	52		57		109			52	
SODA ASH	25. KG BG	26.34									
SODIUM BICARBONATE	50. LB BG	27.98	43		32		75			43	
SODIUM BICARBONATE	25. KG BG	30.84									
SODIUM BICARBONATE	25. KG BG	28.82			36		36				
SODIUM SULPHITE	25. KG BG	78.62	20				20			20	
SUPER SWEEP FIBER	15. LB BX	296.00	8		16		24			8	
WBM SPE TO PDIP	1. M3 BK		-292		292					-292	
Wellbore InFLUX	1. M3 EA		-45		45					-45	
X-Cide 102W	208.1 LT DM	2762.24	3		3		6			3	
X-CIDE 102W	55. GA DM	1985.33									
XANVIS	25. KG BG	612.85	22		87		109			22	
XCD POLYMER	25. KG BG	580.60	19		101		160		40	19	

MI SWACO

Equipment Usage and Cost

Operator : PDI Production Inc.
Report For : S.McIntosh/L.McIntosh/T.Papp
Contractor: Nabors Drilling Ltd.
Report For : R. Zenner/B. Kramps

Well Name : Port au Port #1 ST-3H
Field/Area : Western NL, Canada
Location : NAD27

Date : 12/23/2008
Spud Date : 9/19/1994
Mud Type : Poly CalCarb
Activity : R/D Equipment

Equipment Description	Unit Cost Full	Unit Cost Stand-by	(F)ull or (S)tand-by	Used Today	Code	Daily Rental Cost (CAD)
eChoke	300.00		F	1	3	300.00

Drilling Fluids Equipment	
Other Solids Removal Equipment	
Additional Equipment	**$300.00**
Total	**$300.00**

APPENDIX 6:

(Attachment) DLMC Daily Drilling Reports

Days (Move In)	1.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**1.0**
Total (MIRU)	1.0	**(00:00 - 24:00 HOURS)**	Total Days:	1.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	July 31, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	July 30, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Load trucks and wait on day light to start move	STATUS	Start Rig Transfer to PDIP GHS PaP #1 ST #3		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$22,559	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$1,385,279	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,407,837	EST. TD (m)		GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO	4.00	Survey		Drill		MACP		Pump No.		
Rig Move	2.00	Logging		Waiting Time		RSPP-SPM		Make & Model		
W.O. Daylight	6.00	Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	12.00	Drillpipe OD		Nozzel Vel		

Top Drive and Derrick down
Nabors Rig # 45-ETD Released By Shoal Point Energy Ltd @ 12:00 (Noon) July 30, 2008
Nabors Rig # 45-ETD picked up by PDIP @ 12:00 (Noon) July 30, 2008
Waiting on bed truck operator
Waiting on Cranes (Only one crane on location)
Waiting on bed truck operator
Skid Bulidings out in preparation for loading

NOTE:
Transferred 292 m3 of Active mud system from the SPE 2K-39-Z well to PDIP GHS PaP #1 ST #3 well to Tank #4, #5, #6, #7 & #8
Transferred 30 m3 of Treated Make-Up Water from the SPE 2K-39-Z well to PDIP GHS PaP #1 ST #3 well to Tank #3

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
(1) 1 load of 127mm 5" Drill Pipe

Days (Move In)	2.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**2.0**
Total (MIRU)	2.0	**(00:00 - 24:00 HOURS)**	Total Days:	2.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 1, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	July 31, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$31,911	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$1,407,837	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,439,748	EST. TD (m)		GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Shut Down Due to Dark
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
6 - Pipe Tub Loads
1 - Load of H.W.D.P.
2 - Shale Tank Loads
1 - Flare Tank Load
1 - Flare Line & Degasser Line Load

Daily Loads Moved to New Loc. 11

Total Loads Moved to New Loc. 11

Days (Move In)	3.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**3.0**
Total (MIRU)	3.0	**(00:00 - 24:00 HOURS)**	Total Days:	3.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3						REPORT DATE:	August 2, 2008	
UNIQUE ID:	PaP #1 ST #3						OPS DATE:	August 1, 2008	
24:00 DEPTH(m)	0	24:00 ROP	STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks		FORMATION
PROGRESS (m)	0	07:00 ROP 0	at 24:00 HRS			at 07:00 HRS			
D&A COST	$0	D & A COST	AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner	
DAILY COST	$40,724	SPUD DATE	LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255	
PREV COST	$1,439,748	RIG REL	KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh	
CUM COST	$1,480,472	EST. TD (m)	GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880	
		Meters to T.D. 0.00		HIGH TIDE:			Reported To:	Steve c McIntosh	
		Hours to T.D. T.D.		LOW TIDE:			Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Oil (%)			
Pf / Mf			
MBT (kg/m^3)			
PHPA (kg/m3)			
K+ (mg/l)			
Cl (ppm)			
Ca (ppm)			
VOLUMES			
Water Hauled			
Vol Dumped			
Loss Circ.			
Boiler Hrs:			

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

Avail WOB | String Wt (daN)

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.00	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	1.00	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Safety Meeting Prior to Lowering Derrick to Ground
Lower Crown to Bed Truck - Unpin Derrick & Lower to Ground
Shut Down Due to Dark
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
2 - Pipe Tubs
1 - Catwalk
1 - Cold Storage Shack
1 - Pre-Fab Rack
1 - Shale Bin
1 - Manifold Shack
1 - Pump House
1 - Doghouse
1 - Load of H.W.D.P.
1 - Drawworks Skid
1 - Top Drive Skid
1 - Generator Building
1 - Boiler House

Daily Loads Moved to New Loc. 14

Total Loads Moved to New Loc. 25

Days (Move In)	4.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**4.0**
Total (MIRU)	4.0	**(00:00 - 24:00 HOURS)**	Total Days:	4.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 3, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 2, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$40,816	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$1,480,472	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,521,288	EST. TD (m)		GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Start Taking Apart Derrick to Load
Shut Down Due to Dark
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
1 - Pump House
2 - Generator Buildings
1 - Pipe Tub / Mis. Pcs.
1 - Drill Collar Load
1 - Floc. Tank
1 - Tool House
1 - Pump Manifold Shack
1 - Change Shack
1 - SCR Building
1 - Water / Fuel Tank
1 - Block & Junk Skid
1 - Sub Section

Daily Loads Moved to New Loc. 13

Total Loads Moved to New Loc. 38

Days (Move In)	5.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**5.0**
Total (MIRU)	5.0	**(00:00 - 24:00 HOURS)**	Total Days:	5.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 4, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 3, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$40,724	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$1,521,288	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,562,012	EST. TD (m)		GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Load Matting w/ Derrick & Sub Sections
Shut Down Due to Not Able to Haul Any Wide Loads on Sunday
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
2 - Misc. Pces.
1 - Junk Rack
1 - Rotary Skid / Sub Section
1 - A-Leg Skid
5 - Loads of Rig Matts w/ Misc. Sub & Derrick Pces.

Daily Loads Moved to New Loc. 10

Total Loads Moved to New Loc. 48

Days (Move In)	6.0	**PDI Productions Inc.**		Drilling Days:	0.0	REPORT #	
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**6.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	6.0	**(00:00 - 24:00 HOURS)**		Total Days:	6.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 5, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 4, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$46,516	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$1,562,012	RIG REL		KB ELEV		TEMP:	+16	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,608,528	EST. TD (m)		GRD ELEV		WIND:	20 - 30 KPH	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move	11.50	Logging		Waiting Time	12.00
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Work Pipe	
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping		Test BOP's		Safety Meet	0.50
Rig Service		Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control		
MACP		
RSPP-SPM		
Calc hole fill		
Act Hole Fill		
Date Last BOP Drill For:		
Daylights		
Afternoons		
Graveyards		
Hydraulics		
DrillcollarOD		
Drillpipe OD		

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
1 - Matts / Misc. Pces.
1 - B.O.P. Skid
1 - Top Sub Section
2 - Bottom Sub Sections
1 - 400BBL Tank
1 - Load of Matts / Sub Section
5 - Loads of Derrick Pces / Mics. Pces.
1 - Sub Section

Daily Loads Moved to New Loc. 13

Total Loads Moved to New Loc. 61

Days (Move In)	7.0	**PDI Productions Inc.**		Drilling Days:	0.0	REPORT #	
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**7.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	7.0	**(00:00 - 24:00 HOURS)**		Total Days:	7.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 6, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 5, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to Loading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$41,414	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$1,608,528	RIG REL		KB ELEV		TEMP:	+10	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,649,942	EST. TD (m)		GRD ELEV		WIND:	20 - 30 KPH	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Load Trucks w/ Cranes
Wait on Daylight to Start Loading Trucks

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
2 - Mud Tanks
1 - Crown Section / Feul Tank
1 - 400BBL Tank
1 - Load of Mud Tank Tops / Drill Collars
4 - Loads of Containers
1 - Tool Push Shack
1 - Consultants Shack
1 - Top Sub Section
1 - Load of Matts / Generator / Shed

Daily Loads Moved to New Loc. 13

Total Loads Moved to New Loc. 74

Days (Move In)	8.0	**PDI Productions Inc.**		Drilling Days:	0.0	REPORT #	
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**8.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	8.0	**(00:00 - 24:00 HOURS)**		Total Days:	8.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 7, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 6, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start moving		STATUS	Safety Meeting Prior to UnLoading Trucks	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$42,150	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$1,649,942	RIG REL		KB ELEV		TEMP:	+14	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,692,092	EST. TD (m)		GRD ELEV		WIND:	20 KPH	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Loading Trucks
Safety Meeting w/ Truckers, Crane Operaters & Crew
Unload Trucks w/ Cranes
Spot Rig Matting
Spot Sub Sections & Pin
Spot Wellsite Trailers
Wait on Daylight to Start Spotting Loads

LOADS MOVED TO PDIP GHS PaP #1 ST #3:
3 - Wellsite Trailers
1 - Cement Bin
1 - Bed Truck
1 - Load of Mics. Wood & Yard Pces.

Daily Loads Moved to New Loc. 6

Total Loads Moved to New Loc. 80

Days (Move In)	9.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**9.0**
Total (MIRU)	9.0	**(00:00 - 24:00 HOURS)**	Total Days:	9.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 8, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 7, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start Spotting Rig Loads	STATUS	Safety Meeting Prior to Rigging up		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$84,605	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$1,692,092	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,776,697	EST. TD (m)		GRD ELEV		WIND:	Calm	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	11.50	Logging		Waiting Time	12.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Spotting Rig Loads
Safety Meeting w/ Truckers, Crane Operaters & Crew
Rig up with one Crane (Second Crane Broken Down - Wait on Parts & Mechcanic)
Repaired Second Crane - Centre Sub Over Well Head / Lift & Install Rotary Table
Rig up with one Crane (Second Crane Broken Down Again - Wait on Parts & Mechcanic)
Continue Rigging up with one Crane & Bed Truck - Wait to Install Drawworks - Need Both Cranes
Wait on Daylight to Start Spotting Loads

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	0.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**10.0**
Total (MIRU)	10.0	**(00:00 - 24:00 HOURS)**	Total Days:	10.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	August 9, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	August 8, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on day light to start Spotting Rig Loads		STATUS	Safety Meeting Prior to Rigging up		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$66,185	SPUD DATE		LICENCE #		WEATHER:	Cloudy		Cell:	1-709-649-0255	
PREV COST	$1,776,697	RIG REL		KB ELEV		TEMP:	+12		Drilling Foreman:	Lyle McIntosh	
CUM COST	$1,842,882	EST. TD (m)		GRD ELEV		WIND:	Calm		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

Avail WOB | String Wt (daN)

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move	11.50	Logging		Waiting Time	12.00
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Work Pipe	
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping		Test BOP's		Safety Meet	0.50
Rig Service		Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	
Afternoons	
Graveyards	
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Wait on Daylight to Start Spotting Rig Loads
Safety Meeting w/ Truckers, Crane Operaters & Crew
Rig up with one Crane - Spot Shale Tank Matting (Second Crane Being Repaired)
Repaired Second Crane - Up & Running by 09:15 Hrs.
Rig Up - Lift Derrick w/ Cranes & Pin to Sub Floor / Install Monkey Board & Set Crown on Crown Stand
Rig Up - Lift A-Legs w/ Cranes & Pin / Spot Mudtanks / Set Up Shale Bins & Rig Up Centrifuges
Wait on Daylight to Start Spotting Loads

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	2.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**12.0**
Total (MIRU)	12.0	**(00:00 - 24:00 HOURS)**	Total Days:	12.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 11, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 10, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Rigging Up		STATUS	Safety Meeting Prior to Rigging up	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$63,886	SPUD DATE		LICENCE #		WEATHER:	Light Clouds	Cell:	1-709-649-0255
PREV COST	$1,909,068	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,972,954	EST. TD (m)		GRD ELEV		WIND:	20 - 30 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	12.50	Logging		Waiting Time	11.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Rigging Up
Safety Meeting w/ Truckers, Crane Operaters & Crew Prior to Rigging Up
Rig Up - Start Up Gen. Set / Safety Meeting Prior to Raising Derreck - Raise Derrick @ 10:00hrs.
Rig Up - Rig In Mudtanks / Rig In Hydrualic Systems / Unable to Finish Installing Pre-Fabs - Too Windy
Rig Up - Install Guide Wires to Anchors for Derrick / Spot Pipe Tubs / Finish Installing Pre-Fabs / P/U Top Drive & Install
Release Cranes & Bed Truck @ 20:00 Hrs.
Shut Down - Wait on Night Shift to Start 24hr. Operations @ 24:00hrs.

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	2.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**12.0**
Total (MIRU)	12.0	**(00:00 - 24:00 HOURS)**	Total Days:	12.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 11, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 10, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Rigging Up		STATUS	Safety Meeting Prior to Rigging up	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$63,886	SPUD DATE		LICENCE #		WEATHER:	Light Clouds	Cell:	1-709-649-0255
PREV COST	$1,909,068	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$1,972,954	EST. TD (m)		GRD ELEV		WIND:	20 - 30 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	12.50	Logging		Waiting Time	11.00	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	0.50	Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Wait on Daylight to Start Rigging Up
Safety Meeting w/ Truckers, Crane Operaters & Crew Prior to Rigging Up
Rig Up - Start Up Gen. Set / Safety Meeting Prior to Raising Derreck - Raise Derrick @ 10:00hrs.
Rig Up - Rig In Mudtanks / Rig In Hydrualic Systems / Unable to Finish Installing Pre-Fabs - Too Windy
Rig Up - Install Guide Wires to Anchors for Derrick / Spot Pipe Tubs / Finish Installing Pre-Fabs / P/U Top Drive & Install
Release Cranes & Bed Truck @ 20:00 Hrs.
Shut Down - Wait on Night Shift to Start 24hr. Operations @ 24:00hrs.

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	3.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**13.0**
Total (MIRU)	13.0	**(00:00 - 24:00 HOURS)**	Total Days:	13.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 12, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 11, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Rigging Up		STATUS	Rigging Up	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$90,673	SPUD DATE		LICENCE #		WEATHER:	Light Clouds	Cell:	1-709-649-0255
PREV COST	$1,972,954	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,063,627	EST. TD (m)		GRD ELEV		WIND:	20 - 30 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	24.00	Logging		Waiting Time		RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Rig Up Catwalk - Fold Over V-Door - Continue Rigging Up Pre-Fabs
Rig Up Floor Equipment
Rig In Centrifuges / Rig Up Escape Line & Buggy
Rig Up Flare Tank & Flare Lines
Hook Up Pason Equipment , Cameras & Phone System
Rig Up Degasser Tank & Lines
Clean & Organize Rig Site

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	0.0	REPORT #
Days (Rig Up)	4.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**14.0**
Total (MIRU)	14.0	**(00:00 - 24:00 HOURS)**	Total Days:	14.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 13, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 12, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Rigging Up		STATUS	Wait on Daylight to Bleed	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS	Pressure Off Wellhead	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$105,198	SPUD DATE		LICENCE #		WEATHER:	Rainning	Cell:	1-709-649-0255
PREV COST	$2,063,627	RIG REL		KB ELEV		TEMP:	+10	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,168,825	EST. TD (m)		GRD ELEV		WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Oil (%)			
Pf / Mf			
MBT (kg/m^3)			
PHPA (kg/m3)			
K+ (mg/l)			
Cl (ppm)			
Ca (ppm)			
VOLUMES			
Water Hauled			
Vol Dumped			
Loss Circ.			
Boiler Hrs:			

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

Avail WOB	String Wt (daN)

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move	24.00	Logging		Waiting Time		RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Work Pipe		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Rig Up - General Rigging Up - Hook Up Degasser Lines to Flare Tank
Hook Up Mics. Cords / Clean & Organize Rig Site
Note: Rig is Rigged Up & Ready to be Inspected to Meet the Requirements of the N.L.D.N.R. @ 12:00 Hrs.
Tear Out & Move Flare Tank & Flare Lines as per PDI Requests
Re-Fabricate Degasser Lines from Degasser Tank for Proper Alignment to Flare Tank @ New Loc.
Rig Up Flare Lines, Degasser Lines & Ignition System Back to Flare Tank
Complete Pre-Spud & Drill Out Inspection Check List
Work on Well Valves
Wait on Daylight to Bleed Off Well Head Pressure

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	0.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**15.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	15.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 14, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 13, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Bleed Off Well & Flare		STATUS	Bleeding Off Well & Recording Pressures	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$115,004	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$2,168,825	RIG REL		KB ELEV		TEMP:	+10	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,283,829	EST. TD (m)		GRD ELEV		WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Bleeding Well	21.00
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Work Pipe	
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's	2.50	BOP Drill	
Tripping		Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	
Afternoons	
Graveyards	
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rig Up High Pressure Lines to Wellhead - Flush Pump & Lines w/ Water

Rig to & Pump 4500kPa into Intermediate Casing Annulas & Monitor Pressures on Wellhead

Rig Service - Lubricate Rig

Continue Monitoring Pressures on Wellhead

Rig Up to Bleed Off Wellhead Thru Manifold Choke & Gut Lines

Bleed Off Wellhead Pressure @ 16000kPa & Flare Off Gas - Monitor Pressures

Rig Service - Lubricate Rig

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	1.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**16.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	16.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 15, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 14, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Monitoring Pressures & Heating Up Water in Pill Tank	STATUS	Well Shut In - Monitoring Pressure Loss		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$37,426	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$2,283,829	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,321,255	EST. TD (m)		GRD ELEV		WIND:	20 - 40 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Bleeding Well	23.25	RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Work Pipe		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ		NU BOP's		BOP Drill		Daylights	
Tripping		Test BOP's		Safety Meet	0.25	Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Bleeding Off Wellhead - Flare & Record Pressures

Safety Meeting Prior to Killing the Well

Rig Service - Lubricate Rig

Continue Monitoring Pressures on Wellhead

Attempt to Kill the Well - Pumped 5.0m3 Kill Mud - Pressured Up / Stop & Evalute

Bleed Back Kill Mud to Trip Tank / Monitor Returns & Record (3.32m3)

Bleed Off Well to Flare Tank / Monitor Pressures & Tank Gain / Heat Up Water in Pill Tank

Rig Service - Lubricate Rig

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	2.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**17.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	17.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 16, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 15, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Bleed Off Tubing Pressure - Monitor & Set Back Press Valve		STATUS	Nipple Up B.O.P.s	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$35,839	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$2,321,255	RIG REL		KB ELEV		TEMP:	+12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,357,094	EST. TD (m)		GRD ELEV		WIND:	40 - 50 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Killing Well	21.75	RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Waiting Time		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ		NU BOP's		BOP Drill		Daylights	
Tripping		Test BOP's		Safety Meet	2.00	Afternoons	
Rig Service	0.25	Drill out cmt		Circ Sample		Graveyards	
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Safety Meeting Prior to Pumping Hot Water Down Tubing

Rig to & Pump 50deg. Water @ 17000kPa into Tubing String / Monitor Volume & Pressure

Shut In Wellhead / Monitor Pressure Loss & Casing Annular Pressure

Pump 50deg. Water @ 25500kPa into Tubing String / Monitor Volume & Pressure

Shut In Wellhead / Monitor Pressure Loss & Casing Annular Pressure

Rig Service - Lubricate Rig

Monitor Pressure Loss & Casing Annular Pressure

Safety Meeting Prior to Killing the Well

Attempt to Kill Well - Pump 22m3 Mud @ 1150kg/m3 into Tubing String

Monitor Tubing & Annulas Pressure

Safety Meeting - Discuss Well Kill Procedure

Attempt to Kill Well - Pump 21.5m3 Mud @ 1150kg/m3 into Tubing String

Monitor Tubing & Annulas Pressure - Bleed Tubing Pressure into Trip Tank & Monitor Volume

Safety Meeting - Discuss Well Kill Procedure

Kill Well - Pump 6.3m3 Mud @ 1150kg/m3 & 6.5m3 Mud @ 1320kg/m3 - Chase w/ 1.0m3 1150kg/m3 Mud

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	3.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**18.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	18.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3						REPORT DATE:	August 17, 2008	
UNIQUE ID:	PaP #1 ST #3						OPS DATE:	August 16, 2008	
24:00 DEPTH(m)	0	24:00 ROP	STATUS	Nippling Up B.O.P.s	STATUS		Pressure Testing B.O.P.s		FORMATION
PROGRESS (m)	0	07:00 ROP 0	at 24:00 HRS		at 07:00 HRS				
D&A COST	$0	D & A COST	AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps	
DAILY COST	$32,629	SPUD DATE	LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255	
PREV COST	$2,357,094	RIG REL	KB ELEV		TEMP:	+8	Drilling Foreman:	Lyle McIntosh	
CUM COST	$2,389,723	EST. TD (m)	GRD ELEV		WIND:	20 - 25 KP/H	Cell:	1-780-886-4880	
		Meters to T.D. 0.00		HIGH TIDE:			Reported To:	Steve c McIntosh	
		Hours to T.D. T.D.		LOW TIDE:			Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

Oil (%)			
Pf / Mf			
MBT (kg/m^3)			
PHPA (kg/m3)			
K+ (mg/l)			
Cl (ppm)			
Ca (ppm)			
VOLUMES			
Water Hauled			
Vol Dumped			
Loss Circ.			
Boiler Hrs:			

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move		Logging		Killing Well	1.25	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Waiting Time		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ		NU BOP's	22.75	BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.		
Rig Service		Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Bleed Off Tubing Pressure & Monitor / Make Up & Set Back-Pressure Valve

Nipple Down Wellhead & Remove from Cellar

Nipple Up B.O.P.s / Change Top Pipe Rams to Variables / Open Blind Rams Doors & Visually Inspect Rubbers

Nipple Up B.O.P.s / Disassemble Degasser Choke Lines & Raise Manifold Shack / Fab. New Choke Lines

Nipple Up B.O.P.s / Change Blind Ram Rubbers & Install / Install Choke Lines & Kill Lines / Install Flow Nipple & Flow Line

Npple Up B.O.P.s / Connect Accumulater Lines & Func. Test Rams & Annular

Pick-Up Tubing Joint & Sting Into Dognut

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	4.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**19.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	19.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 18, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 17, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pressure Testing B.O.P.s & Related Equipment		STATUS	Screw Into Tubing Hanger	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$34,738	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$2,389,723	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,424,461	EST. TD (m)		GRD ELEV		WIND:	20 - 40 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Killing Well		RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Waiting Time		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ		NU BOP's		BOP Drill		Daylights	
Tripping		Test BOP's	23.25	Safety Meet	0.75	Afternoons	
Rig Service		Drill out cmt		Circ Sample		Graveyards	
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Safety Meeting Prior to Pressure Testing

Pressure Test B.O.P.s / Attempt to Hold 1400kPa Test on Manifold Valves - Test Failed / Replace #2 Degasser Valve in Manifold Shack

Pressure Test Manifold Valves @ 1400kPa for 15min. Each

Crew Change - Safety Meeting w/ Crew on Pressure Testing

Pressure Test Manifold Valves & Chokes @ 1400kPa for 15min. Each / Pressure Test Inside & Outside Kill Line Valves

Pressure Test B.O.P.s / Attempt to Hold 14,500kPa Test on Manifold Valves - Test Failed / Repair 4" & 3" Valves in Pumphouse

Pressure Test B.O.P.s & Manifold Valves @ 14,500kPa for 15min. Each / Pressure Test Inside & Outside Kill Line Valves, Upper Pipe Rams & HCR Valve @ 14,500kPa for 30min. Each

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	5.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**20.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	20.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 19, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 18, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Bleed Off Pressure from Back Pressure Valve		STATUS	Working Stuck Packer	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$48,589	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$2,424,461	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,473,050	EST. TD (m)		GRD ELEV		WIND:	20 - 40 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.			Depth	Degrees	Fluid Type			Mud Gradient		kPa/m
Size (mm)					Time Check			Mud Cycle		min
Mfg.					Mud Man			Bottoms Up		min
Type					Mud Co.			Mud Tanks		m^3
Serial #					Density			Hole Volume		m^3 + 20%
Nozzles (mm)					Vis.			System Vol.		m^3
AreaNoz(mm^2)					W.L.			MUD ADDITIVES:		
WOB (daN)					pH					
RPM					Filter Cake					
From (mKB)					600 Fann					
To (mKB)					300 Fann					
Metres	0.00	0.00			P.V.					
Hrs on Bit					Y.P.					
m/Hr					Gels 1/10					
Cum Hole Hrs					Sand (%)				Mud	Water
Condition					Solids (%)			Daily Cost		
136					L.G.S. (% Wt.)			Cum Cost		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)		Oil (%)			SOLIDS CONTROL		
					Pf / Mf			Shaker Make		
					MBT (kg/m^3)			Shaker #		
					PHPA (kg/m3)			Shaker Mesh		
					K+ (mg/l)			Shaker Mesh		
					Cl (ppm)			Shaker Mesh		
					Ca (ppm)				Centrifuge 1	Centrifuge 2
					VOLUMES			Make		
					Water Hauled			U.F. (kg/m^3)		
					Vol Dumped			O.F. (kg/m^3)		
					Loss Circ.			Vol UF (l/min)		
					Boiler Hrs:			Hours		
					TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
					Strap (metres)			Manufacturer		
					Board (metres)			Size (mm)		
Total					Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)				Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.		
Rig Move		Logging		Packer Work	18.75	RSPP-SPM		Make & Model		
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk		
Coring		Cementing		Waiting Time		Act Hole Fill		SPM		
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%		
Cond / Circ	3.50	NU BOP's		BOP Drill		Daylights		Circ Rate100%		
Tripping		Test BOP's		Safety Meet	1.25	Afternoons		Pump Eff.		
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards		Pump Press.		
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Safety Meeting / Discuess Procedures for Pulling Tubing Hanger from Dognut - Releasing Packer & Pumping Kill Mud

Bleed & Flare off Pressure from Tubing Annulus / Assemble X/O,s & Screw into Tubing - Torque into Hanger / Release Dognut / Release Packer

Safety Meeting Prior to Displace Annulus to Kill Mud

Rig to & Displace Casing Annulus to Kill Mud

Rig Service - Func. Annular - Closed in 26sec.

Circ. & Cond. Mud / Circ. 2 Full Circulations @ 85min. Per/Circ. / While Circulating Packer Set up Spontaninously

Attempt to Free Packer / Rig In Power Tongs / Break Out of Dognut / Rig to & Bleed Pressure from Back Pressure Valve

Rig Service - Func. Upper Varable Pipe Rams 7 sec. to Close - Func. HCR Valve 3 sec. to Open

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	6.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**21.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	21.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 20, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 19, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Bleed Off Pressure from Back Pressure Valve		STATUS	Pulling Tubing & Laying Down Same	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$62,455	SPUD DATE		LICENCE #		WEATHER:	Cxloudy	Cell:	1-709-649-0255
PREV COST	$2,473,050	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,535,505	EST. TD (m)		GRD ELEV		WIND:	20 - 40 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm^2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check		
Mud Man		
Mud Co.		
Density		
Vis.		
W.L.		
pH		
Filter Cake		
600 Fann		
300 Fann		
P.V.		
Y.P.		
Gels 1/10		
Sand (%)		
Solids (%)		
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf		
MBT (kg/m^3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		
Ca (ppm)		
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m^3
Hole Volume		m^3 + 20%
System Vol.		m^3
MUD ADDITIVES:		
	Mud	Water
Daily Cost		
Cum Cost		

SOLIDS CONTROL		
Shaker Make		
Shaker #		
Shaker Mesh		
Shaker Mesh		
Shaker Mesh		
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m^3)		
O.F. (kg/m^3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Packer Work	12.75		
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Waiting Time	8.75		
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet	2.00		
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control		
MACP		
RSPP-SPM		
Calc hole fill		
Act Hole Fill		
Date Last BOP Drill For:		
Daylights		
Afternoons		
Graveyards		
Hydraulics		
DrillcollarOD		
Drillpipe OD		

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

B.O.P. Drill w/ Crew - Well Shut In - Crew All In Position 80sec. - Discuss Shut In Proceduces w/ Tubing In Hole

Bleed Off Tubing Pressure Thru Back Pressure Valve - Monitor Volume

B.O.P. Drill w/ Crew - Well Shut In - Crew All In Position 60sec. - Discuss Shut In Proceduces w/ Tubing In Hole

Bleed Off Tubing Pressure Thru Back Pressure Valve - Monitor Volume

Safety Meeting w/ Crew - Discuss Proceduces

Screw Into Tubing w/ Top Drive & Try to Release Packer

Rig Service - Func. Annular - Closed in 26sec.

Attempt to Release Packer / W.O. Bleed Off Tool - Monitior Well

Safety Meeting - Discuss Procedure for Bleeding Off Tubing / Install Bypass Tool Into Back Pressure Valve

Rig Service - Func. Upper Pipe Rams 7sec. To Close

NOTE:

Received 2884.90 meters of 73mm 9.67 kg/m L-80 EUE NEW Tubing (Tianjin Casing)

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	7.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**22.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	22.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 21, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 20, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pulling Tubing & Laying Down Same		STATUS	Lay Down Packer	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$34,144	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$2,535,505	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,569,649	EST. TD (m)		GRD ELEV		WIND:	20 - 40 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)

DRLG FLUID		
Fluid Type		
Time Check	15:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1150	
Vis.	41	
W.L.	20	
pH	8.5	
Filter Cake	1	
600 Fann	24	
300 Fann	15	
P.V.	9	
Y.P.	3	
Gels 1/10	3/8	
Sand (%)	0	
Solids (%)	8	
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf	.10/1.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	600	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m3
Hole Volume		m3 + 20%
System Vol.		m3
MUD ADDITIVES:		
Pulpro 10	35	
Pulpro 20	35	
Pulpro 30	28	

	Mud	Water
Daily Cost	$1,999	
Cum Cost	$20,186	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Packer Work	0.50	RSPP-SPM	
W.O. Daylight		Run Casing	19.00	Directional Work		Calc hole fill	
Coring		Cementing		Waiting Time		Act Hole Fill	
Reaming		WOC		Lost Circ		**Date Last BOP Drill For:**	
Cond / Circ	3.00	NU BOP's		BOP Drill		Daylights	19/08/08
Tripping		Test BOP's		Safety Meet	1.00	Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	20/08/08
Rig Repair		DST		Rig Inspection		**Hydraulics**	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Install Back Pressure Valve Bypass Tool & Bleed Off Tubing Pressure

Pull Tubing & Lay Down Same w/ Flow Checks

Safety Meeting w/ New Crew - Laying Down Casing w/ Power Tongs

Pull Tubing & Lay Down Same w/ Flow Checks

Rig Service - Func. Annular - Closed in 26sec.

Pull Tubing & Lay Down Same w/ Flow Checks

Circ. & Cond. Mud @ 2297m

Safety Inspection Meeting w/ Nabors Employees & Nabors Safety Man

Pull Tubing & Lay Down Same w/ Flow Checks

Rig Service - Func. Upper Pipe Rams 6sec. To Close

B.O.P. Drill w/Crew - Well Secured In 75sec. / Open HCR Valve 3sec. - Closed Annular 26sec.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	8.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**23.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	23.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 22, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 21, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Picking Up Drill Pipe & R.I.H.		STATUS	Circ. & Cond. Mud @ 2355m	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$37,550	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$2,569,649	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,607,199	EST. TD (m)		GRD ELEV		WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	1RR		Depth	Degrees
Size (mm)	222.0			
Mfg.	Smith			
Type	FH45			
Serial #	PJ3446			
Nozzles (mm)	3x17.5			
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check	1722/08/200800	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1150	
Vis.	40	
W.L.	20	
pH	8.5	
Filter Cake	1	
600 Fann	24	
300 Fann	15	
P.V.	9	
Y.P.	3	
Gels 1/10	3/8	
Sand (%)	0	
Solids (%)	8	
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf	.10/1.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	600	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks		m3
Hole Volume		m3 + 20%
System Vol.		m3
MUD ADDITIVES:		
	Mud	Water
Daily Cost	$900	
Cum Cost	$21,086	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Packer Work			
W.O. Daylight		Run Casing	11.75	Directional Work			
Coring		Cementing		Waiting Time			
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping	11.75	Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.		
Make & Model		
Liner x Stk		
SPM		
Litre/Sk 100%		
Circ Rate100%		
Pump Eff.		
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pull Tubing & Lay Down Same w/ Flow Checks

Lay Down Packer / Rig Out Power Tongs / Rig Up Floor to P/U BHA / Adjust Top DriveGripper & Break Tight X/O from Quill

Rig Service - Func. Blind Rams 7sec. To Close / Func. Annular 26 sec. to Close

P/U BHA & Drill Collars & Make Up Bit#1RR / Strap Drill Pipe

Pick Up & Make Drill Pipe - Run In Hole w/ Same / Flows Checks & Strap Pipe

Rig Service - Func. HCR Valve 3sec. To Open - Func. Upper Pipe Rams 6sec. To Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	9.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**24.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	24.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 23, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 22, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Changing Top Pipe Rams - Pressure Test Blind & Pipe	STATUS	Running In Hole w/ 9 5/8" Casing Scraper		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$45,622	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$2,607,199	RIG REL		KB ELEV		TEMP:	+ 12	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,652,821	EST. TD (m)		GRD ELEV		WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	1RR		Depth	Degrees
Size (mm)	222.0			
Mfg.	Smith			
Type	FH45			
Serial #	PJ3446			
Nozzles (mm)	3x17.5			
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		222	0.24
Bit Sub			1.1
1 - 6 3/4" Drill Collar			8.91
1 - 6 3/4" Drill Collar			8.87
1 - 6 3/4" Drill Collar			8.98
X/O Sub			1.03
Total			
Avail WOB	String Wt (daN)		

DRLG FLUID		
Fluid Type		
Time Check	15:30	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1155	
Vis.	48	
W.L.	17	
pH	8.5	
Filter Cake	1	
600 Fann	29	
300 Fann	19	
P.V.	10	
Y.P.	4.5	
Gels 1/10	4/9	
Sand (%)	0	
Solids (%)	10.5	
L.G.S. (% Wt.)		
Oil (%)		
Pf / Mf	.15/1.30	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	68	m3
Hole Volume	117	m3 + 20%
System Vol.	185	m3
MUD ADDITIVES:		
Caustic Soda	1	
Pulpro 10	135	
Pulpro 20	135	
Pulpro 30	135	
Polypac R	3	
Xanvis	3	
	Mud	Water
Daily Cost	$8,014	
Cum Cost	$29,100	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Packer Work		RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Waiting Time		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	9.00	NU BOP's		BOP Drill		Daylights	19/08/08
Tripping	12.75	Test BOP's	1.00	Safety Meet		Afternoons	
Rig Service	1.25	Drill out cmt		Circ Sample		Graveyards	20/08/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	5500	5500
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pick Up & Make Drill Pipe - Run In Hole w/ Same / Flows Checks & Strap Pipe - Tag 7 5/8 Liner @ 2360m

Circ. & Cond. Mud

Rig Service - Func. Annular 26 sec. to Close

Start to Trip Out of Hole - Flow Check - Well Flowing

Circ. & Cond. Mud - Weight Up Active System

Pull Out of Hole w/ Flow Checks - Well Bore Stable

Set Dognut & Double Flow Back Valve / Change Out Top Pipe Rams to 5"

Retest Upper Pipe Rams to 1400 kPa & 14,000 kPa for 10 minutes OK

Rig Service - Func. Upper Pipe Rams 6sec. To Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	10.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**25.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	25.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	August 24, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	August 23, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pulling Out of Hole to Run Wireline Logs		STATUS		Running Wireline Logs w/ Baker		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#		Nabors 45-ETD	Rig Manager:	Brent Kramps	
DAILY COST	$30,760	SPUD DATE		LICENCE #		WEATHER:		Clear	Cell:	1-709-649-0255	
PREV COST	$2,652,821	RIG REL		KB ELEV		TEMP:		+ 12	Drilling Foreman:	Lyle McIntosh	
CUM COST	$2,683,581	EST. TD (m)		GRD ELEV		WIND:		10 - 20 KP/H	Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	1RR		Depth	Degrees
Size (mm)	222.0			
Mfg.	Smith			
Type	FH45			
Serial #	PJ3446			
Nozzles (mm)	3x17.5			
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		222	0.24
Casing Scraper		222	1.31
Bit Sub		168	1.1
1 - 6 3/4" Drill Collar		168	8.91
1 - 6 3/4" Drill Collar		171	8.87
1 - 6 3/4" Drill Collar		168	8.98
X/O Sub		164	1.03
1 - Stabilizer Sub		163	2.27
Total			
Avail WOB	String Wt (daN)		88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	18:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	16	
pH	8.5	
Filter Cake	1	
600 Fann	30	
300 Fann	20	
P.V.	10	
Y.P.	5	
Gels 1/10	4/10	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.15/1.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	600	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	72	m3
Hole Volume	113	m3 + 20%
System Vol.	185	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$30,000	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging	13.25	Well Control	4.00
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Waiting Time	
Reaming		WOC		Lost Circ	
Cond / Circ	1.00	NU BOP's		BOP Drill	
Tripping		Test BOP's	5.25	Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6100	6100
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rig Service - Func. Upper Pipe Rams 6sec. To Close

Pressure Test Blind Rams @ 1,400kPa Low for 15min. / Pressure Test Blind Rams @ 21,000kPa High for 30min.

Rig to & Pull Out Dognut & Double Back Up Valve Assembly

Flow Check / Pick Up & Make Up Casing Scraper & Stabilizer Sub

Run In Hole w/ Casing Scraper & Stab. To 1000m / Circ. Bottoms Up

Rig Service - Func. Annular 26 sec. to Close

Run In Hole w/ Casing Scraper & Stab. To 2200m / Circ. Bottoms Up

Wash & Clean Down f/ 2200 to 2360m / Work Scraper Thru Window Top @ 2339m - Down to Top of 7 5/8 Casing @ 2360m

Circ. Bottom Clean - Pull Up to 2288m & Circ. Bottoms Up

Pull Out of Hole f/ 2288 to 1800m / Circ. Bottoms Up

Pull Out of Hole f/1800 to 1200m / Circ. Bottoms Up

Rig Service - Func. Upper Pipe Rams 5sec. To Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	11.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**26.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	26.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 25, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 24, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Circ. @ 715m & Monitoring Well		STATUS	Monitoring Well	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$109,560	SPUD DATE		LICENCE #		WEATHER:	Foggy	Cell:	1-709-649-0255
PREV COST	$2,683,581	RIG REL		KB ELEV		TEMP:	+ 14	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,793,141	EST. TD (m)		GRD ELEV		WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	1RR		Depth	Degrees	Fluid Type	Poly CalCarb		Mud Gradient		kPa/m
Size (mm)	222.0				Time Check	18:00		Mud Cycle		min
Mfg.	Smith				Mud Man	Jody Kereliuk		Bottoms Up		min
Type	FH45				Mud Co.	Mi Swaco		Mud Tanks	72	m3
Serial #	PJ3446				Density	1165		Hole Volume	113	m3 + 20%
Nozzles (mm)	3x17.5				Vis.	44		System Vol.	185	m3
AreaNoz(mm2)					W.L.	16		MUD ADDITIVES:		
WOB (daN)					pH	8.5				
RPM					Filter Cake	1				
From (mKB)					600 Fann	30				
To (mKB)					300 Fann	20				
Metres	0.00	0.00			P.V.	10				
Hrs on Bit					Y.P.	5				
m/Hr					Gels 1/10	4/10				
Cum Hole Hrs					Sand (%)	0			Mud	Water
Condition					Solids (%)	12		Daily Cost	$900	
136					L.G.S. (% Wt.)			Cum Cost	$30,900	

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		222	0.24
Casing Scraper		222	1.31
Bit Sub		168	1.1
1 - 6 3/4" Drill Collar		168	8.91
1 - 6 3/4" Drill Collar		171	8.87
1 - 6 3/4" Drill Collar		168	8.98
X/O Sub		164	1.03
1 - Stabilizer Sub		163	2.27
Total			
Avail WOB	String Wt (daN)		88,000

								SOLIDS CONTROL		
Oil (%)	/88							Shaker Make		
Pf / Mf	.15/1.20							Shaker #	1	2
MBT (kg/m3)	14							Shaker Mesh	120	120
PHPA (kg/m3)								Shaker Mesh	120	120
K+ (mg/l)								Shaker Mesh	120	120
Cl (ppm)	30000								Centrifuge 1	Centrifuge 2
Ca (ppm)	600							Make		
VOLUMES								U.F. (kg/m3)		
Water Hauled								O.F. (kg/m3)		
Vol Dumped								Vol UF (l/min)		
Loss Circ.								Hours		
Boiler Hrs:										

TOTAL DRILL STRING (BHA + DP)		CASING BOWL DETAILS	
Strap (metres)		Manufacturer	
Board (metres)		Size (mm)	
Difference (metres)	0.00	WP (MPa)	
Correction (Yes/No?)		Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.	1	2
Rig Move		Logging	22.25	Well Control	1.25	RSPP-SPM		Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Waiting Time		Act Hole Fill		SPM	70	70
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ		NU BOP's		BOP Drill		Daylights	19/08/08	Circ Rate100%	1.0	1.0
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.	100	100
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	20/08/08	Pump Press.	6100	6100
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Circ. Bottoms Up @ 1200m

Pull Out of Hole f/1200 to 600m / Circ. Bottoms Up

Pull Out of Hole to 55m / Flow Check

Pull Out Of Hole - Lay Down Stabilizer & Casing Scraper / Func. Test Blind Rams

Safety Meeting Prior to Picking Up Logging Tools

Rig to & Run Cased Hole Logging Tools

Rig Service - Func. Upper Pipe Rams 7sec. To Close

Run Wireline Logging Tools / Segmented Bond Log f/ 2360 to Surface

Run Wireline Logging Tools / 60 Arm Multy FingerCaliper Casing InspectionLog f/ 2360 to Surface

Run In Hole w/ Pup Joint to 715m / Circ. & Monitor Well

Rig Service - Func. Upper Pipe Rams 5sec. To Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	12.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**27.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	27.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 26, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 25, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Running In Hole w/ Packer @ 1025m	STATUS	Running In Hole w/ Packer @ 2288m		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$73,570	SPUD DATE		LICENCE #		WEATHER:	Foggy	Cell:	1-709-649-0255
PREV COST	$2,793,141	RIG REL		KB ELEV	219.70	TEMP:	+ 10	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,866,711	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			
Avail WOB	String Wt (daN)		88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	12:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	18	
pH	8.5	
Filter Cake	1	
600 Fann	31	
300 Fann	20	
P.V.	11	
Y.P.	4.5	
Gels 1/10	4/9	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.10/1.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	75	m3
Hole Volume	113	m3 + 20%
System Vol.	188	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$31,800	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	13.25
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Waiting Time	
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping	10.25	Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control		
MACP		
RSPP-SPM		
Calc hole fill		
Act Hole Fill		
Date Last BOP Drill For:		
Daylights	19/08/08	
Afternoons		
Graveyards	20/08/08	
Hydraulics		
DrillcollarOD		
Drillpipe OD		

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6100	6100
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Circ. & Monitor Well @ 715m

Rig Service - Func. Annular 26 sec. to Close

Circ. & Monitor Well @ 715m

Pull Out of Hole to Pick Up Packer Assembly

Pick Up & Make Up Packer & Stringer Assembly

Run In Hole w/ Packer Slowly f/ 32 - 1025m @ 4m Per/Min. / Flow Checks

Rig Service - Func. Upper Pipe Rams 5sec. To Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	13.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**28.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	28.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 27, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 26, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Running Perforating Tool		STATUS	Running Cement Hanger	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$65,606	SPUD DATE		LICENCE #		WEATHER:	Clear	Cell:	1-709-649-0255
PREV COST	$2,866,711	RIG REL		KB ELEV	219.70	TEMP:	+ 15	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,932,317	EST. TD (m)		GRD ELEV	212.40	WIND:	10 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)	88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	12:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	18	
pH	8.5	
Filter Cake	1	
600 Fann	30	
300 Fann	20	
P.V.	10	
Y.P.	5	
Gels 1/10	4/10	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.10/1.00	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	75	m3
Hole Volume	113	m3 + 20%
System Vol.	188	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$32,900	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging	5.00	Well Control	2.00		
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Bridge Plug	9.75		
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping	7.00	Test BOP's		Safety Meet			
Rig Service	0.25	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6100	6100
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Run In Hole w/ Bridge Plug Assenbly Slowly f/ 1025 - 2288m @ 4m Per/Min. / Flow Checks

Break Circ. & Circ. Thru Tool Assembly

Circulate Tool Assembly While Run In Hole w/ Bridge Plug To 2330

Rig Service - Func. Annular 26 sec. to Close

Circ. & Wash to 2359m / Circ. Bottoms Up & Drop Ball / Pressure Up & Set Bridge Plug

Circ. Bottoms Up / Mix Pill & Prepare to Trip Out

Pull Out of Hole / Lay Down Bridge Plug Running Tool / Func. Test Blind Rams 7sec. to Close

Rig Up Wireline Loggers / Rig to & Run Perf. Tool on Wireline

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	14.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**29.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	29.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 28, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 27, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Squeeze Fluid Into Perferations		STATUS	Monitoring Drill Pipe & Annulus Pressures	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$43,321	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$2,932,317	RIG REL		KB ELEV	219.70	TEMP:	+ 10	Drilling Foreman:	Lyle McIntosh
CUM COST	$2,975,638	EST. TD (m)		GRD ELEV	212.40	WIND:	30 - 70 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)	88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	23:59	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	18	
pH	8.5	
Filter Cake	1	
600 Fann	30	
300 Fann	20	
P.V.	10	
Y.P.	5	
Gels 1/10	4/10	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.10/1.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	108	m3
Hole Volume	108	m3 + 20%
System Vol.	216	m3
MUD ADDITIVES:		
Pulpro 10	10	
Pulpro 20	10	
Pulpro 30	45	

	Mud	Water
Daily Cost	$1,681	
Cum Cost	$34,381	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN									
RU / TO		Survey		Drill		Well Control		HYDRAULICS		
Rig Move		Logging		Well Control		MACP		Pump No.	1	2
W.O. Daylight		Run Casing		Directional Work		RSPP-SPM		Make & Model	FB-1600	FB-1600
Coring		Cementing		Squeeze Job	21.75	Calc hole fill		Liner x Stk	140x305	140x305
Reaming		WOC		Lost Circ		Act Hole Fill		SPM	70	70
Cond / Circ		NU BOP's		BOP Drill		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Tripping		Test BOP's	1.75	Safety Meet		Daylights	19/08/08	Circ Rate100%	1.0	1.0
Rig Service	0.50	Drill out cmt		Circ Sample		Afternoons		Pump Eff.	100	100
Rig Repair		DST		Rig Inspection		Graveyards	20/08/08	Pump Press.	6100	6100
Slip / Cut Line		Hndle Tools		Leak -Off Test		Hydraulics		Drillpipe AV		
				TOTAL HRS	24.00	DrillcollarOD		Drillcollar AV		
						Drillpipe OD		Nozzel Vel		

Run In Hole w/ Baker Wireline - Gun # 2 @ 16SPM/1M / Fire Guns @ 2339m Center (2338.5 - 2339.5m) / Pull Out of Hole w/ Gun # 2

Run In Hole w/ Baker Wireline - Gun # 3 @ 17SPM/1M / Fire Guns @ 2331m Center (2330.5 - 2331.5m) / Pull Out of Hole w/ Gun # 3

Make Up 9 5/8 Cement Hanger Sub - Run In Hole w/ Baker Wireline to 2328m / Attempt to Set Cement Hanger - Miss Fired / Pull Out of Hole

Rebuild Charge & Change Running Tool Componets

Make Up 9 5/8 Cement Hanger Sub - Run In Hole w/ Baker Wireline to 2328m & Set Cement Hanger

Pull Out of Hole & Lay Down Tools - Rig Out Wireline Truck & Release Unit

Safety Meeting w/ Crew Prior to Pressure Testing

Rig to & Pressure Test Casing to 8,000kPa for 30 min. / Lossed 50kPa in 30 min. Test

Rig Service Func. Blind Rams 7 sec. to Close

Pressure Test Casing to 10,000kPa for 30 min. / Lossed 50kPa in 30 min. Test

Pressure Test Casing to 14,000kPa for 30 min. / Lossed 90kPa in 30 min. Test

Make Up Stringer & Stabilizer & Run In Hole to 2330m / Break Circ. & Circ. Bottoms Up

Run In Hole to 2326.8m & String Into Cement Hanger

Close Annular & Open HCR Valve to Closed Choke Pump Mud Down Annulus to 10500kPa Pressure

Pump Down Drill Pipe to 16,000kPa Pressure - Slowly Bleeding Off

Rig Service - Grease Wash Pipe

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	15.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**30.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	30.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 29, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 28, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pulling Out of Hole w/ Stringer @ 825m	STATUS	Waiting On Cement		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$160,715	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$2,975,638	RIG REL		KB ELEV	219.70	TEMP:	+ 8	Drilling Foreman:	Lyle McIntosh
CUM COST	$3,136,353	EST. TD (m)		GRD ELEV	212.40	WIND:	30 - 80 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)	88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	23:59	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	18	
pH	8.5	
Filter Cake	1	
600 Fann	30	
300 Fann	20	
P.V.	10	
Y.P.	5	
Gels 1/10	4/10	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.10/1.00	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	108	m3
Hole Volume	108	m3 + 20%
System Vol.	216	m3
MUD ADDITIVES:		
Pulpro 10	60	
Pulpro 20	60	
Pulpro 30	60	

	Mud	Water
Daily Cost	$2,935	
Cum Cost	$37,316	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Squeeze Job	23.50
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping		Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6100	6100
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pump Mud to 6,500kPa Pressure into Annulus - Pump Water to 16,000kpa into Drill Pipe / Monitor Annulus & Drill Pipe Pressures

Bleed Off 11,100kPa Drill Pipe Pressure & Record Volume (6.60m3 Returns)

Rig Service - Func. Annular 26 sec. to Close

Safety Meeting w/ Cementers, Crew & PDI on Cementing Procedures

Bleed Off Drill Pipe Pressure to 5,500kPa - Pull Stringer Out of Cement Retainer / Wait for Drill Pipe & Annulus to Equalize

Remove Quill from Top Drive - Install Stabbing Valve, Circ. Head & Cementing Equipment

Rig to & Pump 2.0m3 Water Ahead - Pressure Test Cementing Lines & Equipment to 45Mpa

Pump Water Down Drill Pipe to Fill Annulus - Close Annular & Pressure Up Annulus to 10,000kPa / Hold Annulus Pressure @ 9,500kPa & String Into Retainer

Mix & Pump 18.0m3 Cement Slurry

Displace Cement Slurry w/ Rig Pump - Pump 9.1m3 Water / Displace Cement w/ Rig Pump in Stages - Pump 7.63m3 Mud & Squeeze Cement

Squeeze Cement Into Side Track #1 & Into Perforations / Mix & Pump 1435kg/m3 Mud Down Drill Pipe (3.30m3)

Equalize Casing & Drill Pipe Pressures & Pull Stringer Out of Cement Retainer

Rig Out & Lay Down Cementing Equipment / Pull 5 Stands & Spot Pill

Pull Out of Hole w/ Stringer f/ 2200 - 825m

Rig Service - Func. Upper Pipe Rams 5 sec. to Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	16.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**31.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	31.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	August 30, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 29, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pressure Testing 9 5/8 Casing		STATUS	Running In Hole w/ Bit # 2	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$85,830	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$3,136,353	RIG REL		KB ELEV	219.70	TEMP:	+ 14	Drilling Foreman:	Lyle McIntosh
CUM COST	$3,222,183	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00	0.00		
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Total			

Avail WOB	String Wt (daN)	88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	23:59	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	44	
W.L.	18	
pH	8.5	
Filter Cake	1	
600 Fann	30	
300 Fann	20	
P.V.	10	
Y.P.	5	
Gels 1/10	4/10	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	/88	
Pf / Mf	.10/1.00	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	
Ca (ppm)	680	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	108	m3
Hole Volume	108	m3 + 20%
System Vol.	216	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$38,216	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO	6.75	Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Squeeze Job	1.50		
Reaming		WOC	10.25	Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's	5.00	Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6600	6600
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pull Out of Hole w/ Stringer f/ 825 to Surface

Wait on Cement - Monitor Well

Rig Service - Func. Annular 26 sec. to Close

Rig Up Equipment & Prepare for Pressure Test

Rig Service - Func. Blind Rams 5 sec. to Close

Pressure Test Casing w/ 1165kg/m3 Mud @ 8,000kPa for 60 min.

Pressure Test Casing w/ 1165kg/m3 Mud @ 12,000kPa for 90 min.

Pressure Test Casing w/ 1165kg/m3 Mud @ 14,000kPa for 150 min.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	17.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**32.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	32.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	August 31, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	August 30, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pressure Testing Casing w/ Blind Rams Closed		STATUS	Circ. & Cond. Mud - Cleaning Down to 2332m		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$36,697	SPUD DATE		LICENCE #		WEATHER:	Cloudy		Cell:	1-709-649-0255	
PREV COST	$3,222,183	RIG REL		KB ELEV	219.70	TEMP:	+ 12		Drilling Foreman:	Lyle McIntosh	
CUM COST	$3,258,880	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	2		Depth	Degrees
Size (mm)	216.0			
Mfg.	Smith			
Type	XR+			
Serial #	PJ6333			
Nozzles (mm)	3x15.9			
AreaNoz(mm2)	593.8			
WOB (daN)	2.0			
RPM	40			
From (mKB)	2325.50			
To (mKB)	2332.70			
Metres	7.00	0.00		
Hrs on Bit	12.50			
m/Hr				
Cum Hole Hrs	12.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.25
Bit Sub		164	1.1
1 - 6 3/4" D.C.		166	8.91
1 - 6 3/4" D.C.		168	8.98
1 - 6 3/4" D.C.		172	8.84
1 - 6 3/4" D.C.		173	9.46
1 - 6 3/4" D.C.		170	9.25
1 - 6 3/4" D.C.		170	9.14
1 - 6 3/4" D.C.		167	9.05
1 - 6 3/4" D.C.		171	9.36
1 - 6 3/4" D.C.		170	9.05
X/O Sub		164	1.03
Total			
Avail WOB	String Wt (daN)		81,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	10:00	18:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density	1180	1165
Vis.	40	40
W.L.	22	28
pH	8.5	8.5
Filter Cake	1	1
600 Fann	15	16
300 Fann	10	11
P.V.	5	5
Y.P.	2.5	3
Gels 1/10	2/5	2/6
Sand (%)	0	0
Solids (%)	11	10
L.G.S. (% Wt.)		
Oil (%)	/89	/90
Pf / Mf	.02/.15	.05/2.20
MBT (kg/m3)		
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	30000
Ca (ppm)	720	800
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	53	min
Bottoms Up		min
Mud Tanks	105	m3
Hole Volume	113	m3 + 20%
System Vol.	218	m3
MUD ADDITIVES:		
Poly-Plus	1	
PulPro	60	
Xanvis	1	
Sodium Bicarb	10	
Bleach	2	

	Mud	Water
Daily Cost	$2,748	
Cum Cost	$40,964	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Squeeze Job	
Reaming		WOC		Lost Circ	
Cond / Circ	1.75	NU BOP's	1.00	BOP Drill	
Tripping	5.50	Test BOP's	2.75	Safety Meet	
Rig Service	0.50	Drill out cmt	12.50	Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	20/08/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	70
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	6600	6600
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pressure Test Casing w/ 1165kg/m3 Mud @ 16,000kPa for 120 min.

Pressure Test Casing w/ 1165kg/m3 Mud @ 18,000kPa for 120 min.

Make Up Upper Choke Line

Pick & Make Up BHA / Run In Hole w/ Bit # 2 to 2300m

Pressure Test Upper Choke Line to 14,000kPa for 10 min.

Circ. & Cond. Mud

Wash Down f/ 2300 to Retainer Top - Tagged @ 2325.5m

Rig Service - Func. Annular 26 sec. to Close / Weekly Rig Inspection - Visually Inspect Well Control Equipment

Drill Out Cement Retainer f/ 2325.6 to 2326.5m / Drill Out Cement f/ 2326.5 to 2332.7m - Drilling Stopped Due to High Torque

Circ. Hole Clean / Pressure Test Casing to 7,000kPa for 20 min. (2000kPa Loss) / Pressure Test Casing to 12,00kPa for 75 min. (5,500kPa Loss)

Circ. & Cond. Hole - Mix Pill

Pull Out of Hole w/ Flow Checks / Func. Blind Rams 5 sec. to Close

Rig Service - Func. Upper & Lower Pipe Rams 6 sec. Each to Close - Func. HCR Valve 3 sec. to Open

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	18.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**33.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	33.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 1, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	August 31, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Reaming @ 2332.4m		STATUS	Drilling Out Cement @ 2358m	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$42,645	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$3,258,880	RIG REL		KB ELEV	219.70	TEMP:	+ 10	Drilling Foreman:	Lyle McIntosh
CUM COST	$3,301,525	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	2		Depth	Degrees
Size (mm)	216.0			
Mfg.	Smith			
Type	XR+			
Serial #	PJ6333			
Nozzles (mm)	3x15.9			
AreaNoz(mm2)	593.8			
WOB (daN)	2.0			
RPM	40			
From (mKB)	2325.50			
To (mKB)	2332.40			
Metres	7.00	0.00		
Hrs on Bit	28.00			
m/Hr				
Cum Hole Hrs	28.00			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.25
Bit Sub		164	1.1
2 - 6 3/4" D.C.		166	17.89
X/O Sub		168	0.67
1 - Stabilizer		215	2.27
X/O Sub		172	0.49
7 - 6 3/4" D.C.		171	64.15
X/O Sub		164	1.03
Total			
Avail WOB	String Wt (daN)		81,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	23:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	37	
W.L.	24	
pH	8.5	
Filter Cake	1	
600 Fann	15	
300 Fann	10	
P.V.	5	
Y.P.	2.5	
Gels 1/10	2/5	
Sand (%)	0	
Solids (%)	10	
L.G.S. (% Wt.)		
Oil (%)	/90	
Pf / Mf	.05/2.00	
MBT (kg/m3)	10	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	800	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	168	min
Bottoms Up	55	min
Mud Tanks	100	m3
Hole Volume	105	m3 + 20%
System Vol.	205	m3
MUD ADDITIVES:		
Clean Up	1	
Duo-Vis	1	
Safe-Solv OM	1	

	Mud	Water
Daily Cost	$4,466	
Cum Cost	$45,430	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP		Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM		Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	70	70
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ	1.25	NU BOP's		BOP Drill		Daylights	19/08/08	Circ Rate100%	1.0	1.0
Tripping	4.75	Test BOP's	2.00	Safety Meet		Afternoons		Pump Eff.	100	100
Rig Service	0.50	Drill out cmt	15.50	Circ Sample		Graveyards	20/08/08	Pump Press.	6600	6600
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Pressure Test Casing w/ 1165kg/m3 Mud @ 8,000kPa for 30 min. (Pressure bled done to 6,000 kPa before stabilizing)

Pick up Stabilizer & Make Up BHA / Run In Hole w/ Bit # 2 to 2316m

Circ. & Cond. Mud - Circ. Bottoms Up

Wash f/ 2316 to 2330.8m - Monitor Torque & Weight - Ream Down in .05m Crements

Rig Service - Func. Annular 26 sec. to Close

Drill Out Cement - Ream Down f/ 2330.8 to 2332.4m in .05 & .02m Crements - Monitor Torque & Weight

Rig Service - Grease Wash Pipe

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	19.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**34.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	34.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 2, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 1, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Circ. Hole Clean @ 2360m		STATUS	Picking Up & Making Up BHA	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$47,435	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255
PREV COST	$3,301,525	RIG REL		KB ELEV	219.70	TEMP:	+ 10	Drilling Foreman:	Lyle McIntosh
CUM COST	$3,348,960	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	2		Depth	Degrees
Size (mm)	216.0			
Mfg.	Smith			
Type	XR+			
Serial #	PJ6333			
Nozzles (mm)	3x15.9			
AreaNoz(mm2)	593.8			
WOB (daN)	2.0			
RPM	40			
From (mKB)	2325.50			
To (mKB)	2360.00			
Metres	35.00	0.00		
Hrs on Bit	47.75			
m/Hr				
Cum Hole Hrs	47.75			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.25
Bit Sub		164	1.1
2 - 6 3/4" D.C.		166	17.89
X/O Sub		168	0.67
1 - Stabilizer		215	2.27
X/O Sub		172	0.49
7 - 6 3/4" D.C.		171	64.15
X/O Sub		164	1.03
Total			
Avail WOB	String Wt (daN)		81,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	21:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1145	
Vis.	36	
W.L.	30	
pH	8.3	
Filter Cake	1	
600 Fann	14	
300 Fann	10	
P.V.	4	
Y.P.	3	
Gels 1/10	2/5	
Sand (%)	0	
Solids (%)	9	
L.G.S. (% Wt.)		
Oil (%)	/91	
Pf / Mf	.05/2.00	
MBT (kg/m3)	10	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	800	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	121	min
Bottoms Up	40	min
Mud Tanks	99	m3
Hole Volume	103	m3 + 20%
System Vol.	202	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$1,800	
Cum Cost	$47,230	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Well Control		RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	2.00	NU BOP's		BOP Drill		Daylights	19/08/08
Tripping		Test BOP's	1.75	Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt	19.75	Circ Sample		Graveyards	20/08/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	54	54
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	4200	4200
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Drill Out Cement f/ 2332.4 to 2358m - Tag Bridge Plug @ 2358m

Circ. & Cond. Mud - Circ. Bottoms Up

Pressure Test Casing to 8,000kPa w/ 1165kg/m3 Mud - (Pressure bled done to 5,500 kPa before stabilizing)

Rig Service - Func. Annular 26 sec. to Close - Func. HCR Valve 3 sec. to Open

Drill Out Bridge Plug f/ 2358.00 - 2360.00m

Rig Service Func. Remote Chokes Open / Closed - Func. Upper Pipe Rams 5 sec. to Close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	20.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**35.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	35.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 3, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 2, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Laying Down 6 3/4" D.C.s	STATUS	Pressure Testing Pipe Rams		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$84,531	SPUD DATE		LICENCE #		WEATHER:	Cloudy	Cell:	1-709-649-0255
PREV COST	$3,348,960	RIG REL		KB ELEV	219.70	TEMP:	+ 14	Drilling Foreman:	Lyle McIntosh
CUM COST	$3,433,491	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE		
Bit No.	2	3
Size (mm)	216.0	156.0
Mfg.	Smith	Smith
Type	XR+	XR20W
Serial #	PJ6333	PL1386
Nozzles (mm)	3x15.9	3x15.9
AreaNoz(mm2)	593.8	593.8
WOB (daN)	2.0	2.0
RPM	40	50
From (mKB)	2325.50	2360.00
To (mKB)	2360.00	2390.00
Metres	35.00	30.00
Hrs on Bit	47.75	4.25
m/Hr		
Cum Hole Hrs	47.75	52.00
Condition		

SURVEYS		
Depth	Degrees	

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	22:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1145	
Vis.	35	
W.L.	30	
pH	8.3	
Filter Cake	1	
600 Fann	14	
300 Fann	10	
P.V.	4	
Y.P.	3	
Gels 1/10	2/5	
Sand (%)	0	
Solids (%)	9	
L.G.S. (% Wt.)		
Oil (%)	/91	
Pf / Mf	.05/2.00	
MBT (kg/m3)	10	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	800	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	121	min
Bottoms Up	40	min
Mud Tanks	99	m3
Hole Volume	103	m3 + 20%
System Vol.	202	m3
MUD ADDITIVES:		
PulPro 20	60	
PulPro 30	60	

	Mud	Water
Daily Cost	$2,281	
Cum Cost	$49,511	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		159	0.19
Bit Sub		119	1.07
3 - 3 1/2 HWDP		120	27.54
X/O Sub		169	0.77
1 - 5" D.P.		127	9.36
1 - Stabilizer		210	1.83
6 - 5" D.P.		127	46.6
Total			

VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

Avail WOB	String Wt (daN)	81,000

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Squeeze Job	
Reaming		WOC		Lost Circ	
Cond / Circ	1.50	NU BOP's		BOP Drill	0.50
Tripping	17.25	Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt	4.25	Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	54	54
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	4200	4200
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Circ. & Cond. Hole - Pump High Vis Sweep - Rotate & Reciprocate String

Pull Out of Hole w/ Flow Checks / Func. Blind Rams 5 sec. to Close

Strap & Prepare BHA - Pick Up & Make Up Bit # 3 & New BHA

Run In Hole w/ Bit # 3 to 357m - Stabilizers Keep Hanging Up in Casing - Pull Out of Hole & Lay Down Stabilizers
Stabilizers will not pass through casing replace by CIVC (must be heavy wall) / Also there is a casing patch some where in the well.
Run In Hole w/ Bit # 3 to 850m / Rig Service Func. Pipe Rams 7 sec. to Close

Run In Hole w/ Bit # 3 to 2359m / Break Circ. / Wash & Ream Thru Top of Liner @ 2360m / Wash & Clean down to 2390m

Circ. Bottoms Up / Pull Out of Hole w/ Flow Checks to 230m

B.O.P. Drill - Well Secured in 90 sec. / Open HCR Valve 3 sec. - Close Annular 25 sec.

Pull Out of Hole - Laydown X-95 Drill Pipe & BHA

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	21.0	REPORT #	DRAGON LANCE MANAGEMENT CORPORATION
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	36.0	
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	36.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3					REPORT DATE:	September 4, 2008	
UNIQUE ID:	PaP #1 ST #3					OPS DATE:	September 3, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS at 24:00 HRS	Running In Hole w/ Bit # 3	STATUS at 07:00 HRS	Clean Down ST #2 @ 3358m	FORMATION
PROGRESS (m)	0	07:00 ROP	0					
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager: Rick Zenner
DAILY COST	$60,407	SPUD DATE		LICENCE #		WEATHER:	Raining	Cell: 1-709-649-0255
PREV COST	$3,433,491	RIG REL		KB ELEV	219.70	TEMP:	+ 10	Drilling Foreman: Lyle McIntosh
CUM COST	$3,493,898	EST. TD (m)		GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell: 1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To: Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell: 1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	3		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR20W			
Serial #	PL1386			
Nozzles (mm)	3x15.9			
AreaNoz(mm2)	593.8			
WOB (daN)	2.0			
RPM	50			
From (mKB)	2360.00			
To (mKB)	3358.00			
Metres		0.00		
Hrs on Bit	4.25			
m/Hr				
Cum Hole Hrs	52.00			
Condition				

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	22:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1145	
Vis.	35	
W.L.	30	
pH	8.3	
Filter Cake	1	
600 Fann	14	
300 Fann	10	
P.V.	4	
Y.P.	3	
Gels 1/10	2/5	
Sand (%)	0	
Solids (%)	9	
L.G.S. (% Wt.)		
Oil (%)	/91	
Pf / Mf	.05/2.00	
MBT (kg/m3)	10	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	800	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	121	min
Bottoms Up	40	min
Mud Tanks	99	m3
Hole Volume	103	m3 + 20%
System Vol.	202	m3
MUD ADDITIVES:		
	Mud	Water
Daily Cost	$1,800	
Cum Cost	$51,311	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		159	0.19
Bit Sub		119	1.07
45 - 3 1/2 HWDP		89	413.85
Total			
Avail WOB	String Wt (daN)	80,000	

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing		Squeeze Job	
Reaming		WOC		Lost Circ	
Cond / Circ	5.25	NU BOP's	3.00	BOP Drill	
Tripping	10.25	Test BOP's	5.00	Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	
RSPP-SPM	
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	19/08/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	54	54
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	100	100
Pump Press.	4200	4200
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pull Out of Hole - Laydown X-95 Drill Pipe & BHA

Pick Up & Set Dog Nut - Change Bottom Pipe Rams to 3 1/2 Variables

Pressure Test Bottom Pipe Rams 1,400kPa for 15 min. & 16,000kPa for 30 min.

Remove Dog Nut & Lay Down Same - Prepare Rig Floor to Pick Up 3 1/2 H.W. Drill Pipe

Pick Up & Make Up BHA - Pick Up 45 Jts. Of 3 1/2 H.W. Drill Pipe & Run In Hole

Rig Service - Func. Upper & Lower Pipe Rams 7 sec. Each to Close - Func. HCR Valve 3 sec. to Open

Circ. & Cond. Mud - Wait on 3 1/2 Drill Pipe

Pick Up & Make Up 3 1/2 Drill Pipe / Crew Change - Safety Meeting / Pick Up & Make Up 3 1/2 Drill Pipe

Run In Hole to 2369m

Rig Service - Func. Annular 26 sec. to Close

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	22.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**37.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	37.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 5, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 4, 2008
24:00 DEPTH(m)	0	24:00 ROP	STATUS	Pulling Out of Hole @ 1356m		STATUS	Running In Hole w/Bit # 4		FORMATION
PROGRESS (m)	0	07:00 ROP 0	at 24:00 HRS			at 07:00 HRS			
D&A COST	$0	D & A COST	AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner	
DAILY COST	$70,855	SPUD DATE	LICENCE #		WEATHER:	Raining	Cell:	1-709-649-0255	
PREV COST	$3,493,898	RIG REL	KB ELEV	219.70	TEMP:	+ 15	Drilling Foreman:	Lyle McIntosh	
CUM COST	$3,564,753	EST. TD (m)	GRD ELEV	212.40	WIND:	10 - 20 KP/H	Cell:	1-780-886-4880	
		Meters to T.D. 0.00		HIGH TIDE:			Reported To:	Steve c McIntosh	
		Hours to T.D. T.D.		LOW TIDE:			Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	3		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR20W			
Serial #	PL1386			
Nozzles (mm)	3x15.9			
AreaNoz(mm2)	593.8			
WOB (daN)	2.0			
RPM	50			
From (mKB)	2360.00			
To (mKB)	3363.00			
Metres	103.00	0.00		
Hrs on Bit	20.25			
m/Hr				
Cum Hole Hrs	68.00			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		159	0.19
Bit Sub		119	1.07
45 - 3 1/2 HWDP		89	413.85
Total			

Avail WOB	HW - 10000	String Wt (daN)	71,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	11:30	16:50
Mud Man	Darryl Diamond	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1145	1170
Vis.	35	35
W.L.	35	35
pH	8.3	8.3
Filter Cake	1	1
600 Fann	12	13
300 Fann	7	8
P.V.	5	5
Y.P.	1	1.5
Gels 1/10	1/1	1/1
Sand (%)	0	0
Solids (%)	9	10
L.G.S. (% Wt.)		
Oil (%)	/91	/90
Pf / Mf	.20/1.30	.30/1.40
MBT (kg/m3)	12	14
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	26000	2700
Ca (ppm)	1000	1000
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	121	min
Bottoms Up	40	min
Mud Tanks	99	m3
Hole Volume	103	m3 + 20%
System Vol.	202	m3
MUD ADDITIVES:		
PulPro	60	
Xanvis	2	

	Mud	Water
Daily Cost	$3,650	
Cum Cost	$54,961	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	
Rig Move		Logging		Well Control		RSPP-SPM	
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming	16.00	WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	3.50	NU BOP's		BOP Drill		Daylights	19/08/08
Tripping	4.00	Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	80	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.1	
Pump Eff.	100	100
Pump Press.	16000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Wash & Ream In Hole f/ 2369 -3340m / Circ. & Cond. - Circ. Hole Clean
Wash & Ream In Hole f/ 3340 - 3353m - Tagged solids in hole @ 3353m
Wash & Ream In Hole f/ 3353 - 3360m - Hole Unloading Shale Cuttings and large marbel size round cuttings
Circulate and condition wellbore to clean up same
Rig Service - Func. HCR Valve 3 sec. to Open - Func. Annular 26 sec. to Close
Wash & Ream In Hole f/ 3360 - 3363m - Hole Unloading Shale Cuttings and large marbel size round cuttings
Circulate and condition wellbore to clean up same
Circ. & Cond. Hole - Mix & Pump High Vis Sweep to Clean Out Hole 100+Vis - Circ. Hole Clean
Circ. & Cond. Hole - Mix & Pump High Vis Sweep to Clean Out Hole 100+Vis - Circ. Hole Clean
Rotary torque is increasing rapidly while unloading cuttings around drill bit
Hole Unloading Shale Cuttings and large marbel size round cuttings
Circulate and condition wellbore to clean up same
Pull Out of Hole f/ 3363 - 1356m w/ Flow Checks
Rig Service Func. Top Pipe Rams 6 sec. to Close
POOH to Pickup 156mm bit and PDM (Down hole motor) 7/8 x 3.25 stage PDM

PDI Productions Inc.
DAILY DRILLING REPORT
(00:00 - 24:00 HOURS)

Days (Move In)	10.0	Drilling Days:	23.0	REPORT #
Days (Rig Up)	5.0	Days (NPCT)	0.0	38.0
Total (MIRU)	15.0	Total Days:	38.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3						REPORT DATE:	September 6, 2008	
UNIQUE ID:	PaP #1 ST #3						OPS DATE:	September 5, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS at 24:00 HRS	Ream to 3370m with bit# 4	STATUS at 07:00 HRS	Ream to 3398m with bit# 4		FORMATION
PROGRESS (m)	0	07:00 ROP	0						
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$44,948	SPUD DATE		LICENCE #		WEATHER:	cloudy	Cell:	1-709-649-0255
PREV COST	$3,564,753	RIG REL		KB ELEV	219.70	TEMP:	+ 15	Drilling Foreman:	Tibor Papp
CUM COST	$3,609,701	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS Depth	Degrees
Bit No.	3	4		
Size (mm)	156.0	156.0		
Mfg.	Smith	Smith		
Type	XR20W	XR15W		
Serial #	PL1386	MX9841		
Nozzles (mm)	3x15.9	3x14.3		
AreaNoz(mm2)	593.8	481.8		
WOB (daN)	2.0	1.0		
RPM	50	45		
From (mKB)	2360.00	3363.00		
To (mKB)	3363.00	3370.00		
Metres	103.00	7.00		
Hrs on Bit	20.25	8.75		
m/Hr				
Cum Hole Hrs	68.00	76.75		
Condition				
	136			

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	12:00	18:00
Mud Man	Sean Penney	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1160	1160
Vis.	35	34
W.L.	36	36
pH	8.3	8.3
Filter Cake	1	1
600 Fann	18	20
300 Fann	12	14
P.V.	6	6
Y.P.	3	4
Gels 1/10	1/2	1/2
Sand (%)	0	0
Solids (%)	10	10
L.G.S. (% Wt.)		
Oil (%)	/90	/90
Pf / Mf	.25/1.30	.20/1.30
MBT (kg/m3)	12	12
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	31000
Ca (ppm)	900	850
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	0	min
Bottoms Up	0	min
Mud Tanks	95.1	m3
Hole Volume	103	m3 + 20%
System Vol.	198.1	m3
MUD ADDITIVES:		
PulPro	120	
Xanvis	5	
	Mud	Water
Daily Cost	$5,273	
Cum Cost	$60,234	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.19
Mud Motor		121	9.17
44 - 3 1/2 HWDP		89	404.73
X/O		120	0.77
Total			414.86
Avail WOB	HW - 10000	String Wt (daN)	104,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Wor	1.00
Coring		Cementing		Squeeze Job	
Reaming	8.75	WOC		Lost Circ	
Cond / Circ	3.00	NU BOP's		BOP Drill	
Tripping	9.00	Test BOP's		Safety Meet	0.50
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair	1.25	DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	3659
RSPP-SPM	50
Calc hole fill	11.97
Act Hole Fill	12.25
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	80	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.1	
Pump Eff.	97	97
Pump Press.	17600	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

POOH to Pickup 156mm bit and PDM (Down hole motor) 7/8 x 3.25 stage PDM

Function Blind Rams O.O.H 6 sec. to close

Hole fill calc.11.97m3, Act. 12.25m3 Diff: .28m3

Make up Motor and Bit and R.I.H

Trip in hole Flow check and fill pipe @ 1510m

BOP drill: Men in position and well secure in 50 sec. Function annular close in 26 sec. HCR open in 3 sec.

Trip in hole fr/ 1510m to 3340m with flow checks and fill pipe

Ream and clean fr/ 3340m to 3363m

Circulate and condition / work pipe and rotate down while pumping 100+ S/L High vis sweeps

Ream and clean fr/ 3363m to 3370m

Function Top Pipe Ram cls in 6 sec.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	24.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**39.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	39.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 7, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 6, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Ream and condition hole to 3432m		STATUS	Work pipe and pump high vis sweeps to clean hole		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$81,796	SPUD DATE		LICENCE #		WEATHER:	cloudy		Cell:	1-709-649-0255	
PREV COST	$3,609,701	RIG REL		KB ELEV	219.70	TEMP:	+ 15		Drilling Foreman:	Tibor Papp	
CUM COST	$3,691,497	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	4		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR15W			
Serial #	MX9841			
Nozzles (mm)	3x14.3			
AreaNoz(mm2)	481.8			
WOB (daN)	1.0			
RPM	45			
From (mKB)	3363.00			
To (mKB)	3432.00			
Metres	69.00	0.00		
Hrs on Bit	30.75			
m/Hr				
Cum Hole Hrs	98.75			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.19
Mud Motor		121	9.17
44 - 3 1/2 HWDP		89	404.73
X/O		120	0.77
Total			414.86

Avail WOB	HW - 10000	String Wt (daN)	107,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:30	18:00
Mud Man	Sean Penney	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1160	1160
Vis.	38	38
W.L.	32	32
pH	8.3	8.5
Filter Cake	1	1
600 Fann	22	23
300 Fann	15	15
P.V.	7	8
Y.P.	4	3.5
Gels 1/10	1/2	1/2
Sand (%)	0	0
Solids (%)	9.5	9.5
L.G.S. (% Wt.)		
Oil (%)	/91	/91
Pf / Mf	0.8/1.40	0.5/1.30
MBT (kg/m3)	14	12
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	30000
Ca (ppm)	700	650
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	165	min
Bottoms Up	68	min
Mud Tanks	96.5	m3
Hole Volume	102.8	m3 + 20%
System Vol.	197.9	m3
MUD ADDITIVES:		
Xanvis	6	
	Mud	Water
Daily Cost	$4,577	
Cum Cost	$64,811	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	120	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	3659
Rig Move		Logging		Well Control		RSPP-SPM	6420/50
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming	22.00	WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	1.50	NU BOP's		BOP Drill		Daylights	05/09/08
Tripping		Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	85	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.2	
Pump Eff.	97	97
Pump Press.	17000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Ream and clean fr/ 3370m to 3432m

Work pipe and pump high vis sweeps to clean hole / sweep affective / hole is unloading cuttings

Rotary torque stalls often as working through tight spots and cleaning hole

Continue to ream double stands / working and cleaning after each single

Function annular 26 sec to close

Function Top Pipe Ram cls in 6 sec.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	25.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**40.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	40.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 8, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 7, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Ream and condition hole to 3482m		STATUS	Wiper trip to casing		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$63,831	SPUD DATE		LICENCE #		WEATHER:	rain		Cell:	1-709-649-0255	
PREV COST	$3,691,497	RIG REL		KB ELEV	219.70	TEMP:	+ 15		Drilling Foreman:	Tibor Papp	
CUM COST	$3,755,328	EST. TD (m)		GRD ELEV	212.40	WIND:	gusting		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	4		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR15W			
Serial #	MX9841			
Nozzles (mm)	3x14.3			
AreaNoz(mm2)	481.8			
WOB (daN)	1.0			
RPM	45			
From (mKB)	3363.00			
To (mKB)	3482.00			
Metres	119.00	0.00		
Hrs on Bit	45.75			
m/Hr				
Cum Hole Hrs	113.75			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.19
Mud Motor		121	9.17
44 - 3 1/2 HWDP		89	404.73
X/O		120	0.77
Total			414.86

Avail WOB	HW - 10000	String Wt (daN)	107,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	10:00	20:15
Mud Man	Sean Penney	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1160	1160
Vis.	42	41
W.L.	28	26
pH	8.3	8.3
Filter Cake	1	1
600 Fann	37	36
300 Fann	26	26
P.V.	11	10
Y.P.	7.5	8
Gels 1/10	3/5	3/5
Sand (%)	0	0
Solids (%)	10	10
L.G.S. (% Wt.)		
Oil (%)	/90	/90
Pf / Mf	0.5/1.35	0.6/1.30
MBT (kg/m3)	13	12
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	31000
Ca (ppm)	1100	1000
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient		kPa/m
Mud Cycle	150	min
Bottoms Up	62	min
Mud Tanks	88.7	m3
Hole Volume	102.5	m3 + 20%
System Vol.	190.9	m3
MUD ADDITIVES:		
Pulpro 20	120	
Xanvis	23	

	Mud	Water
Daily Cost	$16,244	
Cum Cost	$81,055	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	3659
Rig Move		Logging		Well Control		RSPP-SPM	6420/50
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming	15.00	WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	5.75	NU BOP's		BOP Drill		Daylights	05/09/08
Tripping	2.75	Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	85	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.2	
Pump Eff.	97	97
Pump Press.	17000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Ream and clean fr/ 3342m to 3482m

Work pipe and pump high vis sweeps to clean hole / sweep affective / hole is unloading cuttings

Circulate and condition hole prior to wiper trip

Wiper trip to 3285m

RIH fr/ 3285 to 3390m / flow check at 3285m

Work tight hole fr/ 3390m to 3398m

Ream and clean and wash to bottom fr/ 3398m to 3482m

Pump sweeps to clean hole

Function annular 26 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	26.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**41.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	41.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 9, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 8, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Back ream to casing	STATUS	Trip out of hole		FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$42,240	SPUD DATE		LICENCE #		WEATHER:	rain	Cell:	1-709-649-0255
PREV COST	$3,755,328	RIG REL		KB ELEV	219.70	TEMP:	+ 15	Drilling Foreman:	Tibor Papp
CUM COST	$3,797,568	EST. TD (m)		GRD ELEV	212.40	WIND:	gusting	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	4		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR15W			
Serial #	MX9841			
Nozzles (mm)	3x14.3			
AreaNoz(mm2)	481.8			
WOB (daN)	1.0			
RPM	45			
From (mKB)	3363.00			
To (mKB)	3482.00			
Metres	119.00	0.00		
Hrs on Bit	55.00			
m/Hr				
Cum Hole Hrs	123.00			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.19
Mud Motor		121	9.17
44 - 3 1/2 HWDP		89	404.73
X/O		120	0.77
Total			414.86

Avail WOB	HW - 10000	String Wt (daN)	107,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:30	16:15
Mud Man	Sean Penney	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1170	1170
Vis.	48	54
W.L.	16	14
pH	8.5	8.5
Filter Cake	1	1
600 Fann	63	64
300 Fann	49	50
P.V.	14	14
Y.P.	18	17.5
Gels 1/10	8/11	8/11
Sand (%)	0	0
Solids (%)	10	10
L.G.S. (% Wt.)		
Oil (%)	/90	/90
Pf / Mf	0.5/1.50	0.5/1.55
MBT (kg/m3)	13	14
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	32000	32000
Ca (ppm)	1200	1200
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.47	kPa/m
Mud Cycle	170	min
Bottoms Up	62	min
Mud Tanks	117	m3
Hole Volume	103.1	m3 + 20%
System Vol.	217.2	m3
MUD ADDITIVES:		
Pulpro 10	60	
Xanvis	6	
Polypac UL	2	
Pulpro 30	30	

	Mud	Water
Daily Cost	$6,172	
Cum Cost	$87,227	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	3659
Rig Move		Logging		Well Control		RSPP-SPM	6420/50
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming	9.25	WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	9.75	NU BOP's		BOP Drill		Daylights	05/09/08
Tripping	4.50	Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	82	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.2	
Pump Eff.	97	97
Pump Press.	13400	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Condition mud and circulate @ 3482m

Pump sweeps to clean hole / Increase viscosity

Wiper trip to casing window @ 3352m / Tight hole to 3462m

Work tight hole fr/ 3462m / High torque stalling rotary

Work tight hole back to bottom / pump sweeps to clean hole / no show of excess cuttings

Possible debris at the bit and below the bit

Ream and clean debris fr/ 3481.5m to 3482.4m

Circulate and condition / pump sweeps to clean hole

Back ream tight hole to 3446m / Hole packed off and pressured up

Regained circulation and continued to circulate and backream to casing window

Function annular 26 sec to close

Function lower Pipe Rams 7 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	27.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**42.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	42.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 10, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 9, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Clean out trip to bottom		STATUS	Trip out of hole	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$49,030	SPUD DATE		LICENCE #		WEATHER:	rain	Cell:	1-709-649-0255
PREV COST	$3,797,568	RIG REL		KB ELEV	219.70	TEMP:	12	Drilling Foreman:	Tibor Papp
CUM COST	$3,846,598	EST. TD (m)		GRD ELEV	212.40	WIND:	gusting	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	4		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR15W			
Serial #	MX9841			
Nozzles (mm)	3x14.3			
AreaNoz(mm2)	481.8			
WOB (daN)	1.0			
RPM	45			
From (mKB)	3363.00			
To (mKB)	3482.00			
Metres	119.00	0.00		
Hrs on Bit	57.75			
m/Hr				
Cum Hole Hrs	125.75			
Condition	38BTAE1BTTD			

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.19
Mud Motor		121	9.17
44 - 3 1/2 HWDP		89	404.73
X/O		120	0.77
Total			414.86

Avail WOB	HW - 10000	String Wt (daN)	107,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	19:00	
Mud Man	Sean Penney	
Mud Co.	Mi Swaco	
Density	1170	
Vis.	52	
W.L.	12	
pH	8.3	
Filter Cake	1	
600 Fann	62	
300 Fann	48	
P.V.	14	
Y.P.	17	
Gels 1/10	7/10	
Sand (%)	0	
Solids (%)	10	
L.G.S. (% Wt.)		
Oil (%)	/90	
Pf / Mf	.08/1.6	
MBT (kg/m3)	13	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	32000	
Ca (ppm)	1200	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.47	kPa/m
Mud Cycle	182	min
Bottoms Up	78	min
Mud Tanks	118	m3
Hole Volume	103.1	m3 + 20%
System Vol.	218	m3
MUD ADDITIVES:		
Pulpro 10	6	
Xanvis	11	
Polpro20	43	
Pulpro 30	96	
Duo Vis	23	

	Mud	Water
Daily Cost	$13,390	
Cum Cost	$100,617	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP	3659	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	6420/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	72	72
Reaming	2.75	WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ	3.25	NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.0	1.0
Tripping	13.50	Test BOP's		Safety Meet	0.25	Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	30000	30000
Rig Repair	3.00	DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line	0.75	Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Back ream from 3464m to 3322m inside casing / Circulate and condition mud

Trip out of hole / Flow checks @ 3322m, 3159m, 1732m, 280m, P.O.O.H

Lay down motor and bit

Layed out 6 bent HWDP and bent motor

Make up bull nose circulating tool and RIH

Circulate from 3336m to 3460m / work and circulate

Blew Kelly hose / Down time 3 hrs to replace same and repair and pressure test associated equipment

Function annular 26 sec to close

Function Top Pipe Rams 6 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	28.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**43.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	43.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 11, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 10, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	RIH with DST		STATUS	Displace pipe with nitrogen	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$36,476	SPUD DATE		LICENCE #		WEATHER:	cloudy	Cell:	1-709-649-0255
PREV COST	$3,846,598	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$3,883,074	EST. TD (m)		GRD ELEV	212.40	WIND:	gusting	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00			
Hrs on Bit				
m/Hr				
Cum Hole Hrs				
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
DST Tools			10.3
36 - 3 1/2 HWDP		89	331.06
X/O		120	0.77
Total			342.13

Avail WOB	HW - 10000	String Wt (daN)	107,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	11:00	
Mud Man	Sean Penney	
Mud Co.	Mi Swaco	
Density	1170	
Vis.	45	
W.L.	12	
pH	8.3	
Filter Cake	1	
600 Fann	46	
300 Fann	36	
P.V.	10	
Y.P.	13	
Gels 1/10	5/9	
Sand (%)	0	
Solids (%)	9.5	
L.G.S. (% Wt.)		
Oil (%)	/91	
Pf / Mf	.07/1.60	
MBT (kg/m3)	13	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	
Ca (ppm)	1200	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.47	kPa/m
Mud Cycle	80	min
Bottoms Up	43	min
Mud Tanks	89.1	m3
Hole Volume	108.5	m3 + 20%
System Vol.	159.5	m3
MUD ADDITIVES:		
Polpro20	23	

	Mud	Water
Daily Cost	$1,140	
Cum Cost	$101,757	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ	4.00	NU BOP's		BOP Drill			
Tripping	8.75	Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST	10.75	Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	7350/70
Calc hole fill	11.97
Act Hole Fill	12.36
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	72	72
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	1.0
Pump Eff.	97	97
Pump Press.	30000	30000
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Pump out stands from 3364m to 3336m

Condition mud and circulate inside casing above window

POOH for DST Tools

Flow checks @ 3335m, 3075m, 2922m, 2273m, 1500m, 400m, P.O.O.H.

Rack back BHA / Lay down 2 bent HWDP

Make up DST Tools and RIH with same

Function annular 26 sec to close

Function Top Pipe Rams 6 sec to close

Function HCR 3 sec to open

Function Blind Ram OOH 6 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	29.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**44.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	44.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 12, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 11, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Flow Test Well		STATUS	Flow Test Well		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$81,472	SPUD DATE		LICENCE #		WEATHER:	Sunny		Cell:	1-709-649-0255	
PREV COST	$3,883,074	RIG REL		KB ELEV	219.70	TEMP:	15		Drilling Foreman:	Tibor Papp	
CUM COST	$3,964,546	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00			
Hrs on Bit				
m/Hr				
Cum Hole Hrs	125.75			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
DST Tools			10.3
36 - 3 1/2 HWDP		89	331.06
X/O		120	0.77
Total			342.13
Avail WOB	String Wt (daN)		72,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	13:00	
Mud Man	Sean Penney	
Mud Co.	Mi Swaco	
Density	1170	
Vis.	49	
W.L.	12	
pH	8.3	
Filter Cake	1	
600 Fann	45	
300 Fann	35	
P.V.	10	
Y.P.	12.5	
Gels 1/10	5/8	
Sand (%)	0	
Solids (%)	9.5	
L.G.S. (% Wt.)		
Oil (%)	/91	
Pf / Mf	0.8/1.65	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	
Ca (ppm)	1200	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.47	kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	107.3	m3
Hole Volume	103	m3 + 20%
System Vol.	207.2	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$102,657	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping	4.00	Test BOP's		Safety Meet	1.00		
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST	18.50	Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	7350/70
Calc hole fill	11.97
Act Hole Fill	12.36
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	72	72
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%		
Pump Eff.	97	97
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

RIH with DST assembly fr/ 2330m / Work DST down to top of liner slowly with no hang up or weight drop past PaP #1 ST #2
RIH with DST assembly fr/ 2332m to 2359.50m / Packer Assembly hung up on the liner top @ 2360m
Work DST Packer Assembly past liner top @ 2359.50m to 2360.50m
RIH with DST assembly fr/ 2332m to 3225m
Rig in DST head & manifold / Rig in lines to production seperator
Set packer @ 3225m in the 193mm liner to test open hole section of ST #2 (DST #1 from 3325m to 3482.4m Upper Aguathuna Formation)
Safety meeting with all crews prior to fill string with Nitrogen for DST cushion
Pressure drill string up to 2300kPa with Nitrogen
Safety meeting with all crews prior to opening DST tool and flow well
Open DST tool and flow well for 30 minutes and monitor pressures
Manifold pressure built from 2300 kPa to 2700 kPa in first 10 minutes of I.P.F. Period and held steady at 2700 kPa for 30 minutes
Very weak air blow and NGTS (No Gas to Surfacae on preflow preiod)
Closed DST tool for 60 minutes / Bleed down N2 cushion to production tank with NGTS prior to next flow test
Safety meeting with all crews rig crew change out and production tester crew change
Open DST tool and flow well to production testers / WAB & NGTS (Weak air bow with no gas to surface)
NGTS (Weak air bow with no gas to surface)
Shut in for build up 12:09 to 15:43 (214 minutes)

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	30.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**45.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	45.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 13, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 12, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	P.O.O.H with DST		STATUS	Lay down DST tools	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$36,014	SPUD DATE		LICENCE #		WEATHER:	Partly Cloudy	Cell:	1-709-649-0255
PREV COST	$3,964,546	RIG REL		KB ELEV	219.70	TEMP:	17	Drilling Foreman:	Tibor Papp
CUM COST	$4,000,560	EST. TD (m)		GRD ELEV	212.40	WIND:	20 km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres	0.00			
Hrs on Bit				
m/Hr				
Cum Hole Hrs	125.75			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
DST Tools			10.3
36 - 3 1/2 HWDP		89	331.06
X/O		120	0.77
Total			342.13
Avail WOB	String Wt (daN)		88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	15:00	
Mud Man	Sean Penney	
Mud Co.	Mi Swaco	
Density	1170	
Vis.	49	
W.L.	12	
pH	8.3	
Filter Cake	1	
600 Fann	45	
300 Fann	35	
P.V.	10	
Y.P.	12.5	
Gels 1/10	5/8	
Sand (%)	0	
Solids (%)	9.5	
L.G.S. (% Wt.)		
Oil (%)	0/91	
Pf / Mf	0.8/1.65	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	
Ca (ppm)	1200	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.47	kPa/m
Mud Cycle		min
Bottoms Up		min
Mud Tanks	84.9	m3
Hole Volume	108.8	m3 + 20%
System Vol.	193.7	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$103,557	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST	23.50	Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	7350/70
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	72	72
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%		
Pump Eff.	97	97
Pump Press.		
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Open DST tool and flow well to production testers / WAB & NGTS (Weak air bow with no gas to surface)
NGTS (Weak air bow with no gas to surface) / Flow well and monitor fluid and pressure for 970 minutes
GTS 45 minutes into Main Flow period TSTM (Gas to surface to small to measure) through out main flow period Main Flow period
Shut in for build up 12:09 to 15:43 (214 minutes)
Release packer / fill hole with 0.56 m3 + 0.86 m3 = Total mud loss on test 1.42 m3 / bleed off drill pipe pressure
Bleed off string & surface equipment to production testers
After unseting the packer gas increased to 0.5m flare due to break out gas
Move pipe 1m up & down to assist gas in breaking out and flare to stack with 0.50m to 1.00m flare at stack pressure build to 50 kPa
Shut in to manifold and record pressure for 10 minutes @ 345 kPa / Bleed to flare with 1.50m to 2.00m gas flare
Move pipe 1m up & down to assist gas in breaking out and flare to stack with 0.50m to 1.00m flare at stack pressure build to 50 kPa
Shut in to manifold and record pressure for 10 minutes @ 14 kPa
Vent string
P.O.O.H with DST tool / Flow checks @ 3184m, 1663m

NOTES: Actual DST Times
PF: 17:14 to 18:03 for 49 min.
ISI: 18:03 to 19:29 for 86 min.
MF: 19:59 to 12:09 for 970 min.
FSI: 12:09 to 15:43 for 970 min.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	31.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**46.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	46.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 14, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 13, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Flare breakout gas		STATUS	Wash and ream to bottom		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$143,397	SPUD DATE		LICENCE #		WEATHER:	Rain		Cell:	1-709-649-0255	
PREV COST	$4,000,560	RIG REL		KB ELEV	219.70	TEMP:	12		Drilling Foreman:	Tibor Papp	
CUM COST	$4,143,957	EST. TD (m)		GRD ELEV	212.40	WIND:	10km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	5		Depth	Degrees	Fluid Type	Poly CalCarb	Poly CalCarb	Mud Gradient	11.47	kPa/m
Size (mm)	156.0				Time Check	10:30	19:45	Mud Cycle	257.5	min
Mfg.	Smith				Mud Man	Sean Penney	Sean Penney	Bottoms Up	96	min
Type	XR15				Mud Co.	Mi Swaco	Mi Swaco	Mud Tanks	109.8	m3
Serial #	MK0993				Density	1160	1160	Hole Volume	102.8	m3 + 20%
Nozzles (mm)	3x 9.5				Vis.	37	38	System Vol.	210.4	m3
AreaNoz(mm2)	212.65				W.L.	28	28	MUD ADDITIVES:		
WOB (daN)	1.0				pH	8	8			
RPM	20				Filter Cake	2	2			
From (mKB)	3482.00				600 Fann	20	22			
To (mKB)					300 Fann	13	15			
Metres	0.00				P.V.	7	7			
Hrs on Bit	3.25				Y.P.	3	4			
m/Hr					Gels 1/10	1/1	1/1			
Cum Hole Hrs	129.00				Sand (%)	0	0		Mud	Water
Condition					Solids (%)	11	11	Daily Cost	$900	
					L.G.S. (% Wt.)			Cum Cost	$104,457	

136				Oil (%)	1/88	2/87	SOLIDS CONTROL		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)	Pf / Mf	0.2/2.40	0.2/2.30	Shaker Make		
Bit		156	0.2	MBT (kg/m3)	12	13	Shaker #	1	2
Motor		124	9.17	PHPA (kg/m3)			Shaker Mesh	230	230
2xMonel collars		122	18.68	K+ (mg/l)			Shaker Mesh	230	230
3 1/2 HWDP		89	110.12	Cl (ppm)	33000	33000	Shaker Mesh	200	230
Jars		120	4.05	Ca (ppm)	1500	1800		Centrifuge 1	Centrifuge 2
3 1/2 HWDP		89	220.94	VOLUMES			Make		
X/O			0.77	Water Hauled			U.F. (kg/m3)		
				Vol Dumped			O.F. (kg/m3)		
				Loss Circ.			Vol UF (l/min)		
				Boiler Hrs:			Hours		
				TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
				Strap (metres)			Manufacturer		
				Board (metres)			Size (mm)		
Total			363.93	Difference (metres)		0.00	WP (MPa)		
Avail WOB	String Wt (daN)		88,000	Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP	3659	Pump No.	1	2
Rig Move		Logging		Well Control	3.75	RSPP-SPM	7350/70	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	85	
Reaming	3.25	WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ	3.00	NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.2	
Tripping	7.25	Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	19000	
Rig Repair		DST	6.25	Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

P.O.O.H with test tools till reaching fluid / Fluid present in drill pipe @ 1660m / 1519 meters fluids above hydraulic tool.
Pressure up the pump out sub and shear same.
Reverse circulate fluid through seperator and flare off gas / pumped 450 strokes 6.45 m3 / sample fluid every 35 strokes (Total of 13 samples taken)
P.O.O.H with test tools
Flow checks @ 1432m and O.O.H
Function Blind Rams while O.O.H (Out of Hole) 6 sec to close
Hole fill calc 26.27m3/ act. 26.36m3/ diff 0.9m3
Pick up Bit #5 BHA and RIH / Tooth bit, Motor, Monel DC, HWDP, Jars, HWDP
Fill pipe @ 1464m, 2340m, 3292m
Wash down from 3229m to 3301m
Pit volume increase of 3.2 m3 / Shut in well
Circulate gas and oil cut mud through manifold and degasser
Circulate through manifold / flare breakout gas (Intermitant 2m flare decreasing to 0.5m after bottoms up circulated) TSTM
Function upper pipe rams 6 sec to close
Function HCR 2 sec to open
Function annular 26 sec to close
Continue to circulate through manifold & degasser
Circulate through manifold / flare breakout gas (Intermitant 2m flare decreasing to 0.5m after bottoms up circulated) TSTM
NOTE: (Total of 13 samples taken)
Sample #1 & #2 are oily mud gas cut
Sample #3 @ 1% Oil & 99% oily mud gas cut
Sample #4 @ 2% Oil & 2% Oil & Mud Emulsion & 5% Solids & 91% Oily Mud Gas cut
Sample #5 @ 30% Oil & 12% Oil & Mud Emulsion & 3% Solids & 55% Oily Mud Gas cut
Sample #6 @ 23% Oil & 12% Oil & Mud Emulsion & 5% Solids & 60% Oily Mud Gas cut
Sample #7 @ 12% Oil & 8% Oil & Mud Emulsion & 4% Solids & 76% Oily Mud Gas cut
Sample #8 @ 35% Oil & 10% Oil & Mud Emulsion & 4% Solids & 51% Oily Mud Gas cut
Sample #9 @ 40% Oil & 10% Oil & Mud Emulsion & 4% Solids & 46% Oily Mud Gas cut
Sample #10 @ 22% Oil & 9% Oil & Mud Emulsion & 6% Solids & 63% Oily Mud Gas cut
Sample #11 @ 25% Oil & 8% Oil & Mud Emulsion & 4% Solids & 63% Oily Mud Gas cut
Sample #12 @ 20% Oil & 4% Oil & Mud Emulsion & 1% Solids & 75% Oily Mud Gas cut
Sample #13 @ 3% Oil & 4% Oil & Mud Emulsion & 5% Solids & 88% Oily Mud Gas cut

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	32.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**47.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	47.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 15, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 14, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wash and ream to bottom		STATUS	Wash and ream to bottom	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$34,732	SPUD DATE		LICENCE #		WEATHER:	Rain	Cell:	1-709-649-0255
PREV COST	$4,143,957	RIG REL		KB ELEV	219.70	TEMP:	12	Drilling Foreman:	Tibor Papp
CUM COST	$4,178,689	EST. TD (m)		GRD ELEV	212.40	WIND:	10km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	5		Depth	Degrees
Size (mm)	156.0			
Mfg.	Smith			
Type	XR15			
Serial #	MK0993			
Nozzles (mm)	3x 9.5			
AreaNoz(mm2)	212.65			
WOB (daN)	0.5-5			
RPM	20			
From (mKB)	3482.00			
To (mKB)				
Metres				
Hrs on Bit	26.25			
m/Hr				
Cum Hole Hrs	152.00			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		156	0.2
Motor		124	9.17
2xMonel collars		122	18.68
3 1/2 HWDP		89	110.12
Jars		120	4.05
3 1/2 HWDP		89	220.94
X/O			0.77
Total			363.93
Avail WOB	String Wt (daN)		88,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	10:30	20:30
Mud Man	Sean Penney	Sean Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1160	1160
Vis.	39	38
W.L.	30	30
pH	8	8
Filter Cake	1.5	1.5
600 Fann	24	23
300 Fann	15	15
P.V.	9	8
Y.P.	3	3.5
Gels 1/10	1/3	1/3
Sand (%)	0	0
Solids (%)	12	12
L.G.S. (% Wt.)		
Oil (%)	0.5/87.5	0.5/87.5
Pf / Mf	0.2/2.45	0.1/2.30
MBT (kg/m3)	14	14
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	33000
Ca (ppm)	1900	1900
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	177.5	min
Bottoms Up	66.7	min
Mud Tanks	107.6	m3
Hole Volume	102.6	m3 + 20%
System Vol.	208.6	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$105,357	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	230	230
Shaker Mesh	230	230
Shaker Mesh	200	230
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	3659
Rig Move		Logging		Well Control		RSPP-SPM	8050/50
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming	23.00	WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ	0.50	NU BOP's		BOP Drill		Daylights	05/09/08
Tripping		Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	85	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.2	
Pump Eff.	97	97
Pump Press.	16900	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Circulate through manifold / flare breakout gas (Intermitant 2m flare decreasing to 0.5m after bottoms up circulated) TSTM
Ream and clean fr/3365m to 3380m
Circulate through manifold / flare breakout gas (Intermitant 2m flare decreasing to 0.5m after bottoms up circulated) TSTM
Ream and clean fr/3380m to 3399m
Circulate through manifold / flare breakout gas (Intermitant 2m flare decreasing to 0.5m after bottoms up circulated) TSTM

Function HCR 3 sec to open
Function annular 26 sec to close
Weekly visual inspection of well control equipment

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	33.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**48.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	48.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 16, 2008	
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 15, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS at 24:00 HRS	RIH open ended		STATUS at 07:00 HRS	Circulate and condition Wait on Cementers		FORMATION
PROGRESS (m)	0	07:00 ROP	0							
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner	
DAILY COST	$45,850	SPUD DATE		LICENCE #		WEATHER:	Rain	Cell:	1-709-649-0255	
PREV COST	$4,178,689	RIG REL		KB ELEV	219.70	TEMP:	14	Drilling Foreman:	Tibor Papp	
CUM COST	$4,224,539	EST. TD (m)		GRD ELEV	212.40	WIND:	Gusts 40 to 100	Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS Depth	Degrees	DRLG FLUID			DRILLING FLUID:		
Bit No.	5				Fluid Type	Poly CalCarb		Mud Gradient	11.43	kPa/m
Size (mm)	156.0				Time Check	13:00		Mud Cycle	138	min
Mfg.	Smith				Mud Man	Sean Penney		Bottoms Up	68	min
Type	XR15				Mud Co.	Mi Swaco		Mud Tanks	93.8	m3
Serial #	MK0993				Density	1165		Hole Volume	108.5	m3 + 20%
Nozzles (mm)	3x 9.5				Vis.	38		System Vol.	166.4	m3
AreaNoz(mm2)	212.65				W.L.	30		**MUD ADDITIVES:**		
WOB (daN)	0.5-5				pH	8		Pulpro 30	42	
RPM	20				Filter Cake	1.5				
From (mKB)	3482.00				600 Fann	23				
To (mKB)	3482.00				300 Fann	15				
Metres					P.V.	8				
Hrs on Bit	35.75				Y.P.	3.5				
m/Hr					Gels 1/10	1/3				
Cum Hole Hrs	161.50				Sand (%)	0			Mud	Water
Condition					Solids (%)	11.5		Daily Cost	$1,430	
	136				L.G.S. (% Wt.)			Cum Cost	$106,967	

Description; Type Connection	ID (mm)	OD (mm)	Length (m)						
Bit		156	0.2	Oil (%)	0.5/88		**SOLIDS CONTROL**		
Motor		124	9.17	Pf / Mf	0.1/2.30		Shaker Make		
2xMonel collars		122	18.68	MBT (kg/m3)	14		Shaker #	1	2
3 1/2 HWDP		89	110.12	PHPA (kg/m3)			Shaker Mesh	230	230
Jars		120	4.05	K+ (mg/l)			Shaker Mesh	230	230
3 1/2 HWDP		89	220.94	Cl (ppm)	33000		Shaker Mesh	200	230
X/O			0.77	Ca (ppm)	1900			Centrifuge 1	Centrifuge 2
				VOLUMES			Make		
				Water Hauled			U.F. (kg/m3)		
				Vol Dumped			O.F. (kg/m3)		
				Loss Circ.			Vol UF (l/min)		
				Boiler Hrs:			Hours		
				TOTAL DRILL STRING (BHA + DP)			**CASING BOWL DETAILS**		
				Strap (metres)			Manufacturer		
				Board (metres)			Size (mm)		
Total			363.93	Difference (metres)	0.00		WP (MPa)		
Avail WOB		String Wt (daN)	88,000	Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP	3659	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	8050/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	85	
Reaming	9.50	WOC		Lost Circ		**Date Last BOP Drill For:**		Litre/Sk 100%	0.0140	0.0140
Cond / Circ		NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.2	
Tripping	14.00	Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	16900	
Rig Repair		DST		Rig Inspection		**Hydraulics**		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Ream and clean to 3400m
Trip back to above casing window
Wash back to 3400m / Ream and clean
Pump pressure drop fr/ 16,000 kPa to 13,000 kPa
Trip back to above casing window
Trip out of hole and check for washed pipe
Flow checks @ 3320m, 3204m, 2512m, 2082m, 1477m,390m, O.O.H / Hole fill: Calc 11.75m3, Act 12.04m3, Diff .29m3
Found bit and bit drive section of the motor missing (Due to junk in the hole from previous re-entry operations)
Function Blind Ram O.O.H 6 sec to close
R.I.H open ended: 9x Drill Pipe 85.85m, 3x3 1/2" HWDP 27.55m, Mechanical Jars 4.05m, 33x3 1/2" HWDP 303.51m, XO 0.77m Total: 421.73m BHA
Function Annular26 sec to close
Function Upper Pipe Rams 6 sec to close

NOTE: Waiting on cementing operations & trucks to commence abandonment operations of side track #2

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	34.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**49.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	49.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 17, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 16, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wait on cementers		STATUS	Wait on cementers	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$32,950	SPUD DATE		LICENCE #		WEATHER:	Partly cloudy	Cell:	1-709-649-0255
PREV COST	$4,224,539	RIG REL		KB ELEV	219.70	TEMP:	17	Drilling Foreman:	Tibor Papp
CUM COST	$4,257,489	EST. TD (m)		GRD ELEV	212.40	WIND:	15km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
9xDrill Pipe		88.9	85.85
3x3 1/2 HWDP		88.9	27.55
Jars		120	4.05
33x 3 1/2 HWDP		88.9	303.51
X/O		160	0.77
Total			421.73
Avail WOB	String Wt (daN)		102,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	11:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	38	
W.L.	30	
pH	8	
Filter Cake	2	
600 Fann	23	
300 Fann	14	
P.V.	9	
Y.P.	2.5	
Gels 1/10	1/3	
Sand (%)	0	
Solids (%)	11.5	
L.G.S. (% Wt.)		
Oil (%)	0.5/88	
Pf / Mf	0.1/2.30	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	1900	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	201	min
Bottoms Up	82	min
Mud Tanks	98.1	m3
Hole Volume	103.4	m3 + 20%
System Vol.	197.7	m3
MUD ADDITIVES:		
Pulpro 30	42	

	Mud	Water
Daily Cost	$1,800	
Cum Cost	$108,767	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill		Well Control	
Rig Move		Logging		Well Control		MACP	3659
W.O. Daylight		Run Casing		Directional Work		RSPP-SPM	5725/60
Coring		Cementing		Squeeze Job		Calc hole fill	
Reaming		WOC	23.50	Lost Circ		Act Hole Fill	
Cond / Circ		NU BOP's		BOP Drill		Date Last BOP Drill For:	
Tripping		Test BOP's		Safety Meet		Daylights	05/09/08
Rig Service	0.50	Drill out cmt		Circ Sample		Afternoons	
Rig Repair		DST		Rig Inspection		Graveyards	02/09/08
Slip / Cut Line		Hndle Tools		Leak -Off Test		Hydraulics	
				TOTAL HRS	24.00	DrillcollarOD	
						Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	7800	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

RIH open ended to run cement abandonment plugs
Flow check @ 3339m
Circulate bottoms up
Wash from 3339m to 3363m
Tag fish @ 3363m / Wash "FISH" down to 3365m
Function Annular 26 sec to close
Trip back to casing / Clean on top of fish @ 3365m / Wellbore clean from casing to top of "FISH"
Wait on cementers / Pull 3 stands into casing
Wait on cementers / Monitor well from trip tank
Function Upper Pipe Rams 6 sec to close

NOTE: Waiting on cementing operations & trucks to commence abandonment operations of side track #2
Cementers (Schlumberger) due to arrive 14:00 hours today

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	35.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**50.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	50.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 18, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 17, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Hold pressure on cement plug, monitor pressure	STATUS	RIH to TAG Plug	FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$84,028	SPUD DATE		LICENCE #		WEATHER:	Partly cloudy	Cell:	1-709-649-0255
PREV COST	$4,257,489	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$4,341,517	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
9xDrill Pipe		88.9	85.85
3x3 1/2 HWDP		88.9	27.55
Jars		120	4.05
33x 3 1/2 HWDP		88.9	303.51
X/O		160	0.77
Total			421.73
Avail WOB	String Wt (daN)		102,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	11:00	17:50
Mud Man	Darryl Diamond	Darryl Diamond
Mud Co.	Mi Swaco	Mi Swaco
Density	1160	1160
Vis.	38	36
W.L.	30	34
pH	8	7.7
Filter Cake	2	1
600 Fann	23	16
300 Fann	14	10
P.V.	9	6
Y.P.	2.5	2
Gels 1/10	1/3	1/2
Sand (%)	0	
Solids (%)	11.5	11.5
L.G.S. (% Wt.)		
Oil (%)	0.5/88	0.5/88
Pf / Mf	0.1/2.30	0.1/2.10
MBT (kg/m3)	14	14
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	33000
Ca (ppm)	1900	1900
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	196	min
Bottoms Up	82	min
Mud Tanks	106.6	m3
Hole Volume	105.7	m3 + 20%
System Vol.	195.9	m3
MUD ADDITIVES:		
Bicarb	3	

	Mud	Water
Daily Cost	$1,884	
Cum Cost	$110,651	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill		Well Control	
Rig Move		Logging		Well Control		MACP	3659
W.O. Daylight		Run Casing		Directional Work		RSPP-SPM	2780/40
Coring		Cementing	4.50	Squeeze Job	4.75	Calc hole fill	
Reaming		WOC	9.50	Lost Circ		Act Hole Fill	
Cond / Circ	4.75	NU BOP's		BOP Drill		**Date Last BOP Drill For:**	
Tripping		Test BOP's		Safety Meet		Daylights	05/09/08
Rig Service	0.50	Drill out cmt		Circ Sample		Afternoons	
Rig Repair		DST		Rig Inspection		Graveyards	02/09/08
Slip / Cut Line		Hndle Tools		Leak -Off Test		**Hydraulics**	
				TOTAL HRS	24.00	DrillcollarOD	
						Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	8100	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Wait on cementers / Monitor well from trip tank
RIH and circulate on top of "FISH" while cementers rig up lines
Function Annular 26 sec to close
Safety meeting with rig crew and Schlumberger crew prior to cementing operations
Abandonment ST#2:
Pump 1.0m3 water ahead / Pressure test treating lines to 35000kPa
Pump 4.0m3 water / mix and pump 5.0 m3 0:1:0 "G" with 5L/T D175, 8L\T D145A, 20L/T D168, 2L/T D801
Displace with 1.3m3 water spacer with cement pumper
Displace 19.2m3 mud with rig pump to spot and balance plug
Pulled up 15 stands of pipe, 8 stands above calculated plug top
Circulate hole volume to clean pipe and annulus
Close annular and squeeze cement plug past "FISH" to bottom of well / Total of 1.37m3 fluid sqeezed with 10,000kPa final squeeze pressure
Circulate hole volume to clean pipe and annulus
Function upper and lower Pipe Rams 6 sec each to close
W.O.C. prior to tag plug

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	36.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**51.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	51.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 19, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 18, 2008
24:00 DEPTH(m)	0	24:00 ROP	STATUS	Trip out of hole		STATUS	R.I.H to top of casing window & W.O.C.	FORMATION	
PROGRESS (m)	0	07:00 ROP 0	at 24:00 HRS			at 07:00 HRS		Augathuna	
D&A COST	$0	D & A COST	AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner	
DAILY COST	$43,369	SPUD DATE	LICENCE #		WEATHER:	Heavy Rain	Cell:	1-709-649-0255	
PREV COST	$4,341,517	RIG REL	KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp	
CUM COST	$4,384,886	EST. TD (m)	GRD ELEV	212.40	WIND:	85 + km/h	Cell:	1-780-886-4880	
		Meters to T.D. 0.00		HIGH TIDE:			Reported To:	Steve c McIntosh	
		Hours to T.D. T.D.		LOW TIDE:			Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	14:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	36	
W.L.	34	
pH	10	
Filter Cake	1	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	11.5	
L.G.S. (% Wt.)		
Oil (%)	1/88	
Pf / Mf	0.20/2.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	880	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	152	min
Bottoms Up	90	min
Mud Tanks	101.2	m3
Hole Volume	111	m3 + 20%
System Vol.	151.6	m3
MUD ADDITIVES:		
Bicarb	7	

	Mud	Water
Daily Cost	$1,095	
Cum Cost	$111,746	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
9xDrill Pipe		88.9	85.85
3x3 1/2 HWDP		88.9	27.55
Jars		120	4.05
33x 3 1/2 HWDP		88.9	303.51
Total			420.96
Avail WOB	String Wt (daN)		102,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Work	
Coring		Cementing	20.25	Squeeze Job	3.25
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping		Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	3659
RSPP-SPM	2780/40
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	4100	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Hold and monitor pressure on cement plug (10,000 kPa)
Bleed off pressure on wellbore (cement plug)
RIH to tag cement top
RIH slowly at 4m/min to 3177m to tag cement top / No weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (NO SIGNS OF CEMENT)
RIH slowly at 4m/min to 3263m to tag cement top / No weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (NO SIGNS OF CEMENT)
RIH slowly at 2m/min to 3277m to tag cement top / 0.5 knDa/N weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (NO SIGNS OF CEMENT)
RIH slowly at 2m/min to 3302m to tag cement top / 0.5 knDa/N weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (NO SIGNS OF CEMENT)
Function Annular 26 sec to close
RIH slowly at 2m/min to 3318m to tag cement top / 1.0 knDa/N weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (NO SIGNS OF CEMENT)
RIH slowly at 1m/min to 3345m to tag cement top / 1.0 knDa/N weight applied to string to this point
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (SLIGHT TRACE OF CEMENT)
RIH slowly at 1m/min to 3357m to tag cement top / 15.0 knDa/N weight applied to string to this point
Tag top of cement @ 3357m / Applied 15.0 kdaN to confirm / Top of window @ 3346.69m
Pick up to 3355m to Reverse circulate
Reverse circulate to remove contaminated mud from hole at 0.65 m3/m up drill pipe (SIGNS OF CEMENT)
P.O.O.H to confirm drill string integrity / Flow checks @ 3340m, 3204m, 1417m
Lay down 89mm heavey weight drill pipe
Function upper and lower Pipe Rams 7 sec each to close

NOTE:
Very Slow tripping speeds due to extreme high winds through out the evening to early morning

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	37.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**52.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	52.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 20, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 19, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Waiting on cementers		STATUS	Rig to Cement ST#2 Abandonment Plug #2 Stage	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$39,339	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$4,384,886	RIG REL		KB ELEV	219.70	TEMP:	17	Drilling Foreman:	Tibor Papp
CUM COST	$4,424,225	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
3 1/2" Drill Pipe	70.21	88.9	1100.16
X/O		160	0.77
5" Drill Pipe	108.6	127	2257.23
Total			3,358.16
Avail WOB	String Wt (daN)		102,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	14:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	36	
W.L.	34	
pH	10	
Filter Cake	1	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	11.5	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.20/2.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	880	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	203	min
Bottoms Up	103	min
Mud Tanks	102.6	m3
Hole Volume	103.3	m3 + 20%
System Vol.	202.9	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$112,646	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing	23.50	Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	2780/40
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	5200	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

W.O.C. / Wait on Schlumber cementers to reach location
P.O.O.H to confirm drill string integrity / Flow checks @ 3340m, 3204m, 1417m / while W.O.C.
Lay down 89mm heavey weight drill pipe while W.O.C.
Flow check O.O.H / Function Blind Rams 7 sec to close
R.I.H and tag cement top to confirm top depth with new string
NO CEMENT IN THE CASING / Top of cement plug confirmed @ 3357m @ 8 meters above the "FISH"
R.I.H and tag cement top to confirm top depth with new string / Top of cement plug confirmed @ 3357m
Plug was found 50 meters to low / Cement must have droped past the "FISH" while cementing and appreaars to be a huge wash just below window area.
W.O.C. / Wait on cementers to arrive on location
Function Annular 26 sec to close / While wait on cementers to arrive on location
W.O.C. / Wait on cementers to arrive on location
Function upper and lower Pipe Rams 7 sec each to close / While wait on cementers to arrive on location
W.O.C. / Wait on cementers to arrive on location
Cementers are in Stephanville NL but are timed out and will not cement till morning. (Schlumberger Corporate Rules)
Will begin cementing Plug #2 stage #1 & #2 in the AM as soon as Schlumberger arrives location.

Days (Move In)	10.0	**PDI Productions Inc.**	Drilling Days:	38.0	REPORT #
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**	Days (NPCT)	0.0	**53.0**
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**	Total Days:	53.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 21, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 20, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Hold Pressure on plug		STATUS	R.I.H to feel Plug #2	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$116,663	SPUD DATE		LICENCE #		WEATHER:	cloudy	Cell:	1-709-649-0255
PREV COST	$4,424,225	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$4,540,888	EST. TD (m)		GRD ELEV	212.40	WIND:	30-70km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
3 1/2" Drill Pipe	70.21	88.9	1100.16
X/O		160	0.77
5" Drill Pipe	108.6	127	2257.23
Total			3,358.16
Avail WOB	String Wt (daN)		102,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	16:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1165	
Vis.	35	
W.L.	34	
pH	10	
Filter Cake	1	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.20/2.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	880	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.42	kPa/m
Mud Cycle	188	min
Bottoms Up	83	min
Mud Tanks	101.6	m3
Hole Volume	105.9	m3 + 20%
System Vol.	187.8	m3
MUD ADDITIVES:		
Sapp	1	

	Mud	Water
Daily Cost	$1,010	
Cum Cost	$113,656	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing	9.25	Squeeze Job	7.25		
Reaming		WOC	6.50	Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet	0.50		
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	2780/40
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	5100	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

W.O.C. / Wait on cementers to arrive on location
Cementers are in Stephanville NL but are timed out and will not cement till morning. (Schlumberger Corporate Rules)
Cementers arrived on location 06:30 on September 20th,2008
Rig up treating lines and mix chemical for cement job
Safety meeting with rig crew and Schlumberger crew prior to abandonment ST#2 Stage 1-A
Abandonment ST#2: Stage 1-A
Pump 1.0m3 water ahead
Pressure test treating lines to 25000kPa
Pump 4.0m3 water for a total of 5.0 m3 water ahead
Mix and pump 6.5Tonne, 5.0 m3 0:1:0 "G" with 5L/T D175, 8L\T D145A, 20L/T D168, 2L/T D801
Displace with 1.3m3 water spacer with cement pumper
Displace 21.0m3 mud with rig pump to spot and balance plug (2.0 m3 short of Total of 24.3 displacement)
Pulled 7 stands of pipe to calculated cement top @ 3154m
Reverse circulate up the pipe to clean pipe and annulus of contamination / 0.2m3 of cement to surface
Function Annular 26 sec to close
Safety meeting with rig crew and Schlumberger crew prior to abandonment ST#2 Stage 1-B
Abandonment ST#2: Stage 1B
Pump 1.0m3 water ahead
Pressure test treating lines to 25000kPa
Pump 4.0m3 water for a total of 5.0 m3 water ahead
Mix and pump 6.5Tonne, 5.0 m3 0:1:0 "G" with 5L/T D175, 8L\T D145A, 20L/T D168, 2L/T D801
Displace with 1.3m3 water spacer with cement pumper
Displace 18.8 m3 mud with rig pump to spot and balance plug (2.0 m3 short of Total of 22.1 displacement)
Pulled 20 stands of pipe to pull above cement plug / Calculated plug top @ 2907m
Reverse circulate to clean pipe and annulus of contamination @ 2579m
Function upper and lower Pipe Rams 7 sec each to close
Close annular and squeeze cement plug with 3000kPa of applied pressure @ 16:30 on September 20th,2008
Wait on cement plug to set prior to tag top of plug
NOTE:
Finished pumping the Plug #2 stage #1 & #2 in place @ Saturday September 20th, 2008 @ 13:15 hours.
WOC for 16 hours is completed @ Sunday September 21th, 2008 @ 08:30 hours.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	39.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**54.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	54.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 22, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 21, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	RIH with Bridge Plug #1		STATUS	P.O.O.H to pick up Bridge Plug #2	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$35,077	SPUD DATE		LICENCE #		WEATHER:	sunny breaks	Cell:	1-709-649-0255
PREV COST	$4,540,888	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$4,575,965	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bridge Plug			0.87
R-Tool			2.41
X/O			0.38
X/O			0.2
X/O			0.48
2xSpiral DC			17.9
X/O			0.69
Total			22.93
Avail WOB	String Wt (daN)		72,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	08:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	35	
W.L.	34	
pH	10	
Filter Cake	1	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.20/2.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	1020	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	164	min
Bottoms Up	83	min
Mud Tanks	104.6	m3
Hole Volume	107.1	m3 + 20%
System Vol.	164.2	m3
MUD ADDITIVES:		
Conqor 404	1	
Pulpro 10	60	
safe-Scav CA	1	

	Mud	Water
Daily Cost	$4,160	
Cum Cost	$117,816	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill			
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing	3.25	Squeeze Job	4.50		
Reaming		WOC		Lost Circ			
Cond / Circ	1.50	NU BOP's		BOP Drill			
Tripping	14.25	Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	3659
RSPP-SPM	2780/40
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	5100	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Close annular and squeeze cement plug with 3000kPa of applied pressure @ 16:30 on September 20th,2008
Wait on cement plug to set prior to tag top of plug
Applied pressure bled off to 1300kPa by 06:30 on Septmber 21st,2008
Wait on cement plug to set prior to tag top of plug
RIH to 2912m / Reverse circulate to remove contaminated mud from hole
RIH to 2912m and reverse circulate to remove contaminated mud from hole
RIH and tag top of cement @ 2916.14m
Circulate & Condition mud
Mix and spot 13.5m3 of Inhibited Water
Trip out of hole and lay down 3 1/2" Drill Pipe / Hole fill cal. 10.09m3 act. 10.06m3
Function Annular 26 sec to close
Pick up Bridge Plug - Baker Running Tool #1 - 2 x 168mm DC / RIH and set @ 2360m top of 193mm (7 5/8") Liner
Trip in hole at 4 to 6 m/min. to 2150m
Function Upper & Lower Pipe Rams 7 sec to close

NOTE:
RIH and tag top of cement @ 2916.14m @ Sunday September 21th, 2008 @ 07:45 hours.
WOC for 16 hours is completed @ Sunday September 21th, 2008 @ 08:30 hours.
Set Bridge Plug #1 @ 2359.84m @ Monday Septmber 22nd,2008 @ 02:30 hours.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	40.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**55.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	55.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 23, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 22, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	P.O.O.H and lay down Bridge Plug running tool #2	STATUS	R.I.H with casing scraper assembly	FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$60,712	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$4,575,965	RIG REL		KB ELEV	219.70	TEMP:	17	Drilling Foreman:	Tibor Papp
CUM COST	$4,636,677	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	11:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	35	
W.L.	34	
pH	10	
Filter Cake	1	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	12	
L.G.S. (% Wt.)		
Oil (%)	1.0	
Pf / Mf	0.20/2.20	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	1020	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	185	min
Bottoms Up	83	min
Mud Tanks	107.4	m3
Hole Volume	104.9	m3 + 20%
System Vol.	184.9	m3
MUD ADDITIVES:		
Pulpro 30	60	

	Mud	Water
Daily Cost	$1,658	
Cum Cost	$119,474	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bridge Plug			0.87
R-Tool			2.41
X/O			0.38
X/O			0.20
X/O			0.48
2xSpiral DC			17.9
X/O			0.69
Total			22.93
Avail WOB	String Wt (daN)		72,000

VOLUMES	
Water Hauled	
Vol Dumped	
Loss Circ.	
Boiler Hrs:	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill		MACP	3659	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	2780/40	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	70	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ		NU BOP's	0.75	BOP Drill		Daylights	05/09/08	Circ Rate100%	1.0	
Tripping	18.75	Test BOP's	3.50	Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	5100	
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line	0.50	Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

RIH at 4 to 6 m/min. fr/ 2150m to 2360m with Bridge Plug - Baker Running Tool #1 - 2 x 168mm DC and set @ 2360m top of 193mm (7 5/8") Liner
Bridge Plug #1 set @ 2359.84m
Pressure Test Plug and Casing to 30,000 kPa f/ 15 minutes with 800 kPa loss
Trip out of hole to 1210m / Slip and Cut Drilling line
Trip out of hole to pick up Bridge Plug - Baker Running Tool #2 - 2 x 168mm DC
RIH at 4 to 6 m/min. and set Bridge Plug #2 @ 2287m
Function Annular 26 sec to close
Pressure Test Plug and Casing to 30,000 kPa f/ 15 minutes with 800 kPa loss
Pressure test BOPs, Bridge Plug, Annular and Chokes - 1,400kPa low and 18,000kPa high for 15 minutes each
Pressure test Bridge Plug, Top Pipe Rams and Chokes 1,400kPa low for 15 minutes each
Change out Lower Variable Rams to 5" Rams
Trip out of hole fr/ 2279m to 300m / Trip out of hole to pick up Casing Scraper assembly
Function Upper & Lower Pipe Rams 7 sec to close
Function HCR 3sec to open

NOTE:
Set Bridge Plug #1 @ 2359.84m @ Monday Septmber 22nd,2008 @ 02:30 hours.
Set Bridge Plug #2 @ 2287m @ Monday Septmber 22nd,2008 @ 17:40 hours.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	41.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**56.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	56.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 24, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 23, 2008	
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pull out of hole with casing scraper assembly		STATUS	Pick up Whipstock Mill Assembly		FORMATION	
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Augathuna	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$34,120	SPUD DATE		LICENCE #		WEATHER:	sunny		Cell:	1-709-649-0255	
PREV COST	$4,636,677	RIG REL		KB ELEV	219.70	TEMP:	15		Drilling Foreman:	Tibor Papp	
CUM COST	$4,670,797	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Full gauge mill			0.57
Csing scraper			1.11
Watermellon mill			1.42
Bit sub			0.84
X/O			0.38
2x 168mm DC			17.90
X/O			0.69
Total			22.91
Avail WOB	String Wt (daN)		72,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	19:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	35	
W.L.	36	
pH	10.7	
Filter Cake	2	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	0.5/1	
Sand (%)	0	
Solids (%)	9.5	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.50/2.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	34000	
Ca (ppm)	440	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	175	min
Bottoms Up	80	min
Mud Tanks	108.4	m3
Hole Volume	106.3	m3 + 20%
System Vol.	174.3	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$120,374	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Drill		MACP	3659
Rig Move		Logging		Well Control		RSPP-SPM	2780/40
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming		WOC		Lost Circ		**Date Last BOP Drill For:**	
Cond / Circ		NU BOP's		BOP Drill		Daylights	05/09/08
Tripping	23.00	Test BOP's		Safety Meet		Afternoons	
Rig Service	1.00	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		**Hydraulics**	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	50	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.7	
Pump Eff.	97	97
Pump Press.	400	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Trip out of hole fr/ 300m with Baker Running Tool #2 / Trip out of hole to pick up Casing Scraper assembly

Lay down Running Tool #2

Pick up Mill & Gauge Run BHA / BHA = Full Gauge Mill - 244.5mm (9 5/8") Casing Scraper assembly - Watermelon Mill - 2x 168mm DC

RIH with Full Gauge Mill - 244.5mm (9 5/8") Casing Scraper assembly - Watermelon Mill - 2x 168mm DC @ 4-6m/min

Mill tight spots fr/ 260m to 498m / RPM 50, Weight 0.5-1 kdaN, pump 0.7m3/min

Tight spots are showing up on all the casing collars (Most likely due to over torquing the casing when it was originally ran in PaP #1)

Each connection require slow milling for 0.150m to 0.20m with 45 RPM and 0.50 kDa/N (10 to 15 minutes per joint)

RIH with Mill and Casing Scraper assembly - 2x 168mm DC @ 4-6m/min / circulate 15 min. every 5 stands down from 498 to 1250m

Some minor tigh spots from 1250 to 1600 meters that require work through but o milling

RIH with Mill and Casing Scraper assembly - 2x 168mm DC @ 4-6m/min / circulate 15 min. every 5 stands down from 1250 to 2286m

Tag Bridge Plug @ 2286m

Circulate bottoms up / P.O.O.H with Mill and Casing Scraper assembly

Function Annular 26 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	42.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**57.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	57.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 25, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 24, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Wireline Gyro into UBHO sub		STATUS	Mill window	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Augathuna
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$79,019	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$4,670,797	RIG REL		KB ELEV	219.70	TEMP:	9	Drilling Foreman:	Tibor Papp
CUM COST	$4,749,816	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Whipstock			7.42
Mill			4.67
UBHO Sub			0.70
5" HWDP			9.36
X/O			0.38
2x 171mm DC		171	17.90
X/O		165	0.69
Total			41.12
Avail WOB	String Wt (daN)		89,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	09:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	35	
W.L.	36	
pH	10.7	
Filter Cake	2	
600 Fann	15	
300 Fann	9	
P.V.	6	
Y.P.	1.5	
Gels 1/10	0.5/1	
Sand (%)	0	
Solids (%)	9.5	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.50/2.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	34000	
Ca (ppm)	440	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	116	min
Bottoms Up	52	min
Mud Tanks	109.9	m3
Hole Volume	105	m3 + 20%
System Vol.	186.4	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$120,374	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN									
RU / TO		Survey		Drill		Well Control			
Rig Move		Logging	3.00	Well Control		MACP	3659		
W.O. Daylight		Run Casing		Directional Work		RSPP-SPM	2780/40		
Coring		Cementing		Squeeze Job		Calc hole fill			
Reaming		WOC		Lost Circ		Act Hole Fill			
Cond / Circ	0.50	NU BOP's		BOP Drill		Date Last BOP Drill For:			
Tripping	18.50	Test BOP's	1.00	Safety Meet	0.50	Daylights	05/09/08		
Rig Service	0.50	Drill out cmt		Circ Sample		Afternoons			
Rig Repair		DST		Rig Inspection		Graveyards	02/09/08		
Slip / Cut Line		Hndle Tools		Leak -Off Test		Hydraulics			
				TOTAL HRS	24.00	DrillcollarOD			
						Drillpipe OD			

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	115	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.6	
Pump Eff.	97	97
Pump Press.	3500	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Circulate bottoms up / P.O.O.H with Mill and Casing Scraper assembly

Lay down Mill and Scraper assembly

Pressure test Casing / Blind Rams to 1400kPa low and 14,000kPa high for 15 min. each

Safety meeting with Smith, Scientific Drilling, and rig crew prior to pickup Whipstock and Mill assembly

Pickup Whipstock and Mill assembly

RIH with Whipstock and Mill assembly to 2278m @ 3m/min to 5m/min

Function Annular 26 sec to close

Safety meeting with Smith, Baker, Scientific Drilling and rig crew prior to rigging up and running Gyro

Rig up wireline sheaves and pick up Gyro

Wireline Gyro into UBHO sub

Function Upper and Lower Pipe Rams 7 sec each to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	43.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**58.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	58.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 26, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 25, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	RIH with new Mill assembly		STATUS	Mill window to 2285m	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Precambrian
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$39,739	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$4,749,816	RIG REL		KB ELEV	219.70	TEMP:	10	Drilling Foreman:	Tibor Papp
CUM COST	$4,789,555	EST. TD (m)		GRD ELEV	212.40	WIND:	30km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.			Depth	Degrees
Size (mm)				
Mfg.				
Type				
Serial #				
Nozzles (mm)				
AreaNoz(mm2)				
WOB (daN)				
RPM				
From (mKB)				
To (mKB)				
Metres				
Hrs on Bit				
m/Hr				
Cum Hole Hrs	161.50			
Condition				

136			
Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Mill			4.67
UBHO Sub			0.70
5" HWDP			9.36
X/O			0.38
2x 171mm DC		171	17.90
X/O		165	0.69
Total			33.70
Avail WOB	String Wt (daN)		89,000

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	17:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	36	
W.L.	36	
pH	10.2	
Filter Cake	2	
600 Fann	17	
300 Fann	11	
P.V.	6	
Y.P.	2.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	10	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.50/2.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	34000	
Ca (ppm)	440	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	100	min
Bottoms Up	68	min
Mud Tanks	99.1	m3
Hole Volume	87.2	m3 + 20%
System Vol.	99.1	m3
MUD ADDITIVES:		
Pulpro 20	60	
Super Sweep	1	
Bicarb	2	

	Mud	Water
Daily Cost	$1,878	
Cum Cost	$122,252	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey		Milling	13.25	MACP	3659
Rig Move		Logging	2.00	Well Control		RSPP-SPM	2780/40
W.O. Daylight		Run Casing		Directional Work		Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming		WOC		Lost Circ		**Date Last BOP Drill For:**	
Cond / Circ		NU BOP's		BOP Drill		Daylights	05/09/08
Tripping	7.00	Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair	1.25	DST		Rig Inspection		**Hydraulics**	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	3200	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Set Whipstock slips and shear @2279m

Retreive Gyro / Lay down Gyro and rig out wireline sheaves

Mill window in casing fr/2278.75 to 2283m with 0.5-3.5kdaN weight, RPM 80-100, Pump rate 1.0m3/min

Function Annular 26 sec to close

Trip out of hole fr/2283m to 645m / Flow checks @ 2270m, 2140m, 1148m

Rig repair - Replace quick release on drum clutch

Function Bottom Pipe Rams 6 sec to close / Check crown saver

Trip out of hole fr/ 645m to O.O.H / Flow check

Function Blind Ram 7 sec to close

Lay down Mill assembly / Flat bottom mill 15mm under guage (Drilling Face Toasted), second mill 10mm under guage and Top mill in Gauge

Pick up new mill assembly

Trip in hole with Mill assembly / Lay down 5 bent singles E-Pipe

Strap and pick up 6 jts HWDP

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	44.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**59.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	59.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 27, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 26, 2008
24:00 DEPTH(m)	0	24:00 ROP		STATUS	Pick up Directional Tools		STATUS	RIH with Directional Tools	FORMATION
PROGRESS (m)	0	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Precambrian
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$104,267	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$4,789,555	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$4,893,822	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE		
Bit No.	6	
Size (mm)	216.0	
Mfg.	Smith	
Type	FH40ODVPS	
Serial #	PJ0538	
Nozzles (mm)	3x14.3	
AreaNoz(mm2)	481.82	
WOB (daN)		
RPM		
From (mKB)	2284.00	
To (mKB)		
Metres		
Hrs on Bit		
m/Hr		
Cum Hole Hrs	161.50	
Condition		

SURVEYS		
Depth	Degrees	

DRLG FLUID		
Fluid Type	Poly CalCarb	
Time Check	16:00	
Mud Man	Darryl Diamond	
Mud Co.	Mi Swaco	
Density	1160	
Vis.	36	
W.L.	36	
pH	10.2	
Filter Cake	2	
600 Fann	17	
300 Fann	11	
P.V.	6	
Y.P.	2.5	
Gels 1/10	1/1	
Sand (%)	0	
Solids (%)	10	
L.G.S. (% Wt.)		
Oil (%)	1.0	
Pf / Mf	0.50/2.10	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	34000	
Ca (ppm)	360	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	11.38	kPa/m
Mud Cycle	100	min
Bottoms Up	68	min
Mud Tanks	97	m3
Hole Volume	87.2	m3 + 20%
System Vol.	97	m3
MUD ADDITIVES:		
Pulpro 20	60	
Sapp	2	
Polupac UL	10	
Xanvis	1	
XCD Polymer	1	

	Mud	Water
Daily Cost	$5,120	
Cum Cost	$127,372	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Mill			0.73
Watermellon mill			1.40
Bit sub			0.84
127mm DP			9.57
X/O			0.38
171mm DC		171	17.90
X/O		165	0.69
127mm DP			55.8
Total			87.31

Avail WOB	String Wt (daN)	89,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Milling	6.00
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Wor	1.00
Coring		Cementing		Squeeze Job	
Reaming	2.00	WOC		Lost Circ	
Cond / Circ	2.25	NU BOP's		BOP Drill	
Tripping	11.25	Test BOP's	0.75	Safety Meet	0.25
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	3659
RSPP-SPM	1050/40
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	05/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	70	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.0	
Pump Eff.	97	97
Pump Press.	2900	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

RIH with Mill and Watermellon Mill assembly to 2280m
Ream window fr/ 2281m to 2284.13m
Function Upper and Lower Pipe Rams 7 sec to close each
Ream window / very slow milling to clean up window area / Mill ahead 1 meter of new hole from bottom of window
TOP of Window @ 2278.75m with 2.04 degrees on 153.42 Azimuth TN
BOTTOM of Window @ 2283.00m with 2.85 degrees on 197.83 Azimuth TN
Condition mud and circulate / Pump sweep to clean hole of milled casing
Trip out of hole / Flow checks @ 2278m, 2200m, 980m, 50m O.O.H / Hole fill Measured 9.71m3, Calc 9.52m3 Diff +0.19m3
Lay down BHA and Mill assembly
Flat Bottom Mill 10m UG at tip (Pencil shaped) full gauge in center line of FBM and Watermellon Mill in full gauge.
Function Blind Ram O.O.H 7 sec to close
Pressure test BOPs - 1400kPa 15 min (150kPa loss) 14500kPa 15min (700kPa loss)
Safety meeting with Meridian prior to picking up Directional Tools
Pick up Directional tools - Bit, Motor, UBHO, 2x Monel DC, 2x X/O, UBHO (for Gyro), 24x 127mm HWDP, X/O, Jars, X/O, 54x 127mm HWDP
Function Annular 26 sec to close

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	45.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**60.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	60.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	September 28, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 27, 2008
24:00 DEPTH(m)	2299	24:00 ROP	1.30	STATUS	Slide drill 216mm hole @ 2299m	STATUS	Drill 216mm hole		FORMATION
PROGRESS (m)	15	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			Precambrian
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$148,287	SPUD DATE		LICENCE #		WEATHER:	rain	Cell:	1-709-649-0255
PREV COST	$4,893,822	RIG REL		KB ELEV	219.70	TEMP:	12	Drilling Foreman:	Tibor Papp
CUM COST	$5,042,109	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	6		Depth	Degrees	Fluid Type	Poly CalCarb		Mud Gradient	11.43	kPa/m
Size (mm)	216.0				Time Check	16:00		Mud Cycle	136	min
Mfg.	Smith				Mud Man	Darryl Diamond		Bottoms Up	40	min
Type	FH40ODVPS				Mud Co.	Mi Swaco		Mud Tanks	103	m3
Serial #	PJ0538				Density	1165		Hole Volume	67	m3 + 20%
Nozzles (mm)	3x14.3				Vis.	36		System Vol.	170	m3
AreaNoz(mm2)	481.82				W.L.	36		MUD ADDITIVES:		
WOB (daN)	0.5-7				pH	10.5		Polupac UL	10	
RPM	48				Filter Cake	2				
From (mKB)	2284.00				600 Fann	17				
To (mKB)	2299.00				300 Fann	11				
Metres	15.00				P.V.	6				
Hrs on Bit	11.25				Y.P.	2.5				
m/Hr	1.30				Gels 1/10	1/1				
Cum Hole Hrs	172.75				Sand (%)	0			Mud	Water
Condition					Solids (%)	8.5		Daily Cost	$3,084	
					L.G.S. (% Wt.)			Cum Cost	$130,456	

136				Oil (%)	1.0		SOLIDS CONTROL		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)	Pf / Mf	0.4/2.10		Shaker Make		
Bit		216	0.23	MBT (kg/m3)	14		Shaker #	1	2
Motor		164	9.73	PHPA (kg/m3)			Shaker Mesh	120	120
UBHO		165	0.70	K+ (mg/l)			Shaker Mesh	120	120
2x163mm Monel		163	18.74	Cl (ppm)	34000		Shaker Mesh	200	120
X/O		165	0.78	Ca (ppm)	120			Centrifuge 1	Centrifuge 2
X/O		163	0.57	VOLUMES			Make		
UBHO		160	0.70	Water Hauled			U.F. (kg/m3)	1855	1880
24x 127mm HWDP		171	223.55	Vol Dumped			O.F. (kg/m3)	1090	1090
X/O		165	0.80	Loss Circ.			Vol UF (l/min)		
Jars		166	5.78	Boiler Hrs:			Hours	6	6
X/O		165	0.80						
54x 127mm HWDP		171	503.88	TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
				Strap (metres)			Manufacturer		
				Board (metres)			Size (mm)		
Total			766.26	Difference (metres)	0.00		WP (MPa)		
Avail WOB	String Wt (daN)		89,000	Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill	11.25	MACP	3659	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	3100/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Wor	5.00	Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	92	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ		NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.3	
Tripping	7.25	Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	8200	
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

RIH with Directional tools - Bit, Motor, UBHO, 2x Monel DC, 2x X/O, UBHO (for Gyro), 24x 127mm HWDP, X/O, Jars, X/O, 54x 127mm HWDP
Fill pipe, Flow check and pulse test MWD tool @ 1078m (test failed)
RIH fr/ 1078m to 2278m
Fill pipe, Flow check and pulse test MWD tool @ 2278m (test failed)
Rig in Wireline and Gyro to orientate tool (Multiple runs to seat and confirm Gyro)

RIH to 2284m (off bottom) and confirm Gyro (Multiple runs to seat and confirm Gyro)

Time drill @ 1.5" / min fr/ 2284m to 2287m
Function Annular 26 sec to close
Time drill @ 1.0" / min fr/ 2287m to 2287.5m
Time drill @ 1.5" / min fr/ 2287.50 m to 2288.0m
Time drill @ 1.0" / min fr/ 2288m to 2288.5m
Run wireline / Directional survey (single shot with Gyro)
Slide fr/ 2288.5m to 2299m with 4 Kda/N or 1.5" per minute
Function Upper and Lower Pipe Rams 7 sec to close each

NOTE:
TOP of Window @ 2278.75m with 2.04 degrees on 153.42 Azimuth TN
BOTTOM of Window @ 2283.00m with 2.85 degrees on 197.83 Azimuth TN

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	46.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**61.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	61.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 29, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 28, 2008	
24:00 DEPTH(m)	2338	24:00 ROP	2.00	STATUS	Drill 216mm hole @2338m		STATUS	Drill 216mm hole		FORMATION	
PROGRESS (m)	39	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Precambrian	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$66,194	SPUD DATE		LICENCE #		WEATHER:	sunny		Cell:	1-709-649-0255	
PREV COST	$5,042,109	RIG REL		KB ELEV	219.70	TEMP:	14		Drilling Foreman:	Tibor Papp	
CUM COST	$5,108,303	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	6		Depth	Degrees	Fluid Type	Poly CalCarb	Poly CalCarb	Mud Gradient	10.74	kPa/m
Size (mm)	216.0		2293	4.30	Time Check	11:55	22:30	Mud Cycle	123.7	min
Mfg.	Smith		2302	5.10	Mud Man	Darryl Diamond	Darryl Diamond	Bottoms Up	36.7	min
Type	FH40ODVPS		2312	6.20	Mud Co.	Mi Swaco	Mi Swaco	Mud Tanks	103	m3
Serial #	PJ0538		2321	7.20	Density	1110	1095	Hole Volume	68.5	m3 + 20%
Nozzles (mm)	3x14.3				Vis.	37	44	System Vol.	171.4	m3
AreaNoz(mm2)	481.82				W.L.	25	11.5	MUD ADDITIVES:		
WOB (daN)	12.0				pH	10	10	Polupac UL	12	
RPM	48M+30R				Filter Cake	1	1	Sapp	2	
From (mKB)	2284.00				600 Fann	16	36	Bleach	1	
To (mKB)	2338.00				300 Fann	10	25	XCD Polymer	10	
Metres	54.00				P.V.	6	11			
Hrs on Bit	30.25				Y.P.	2	7			
m/Hr	1.80				Gels 1/10	1/1	2/4			
Cum Hole Hrs	191.75				Sand (%)	0	0		Mud	Water
Condition					Solids (%)	8	5.25	Daily Cost	$9,614	
					L.G.S. (% Wt.)			Cum Cost	$140,070	

136				Oil (%)	0	0	SOLIDS CONTROL		
Description; Type Connection	ID (mm)	OD (mm)	Length (m)	Pf / Mf	0.3/2.10	0.3/2.10	Shaker Make		
Bit		216	0.23	MBT (kg/m3)	0	0	Shaker #	1	2
Motor		164	9.73	PHPA (kg/m3)			Shaker Mesh	120	120
UBHO		165	0.70	K+ (mg/l)			Shaker Mesh	120	120
2x163mm Monel		163	18.74	Cl (ppm)	34000	33000	Shaker Mesh	200	120
X/O		165	0.78	Ca (ppm)	80	80		Centrifuge 1	Centrifuge 2
X/O		163	0.57	VOLUMES			Make		
UBHO		160	0.70	Water Hauled			U.F. (kg/m3)	1820	1825
24x 127mm HWDP		171	223.55	Vol Dumped			O.F. (kg/m3)	1080	1080
X/O		165	0.80	Loss Circ.			Vol UF (l/min)		
Jars		166	5.78	Boiler Hrs:			Hours	24	24
X/O		165	0.80						
54x 127mm HWDP		171	503.88	TOTAL DRILL STRING (BHA + DP)			CASING BOWL DETAILS		
				Strap (metres)			Manufacturer		
				Board (metres)			Size (mm)		
Total			766.26	Difference (metres)		0.00	WP (MPa)		
Avail WOB	24,000	String Wt (daN)	114,000	Correction (Yes/No?)			Serial No.		

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill	19.00	MACP	5259	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	3100/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Wor	3.50	Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	99	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ	1.00	NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.4	
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	8000	
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Rotary drill from 2298.4m to 2307.0m with 10 kdaN and 1.2m3/min, 40RPM
Directional survey @ Bit depth 2307m and survey depth 2292.89m - 4.3 deg
Rotary drill from 2307.0m to 2309.33m with 10 kdaN and 1.2m3/min, 40RPM
Condition mud and circulate bottoms up prior to run Gyro
Run Gyro on Wireline / Establish Toolface and direct
Slide 4.0m from 2309.33m to2313.33m / Rotary drill from 2313.33m to 2317.13m with 10 kdaN and 1.4m3/min, 30RPM
Function Annular 26 sec to close
Directional survey @ Bit depth 2317.13m and survey depth 2302.13m - 5.1 deg, 201.8 AZIM
Slide 4.0m from 2317.13m to2321.13m / Rotary drill from 2321.13m to 2326.75m with 10 kdaN and 1.4m3/min, 35RPM
Directional survey @ Bit depth 2326.75m and survey depth 2311.75m - 6.2 deg, 216.7 AZIM
Slide 4.0m from 2326.75m to2329.8m / Rotary drill from 2329.8m to 2336.5m with 10 kdaN and 1.4m3/min, 35RPM
Directional survey @ Bit depth 2336.5m and survey depth 2321.5m - 7.2 deg, 221.2 AZIM
Rotary drill from 2336.5m to 2338m with 12 kdaN and 1.2m3/min, 35RPM
Function Upper and Lower Pipe Rams 7 sec to close each

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	47.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**62.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	62.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	September 30, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	September 29, 2008	
24:00 DEPTH(m)	2368	24:00 ROP	1.60	STATUS	Drill 216mm hole @2368m		STATUS	Drill 216mm hole		FORMATION	
PROGRESS (m)	30	07:00 ROP	2.1	at 24:00 HRS			at 07:00 HRS			Winterhouse	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$150,297	SPUD DATE		LICENCE #		WEATHER:	cloudy		Cell:	1-709-649-0255	
PREV COST	$5,108,303	RIG REL		KB ELEV	219.70	TEMP:	11		Drilling Foreman:	Tibor Papp	
CUM COST	$5,258,600	EST. TD (m)		GRD ELEV	212.40	WIND:	100+km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	6		Depth	Degrees	Fluid Type	Poly CalCarb	Poly CalCarb	Mud Gradient	10.74	kPa/m
Size (mm)	216.0		2331	8.10	Time Check	08:00	18:45	Mud Cycle	129.4	min
Mfg.	Smith		2340	8.10	Mud Man	Darryl Diamond	Darryl Diamond	Bottoms Up	42.4	min
Type	FH40ODVPS		2350	7.80	Mud Co.	Mi Swaco	Mi Swaco	Mud Tanks	100.9	m3
Serial #	PJ0538				Density	1090	1095	Hole Volume	79.6	m3 + 20%
Nozzles (mm)	3x14.3				Vis.	43	42	System Vol.	180.5	m3
AreaNoz(mm2)	481.82				W.L.	14	14	MUD ADDITIVES:		
WOB (daN)	12.0				pH	10	9.8	Bicarb	4	
RPM	48M+30R				Filter Cake	1	1	Sapp	2	
From (mKB)	2284.00				600 Fann	33	32			
To (mKB)	2368.00				300 Fann	23	23			
Metres	84.00				P.V.	10	9			
Hrs on Bit	49.00				Y.P.	6.5	7			
m/Hr	1.70				Gels 1/10	2/3	2/3			
Cum Hole Hrs	210.50				Sand (%)	0	0		Mud	Water
Condition					Solids (%)	5.25	5.5	Daily Cost	$1,234	
136					L.G.S. (% Wt.)			Cum Cost	$142,203	

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.23
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
2x163mm Monel		163	18.74
X/O		165	0.78
X/O		163	0.57
UBHO		160	0.70
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			766.26
Avail WOB	24,000	String Wt (daN)	114,000

								SOLIDS CONTROL		
Oil (%)	0	0						Shaker Make		
Pf / Mf	0.3/2.10	0.3/2.10						Shaker #	1	2
MBT (kg/m3)	0	0						Shaker Mesh	120	120
PHPA (kg/m3)								Shaker Mesh	120	120
K+ (mg/l)								Shaker Mesh	200	120
Cl (ppm)	33000	33000							Centrifuge 1	Centrifuge 2
Ca (ppm)	40	40						Make		
VOLUMES								U.F. (kg/m3)	1900	1880
Water Hauled								O.F. (kg/m3)	1080	1080
Vol Dumped								Vol UF (l/min)		
Loss Circ.								Hours	24	24
Boiler Hrs:										

TOTAL DRILL STRING (BHA + DP)		CASING BOWL DETAILS	
Strap (metres)		Manufacturer	
Board (metres)		Size (mm)	
Difference (metres)	0.00	WP (MPa)	
Correction (Yes/No?)		Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill	18.75	MACP	5259	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	3100/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Wor	2.50	Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	99	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ	2.25	NU BOP's		BOP Drill		Daylights	05/09/08	Circ Rate100%	1.4	
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	8600	
Rig Repair		DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Rotary drill from 2338m to 2346m with 12 kdaN and 1.2m3/min, 35 ETD + 52 PDM = 87 RPM

Slide 2.0m from 2346.08m to2348.08m / Rotary drill from 2348.08m to 2355.8m with 15 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Slide 2.0m from 2346.08m to2348.08m / Rotary drill from 2348.08m to 2355.8m with 15 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Condition mud and circulate bottoms up / Pump super sweep to clean hole prior to run Gyro

Condition mud and circulate bottoms up / Pump super sweep to clean hole prior to run Gyro

Function Annular 26 sec to close

Run Gyro on Wireline / Establish Toolface and Directional surveys from top of the "WHIP STOCK to 20m out of "WINDOW"

Slide 4.0m from 2355.8m to2359.8m / Rotary drill from 2359.8m to 2365.35m with 19 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Directional survey @ Bit depth 2365.35m and survey depth 2350.35m - 7.8 deg, 218.8 AZIM

Slide 2.0m from 2365.4m to2367.4m / Rotary drill from 2367.4m to 2368m with 19 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Function Upper and Lower Pipe Rams 7 sec to close each

Hole condition - Hole drag 3000 kdaN, Torque at bottom 5000 ft-lbs

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	48.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**63.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	63.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	October 1, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	September 30, 2008
24:00 DEPTH(m)	2385	24:00 ROP	2.00	STATUS	RIH with 216mm PDC Bit		STATUS	Wash to bottom with PDC Bit #7	FORMATION
PROGRESS (m)	17	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS		Winterhouse
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$77,121	SPUD DATE		LICENCE #		WEATHER:	rain	Cell:	1-709-649-0255
PREV COST	$5,258,600	RIG REL		KB ELEV	219.70	TEMP:	14	Drilling Foreman:	Tibor Papp
CUM COST	$5,335,721	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE		
Bit No.	6	7
Size (mm)	216.0	216.0
Mfg.	Smith	Smith
Type	FH40ODVPS	MSI616
Serial #	PJ0538	JX0874
Nozzles (mm)	3x14.3	6x6.4
AreaNoz(mm2)	481.82	
WOB (daN)	12.0	
RPM	48M+30R	
From (mKB)	2284.00	
To (mKB)	2385.00	
Metres	101.00	
Hrs on Bit	57.50	
m/Hr	1.76	
Cum Hole Hrs	219.25	
Condition		

SURVEYS	
Depth	Degrees
2360	7.70

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:00	
Mud Man	Darryl Diamond	Darryl Diamond
Mud Co.	Mi Swaco	Mi Swaco
Density	1090	
Vis.	44	
W.L.	13	
pH	9.5	
Filter Cake	1	
600 Fann	33	
300 Fann	22	
P.V.	11	
Y.P.	5.5	
Gels 1/10	2/3	
Sand (%)	0	
Solids (%)	4	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.20/2.10	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	33000	
Ca (ppm)	40	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	10.74	kPa/m
Mud Cycle	128	min
Bottoms Up	42.7	min
Mud Tanks	98.3	m3
Hole Volume	80.2	m3 + 20%
System Vol.	178.5	m3
MUD ADDITIVES:		
Pulpro 30	40	
XCD Polymer	2	

	Mud	Water
Daily Cost	$3,466	
Cum Cost	$145,669	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.23
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
2x163mm Monel		163	18.74
X/O		165	0.78
X/O		163	0.57
UBHO		160	0.70
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			766.26
Avail WOB	24,000	String Wt (daN)	114,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1900	1880
O.F. (kg/m3)	1080	1080
Vol UF (l/min)		
Hours	9	9

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill	8.75		
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Wor	2.75		
Coring		Cementing		Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ	1.00	NU BOP's		BOP Drill			
Tripping	10.50	Test BOP's		Safety Meet	0.50		
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	5259
RSPP-SPM	3200/50
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	30/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	8600	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2368m to 2374.7m with 19 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Slide 2.0m from 2374.7m to 2376.7m / Rotary drill from 2376.7m to 2385m with 19 kdaN and 1.4m3/min, 35 ETD + 52 PDM = 87 RPM

Condition hole and circulate bottom hole sample

Directional survey @ Bit depth 2374.7m and survey depth 2359.7m - 7.7 deg, 234.3 AZIM

Trip out of hole for Bit #7 Smith PDC / Flow checks @2250m and 1160m

Function Annular 26 sec to close

Trip out of hole for Bit #7 Smith PDC / Flow checks @40m and O.O.H / Hole fill: Calculated 14.15m3, Actual 14.33m3 Diff-0.18m3

BOP Drill with day crew (Trip Mode - 1 stand DC left in hole) - Men in position and well secure in 1min. 45sec.

Well shut in but wrong procedure used with 1 stand DC left in hole / Should have removed DC and shut in blind rams - Discuss with crew & correct

Dress Bit #7 - 216mm Smith MSI616 #JX0874 with 6x6.4mm nozzles

Run in hole with Bit, Motor, UBHO, 3xMonel DC, 24xHWDP, Jars, 54xHWDP / Scribe motor and surface test MWD

Trip in hole / Flow checks @263m, 1200m, 2190m

Function Upper and Lower Pipe Rams 7 sec to close each

Hole condition - Hole drag 4000 kdaN, Torque at bottom 5000 ft-lbs

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	49.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**64.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	64.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	October 2, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	October 1, 2008	
24:00 DEPTH(m)	2459	24:00 ROP	4.90	STATUS	Directional drill 216mm hole		STATUS	Work on Top Drive		FORMATION	
PROGRESS (m)	74	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Winterhouse	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:		Brent Kramps	
DAILY COST	$53,150	SPUD DATE		LICENCE #		WEATHER:	rain	Cell:		1-709-649-0255	
PREV COST	$5,335,721	RIG REL		KB ELEV	219.70	TEMP:	14	Drilling Foreman:		Tibor Papp	
CUM COST	$5,388,871	EST. TD (m)		GRD ELEV	212.40	WIND:	20km/h	Cell:		1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:		Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:		1-403-875-8848	

BIT PERFORMANCE		
Bit No.	7	
Size (mm)	216.0	
Mfg.	Smith	
Type	MSI616	
Serial #	JX0874	
Nozzles (mm)	6x 6.4	
AreaNoz(mm2)	481.82	
WOB (daN)	3 to 9	
RPM	58M + 50R	
From (mKB)	2385.00	
To (mKB)	2459.00	
Metres	74.00	
Hrs on Bit	15.00	
m/Hr	4.90	
Cum Hole Hrs	234.25	
Condition		

SURVEYS		
Depth	Degrees	
2369	7.80	
2378	7.40	
2387	7.30	
2396	7.10	
2406	7.80	
2415	9.40	
2425	11.00	
2434	12.60	

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	10:00	18:10
Mud Man	Darryl Diamond	Darryl Diamond
Mud Co.	Mi Swaco	Mi Swaco
Density	1090	1090
Vis.	44	43
W.L.	14	13
pH	9.0	9.2
Filter Cake	0.7	0.7
600 Fann	40	40
300 Fann	29	28
P.V.	11	12
Y.P.	9	8
Gels 1/10	2/5	2/4
Sand (%)	0	0
Solids (%)	4	4
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.20/2.40	0.20/2.50
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	30000
Ca (ppm)	40	40
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	10.74	kPa/m
Mud Cycle	154	min
Bottoms Up	52	min
Mud Tanks	98.7	m3
Hole Volume	82.5	m3 + 20%
System Vol.	181.2	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$1,800	
Cum Cost	$147,469	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.39

Avail WOB	24,000	String Wt (daN)	114,000

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1860	1840
O.F. (kg/m3)	1080	1080
Vol UF (l/min)		
Hours	16	16

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill	15.00		
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Wor	1.00		
Coring		Cementing		Squeeze Job			
Reaming	1.50	WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair	5.00	DST		Rig Inspection			
Slip / Cut Line	1.00	Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	5259
RSPP-SPM	4850/50
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	30/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	12000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Slip and cut drilling line
Electrical problem with Top Drive / Trouble shoot and repair faulty breaker
RIH and wash to 2314m / Pulse test MWD (test failed)
RIH and wash to 2371m
Top Drive faulty / Trouble shoot and repair / Total downtime 5.0 hrs
RIH and wash to bottom / Pattern bit and drill 216mm hole
Function Annular 26 sec to close
Rotary drill from 2385m to 2392.21m with 7 kdaN and 1.4m3/min, 40 ETD + 52 PDM = 92 RPM
Slide 2.0m from 2392.21m to 2394.21m with 8 kdaN and 1.4m3/min / 52 PDM RPM
Rotary drill from 2394.21m to 2401.91m with 7 kdaN and 1.4m3/min, 40 ETD + 52 PDM = 92RPM
Slide 2.0m from 2401.21m to 2403.21m with 9 kdaN and 1.4m3/min / 52 PDM RPM
Rotary drill from 2403.21m to 2411.38m with 7 kdaN and 1.4m3/min, 40 ETD + 52 PDM = 92RPM
Slide 3.0m from 2411.38m to 2414.38m with 8 kdaN and 1.4m3/min, 52 PDM RPM
Rotary drill from 2414.38m to 2420.84m with 7 kdaN and 1.4m3/min, 40 ETD + 52 PDM = 92RPM
Slide 3.0m from 2420.84m to 2423.84m with 6 kdaN and 1.4m3/min, 52 PDM RPM
Rotary drill from 2423.84m to 2430.6m with 7 kdaN and 1.4m3/min, 40 ETD + 52 PDM = 92RPM
Slide 2.0m from 2449.3m to 2451.3m with 5 kdaN and 1.2m3/min, 44 PDM RPM
Rotary drill from 2451.3m to 2458.95m with 8 kdaN and 1.2m3/min, 45 ETD + 44 PDM = 89RPM
Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 4000 kdaN, Torque at bottom 5000 ft-lbs

SAMPLES:
2385-2410 MD, MAINLY META QUARTZITE,ANOTHER NAME FOR A TIGHT SANDSTONE,WITH BLACK MAFIC GRAINS
2410-2420 MD, PHYLLITE, COAL BLACK TO DARK,FAIRLY SOFT,PLATY, WEAKLY CALCAREOUS, WITH 5-10% META QUARTZITE
2420- 2460 MD, META QUARTZITE, 80-90% WITH 10-20% BLACK PHYLLITE,BECOMING MORE CRYSTALLINE AND LESS CALCAREOUS NEAR THE BOTTOM

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	50.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**65.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	65.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	October 3, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	October 2, 2008	
24:00 DEPTH(m)	2509	24:00 ROP	3.90	STATUS	Directional drill 216mm hole		STATUS	Directional drill 216mm hole		FORMATION	
PROGRESS (m)	50	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Winterhouse	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$64,837	SPUD DATE		LICENCE #		WEATHER:	sunny		Cell:	1-709-649-0255	
PREV COST	$5,388,871	RIG REL		KB ELEV	219.70	TEMP:	17		Drilling Foreman:	Tibor Papp	
CUM COST	$5,453,708	EST. TD (m)		GRD ELEV	212.40	WIND:	calm		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS		DRLG FLUID			DRILLING FLUID:		
Bit No.	7		Depth	Degrees	Fluid Type	Poly CalCarb	Poly CalCarb	Mud Gradient	10.74	kPa/m
Size (mm)	216.0		2444	13.90	Time Check	09:30	18:50	Mud Cycle	138	min
Mfg.	Smith		2453	14.70	Mud Man	Darryl Diamond	Darryl Diamond	Bottoms Up	47	min
Type	MSI616		2463	15.70	Mud Co.	Mi Swaco	Mi Swaco	Mud Tanks	100.1	m3
Serial #	JX0874		2473	15.70	Density	1090	1090	Hole Volume	84.2	m3 + 20%
Nozzles (mm)	6x 6.4		2482	16.00	Vis.	44	44	System Vol.	184.3	m3
AreaNoz(mm2)	481.82		2492	15.70	W.L.	9	9	MUD ADDITIVES:		
WOB (daN)	3 to 9				pH	9.0	9	Polypac UL	11	
RPM	50M + 65R				Filter Cake	0.7	0.7	Polpro 20	32	
From (mKB)	2385.00				600 Fann	38	39	Pulpro 30	22	
To (mKB)	2509.00				300 Fann	26	27	XCD Polymer	2	
Metres	124.00				P.V.	12	12			
Hrs on Bit	27.75				Y.P.	7	7.5			
m/Hr	4.50				Gels 1/10	2/3	2/3			
Cum Hole Hrs	247.00				Sand (%)	0	0		Mud	Water
Condition					Solids (%)	5.5	5.5	Daily Cost	$4,519	
136					L.G.S. (% Wt.)			Cum Cost	$151,988	

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.39
Avail WOB	24,000	String Wt (daN)	114,000

						SOLIDS CONTROL		
Oil (%)	0.5	0.5				Shaker Make		
Pf / Mf	0.10/2.50	0.10/2.50				Shaker #	1	2
MBT (kg/m3)	0	0				Shaker Mesh	120	120
PHPA (kg/m3)						Shaker Mesh	120	120
K+ (mg/l)						Shaker Mesh	200	120
Cl (ppm)	30000	30000					Centrifuge 1	Centrifuge 2
Ca (ppm)	40	40				Make		
VOLUMES						U.F. (kg/m3)	1800	1785
Water Hauled						O.F. (kg/m3)	1080	1080
Vol Dumped						Vol UF (l/min)		
Loss Circ.						Hours	24	24
Boiler Hrs:								

TOTAL DRILL STRING (BHA + DP)		CASING BOWL DETAILS	
Strap (metres)		Manufacturer	
Board (metres)		Size (mm)	
Difference (metres)	0.00	WP (MPa)	
Correction (Yes/No?)		Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control		HYDRAULICS		
RU / TO		Survey		Drill	12.75	MACP	5259	Pump No.	1	2
Rig Move		Logging		Well Control		RSPP-SPM	4900/50	Make & Model	FB-1600	FB-1600
W.O. Daylight		Run Casing		Directional Work		Calc hole fill		Liner x Stk	140x305	140x305
Coring		Cementing		Squeeze Job		Act Hole Fill		SPM	99	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:		Litre/Sk 100%	0.0140	0.0140
Cond / Circ		NU BOP's		BOP Drill		Daylights	30/09/08	Circ Rate100%	1.4	
Tripping		Test BOP's		Safety Meet		Afternoons		Pump Eff.	97	97
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	Pump Press.	12000	
Rig Repair	10.75	DST		Rig Inspection		Hydraulics		Drillpipe AV		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		Drillcollar AV		
				TOTAL HRS	24.00	Drillpipe OD		Nozzel Vel		

Slide 4.0m Avg. TFO set @ 220 Azimuth HOLD from 2458.95m to 2460.95m with 8 kdaN and 1.2m3/min; 44 PDM RPM

Top Drive will not rotate / Trouble shoot and repair / Total downtime 10.75 hrs

Function Annular 26 sec to close

Rotary drill from 2460.95m to 2468.43m with 9 kdaN and 1.2m3/min; 44 ETD + 45 PDM = 89RPM

Slide 3.0m Avg. TFO set @ 220 Azimuth HOLD from 2468.43m to2471.43m with 9 kdaN and 1.3m3/min; 48 PDM RPM

Rotary drill from 2471.43m to 2478.15m with 9 kdaN and 1.3m3/min; 48 ETD + 65 PDM = 113 RPM

Slide 3.2m Avg. TFO set @ 200 Azimuth HOLD from 2478.15m to2481.35m with 9 kdaN and 1.35m3/min; 50 PDM RPM

Rotary drill from 2481.35m to 2487.59m with 6 kdaN and 1.35m3/min; 50 ETD + 65 PDM = 115 RPM

Slide 3.0m Avg. TFO set @ 200 Azimuth HOLD from 2487.59m to2490.6m with 6 kdaN and 1.35m3/min; 50 PDM RPM

Rotary drill from 2490.6m to 2497.1m with 6 kdaN and 1.35m3/min; 50 ETD + 65 PDM = 115 RPM

Slide 4.0m Avg. TFO set @ 200 Azimuth HOLD from 2497.1m to2501.1m with 6 kdaN and 1.35m3/min; 50 PDM RPM

Rotary drill from 2501.1m to 2506.7m with 6 kdaN and 1.35m3/min; 50 ETD + 65 PDM = 115 RPM

Slide 4.0m Avg. TFO set @ 200 Azimuth HOLD from 2506.7m to2509m / with 6 kdaN and 1.35m3/min; 50 PDM RPM

Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 4000 kdaN, Torque at bottom 5000 ft-lbs

SAMPLES:

2460-2470M, PHYLLITE,A COMPRESSED SHALE,WITH 30-40% metaquartzite,a tight sandstone

2470-2490m. metaquartzite,the samples appear to becoming sandy and shaly with depth

2490-2505m.metaquartzite, 70-90%,tight,weakly calcareous,with 10-30% phyllite

2505-2515m ,Phyllite,90%

2515-2525m. Metaquartzite, 70-80% with coal black phyllite.trace of black biotite clusters.

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	51.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**66.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	66.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	October 4, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	October 3, 2008
24:00 DEPTH(m)	2614	24:00 ROP	4.70	STATUS	Directional drill 216mm hole	STATUS	Directional drill 216mm hole @ 2635m	FORMATION	Winterhouse
PROGRESS (m)	105	07:00 ROP	0	at 24:00 HRS		at 07:00 HRS			
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Brent Kramps
DAILY COST	$49,758	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$5,453,708	RIG REL		KB ELEV	219.70	TEMP:	15	Drilling Foreman:	Tibor Papp
CUM COST	$5,503,466	EST. TD (m)		GRD ELEV	212.40	WIND:	30 +km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE		
Bit No.	7	
Size (mm)	216.0	
Mfg.	Smith	
Type	MSI616	
Serial #	JX0874	
Nozzles (mm)	6x 6.4	
AreaNoz(mm2)	193.02	
WOB (daN)	6 to 9	
RPM	52M + 60R	
From (mKB)	2385.00	
To (mKB)	2614.00	
Metres	229.00	
Hrs on Bit	50.00	
m/Hr	4.60	
Cum Hole Hrs	269.25	
Condition		

SURVEYS		
Depth	Degrees	
2501	14.60	
2511	13.10	
2520	12.20	
2530	11.50	
2540	10.80	
2549	10.20	
2558	9.70	
2568	9.40	
2578	9.40	
2588	9.10	
2597	9.10	

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:55	18:30
Mud Man	Darryl Diamond	Darryl Diamond
Mud Co.	Mi Swaco	Mi Swaco
Density	1095	1090
Vis.	45	44
W.L.	11	11
pH	8.8	8.8
Filter Cake	0.7	0.7
600 Fann	39	38
300 Fann	27	27
P.V.	12	11
Y.P.	7.5	8
Gels 1/10	2/5	2/5
Sand (%)	0	0
Solids (%)	5.75	5.5
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.10/2.60	0.10/2.60
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	36000
Ca (ppm)	80	80
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	10.74	kPa/m
Mud Cycle	133	min
Bottoms Up	47	min
Mud Tanks	96.2	m3
Hole Volume	87.6	m3 + 20%
System Vol.	183.8	m3
MUD ADDITIVES:		

	Mud	Water
Daily Cost	$900	
Cum Cost	$152,888	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.39

Avail WOB	24,000	String Wt (daN)	114,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey	1.25	Drill	22.25		
Rig Move		Logging		Well Control			
W.O. Daylight		Run Casing		Directional Work			
Coring		Cementing		Squeeze Job			
Reaming		WOC		Lost Circ			
Cond / Circ		NU BOP's		BOP Drill			
Tripping		Test BOP's		Safety Meet			
Rig Service	0.50	Drill out cmt		Circ Sample			
Rig Repair		DST		Rig Inspection			
Slip / Cut Line		Hndle Tools		Leak -Off Test			
				TOTAL HRS	24.00		

Well Control	
MACP	5259
RSPP-SPM	4900/50
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	30/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	15500	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2501.1m to 2506.7m with 6 kdaN and 1.35m3/min; 50 ETD + 60 PDM = 110 RPM

Slide 4.0m Avg. TFO set @ 200 Azimuth HOLD from 2506.7m to2510.7m / with 6 kdaN and 1.35m3/min; 50 PDM RPM

Rotary drill from 2510.7m to 2516.2m with 6 kdaN and 1.35m3/min; 50 ETD + 60 PDM = 110 RPM

Slide 3.0m Avg. TFO set @ 220 Azimuth HOLD from 2516.2m to2519.2m / with 6 kdaN and 1.35m3/min; 50 PDM RPM

Rotary drill from 2519.2m to 2525.88m with 6 kdaN and 1.35m3/min; 50 ETD + 60 PDM = 110 RPM

Rotary drill from 2535.39m to 2554.53m with 7 kdaN and 1.35m3/min; 50 ETD + 60 PDM = 110 RPM

Slide 2.5m Avg. TFO set @ 30 Azimuth HOLD from 2554.53m to2557.03m / with 7 kdaN and 1.4m3/min; 52 PDM RPM

Rotary drill from 2557.03m to 2564.97m with 7 kdaN and 1.4m3/min; 52 ETD + 60 PDM = 112 RPM

Slide 3.0m Avg. TFO set @ 20 Azimuth HOLD from 2611.8m to2614.8m / with 9 kdaN and 1.4m3/min; 52 PDM RPM

Function Annular 26 sec to close

Hole condition - Hole drag 5000 kdaN, Torque at bottom 8200 ft-lbs

SAMPLES:

2515-2525m Metaquartzite, 70-80% with coal black phyllite.trace of black biotite clusters;

2515-2540M 70-80% METAQUARTZITE WITH 20-30% COAL BLACK TO DARK PHYLLITE;

2540-2545M 70% PHYLLITE AND 30% METAQUARTZITE;

2545-2600M PREDOMINANTLY METAQUARTZITE.70-80% WITH 20-30% PHYLLITE;

2600-2610M 80% PHYLLITE WITH 20% METAQUARTZITE;

2610-2630M. METAQUARTZITE.80-90% .CRYSTALLINE,TIGHT,HARD,MODERATELY CALCAREOUS,WITH 10-20% PHYLLITE;

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	52.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**67.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	67.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	October 5, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	October 4, 2008	
24:00 DEPTH(m)	2687	24:00 ROP	3.80	STATUS	Trip out of hole for bit #8		STATUS	Trip out of hole for bit #8			FORMATION
PROGRESS (m)	73	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS				Winterhouse
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$59,127	SPUD DATE		LICENCE #		WEATHER:	sunny/rain		Cell:	1-709-649-0255	
PREV COST	$5,503,466	RIG REL		KB ELEV	219.70	TEMP:	14		Drilling Foreman:	Tibor Papp	
CUM COST	$5,562,593	EST. TD (m)		GRD ELEV	212.40	WIND:	40 +km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE			SURVEYS	
Bit No.	7		Depth	Degrees
Size (mm)	216.0		2606	9.00
Mfg.	Smith		2616	8.90
Type	MSI616		2625	8.20
Serial #	JX0874		2635	7.90
Nozzles (mm)	6x 6.4		2644	8.00
AreaNoz(mm2)	193.02		2654	7.90
WOB (daN)	6 to 9		2663	7.60
RPM	52M + 60R		2672	7.50
From (mKB)	2385.00			
To (mKB)	2687.00			
Metres	302.00			
Hrs on Bit	69.00			
m/Hr	4.40			
Cum Hole Hrs	288.25			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.70
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.39
Avail WOB	24,000	String Wt (daN)	120,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:30	16:50
Mud Man	Shawn Penney	Shawn Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1095	1090
Vis.	43	43
W.L.	13	13
pH	8.5	8.5
Filter Cake	1	1
600 Fann	36	35
300 Fann	25	24
P.V.	11	11
Y.P.	7	6.5
Gels 1/10	2/5	2/5
Sand (%)	0	0
Solids (%)	6	6
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.80/2.50	0.80/2.50
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30500	30500
Ca (ppm)	80	80
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	10.74	kPa/m
Mud Cycle	131	min
Bottoms Up	49	min
Mud Tanks	90.2	m3
Hole Volume	90.1	m3 + 20%
System Vol.	179.6	m3
MUD ADDITIVES:		
Polypac UL	20	
Pulpro 30	30	
XCD Polymer	7	

	Mud	Water
Daily Cost	$9,711	
Cum Cost	$162,599	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN						Well Control	
RU / TO		Survey	1.25	Drill	19.00	MACP	3550
Rig Move		Logging		Well Control		RSPP-SPM	4770/50
W.O. Daylight		Run Casing		Directional Wor	1.00	Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming		WOC		Lost Circ		**Date Last BOP Drill For:**	
Cond / Circ	2.25	NU BOP's		BOP Drill		Daylights	30/09/08
Tripping		Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		**Hydraulics**	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	15500	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Slide 3.0m Avg. TFO set @ 20 Azimuth HOLD from 2611.8m to2614.8m / with 9 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2614.8m to 2621.2m with 9 kdaN and 1.4m3/min; 52 ETD + 60 PDM = 112 RPM
Slide 3.0m Avg. TFO set @ 0 Azimuth HOLD from 2621.2m to2624.2m / with 9 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2624.2m to 2630.6m with 9 kdaN and 1.4m3/min; 52 ETD + 60 PDM = 112 RPM
Slide 4.0m Avg. TFO set @ 10 Azimuth HOLD from 2630.6m to2634.6m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2634.6m to 2640.33m with 11 kdaN and 1.4m3/min; 52 ETD + 60 PDM = 112 RPM
Slide 3.0m Avg. TFO set @ 0 Azimuth HOLD from 2640.33m to2643.33m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2643.33m to 2649.83m with 11 kdaN and 1.4m3/min; 52 ETD + 55 PDM = 107 RPM
Slide 4.5m Avg. TFO set @ 0 Azimuth HOLD from 2649.83m to2654.33m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Function Annular 26 sec to close
Rotary drill from 2654.33m to 2659.12m with 11 kdaN and 1.4m3/min; 52 ETD + 55 PDM = 107 RPM
Slide 3.5m Avg. TFO set @ 340 Azimuth HOLD from 2659.12m to2662.62m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2662.62m to 2668.74m with 11 kdaN and 1.4m3/min; 52 ETD + 55 PDM = 107 RPM
Slide 5.0m Avg. TFO set @ 330 Azimuth HOLD from 2668.74m to2673.74m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2673.74m to 2678.21m with 11 kdaN and 1.4m3/min; 52 ETD + 55 PDM = 107 RPM
Slide 4.0m Avg. TFO set @ 330 Azimuth HOLD from 2678.21m to2682.21m / with 11 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2682.2m to 2687.3m with 11 kdaN and 1.4m3/min; 52 ETD + 55 PDM = 107 RPM
Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 7000 kdaN to 9000 kdaN up, 5000 kdaN down, Torque at bottom 8200 ft-lbs

SAMPLES:

2610-2630M. METAQUARTZITE.80-90% .CRYSTALLINE,TIGHT,HARD,MODERATELY CALCAREOUS,WITH 10-20% PHYLLITE;

2630M TO PREDOMINANTLY PHYLLITE;

2630-2687 M.PHYLLITE80-90%,DARK TO COAL BLACK,GREASY LUSTRE IN PART,MICACEOUS ALONG CLEAVAGE ,BLOCKY TO PLATY TO SPLINTERY,FIRM TO BRITTLE,WITH 10-20% DULL GREY METAQUARTZITE

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	53.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**68.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	68.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	October 6, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	October 5, 2008	
24:00 DEPTH(m)	2700	24:00 ROP	3.25	STATUS	Directional drill 216mm hole with bit #8		STATUS	Directional drill 216mm hole @ 2726m		FORMATION	
PROGRESS (m)	13	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Winterhouse	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Brent Kramps	
DAILY COST	$51,055	SPUD DATE		LICENCE #		WEATHER:	sunny		Cell:	1-709-649-0255	
PREV COST	$5,562,593	RIG REL		KB ELEV	219.70	TEMP:	15		Drilling Foreman:	Tibor Papp	
CUM COST	$5,613,648	EST. TD (m)		GRD ELEV	212.40	WIND:	30 km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE		
Bit No.	7	8
Size (mm)	216.0	216.0
Mfg.	Smith	Smith
Type	MSI616	MSI816
Serial #	JX0874	JY0420
Nozzles (mm)	6x 6.4	4x6.4, 4x7.1
AreaNoz(mm2)	193.02	445.41
WOB (daN)	9 to 12	8.0
RPM	52M + 60R	52M + 45R
From (mKB)	2385.00	2687.00
To (mKB)	2687.00	2700.00
Metres	302.00	13.00
Hrs on Bit	70.50	4.00
m/Hr	4.40	3.25
Cum Hole Hrs	289.75	293.75
Condition	I8,O5,BT,LT,I	

SURVEYS		
Depth	Degrees	
2682	7.30	

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	21:05	
Mud Man	Shawn Penney	Shawn Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1100	
Vis.	43	
W.L.	12	
pH	8.5	
Filter Cake	1	
600 Fann	34	
300 Fann	23	
P.V.	11	
Y.P.	6	
Gels 1/10	1/4	
Sand (%)	0	
Solids (%)	6	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf / Mf	0.80/2.40	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	
Ca (ppm)	80	

DRILLING FLUID:		
Mud Gradient	10.79	kPa/m
Mud Cycle	136	min
Bottoms Up	49	min
Mud Tanks	95.4	m3
Hole Volume	90.4	m3 + 20%
System Vol.	185.8	m3
MUD ADDITIVES:		
Pulpro 30	30	

	Mud	Water
Daily Cost	$1,279	
Cum Cost	$163,878	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.44

VOLUMES	
Water Hauled	
Vol Dumped	
Loss Circ.	
Boiler Hrs:	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	120	120
Shaker Mesh	120	120
Shaker Mesh	200	120
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1895	1890
O.F. (kg/m3)	1090	1090
Vol UF (l/min)		
Hours	5	5

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

Avail WOB	24,000	String Wt (daN)	120,000

DRILLING OPERATIONS TIME BREAKDOWN							
RU / TO		Survey		Drill	4.00	MACP	3550
Rig Move		Logging		Well Control		RSPP-SPM	3690/50
W.O. Daylight		Run Casing		Directional Wor	4.25	Calc hole fill	
Coring		Cementing		Squeeze Job		Act Hole Fill	
Reaming		WOC		Lost Circ		Date Last BOP Drill For:	
Cond / Circ		NU BOP's		BOP Drill		Daylights	30/09/08
Tripping	15.25	Test BOP's		Safety Meet		Afternoons	
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08
Rig Repair		DST		Rig Inspection		Hydraulics	
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD	
				TOTAL HRS	24.00	Drillpipe OD	

Well Control	
MACP	3550
RSPP-SPM	3690/50
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	30/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	15500	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Hole circulated clean with bottoms up sample / Prepare to trip for BHA & bit change
Pump HIGH VIS SWEEP to clean hole of cuttings for trip out to change BHA assembly and bit
Trip out of open hole / Flow checks @2668m, 2571m, 2249m into casing / Pump Weighted pill / Continue to POOH
Flow checks @1280m, 830m,180m / Safety meeting prior to handling Directional Tools
Change out Motor 7/8 - 3.25 stage motor set at 1.5 with 150 hrs / Set NEW 7/8 - 3.25 stage motor to 1.83
Pulse test MWD (without bit) @ surface
Change Bit to 216mm MSI 816 Smith PDC (8 blade double row 16mm cutters)
Flow check while O.O.H / Function Blind Rams 7 sec to close
Trip in hole to 650m / Fill pipe and Flow check @ 80m, 650m (fill drill pipe with out rotating PDC in casing)
Function Annular 26 sec to close
Rig inspection - Inspect well control equipment
Trip in hole fr/ 650m with fill pipe and flow cheks @ 1200m, 2300m (Casing Window at 2278.75m to 2282.75m)
Test MWD - Wash last Stand (28m) to bottom with 1.5m fill
Pattern bit to 2688m (drill 0.1m with 0.5 da/N - drill 0.1m with 0.75 da/N - drill 0.1m with 1.0 da/N - drill 0.1m with 1.5 da/N
Slide 2.3m Avg. TFO set @ 30 Azimuth HOLD from 2688.0m to2690.3m / with 8 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2690.3m to 2696.9m with 11 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.0m Avg. TFO set @ 30 Azimuth HOLD from 2696.9m to2700.0m / with 8 kdaN and 1.4m3/min; 52 PDM RPM
Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 8000 kdaN, Torque at bottom 9000 ft-lbs

SAMPLES:
2630-2687 M.PHYLLITE80-90%,DARK TO COAL BLACK,GREASY LUSTRE IN PART,MICACEOUS ALONG CLEAVAGE ,BLOCKY TO PLATY TO SPLINTERY,FIRM TO BRITTLE,WITH 10-20% DULL GREY METAQUARTZITE
2687.55-2700M, PHYLLITE 60-70% DARK GREY TO COAL BLACK,PLATY TO LUMPY,GREASY LUSTRE IN PART WITH 30-40% METAQUARTZITE, DULL GREY, CRYSTALLINE CALCAREOUS,RICH IN LOOSE VITREOUS QUARTZ GRAINS, COARSE TO VERY COARSE GRAIN,SUBANGULAR TO SUBROUNDED.
THIS IS A TRANSITIONAL ZONE
2700-2715M SANDSTONE, DULL GREY TO SPECKLED,VERY FINE TO FINE GRAIN,CONSOLIDATED,HARD TO SOFT, QUARTZITIC TO SILTY IN

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	54.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**69.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	69.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3							REPORT DATE:	October 7, 2008
UNIQUE ID:	PaP #1 ST #3							OPS DATE:	October 6, 2008
24:00 DEPTH(m)	2786	24:00 ROP	4.85	STATUS	Directional drill 216mm hole		STATUS	Directional drill 216mm hole @	FORMATION
PROGRESS (m)	86	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS	2801m	Winterhouse
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD	Rig Manager:	Rick Zenner
DAILY COST	$103,174	SPUD DATE		LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$5,613,648	RIG REL		KB ELEV	219.70	TEMP:	12	Drilling Foreman:	Tibor Papp
CUM COST	$5,716,822	EST. TD (m)		GRD ELEV	212.40	WIND:	30 km/h	Cell:	1-780-886-4880
		Meters to T.D.	0.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to T.D.	T.D.		LOW TIDE:		`	Cell:	1-403-875-8848

BIT PERFORMANCE			SURVEYS	
Bit No.	8		Depth	Degrees
Size (mm)	216.0		2691	7.70
Mfg.	Smith		2701	8.40
Type	MSI816		2710	8.80
Serial #	JY0420		2719	9.10
Nozzles (mm)	4x6.4, 4x7.1		2729	9.30
AreaNoz(mm2)	445.41		2738	9.60
WOB (daN)	12 to 18		2748	9.90
RPM	52M + 45R		2758	9.90
From (mKB)	2687.00		2767	9.20
To (mKB)	2786.00			
Metres	99.00			
Hrs on Bit	23.50			
m/Hr	4.20			
Cum Hole Hrs	313.25			
Condition				

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.44
Avail WOB 24,000	String Wt (daN)		126,000

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	10:00	19:50
Mud Man	Shawn Penney	Shawn Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1095	1090
Vis.	42	47
W.L.	8	8
pH	8	8
Filter Cake	0.7	0.7
600 Fann	30	44
300 Fann	20	32
P.V.	10	12
Y.P.	5	10
Gels 1/10	1/4	3/5
Sand (%)	0	0
Solids (%)	6.25	6
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.50/2.55	0.50/2.55
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	32000	32000
Ca (ppm)	160	180
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

DRILLING FLUID:		
Mud Gradient	1074	kPa/m
Mud Cycle	142	min
Bottoms Up	51	min
Mud Tanks	100.6	m3
Hole Volume	93.2	m3 + 20%
System Vol.	194	m3
MUD ADDITIVES:		
XCD Polymer	10	

	Mud	Water
Daily Cost	$6,706	
Cum Cost	$170,584	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN					
RU / TO		Survey		Drill	6.50
Rig Move		Logging		Well Control	
W.O. Daylight		Run Casing		Directional Wor	17.00
Coring		Cementing		Squeeze Job	
Reaming		WOC		Lost Circ	
Cond / Circ		NU BOP's		BOP Drill	
Tripping		Test BOP's		Safety Meet	
Rig Service	0.50	Drill out cmt		Circ Sample	
Rig Repair		DST		Rig Inspection	
Slip / Cut Line		Hndle Tools		Leak -Off Test	
				TOTAL HRS	24.00

Well Control	
MACP	3550
RSPP-SPM	3780/50
Calc hole fill	
Act Hole Fill	
Date Last BOP Drill For:	
Daylights	30/09/08
Afternoons	
Graveyards	02/09/08
Hydraulics	
DrillcollarOD	
Drillpipe OD	

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	12000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2700.0m to 2706.2m with 11 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.0m Avg. TFO set @ 0 Azimuth HOLD from 2706.21m to2709.21m / with 12 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2709.21m to 2715.65m with 12 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.0m Avg. TFO set @ 30 Azimuth HOLD from 2715.7m to2718.7m / with 12 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2718.7m to 2725.0m with 12 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 2.6m Avg. TFO set @ 45 Azimuth HOLD from 2725.0m to2727.6m / with 12 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2727.6m to 2734.15m with 12 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.0m Avg. TFO set @ 45 Azimuth HOLD from 2734.15m to2737.15m / with 12 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2737.15m to 2743.68m with 14 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.4m Avg. TFO set @ 30 Azimuth HOLD from 2743.68m to2747.08m / with 14 kdaN and 1.4m3/min; 52 PDM RPM
Function Annular 26 sec to close
Rotary drill from 2747.08m to 2753.3m with 14 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 3.6m Avg. TFO set @ 30 Azimuth HOLD from 2753.3m to2756.9m / with 14 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2756.9m to 2762.97m with 14 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 2.0m Avg. TFO set @ 45 Azimuth HOLD from 2762.97m to2764.97m / with 14 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2764.97m to 2772.61m with 14 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 2.7m Avg. TFO set @ 45 Azimuth HOLD from 2772.6m to2775.3m / with 14 kdaN and 1.4m3/min; 52 PDM RPM
Rotary drill from 2775.3m to 2782.2m with 14 kdaN and 1.4m3/min; 45 ETD + 52 PDM = 97 RPM
Slide 4.0m Avg. TFO set @ 60 Azimuth HOLD from 2782.2m to2786.2m / with 14 kdaN and 1.4m3/min; 52 PDM RPM
Function Upper and Lower Pipe Rams 6 sec to close each
Directional Drilling - Rotate 57.66m in 6.5hrs, Slide 28.5m in 11.25hrs
Accumulated surveys, work pipe, orient tool, connections 5.75hrs

Hole condition - Hole drag 8000 kdaN to 13000 kdaN up, 8000 kdaN to 11000 kdaN down, Torque at bottom 9000 ft-lbs
SAMPLES:
2715 -2770M ARE MAINLY SANDSTONE,DULL TO LIGHT GREY,VERY FINE TO FINE GRAIN,HARD TO FRIABLE,CALCAREOUS,QUARTZITIC TO SILTY ,IN PART,
WITH 20-30% DARK TO MEDIUM GREY SHALE
2770-2800M. SHALE. 70-80%,AS BEFORE, BLOCKY TO PLATY,FIRM TO BRITTLE,MICAEOUS,SEMI-FISSILE,WITH 30% SANDSTONE.
AS BEFORE, TRACE OF LOOSE VITREOUS (GLASSY) QUARTZ GRAINS,COARSE-GRAIN,SUBANGULAR,QUARTZITIC IN PARTTO SILTY,HARD TO SOFT,

NO EVIDENCE OF CHERT OR PYRITE NODULES AND I DON'T PICK UP ANY IRON FILLINGS WITH MY SMALL MAGNETIC,LESS THEN 1%,
THIS SANDSTONE IS LIKE ALL GLASS,SO IT IS HARD DRILLING

Days (Move In)	10.0	**PDI Productions Inc.**		Drilling Days:	55.0	REPORT #	
Days (Rig Up)	5.0	**DAILY DRILLING REPORT**		Days (NPCT)	0.0	**70.0**	DRAGON LANCE MANAGEMENT CORPORATION
Total (MIRU)	15.0	**(00:00 - 24:00 HOURS)**		Total Days:	70.0		1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3								REPORT DATE:	October 8, 2008	
UNIQUE ID:	PaP #1 ST #3								OPS DATE:	October 7, 2008	
24:00 DEPTH(m)	2838	24:00 ROP	2.20	STATUS	Directional drill 216mm hole		STATUS	Directional drill 216mm hole @ 2845m		FORMATION	
PROGRESS (m)	52	07:00 ROP	0	at 24:00 HRS			at 07:00 HRS			Winterhouse	
D&A COST	$0	D & A COST		AFE N0.		RIG / RIG#	Nabors 45-ETD		Rig Manager:	Rick Zenner	
DAILY COST	$50,998	SPUD DATE		LICENCE #		WEATHER:	cloudy		Cell:	1-709-649-0255	
PREV COST	$5,716,822	RIG REL		KB ELEV	219.70	TEMP:	10		Drilling Foreman:	Tibor Papp	
CUM COST	$5,767,820	EST. TD (m)		GRD ELEV	212.40	WIND:	20 km/h		Cell:	1-780-886-4880	
		Meters to T.D.	0.00		HIGH TIDE:				Reported To:	Steve c McIntosh	
		Hours to T.D.	T.D.		LOW TIDE:				Cell:	1-403-875-8848	

BIT PERFORMANCE		
Bit No.	8	
Size (mm)	216.0	
Mfg.	Smith	
Type	MSI816	
Serial #	JY0420	
Nozzles (mm)	4x6.4, 4x7.1	
AreaNoz(mm2)	445.41	
WOB (daN)	6 to 14	
RPM	56M + 45R	
From (mKB)	2687.00	
To (mKB)	2838.00	
Metres	151.00	
Hrs on Bit	42.25	
m/Hr	3.60	
Cum Hole Hrs	332.00	
Condition		

SURVEYS		
Depth	Degrees	
2777	8.90	
2786	8.70	
2796	9.80	
2806	10.60	
2815	10.40	
2825	10.10	

DRLG FLUID		
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:35	19:50
Mud Man	Shawn Penney	Shawn Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1090	1090
Vis.	46	44
W.L.	10.5	10.5
pH	8.5	8.5
Filter Cake	1.0	1.0
600 Fann	40	39
300 Fann	29	28
P.V.	11	11
Y.P.	9	8.5
Gels 1/10	2/5	2/4
Sand (%)	0	0
Solids (%)	6.5	6.5
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.15/2.60	0.20/2.65
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	32000	32000
Ca (ppm)	600	800
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:		
Mud Gradient	1074	kPa/m
Mud Cycle	127	min
Bottoms Up	48	min
Mud Tanks	91.1	m3
Hole Volume	94.9	m3 + 20%
System Vol.	186	m3
MUD ADDITIVES:		
Caustic	4	
Super Sweep	1	

	Mud	Water
Daily Cost	$1,361	
Cum Cost	$171,945	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.44

Avail WOB 24,000 | String Wt (daN) 126,000

TOTAL DRILL STRING (BHA + DP)	
Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL		
Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1090	1085
O.F. (kg/m3)	1810	1810
Vol UF (l/min)		
Hours	24	24

CASING BOWL DETAILS	
Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN								
RU / TO		Survey		Drill	11.50	MACP	3550	
Rig Move		Logging		Well Control		RSPP-SPM	3780/50	
W.O. Daylight		Run Casing		Directional Wor	12.00	Calc hole fill		
Coring		Cementing		Squeeze Job		Act Hole Fill		
Reaming		WOC		Lost Circ		**Date Last BOP Drill For:**		
Cond / Circ		NU BOP's		BOP Drill		Daylights	30/09/08	
Tripping		Test BOP's		Safety Meet		Afternoons		
Rig Service	0.50	Drill out cmt		Circ Sample		Graveyards	02/09/08	
Rig Repair		DST		Rig Inspection		**Hydraulics**		
Slip / Cut Line		Hndle Tools		Leak -Off Test		DrillcollarOD		
				TOTAL HRS	24.00	Drillpipe OD		

HYDRAULICS		
Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	99	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.4	
Pump Eff.	97	97
Pump Press.	12000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2786.2m to 2791.7m with 9 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 4.0m Avg. TFO set @ 315 Azimuth HOLD from 2791.7m to2795.7m / with 13 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2795.7m to 2801.4m with 7 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 6.5m Avg. TFO set @ 330 Azimuth HOLD from 2801.4m to2807.9m / with 13 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2807.9m to 2811.1m with 7 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Function Annular 26 sec to close
Rotary drill from 2811.1m to 2826.67m with 8 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 5.0m Avg. TFO set @ 315 Azimuth HOLD from 2826.7m to2831.7m / with 14 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2831.7m to 2838.0m with 8 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Function Upper and Lower Pipe Rams 6 sec to close each
Directional Drilling - Rotate 36.19m in 11.5hrs, Slide 15.55m in 7.25hrs
Accumulated surveys, work pipe, orient tool, connections 4.75hrs

Hole condition - Hole drag 12000 kdaN to 14000 kdaN up, 10000 kdaN to 12000 kdaN down, Torque at bottom 9000 ft-lbs

SAMPLES:
2770-2800M. SHALE. 70-80%,AS BEFORE, BLOCKY TO PLATY,FIRM TO BRITTLE,MICAEOUS,SEMI-FISSILE,WITH 30% SANDSTONE.
AS BEFORE, TRACE OF LOOSE VITREOUS (GLASSY) QUARTZ GRAINS,COARSE-GRAIN,SUBANGULAR,QUARTZITIC IN PARTTO SILTY,HARD TO SOFT,
2800-2840M. THE SAMPLES ARE BASICALLY THE SAME,INTERBEDDED SAND AND SHALE WITH VARIOUS THICKNESS,
2800-2820M SHALE.90%,AS ABOVE,BECOMING MORE PLATY,WITH 10% SANDSTONE,10% AS BEFORE,
2820-2840M.SANDSTONE 80-90% DULLTO LIGHT GREY TO SPECKLED IN PART,FINE TO VERY FINE GRAIN, SUBANGULAR,MODERATELY SORTED,
CONSOLIDATED,TIGHT,HARD,CALCAREOUS CEMENT,NO VISIBLE POROSITY,WITH 10-20% DARK GREY TO BLACK SHALE,
PLATY TO LUMPY,FIRM TO BRITTLE,MICAEOUS,

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-2008-10-09

pdiproduction

(MIRU)	15.0	(Drilling)	16.0
(Well Kill)	3.0	(Completion)	1.0
(Workover)	27.5	(NPCT)	0.0
(Abandonment)	4.0	(Production)	4.5

REPORT # **71.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3	24:00 HRS STATUS	Directional drill 216mm hole			REPORT DATE:	October 9, 2008
UNIQUE ID:	PaP #1 ST #3					OPS DATE:	October 8, 2008
24:00 DEPTH	2878	24:00 ROP: 2.10	07:00 HRS STATUS	Directional drill 216mm hole @ 2890m		FORMATION	
PROGRESS (m)	40	07:00 ROP: 0				Winterhouse	
D&A COST	$0	D & A COST:	AFE NO.		RIG / RIG# Nabors 45	Rig Manager:	Rick Zenner
DAILY COST	$57,677	SPUD DATE:	LICENCE #		WEATHER: snow	Cell:	1-709-649-0255
PREV COST	$5,767,820	RIG REL:	KB ELEV	219.70	TEMP: 8	Drilling Foreman:	Tibor Papp
CUM COST	$5,825,497	EST. TD (m):	GRD ELEV	212.40	WIND: 30 km/h	Cell:	1-780-886-4880
		Meters to TD 0.00	HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to TD T.D.	LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	8	
Size (mm)	216.0	
Mfg.	Smith	
Type	MSI816	
Serial #	JY0420	
Nozzles (mm)	4x6.4, 4x7.1	
AreaNoz(mm2)	445.41	
WOB (daN)	8 to 16	
RPM	56M + 45R	
From (mKB)	2687.00	
To (mKB)	2878.00	
Metres	191.00	
Hrs on Bit	61.50	
m/Hr	3.10	
Cum Hole Hrs	351.25	
Condition		

SURVEYS

Depth	Degrees
2873	10.40
2883	10.30

DRLG FLUID

	Shawn Penney	
Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:00	17:15
Mud Man	S. Penney	S. Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1095	1095
Vis.	43	42
W.L.	12	12
pH	8	8
Filter Cake	1.0	1.0
600 Fann	33	32
300 Fann	23	22
P.V.	10	10
Y.P.	6	6.5
Gels 1/10	2/4	2/4
Sand (%)	0	0
Solids (%)	6.5	6.5
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf / Mf	0.20/2.65	0.20/2.65
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	30000	30000
Ca (ppm)	1000	1000

VOLUMES

Water Hauled	
Vol Dumped	
Loss Circ.	
Boiler Hrs:	

DRILLING FLUID:

Mud Gradient	10.74	kPa/m
Mud Cycle	133	min
Bottoms Up	49	min
Mud Tanks	98	m3
Hole Volume	96.3	m3 + 20%
System Vol.	194.2	m3

MUD ADDITIVES:

Polypac UL	15
XCD Polymer	8

	Mud	Water
Daily Cost	$8,821	
Cum Cost	$180,766	

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Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.44

Avail WOB 54,000 String Wt (daN) 131,000

TOTAL DRILL STRING (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1090	1085
O.F. (kg/m3)	1810	1810
Vol UF (l/min)		
Hours	24	24

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

DRILLING OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill:	4.75
Rig Move:		Logging:		Well Control:	
W.O. Daylight:		Run Casing:		Directional:	18.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:		BOP Drill:	
Tripping:		Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill out cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut Line:		Hndle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

Well Control

MACP	3550
RSPP-SPM	4500/55
Calc hole fill	
Act Hole Fill	

Date Last BOP Drill For:

Daylights	30/09/08
Afternoons	
Graveyards	02/09/08

Hydraulics

DrillcollarOD	
Drillpipe OD	

HYDRAULICS

Pump No.	1	2
Make & Model	FB-1600	FB-1600
Liner x Stk	140x305	140x305
SPM	107	
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.5	
Pump Eff.	97	97
Pump Press.	12000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2838.0m to 2839.9m with 8 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 5.0m Avg. TFO set @ 315 Azimuth HOLD from 2839.9m to 2844.9m / with 12 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2844.9m to 2849.47m with 12 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 3.0m Avg. TFO set @ 315 Azimuth HOLD from 2849.47m to 2852.47m / with 14 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2852.47m to 2859.02m with 12 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Function Annular 26 sec to close
Slide 4.5m Avg. TFO set @ 315 Azimuth HOLD from 2859.02m to 2863.22m / with 13 kdaN and 1.5m3/min; 56 PDM RPM
Rotary drill from 2863.22m to 2868.55m with 15 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Rotary drill from 2868.55m to 2877.29m with 16 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide 1.5m Avg. TFO set @ 315 Azimuth HOLD from 2877.29m to 2878.8m / with 13 kdaN and 1.5m3/min; 56 PDM RPM
Function Upper and Lower Pipe Rams 6 sec to close each
Directional Drilling - Rotate 27.6m in 4.75hrs, Slide 13.25m in 14.25hrs
Accumulated surveys, work pipe, orient tool, connections 4.5hrs

Hole condition - Hole drag 14,000 kdaN to 15,000 kdaN up, 13,000 kdaN down, Torque at bottom 10,000 ft-lbs

2820-2850 metersSANDSTONE.80-90%, DULL TO LIGHT GREY TO SPECKLED IN PART,QUARTZOSE SAND9(MOSTLY ALL QUARTZ} FINE TO VERY FINE GRAIN,SUBANGULAR,MODERATELY SORTED,CONSOLIDATED,TIGHT,HARD,CALCARCEOUS CEMENT,NO VISIBLE POROSITY,WITH 10-20% SHALE.

2850-2865M SHALE 70-80%, DARK GREY TO LIGHT,PLATY TO LUMPY,MICAEOUS IN PART,SLIGHTLY CALCARCEOUS,FIRM TO BRITTLE,TRACE OF COAL BLACK TO GREEN GREASY PHYLLITE GRAINS,WITH 20-30%DARK TO LIGHT GREY TO MOTTLED SANDSTONE.

2865-2885M.SANDSTONE.70-80%,AS BEFORE, WITH 20-30% DARK GREY TO BLACK SHALE,FIRM TO BRITTLE TO SOFT,TRACE OF BANDING IN SAMPLES,SLIGHTLY CALCARCEOUS, MICACEOUS, BECOMING SILTY WITH DEPT.THE FORMATION MIGHT BECOMING MORE SILTY WITH DEPTH,

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-2008-10-09

pdiproduction

(MIRU)	15.0	(Drilling)	17.0
(Well Kill)	3.0	(Completion)	1.0
(Workover)	27.5	(NPCT)	0.0
(Abandonment)	4.0	(Production)	4.5

REPORT # **72.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3		24:00 HRS STATUS	Make up Bit #9 and RIH		REPORT DATE:	October 10, 2008
UNIQUE ID:	PaP #1 ST #3					OPS DATE:	October 9, 2008
24:00 DEPTH	2897	24:00 ROP: 2.53	07:00 HRS STATUS	Pattern Bit #9 and drill ahead @ 2899m		FORMATION	
PROGRESS (m)	19	07:00 ROP: 0				Winterhouse	
D&A COST	$0	D & A COST:	AFE NO.		RIG / RIG# Nabors 45	Rig Manager:	Rick Zenner
DAILY COST	$97,923	SPUD DATE:	LICENCE #		WEATHER: cloudy	Cell:	1-709-649-0255
PREV COST	$5,825,497	RIG REL:	KB ELEV	219.70	TEMP: 8	Drilling Foreman:	Tibor Papp
CUM COST	$5,923,420	EST. TD (m): 4448.00	GRD ELEV	212.40	WIND: 20 km/h	Cell:	1-780-886-4880
		Meters to TD 1551.00		HIGH TIDE:		Reported To:	Steve c McIntosh
		Hours to TD T.D.		LOW TIDE:	`	Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	8	9
Size (mm)	216.0	216.0
Mfg.	Smith	Smith
Type	MSI816	FH23VPS
Serial #	JY0420	PJ8492
Nozzles (mm)	4x6.4, 4x7.1	3x9.5
AreaNoz(mm2)	445.41	
WOB (daN)	8 to 16	
RPM	56M + 45R	
From (mKB)	2687.00	2897.00
To (mKB)	2897.00	
Metres	210.00	
Hrs on Bit	68.75	
m/Hr	3.10	
Cum Hole Hrs	358.50	
Condition	3,3,CT,1,BT,PR	

SURVEYS

Depth	Degrees
2834	10.20
2844	10.50
2854	10.90
2863	10.90

DRLG FLUID — Shawn Penney

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:30	
Mud Man	S. Penney	S. Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1090	
Vis.	44	
W.L.	10	
pH	8	
Filter Cake	1.0	
600 Fann	38	
300 Fann	26	
P.V.	12	
Y.P.	7	
Gels 1/10	2/4	
Sand (%)	0	
Solids (%)	6.25	
L.G.S. (% Wt.)		
Oil (%)	0.5	
Pf	0.15	
Mf	2.55	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	29000	
Ca (ppm)	1200	
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:

Mud Gradient	10.74	kPa/m
Mud Cycle	140	min
Bottoms Up	49	min
Mud Tanks	109	m3
Hole Volume	97	m3 + 20%
System Vol.	205.6	m3

MUD ADDITIVES:

Pulpro 30	84

	Mud	Water
Daily Cost	$1,961	$0
Cum Cost	$182,727	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.27
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.44

Avail WOB 54,000 String Wt (daN) 131,000

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)		
O.F. (kg/m3)		
Vol UF (l/min)		
Hours		

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	4.25	Drill (rotary):	1.00
Rig Move:		Logging:		Drill (slide):	6.50
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	2.50
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	1.00	NU BOP's:		BOP Drill:	
Tripping:	7.75	Test BOP's:		Safety Meet:	0.50
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Hndle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550
RSPP	3950
SPM	53
Calc hole fill	
Act Hole Fill	

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC (OD):	163
DC (ID):	127

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.47	0.00
Pump Eff.	98%	98%
Pump Press.	12000	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Slide 3.0m Avg. TFO set @ 315 Azimuth HOLD from 2878.8m to 2881.9m / with 15 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2882.0m to 2887.9m with 13 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Slide 4.0m Avg. TFO set @ 315 Azimuth HOLD from 2887.9m to 2891.9m / with 15 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2891.9m to 2897.0m with 13 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Function Annular 26 sec to close

Directional Drilling - Rotate 11.36m in 1.0hrs, Slide 6.6m in 6.5hrs

Accumulated surveys, work pipe, orient tool, connections 4.25hrs

Circulate and condition mud / Pump Super Sweep

Trip out of hole for bit #9

Flow checks @ 2763m, 2620m, 1440m

BOP Drill - Discuss shut in procedures while tripping

Trip out of hole for bit #9

Flow check @ 775m / Handle Directional tools, Check Motor, Brake bit

Flow check and Function Blind Rams O.O.H 6 sec to close

Make up bit #9 and RIH - FH23VPS 3x 9.5mm nozzles

Shallow Pulse Test MWD @300m

Hole condition - Hole drag 15,000 kdaN up, 13,000 kdaN down, Torque at bottom 10,000 ft-lbs

2865-2885M.SANDSTONE.70-80%,AS BEFORE, WITH 20-30% DARK GREY TO BLACK SHALE,FIRM TO BRITTLE TO SOFT,TRACE OF BANDING IN SAMPLES,SLIGHTLY CALCARCEOUS, MICACEOUS, BECOMING SILTY WITH DEPT.THE FORMATION MIGHT BECOMING MORE SILTY WITH DEPTH,

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-2008-10-09

pdiproduction

(MIRU)	15.0	(Drilling)	18.0
(Well Kill)	3.0	(Completion)	1.0
(Workover)	27.5	(NPCT)	0.0
(Abandonment)	4.0	(Production)	4.5

REPORT # **73.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3		24:00 HRS STATUS	RIH with Bit #9		REPORT DATE:	October 11, 2008
UNIQUE ID:	PaP #1 ST #3					OPS DATE:	October 10, 2008
24:00 DEPTH	2946	24:00 ROP: 0.98	07:00 HRS STATUS	Directional drill 216mm hole		FORMATION	
PROGRESS (m)	13	07:00 ROP: 0				Winterhouse	
D&A COST	$0	D & A COST:	AFE NO.		RIG / RIG# Nabors 45	Rig Manager:	Rick Zenner
DAILY COST	$55,861	SPUD DATE:	LICENCE #		WEATHER: cloudy	Cell:	1-709-649-0255
PREV COST	$5,923,420	RIG REL:	KB ELEV	219.70	TEMP: 10	Drilling Foreman:	Tibor Papp
CUM COST	$5,979,281	EST. TD (m): 4448.00	GRD ELEV	212.40	WIND: 20 km/h	Cell:	1-780-886-4880
		Meters to TD 1502.00		HIGH TIDE:		Reported To:	Steve c McIntosh
		Hours to TD T.D.		LOW TIDE:		Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	9	
Size (mm)	216.0	
Mfg.	Smith	
Type	FH23VPS	
Serial #	PJ8492	
Nozzles (mm)	3x9.5	
AreaNoz(mm2)	212.65	
WOB (daN)	17 to 25	
RPM	56M + 45R	
From (mKB)	2897.00	
To (mKB)	2946.00	
Metres	49.00	
Hrs on Bit	13.25	
m/Hr	3.70	
Cum Hole Hrs	371.75	
Condition		

SURVEYS

Depth	Degrees
2882	10.30
2892	10.10
2901	10.00
2911	9.90
2921	10.20
2930	10.90

DRLG FLUID — Shawn Penney

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	09:55	18:10
Mud Man	S. Penney	S. Penney
Mud Co.	Mi Swaco	Mi Swaco
Density	1090	1090
Vis.	41	44
W.L.	10	10
pH	8.5	8.5
Filter Cake	1.0	1
600 Fann	27	28
300 Fann	17	19
P.V.	10	9
Y.P.	5	3.5
Gels 1/10	1/2	1/3
Sand (%)	0	
Solids (%)	6.25	6.25
L.G.S. (% Wt.)		
Oil (%)	0.5	0.5
Pf	0.10	0.08
Mf	2.70	2.70
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)	31000	31000
Ca (ppm)	1400	1400
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:

Mud Gradient	10.74	kPa/m
Mud Cycle	145	min
Bottoms Up	49	min
Mud Tanks	116	m3
Hole Volume	98.5	m3 + 20%
System Vol.	214.3	m3

MUD ADDITIVES:

XCD Polymer	8
Asphasol SUP	4

	Mud	Water
Daily Cost	$6,135	$0
Cum Cost	$188,862	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.25
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.42

Avail WOB 54,000 — String Wt (daN) 131,000

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Vol UF (l/min)		
Hours	17.5	17.5

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	8.00
Rig Move:		Logging:		Drill (slide):	5.25
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	4.50
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:		BOP Drill:	
Tripping:	5.75	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Hndle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550
RSPP	3950
SPM	53
Calc hole fill	
Act Hole Fill	

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC (OD):	163
DC (ID):	127

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.47	0.00
Pump Eff.	98%	98%
Pump Press.	15400	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

RIH with bit #9 / Flow checks @ 300m, 1100m, 2275m

Wash to bottom fr/2878m to 2897m and pattern bit with - 1.5kdaN for 0.25m, 2.5kdaN for 0.25m, 3.0 to 4.0kdaN for 1.5m to 2899m

Slide 3.0m Avg. TFO set @ 315 Azimuth HOLD from 2899.08m to 2902.08m / with 21 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2902.08m to 2906.76m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Function Annular 26 sec to close

Slide 3.0m Avg. TFO set @ 315 Azimuth HOLD from 2906.76m to 2909.76m / with 15 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2909.76m to 2916.36m with 17 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Slide 3.5m Avg. TFO set @ 330 Azimuth HOLD from 2916.36m to 2919.86m / with 25 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2919.86m to 2926.06m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Slide 3.5m Avg. TFO set @ 350 Azimuth HOLD from 2926.06m to 2929.56m / with 26 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2929.56m to 2935.62m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Slide 3.5m Avg. TFO set @ 290 Azimuth HOLD from 2935.6m to 2939.1m / with 25 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2939.1m to 2946.55m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Directional Drilling - Rotate 33.22m in 8.0hrs, Slide 16.5m in 5.25hrs

Accumulated surveys, work pipe, orient tool, connections 4.5hrs

Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 15,000 kdaN to 18,000 kdaN up, 11,000 kdaN to13,000 kdaN down, Torque at bottom 7,000 ft-lbs

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to splintery,hard to brittle with minor coal black to green phyllite grains,greasy lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous, calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains, subangular,coal black phyllite grains,greasy lustre,

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-2008-10-09

pdiproduction

(MIRU)	15.0	(Drilling)	19.0
(Well Kill)	3.0	(Completion)	1.0
(Workover)	27.5	(NPCT)	0.0
(Abandonment)	4.0	(Production)	4.5

REPORT # **74.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3		24:00 HRS STATUS	RIH with 216mm Bit #10 Smith FH30			REPORT DATE:	October 12, 2008
UNIQUE ID:	PaP #1 ST #3						OPS DATE:	October 11, 2008
24:00 DEPTH	2959	24:00 ROP: 11.43	07:00 HRS STATUS	Directional drill 216mm hole @ 2970m			FORMATION	
PROGRESS (m)	40	07:00 ROP: 0					Winterhouse	
D&A COST	$0	D & A COST:	AFE NO.		RIG / RIG#	Nabors 45	Rig Manager:	Rick Zenner
DAILY COST	$88,577	SPUD DATE:	LICENCE #		WEATHER:	sunny	Cell:	1-709-649-0255
PREV COST	$5,979,281	RIG REL:	KB ELEV	219.70	TEMP:	12	Drilling Foreman:	Tibor Papp
CUM COST	$6,067,858	EST. TD (m): 4448.00	GRD ELEV	212.40	WIND:	10 km/h	Cell:	1-780-886-4880
		Meters to TD 1489.00		HIGH TIDE:			Reported To:	Steve c McIntosh
		Hours to TD T.D.		LOW TIDE:			Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	9	10
Size (mm)	216.0	216.0
Mfg.	Smith	Smith
Type	FH23VPS	FH30VPS
Serial #	PJ8492	PJ0483
Nozzles (mm)	3x9.5	3x 9.5
AreaNoz(mm2)	212.65	212.65
WOB (daN)	17 to 25	
RPM	56M + 45R	
From (mKB)	2897.00	2959.00
To (mKB)	2959.00	
Metres	62.00	
Hrs on Bit	16.75	0.00
m/Hr	3.70	
Cum Hole Hrs	375.25	
Condition	83BTME1CTDMF	

SURVEYS

Depth	Degrees
2940	10.70

DRLG FLUID

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check		18:10
Mud Man	S. Penney	S. Penney
Mud Co.	Mi Swaco	Mi Swaco
Density		1090
Vis.		44
W.L.		10
pH		8.5
Filter Cake		1
600 Fann		28
300 Fann		19
P.V.		9
Y.P.		3.5
Gels 1/10		1/3
Sand (%)		
Solids (%)		6.25
L.G.S. (% Wt.)		
Oil (%)		0.5
Pf		0.08
Mf		2.70
MBT (kg/m3)		0
PHPA (kg/m3)		
K+ (mg/l)		
Cl (ppm)		31000
Ca (ppm)		1400
VOLUMES		
Water Hauled		
Vol Dumped		
Loss Circ.		
Boiler Hrs:		

DRILLING FLUID:

Mud Gradient	10.74	kPa/m
Mud Cycle	145	min
Bottoms Up	49	min
Mud Tanks	116	m3
Hole Volume	98.5	m3 + 20%
System Vol.	214.3	m3

MUD ADDITIVES:

	Mud	Water
Daily Cost	$900	$0
Cum Cost	$189,762	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	ID (mm)	OD (mm)	Length (m)
Bit		216	0.25
Motor 7/8 - 3.25 Stage 37R-M3		164	9.73
UBHO		165	0.75
3x163mm Monel		163	28.1
X/O		165	0.78
24x 127mm HWDP		171	223.55
X/O		165	0.80
Jars		166	5.78
X/O		165	0.80
54x 127mm HWDP		171	503.88
Total			774.42

Avail WOB 54,000 String Wt (daN) 131,000

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
	Centrifuge 1	Centrifuge 2
Make		
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Vol UF (l/min)		
Hours	17.5	17.5

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	2.50
Rig Move:		Logging:		Drill (slide):	1.00
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	1.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	2.50	NU BOP's:		BOP Drill:	
Tripping:	15.00	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:	0.75	Hndle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550
RSPP	4850
SPM	55
Calc hole fill	15.97
Act Hole Fill	16.27

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC (OD):	163
DC (ID):	127

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.47	0.00
Pump Eff.	98%	98%
Pump Press.	15700	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

Rotary drill from 2946.55m to 2954.87m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

Slide 3.0m Avg. TFO set @ 300 Azimuth HOLD from 2954.87m to 2957.87m / with 25 kdaN and 1.5m3/min; 56 PDM RPM

Rotary drill from 2957.87m to 2959.28m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM

While drilling with rotary - Lost differential pressure and was seeing eratic torque

Work pipe and try to resume drilling / Pump 3.0m3 water flush to clean bit

Work pipe to bottom and try to resume drilling / No differential pressure with 18 kdaN on bit / Wiper trip to 2869m and back to bottom

Work pipe to bottom and try to resume drilling / No differential pressure with 18 kdan on bit / Prepare to trip out of hole

Trip out of hole to hoist and check motor and bit / Flow checks @ 2830m, 2688m / Function annular 26 sec to close / Weekly BOP inspection (visual)

Pump pill and trip out of hole fr/ 2257m / Flow check @ 1421m

Lay down Motor with broken drive shaft / Pick up new motor and bit #10 Smith 216mm FH30 (Tri cone)

Function Blind Ram O.O.H 7 sec to close / Place MWD tool and run shallow test

RIH with bit #10 / Flow check and fill pipe @ 800m / Slip and cut drilling line set crown saver and test

RIH fr/ 800m to 1885m / Flow check and fill pipe

Function Upper and Lower Pipe Rams 6 sec to close each

RIH with bit #10

Hole condition - Hole drag 18,000 kdaN up, 12,000 kdaN down, Torque at bottom 7,500 ft-lbs

2950-2960 meters Sandstone,80%, dull to light grey,quartzose sand,fine to coarse grain,subangular,moderately sorted, consolidated to loose,hard,calcarceous,with dark grey to black shale, as above,with minor coal black to green greasy phyllite grains,splintery to platy

2960-2985 meters Sandstone.80-90%dull to light grey,quartzose sand,fine to coarse grain,subangular, moderately sorted, consolidated to loose,hard, calacarceous, with dark grey to black shale.10-20% ,as above,sandy in part, calcarceous, with minor coal black to green greasy phyllite, splintery to platy, trace of weathered brown grains,rich in cave-ins

2985-2999 meters Predominantly large cave-ins., Sandstone 60%, dull to light grey,large blocky grains,with dark to medium grey 40%, minor brown weathered grains.

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 19.0
(Well Kill) 3.0 (Completion) 1.0
(Workover) 27.5 (NPCT) 1.0
(Abandonment) 4.0 (Production) 4.5

REPORT # **75.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3	24:00 HRS PROJECT STATUS:	P.O.O.H. Bit #10
UNIQUE ID:	PaP #1 ST #3		
AREA:	Garden Hill South	OPS @ 07:00 HRS:	RIH with Bit #11

24:00 DEPTH:	2999	AFE:	
Previous DEPTH:	2959	LICENCE #:	
PROGRESS (m):	40	KB ELEV:	219.70
24:00 Avg. ROP:	4.10	GRD ELEV:	212.40
07:00 DEPTH:	2999	RIG & #:	Nabors 45
07:00 Avg. ROP:	0	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$55,356	RIG REL:	
PREV COST:	$6,067,858	EST. TD (m):	4448.00
CUM COST:	$6,123,214	Meters to TD:	1449.00

EXCECUTIVE OPERATIONS SUMMARY

Drilling has progressivly been tougher drilling, more abrasive and erratic on slides for holding angle the deeper we drill into the Winterhouse formations, we are within 110m to the base of the Winterhouse formation where we should encounter the Lourds formation which has a compressive strengh of 18 to 24,000 psi compared to the lower Winterhouse of 35 to 38,000 psi compressive strength. The main drilling issue is bits is to maintain the angle required to reach our ICP with build rates (12 to 15 DLS) acceptable to build our curve to 90 degrees. Hole condition is in very good condition with present drilling parameters.

DATE REPORTED:	October 13, 2008
OPERATION DATE:	October 12, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-886-4880
Drilling Foreman:	Tibor Papp
Cell:	1-780-886-4880
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848
Wellsite Geologist:	Gus Finn
Cell:	

BIT PERFORMANCE

Bit No.	10		11					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	FH30VPS		MFFBGH					
Serial #	PJ0483		LG4633					
Nozzles (mm)	3x9.5		3x11.1					
AreaNoz(mm2)	212.65							
WOB (daN)	17.0	25.0	RIH					
RPM (R & M)	56	45	RIH					
From (mKB)	2959.00		2999.27					
To (mKB)	2999.27		2999.27					
Metres (D & S)	40.27		0.00					
Hours (D & S)	9.75		0.00					
ROP m/hr (D & S)	4.13		0					
Cum Hole Hrs	385.00		0.00					
Condition								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	16:00	08:30
Mud Man	S. Penney	S. Penney
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1090	1090
Vis.	41	38
W.L.	13	16
Filter Cake	1	1
600 Fann	21	18
300 Fann	15	12
200 Fann	11	8
100 Fann	9	5
6 Fann	3	2
3 Fann	1	1
P.V.	6	6
Y.P.	4.5	3
Gels (1 sec)	1	1
Gels (10 Min.)	4	4
Gels (30 Min.)		
Sand (%)		
L.G.S. (% Wt.)		
Solids (%)	6	6
Oil (%)	0.5	0.5
Water (%)	93.5	93.5
pH	8.5	8.5
Pf	.02	0.08
Mf	2.90	2.70
MBT (kg/m3)	0	0
PHPA (kg/m3)		
K+ (mg/l)	13500	13500
Cl (ppm)	30000	30000
Ca (ppm)	1600	1600

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	145	min
Bottoms Up	49	min
Mud Tanks	116	m3
Hole Volume	98.5	m3 + 20%
System Vol.	214.3	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
Polypac UL	15		
XCD	4		

	Mud	Water
Daily Cost	$6,490	$0
Cum Cost	$208,143	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make		
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Vol UF (l/min)		
Hours	17.5	17.5

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
Bit	216		0.25
Bit	216		0.25
Motor 7/8 - 3.25 Stage 37R-M3	164		9.73
UBHO	165		0.75
3x163mm Monel	163		28.1
X/O	165		0.78
24x 127mm HWDP	171		223.55
X/O	165		0.80
Jars	166		5.78
X/O	165		0.80
54x 127mm HWDP	171		503.88
Total			774.67

Avail WOB 54,000 String Wt (daN) 131,000 rpm/l 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.50	Drill (rotary):	5.25
Rig Move:		Logging:		Drill (slide):	4.50
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	1.00	NU BOP's:		BOP Drill:	
Tripping:	9.25	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:	1.00	DST:		Rig Inspection:	
Slip / Cut:		Hndle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550
RSPP	4850
SPM	55
Calc hole fill	15.97
Act Hole Fill	16.27

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC (OD):	163
DC (ID):	127

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.47	0.00
Pump Eff.	98%	98%
Pump Press.	15700	
Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
2906.76	2909.76	315	3.00	1.00	3.00	54	16.0	2909.76	2916.36	6.60	1.25	5.28	18.0	45	7000	1.50	15.0	11.0	15000
2916.36	2919.86	330	3.50	1.00	3.50	54	18.0	2919.86	2926.06	6.20	1.33	4.66	18.0	45	7000	1.50	15.0	11.0	15000
2926.06	2929.56	350	3.50	1.10	3.18	54	18.0	2929.56	2935.62	6.06	1.50	4.04	18.0	45	7000	1.50	15.0	13.0	14000
2935.60	2939.10	290	3.50	1.10	3.18	54	18.0	2939.10	2945.30	6.20	1.40	4.43	18.0	45	7500	1.50	15.0	13.0	14500
								2945.30	2954.90	9.60	2.10	4.57	18.0	45	7500	1.50	15.0	13.0	14500
2954.90	2957.90	315	3.00	1.00	3.00	54	18.0	2957.90	2959.28	1.38	0.30	4.60	18.0	45	7500	1.50	15.0	13.0	14500
								2959.30	2967.88	8.58	2.10	4.09	20.0	45	7500	1.40	18.0	12.0	14000
2967.88	2970.88	345	3.00	0.78	3.85	54	23.0	2970.90	2974.20	3.30	0.62	5.32	21.0	45	7500	1.40	18.0	12.0	14000
2974.20	2977.20	345	3.00	0.75	4.00	54	23.0	2977.20	2983.87	6.67	1.10	6.06	21.0	40	7500	1.40	18.0	12.0	14000
2983.87	2987.37	345	3.50	0.90	3.89	54	23.0	2987.37	2993.87	6.50	1.00	6.50	20.0	40	7500	1.45	18.0	12.0	14000
2993.87	2997.42	340	3.55	1.10	3.23	54	23.0	2997.42	2999.00	1.58	0.45	3.51	21.0	40	7400	1.40	18.0	12.0	13000
								2999.00	2999.27	0.27	0.50	0.54	25.0	40	6200	1.40	18.0	12.0	11500

While drilling with rotary on Bit #9 - Lost differential pressure and was seeing eratic torque with Diff kPa / POOH / Appears motor shaft broken
RIH with bit # 10 f/ 1885m to 2260m
Fill DP with Top Drive @ 2260m
RIH with bit # 10 f/ 2260m to 2945m
Fill DP with Top Drive @ 2945m / Wash & Clean to bottom with Top Drive @ 1.50m3/min and 30 rpm
Pattern Bit with increasing WOB f/ 2 kDa/N to 14 kDa/N, 1.50m3/min and 25 surface rpm
Rotary drill from 2959.28m to 2960.28m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
Slide Avg. TFO set @ 345 Azimuth HOLD from 2960.28m to 2987.37m / with 25 kdaN and 1.5m3/min; 56 PDM RPM
Rig Service & Top Drive service
Function Annular Preventer 26 sec to close and 20 sec to open
Rotary drill from 2987.37m to 2999.27m with 18 kdaN and 1.5m3/min; 45 ETD + 56 PDM = 101 RPM
POOH to check bit / Rig repair change clutch seal
POOH / Hole in good condition with no sloughing shale - Hole drag 18,000 kdaN up, 12,000 kdaN down
Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 18,000 kdaN up, 12,000 kdaN down, Torque at bottom 7,500 ft-lbs

(00:00 - 24:00 HOURS)

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	19.0
(Well Kill)	3.0	(Completion)	1.0
(Workover)	27.5	(NPCT)	1.0
(Abandonment)	4.0	(Production)	4.5

REPORT #
75.0

DRAGON LANCE
MANAGEMENT CORPORATION
1-780-929-6768

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to tery,hard to brittle with minor coal black to green phyllite grains,greasy lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous, calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains, subangular,coal black phyllite grains,greasy lustre,

DAILY OPERATIONS REPORT

Page #1 of #1 Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	20.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **76.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS:	Slide Drilling with Bit #11 to mill junk and maintain angle between 10 to 12 degrees
OPS @ 07:00 HRS:	RIH with Bit #11

DATE REPORTED:	October 14, 2008
OPERATION DATE:	October 13, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Cell:	
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

24:00 DEPTH:	3002.65	AFE:	
Previous DEPTH:	2999	LICENCE #:	
PROGRESS (m):	3.65	KB ELEV:	219.70
24:00 Avg. ROP:	0.63	GRD ELEV:	212.40
07:00 DEPTH:	3002.65	RIG & #:	Nabors 45
07:00 Avg. ROP:	0	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$80,547	RIG REL:	
PREV COST:	$6,123,214	EST. TD (m):	4448.00
CUM COST:	$6,203,761	Meters to TD:	1445.35

EXCECUTIVE OPERATIONS SUMMARY

After pulling bit #10, we ran in with a tooth bit to chew up the buttons lost by the previous bit and clean the bottom of the hole for the next bit #12. We also did a full 3.65 meter slide to make asure we maintain angle above 10 degrees as ths is the most critical issue at the moment due to the tight conditions required to hit the ICP target later. If we allow the angle to drop we will need to increase the build rate in the curve section, this is not be acceptable. The rock is tougher and more abrasive then we seen in the upper section of the Winterhouse formations, due to this and the amount of sliding to keep angle, has contributed to the slower rates of ROP. The main drilling issue continues to be maintaining or increasing our angle required to reach our ICP with build rates (12 to 15 DLS) acceptable to build our curve to 90 degrees.

BIT PERFORMANCE

Bit No.	11			
Size (mm)	216.0			
Mfg.	Smith			
Type	MFFBGH			
Serial #	LG4633			
Nozzles (mm)	3x11.1			
AreaNoz(mm2)	212.65			
WOB (daN)	17.0 / 25.0			
RPM (R & M)	56 / 45			
From (mKB)	2999.27			
To (mKB)	3002.65			
Metres (D & S)	3.38	0.00		
Hours (D & S)	5.75	0.00		
ROP m/hr (D & S)	0.59	0		
Cum Hole Hrs	390.75	0.00		
Condition				

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	19:00	
Mud Man	S. Penney	
Mud Co.	Mi Swaco	
Density (kg/m3)	1090	
Vis.	39	
W.L.	13	
Filter Cake	1	
600 Fann	20	
300 Fann	14	
200 Fann	10	
100 Fann	8	
6 Fann	3	
3 Fann	2	
k - Value		
n - Value		
P.V.	4	
Y.P.	6	
Gels (1 sec)	1	
Gels (10 Min.)	4	
Gels (30 Min.)		
Sand (%)		
L.G.S. (% Wt.)		
Solids (%)	6	
Oil (%)	0.5	
Water (%)	93.5	
pH	8.2	
Pf	.02	
Mf	2.85	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)	13500	
Cl (ppm)	30000	
Ca (ppm)	1600	

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	147	min
Bottoms Up	50	min
Mud Tanks	118	m3
Hole Volume	99.5	m3 + 20%
Active System Vol.	217.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	4		

	Mud	Water
Daily Cost	$5,284	$0
Cum Cost	$213,427	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Vol UF (l/min)	1100	1100
Hours	6.00	6.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	1		163		9.46
Monel DC	1		163		9.28
Monel DC	1		163		9.36
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	30		127		287.21
127mm HWDP	30		171		280.42
Total					1061.61

rpm/l 0.0370

Avail WOB 54,000 String Wt (daN) 131,000

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.75	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	5.75
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	3.50
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:		BOP Drill:	
Tripping:	11.25	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	1.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4850	kPa
SPM	55	
Calc hole fill	16.34	m3
Act Hole Fill	16.49	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD): 163	(ID):	
HWDP	(OD):	(ID):	
DP	(OD): 127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	114
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.50	1.60
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
2999.27	3002.01	340	2.74	4.50	0.61	55	25.0						25.0	0	0	1.40	15.0	12.0	9200
3002.01	3002.65	340	0.64	1.25	0.51	55	28.0						28.0	0	0	1.40	15.2	12.2	9200

POOH / Hole in good condition with no sloughing shale - Hole drag 18,000 kdaN up, 12,000 kdaN down
Lay down jars and replace with new jars / Lay down PDM and PU new PDM / Change out working single above DC's
Function Blind Rams 6 sec to close and 4 to open
Make up new BHA / RIH with PDM, Flex Collars and 48 joints 127mm HWDP / PU 30 joints of 127mm X-95 DP / RIH with 30 joints of 127mm HWDP
RIH to 2334m / Fill DP and test MWD equipment / Flow Check Wellbore
RIH with Bit #11 to 2877m and fill DP / Flow Check Wellbore / Function Annular 26 sec to close and 22 to open
Wash & Clean from 2877m to 2999m
Slide Drill f/ 2999.27m to 3002.65m
Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each

Hole condition - Hole drag 18,000 kdaN up, 12,000 kdaN down, Torque at bottom 7,500 ft-lbs

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	20.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

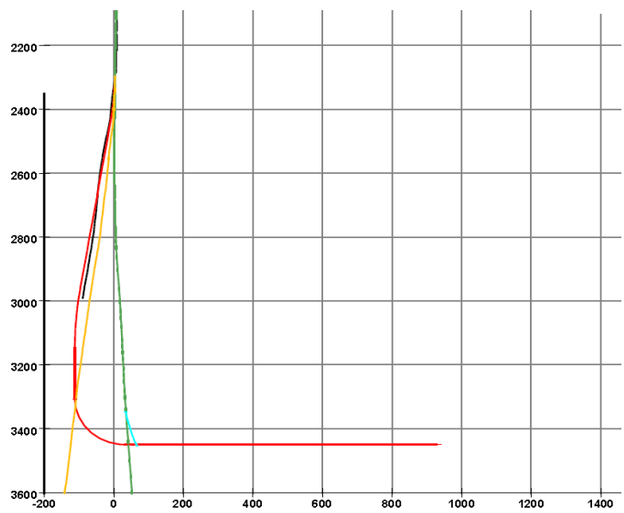
REPORT #
76.0

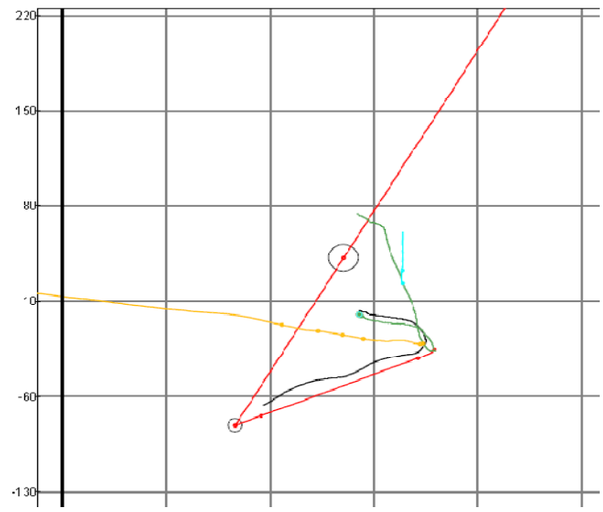
DRAGON LANCE
MANAGEMENT CORPORATION
1-780-929-6768

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to tery,hard to brittle with minor coal black to green phyllite grains,greasy lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous, calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains, subangular,coal black phyllite grains,greasy lustre,





DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	21.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **77.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: RIH with Bit #11, Hole condition - Hole drag 18,000 kdaN up, 12,000 kdaN down

OPS @ 07:00 HRS: RIH with Bit #12, HoleCondition Good

DATE REPORTED:	October 15, 2008
OPERATION DATE:	October 14, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00

24:00 DEPTH:	3004.05	AFE:	
Previous DEPTH:	3002.65	LICENCE #:	
PROGRESS (m):	1.4	KB ELEV:	219.70
24:00 Avg. ROP:	0.25	GRD ELEV:	212.40
07:00 DEPTH:	3004.05	RIG & #:	Nabors 45
07:00 Avg. ROP:	0	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$58,159	RIG REL:	
PREV COST:	$6,203,761	EST. TD (m):	4448.00
CUM COST:	$6,261,920	Meters to TD:	1443.95

EXCECUTIVE OPERATIONS SUMMARY

Drilled ahead with bit #10 to chew up the buttons lost by the previous bit and clean the bottom, slide at 340 deg. to build angle or at the least hold the angle above 11 deg. to be able to hit the ICP target later. As yesterday the formation is tougher and more abrasive then the upper section of the Winterhouse. The main drilling issue continues to be maintaining or increasing our angle required to reach our ICP with build rates (12 to 15 DLS) acceptable to build our curve to 90 degrees. Slide drill ahead to 3004.05m building angle set at 340 azimuth. Hole drag 15,000 kdaN up, 12,000 kdaN down, Torque at bottom 7,500 ft-lbs, wellbor in very good condition.

Reported To:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Cell:	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	11		12					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	MFFBGH		FH45ODIPS					
Serial #	LG4633		PH0976					
Nozzles (mm)	3x11.1		3x11.1					
AreaNoz(mm2)	212.65							
WOB (daN)	17.0	25.0	17.0	25.0				
RPM (R & M)	56	45	56	45				
From (mKB)	2999.27		3004.05					
To (mKB)	3004.05		3004.05					
Metres (D & S)	4.78		0.00					
Hours (D & S)	11.25		0.00					
ROP m/hr (D & S)	0.42		0					
Cum Hole Hrs	396.25		0.00					
Condition								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb
Time Check	19:00
Mud Man	S. Penney
Mud Co.	Mi Swaco
Density (kg/m3)	1090
Vis.	36
W.L.	12
Filter Cake	1
600 Fann	20
300 Fann	14
200 Fann	10
100 Fann	8
6 Fann	3
3 Fann	2
k - Value	
n - Value	
P.V.	6
Y.P.	4
Gels (1 sec)	1
Gels (10 Min.)	3
Gels (30 Min.)	
Sand (%)	
L.G.S. (% Wt.)	
Solids (%)	6
Oil (%)	0
Water (%)	94
pH	8
Pf	.01
Mf	2.60
MBT (kg/m3)	0
PHPA (kg/m3)	
K+ (mg/l)	13000
Cl (ppm)	30000
Ca (ppm)	1600

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	147	min
Bottoms Up	50	min
Mud Tanks	118	m3
Hole Volume	99.5	m3 + 20%
Active System Vol.	217.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	6		
Pulpro 30	30		

	Mud	Water
Daily Cost	$5,662	$0
Cum Cost	$219,089	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Vol UF (l/min)	1100	1100
Hours	10.00	10.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	1		163		9.46
Monel DC	1		163		9.28
Monel DC	1		163		9.36
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	30		127		287.21
127mm HWDP	30		171		280.42
Total					1061.61

rpm/l 0.0370

Avail WOB 54,000 String Wt (daN) 131,000

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	5.50
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	1.50
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:		BOP Drill:	
Tripping:	15.00	Test BOP's:		Safety Meet:	0.25
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	1.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4850	kPa
SPM	55	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	107	114
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.50	1.60
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
2999.27	3002.01	340	2.74	4.50	0.61	55	25.0						25.0	0	0	1.40	15.0	12.0	9200
3002.01	3002.65	340	0.64	1.25	0.51	55	28.0						28.0	0	0	1.40	15.2	12.2	9200
3002.65	3003.75	340	1.10	3.75	0.29	55	28.0						28.0	0	0	1.40	15.2	12.2	9200
3003.75	3004.05	340	0.30	1.75	0.17	55	28.0						28.0	0	0	1.40	15.2	12.2	9200

Slide Drill f/ 3002.65m to 3004.05m
POOH from 3004m to 350m for a programmed bit change / Flow Check Wellbore @ 2975m, 2732m, 1500m, and 787m
Rig Service & Top Drive service / Function the BOP Annular 26 sec to close and 22 to open
POOH from 3004m to 350m for a programmed bit change / Flow Check Wellbore @ 2975m, 2732m, 1500m, and 787m
POOH / Hole in good condition with no sloughing shale - Hole drag 15,000 kdaN up, 12,000 kdaN down
POOH from 350m to 0m for a programmed bit change / OOH @ Flow Check Wellbore & Function the BOP Blind Rams 6 sec to close and 5 to open
Change setting on PDM from 1.5 to 1.83 / Change out MWD batteries / RIH to 42m and shallow test MWD
RIH 42m to 2280m / Fill DP and test MWD equipment / Flow Check Wellbore
RIH 2280m to 2980m / Fill DP / Circulate & wash to bottom from 2980m to 3004m
Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each & 5 sec to open each.

Hole condition - Hole drag 15,000 kdaN up, 12,000 kdaN down, Torque at bottom 7,500 ft-lbs

DAILY OPERATIONS REPORT

Ver: 311-5-28109

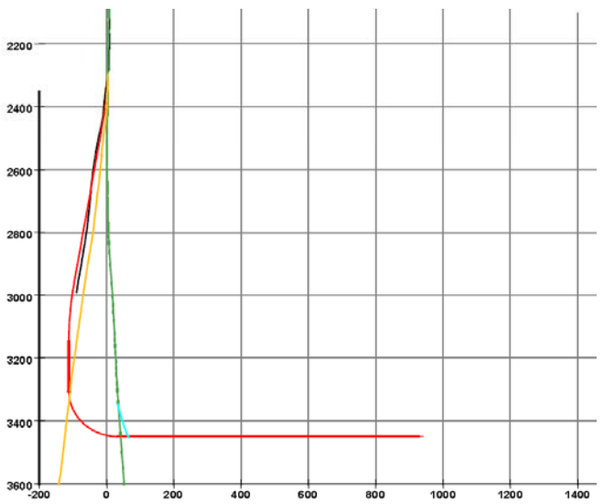
(MIRU)	15.0	(Drilling)	21.0	XXXXXXXX	0.0	REPORT #	
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0	77.0	
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0		
(Abandonment)	4.0			(NPCT)	1.0		

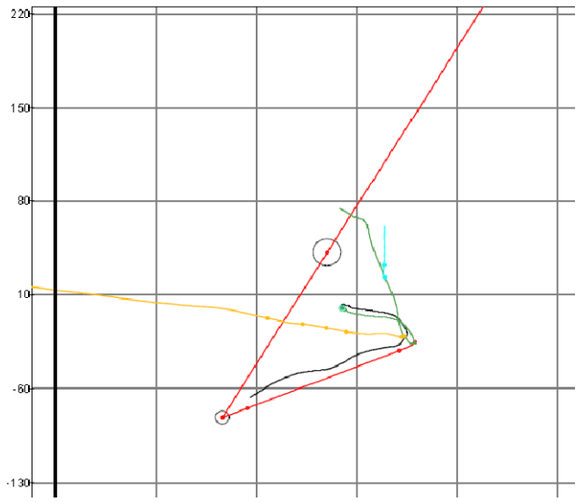
DRAGON LANCE
MANAGEMENT CORPORATION
1-780-929-6768

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to tery,hard to brittle with minor coal black to green phyllite grains,greasy
lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous,
calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to
lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains,
subangular,coal black phyllite grains,greasy lustre,





DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	22.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **78.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS:	Drill ahead directionally with PDM @ 1.83 degrees - Hole drag 17,000 kdaN up, 13,000 kdaN down
OPS @ 07:00 HRS:	Drilling ahead @ 3037m @ 2.5m/hr.

DATE REPORTED:	October 16, 2008
OPERATION DATE:	October 15, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Cell:	
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

24:00 DEPTH:	3037.00	AFE:	
Previous DEPTH:	3004.05	LICENCE #:	
PROGRESS (m):	32.95	KB ELEV:	219.70
24:00 Avg. ROP:	1.55	GRD ELEV:	212.40
07:00 DEPTH:	3050.00	RIG & #:	Nabors 45
07:00 Avg. ROP:	2.50	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$71,459	RIG REL:	
PREV COST:	$6,261,920	EST. TD (m):	4448.00
CUM COST:	$6,333,379	Meters to TD:	1398.00

EXCECUTIVE OPERATIONS SUMMARY

Drilling progressed resonably well with the ROP increasing slightly as we drilled deeper. The angle has reached 12+ degrees and holding as per planned. The bit is still pulling to the right, most likely due to the dip of the Winterhouse formation. The wellbore is cleaning well and stabile. Hole drag 17,000 kdaN up, 13,000 kdaN down , which is lower than the original model.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead with the present bit to reach a minimum of 3085m (possably deeper depending on ROP), trip out of the hole to lay down bit #12 and RIH with testing packer to proceed with the 14 day BOP test for the NLDNR. Afer BOP testing we will run in with an 813 style PDC. (8 blade with 13mm cuters.

BIT PERFORMANCE

Bit No.	12								
Size (mm)	216.0								
Mfg.	Smith								
Type	FH450DIPS								
Serial #	PH0976								
Nozzles (mm)	3x11.1								
AreaNoz(mm2)									
WOB (daN)	17.0	25.0							
RPM (R & PDM)	56	45							
From (mKB)	3004.05								
To (mKB)	3037.00								
Metres (D & S)	22.61	13.00							
Hours (D & S)	9.00	12.25							
ROP m/hr (D & S)	2.51	1.06							
Total (m) (D & S)	22.61	13.00							
Total (hrs) (D & S)	9.00	12.25							
Cum Bit Meters	35.61								
Cum Bit Hrs	21.25								
Cum Hole Hrs	417.50								
Bit Condition:									

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	13:00	21:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Vis.	36	39
W.L.	12	12
Filter Cake	1	1
600 Fann	18	20
300 Fann	10	12
200 Fann	8	9
100 Fann	6	6
6 Fann	2	3
3 Fann	1	2
k - Value "p"	0.026	0.026
k - Value "a"	0.222	0.222
n - Value "p"	0.848	0.848
n - Value "a"	0.511	0.511
P.V.	8	8
Y.P.	1	2
Gels (1 sec)	1	2
Gels (10 Min.)	3	4
Gels (30 Min.)	6	8
Sand (%)	0	0
L.G.S. (% Wt.)	4.8	4.8
Solids (%)	6	6
Oil (%)	1	1
Water (%)	93	93
pH	8	8.5
Pf	.02	.05
Mf	2.60	2.60
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	12000	12000
Cl (ppm)	28000	28000
Ca (ppm)	1600	1600

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	150	min
Bottoms Up	55	min
Mud Tanks	120	m3
Hole Volume	102.5	m3 + 20%
Active System Vol.	222.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	0	Pulpro 10	
Poly Pac R	6	Pulpro 20	
		Pulpro 30	0
Caustic	2		
Soda Ash			
Bleach			
Biocide			

	Mud	Water
Daily Cost	$2,293	$0
Cum Cost	$221,381	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Feed Rate m3/min.	1.2	1.2
Vol UF (l/min)	10	10
Hours	10.00	10.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)	
Bit	1		216	n/a	0.25	
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73	
UBHO	1		165		0.75	
Monel DC	1		163		9.46	
Monel DC	1		163		9.28	
Monel DC	1		163		9.36	
X/O	1		165		0.78	
127mm HWDP	30		171		279.49	
X/O	1		165		0.80	
Jars	1		166		5.78	
X/O	1		165		0.80	
127mm HWDP	18		171		167.50	
127mm X-95 DP	30		127		287.21	
127mm HWDP	30		171		280.42	
Total					1061.61	rpm/l
Avail WOB	54,000	String Wt (daN)			131,000	0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	0.50	Drill (rotary):	9.00
Rig Move:		Logging:		Drill (slide):	12.25
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	1.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:		BOP Drill:	
Tripping:		Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4850	kPa
SPM	55	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	108	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.51	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3004.05	3011.36	7.31	3.30	2.22	14.0	40	7500	1.50	17.0	13.0	13000
3011.36	3016.36	340	5.00	5.50	0.91	56	22.0	3016.36	3020.51	4.15	2.30	1.80	14.0	40	8000	1.45	17.0	13.0	13400
3020.51	3025.51	330	5.00	4.00	1.25	56	21.0	3025.51	3030.04	4.53	2.00	2.26	15.0	40	8000	1.45	17.0	13.0	14000
3030.04	3033.04	300	3.00	2.50	1.20	56	22.0	3033.04	3039.66	6.62	3.25	2.04	15.0	40	8000	1.45	17.0	13.0	14000
			13.00	12.00	1.08					22.61	10.85	2.08							

Rotary drill from 3004.05m to 3020.51m with 14-15 kDa/N & 40 rpm & 1.50 m3/min with 13,000 off bottom pressure & Drag up @ 17 kDa/N & Drag down @ 13 kDa/N

Work drill pipe and orient PDM to 340 degrees Azimuth (20 Left) to hold angle and turn left / Hole in good condition / Hole drag 17,000 kdaN up, 13,000 kdaN down

Slide Drill f/ 3020.51m to 3025.51m with 21-22 kDa/N & 60 PDM rpm & 1.60 m3/min with 15,000 off bottom pressure & Drag up @ 17 kDa/N & Drag down @ 13 kDa/N

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 25 sec to open.

Rotary drill from 3025.51m to 3030.04m with 15 kDa/N & 40 rpm & 1.45 m3/min with 14,000 off bottom pressure & Drag up @ 17 kDa/N & Drag down @ 13 kDa/N

Work drill pipe and orient PDM to 330 degrees Azimuth (30 Left) to hold angle and turn left / Hole in good condition / Hole drag 17,000 kdaN up, 13,000 kdaN down

Slide Drill f/ 3030.04m to 3033.04m with 22-23 kDa/N & 60 PDM rpm & 1.60 m3/min with 15,000 off bottom pressure & Drag up @ 17 kDa/N & Drag down @ 13 kDa/N

Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each & 5 sec to open each.

Drilled ahead building angle with PDM set @ 1.83 sliding at 340 to 300 deg. Azimuth (20 to 60 left)

Angle has reach 12 degrees and we have reached our ICP build rates (12 to 15 DLS) acceptable to build our curve to 90 degrees. Torque at bottom 8,000 ft-lbs, wellbore condition good. (Torque at bottom 8,000 ft-lbs)

Hole condition - Hole drag 17,000 kdaN up, 13,000 kdaN down, Torque at bottom 8,000 ft-lbs

Hole condition - Hole drag 17,000 kdaN up, 13,000 kdaN down, Torque at bottom 8,000 ft-lbs

DAILY OPERATIONS REPORT

Ver: 311-5-28109

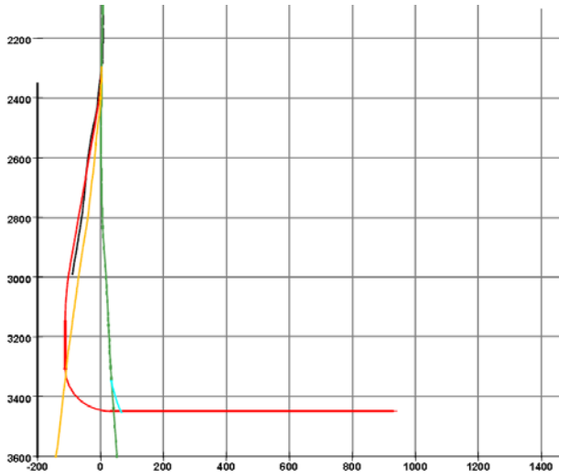
(MIRU) 15.0	(Drilling) 22.0	XXXXXXXX 0.0	
(Well Kill) 3.0	(Completion) 1.0	XXXXXXXX 0.0	REPORT #
(Workover) 27.5	(Production) 4.5	XXXXXXXX 0.0	78.0
(Abandonment) 4.0		(NPCT) 1.0	

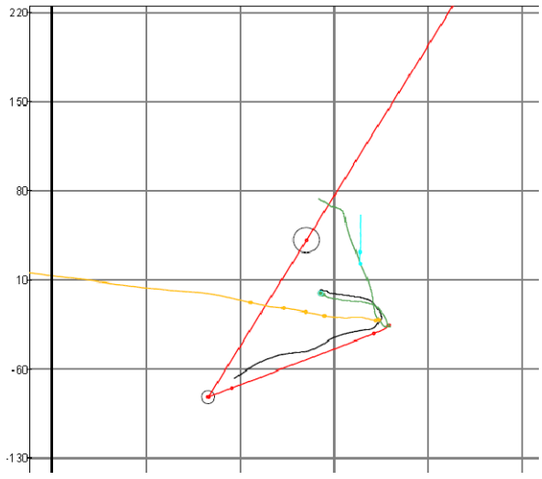
DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to tery,hard to brittle with minor coal black to green phyllite grains,greasy
lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous,
calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to
lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains,
subangular,coal black phyllite grains,greasy lustre,





DAILY OPERATIONS REPORT

Page #1 of #1 Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	23.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **79.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drill ahead directionally with PDM @ 1.83 degrees - Hole drag 17,000 kdaN up, 13,000 kdaN down

OPS @ 07:00 HRS: Drilling @ 3090m 3.4m/hr. & Slide 1.6m/hr

DATE REPORTED:	October 17, 2008
OPERATION DATE:	October 16, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Cell:	
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

24:00 DEPTH:	3079.25	AFE:	
Previous DEPTH:	3037.00	LICENCE #:	
PROGRESS (m):	42.25	KB ELEV:	219.70
24:00 Avg. ROP:	2.22	GRD ELEV:	212.40
07:00 DEPTH:	3090.53	RIG & #:	Nabors 45
07:00 Avg. ROP:	3.20	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$65,778	RIG REL:	
PREV COST:	$6,333,379	EST. TD (m):	4448.00
CUM COST:	$6,399,157	Meters to TD:	1357.47

EXCECUTIVE OPERATIONS SUMMARY

Rotate Drilling @ 3.0 to 3.4m/hr. and Slide Slide Drilling @ 1.1 to 1.6m/hr with the ROP increasing slightly as we drilled deeper. The angle is good but still having to slide to control direction the bit is still pulling to the right, most likely due to the dip of the Winterhouse formation. The wellbore is cleaning well and stabile. Hole drag 17,000 kdaN up, 13,000 kdaN down , which is lower than the original model.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead with the present bit to reach bottom of the transition zone between the Winterhouse and the Lourdes formations to a minimum of 3095m (possably deeper depending on ROP), trip out of the hole to lay down bit #12 and RIH with testing packer to proceed with the 14 day BOP test for the NLDNR. Afer BOP testing we will run in with an 813 style PDC. (8 blade with 13mm cuters).

BIT PERFORMANCE

Bit No.	12										
Size (mm)	216.0										
Mfg.	Smith										
Type	FH45ODIPS										
Serial #	PH0976										
Nozzles (mm)	3x11.1										
AreaNoz(mm2)											
WOB (daN)	17.0	25.0									
RPM (R & PDM)	56	45									
Start Depth	3004.05										
Finish Depth	3079.25										
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE					
Daily (meters)	35.42	4.17									
Daily (hours)	14.75	4.25									
Daily ROP (m/hr)	2.40	0.98									
Bit Total (m)	58.03	17.17									
Bit Total (hrs)	23.75	16.50									
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE						
Cum Bit Meters	75.20										
Cum Bit Hrs	40.25										
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE						
Cum Hole Hrs	436.50										
Bit Condition:											

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	13:00	21:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Vis.	34	35
W.L.	17	12
Filter Cake	1	1
600 Fann	16	20
300 Fann	9	10
200 Fann	6	7
100 Fann	5	5
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.678	0.678
n - Value "a"	0.459	0.459
k - Value "p"	0.074	0.074
k - Value "a"	0.242	0.242
P.V.	7	6
Y.P.	1	2
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	6	7
Sand (%)		
L.G.S. (% Wt.)	4.2	4.2
Solids (%)	6	5.5
Oil (%)	1	1
Water (%)	94	93.5
pH	8	8
Pf	0	0
Mf	2.70	2.40
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	10000	10000
Cl (ppm)	28000	28000
Ca (ppm)	1300	1700

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	150	min
Bottoms Up	55	min
Mud Tanks	120	m3
Hole Volume	102.5	m3 + 20%
Active System Vol.	222.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	2	Pulpro 10	0
Poly Pac R	0	Pulpro 20	0
Xanvis	2	Pulpro 30	0
Caustic	2		
Soda Ash	6		
Bleach	3		
X-cide	1		

	Mud	Water
Daily Cost	$6,400	$0
Cum Cost	$227,781	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Feed Rate m3/min.	1.2	1.2
Vol UF (l/min)	10	10
Hours	10.00	10.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	1		163		9.46
Monel DC	1		163		9.28
Monel DC	1		163		9.36
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	30		127		287.21
127mm HWDP	30		171		280.42
Total					1061.61
Avail WOB	54,000	String Wt (daN)			131,000

rpm/l: 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.50	Drill (rotary):	14.75
Rig Move:		Logging:		Drill (slide):	4.25
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	1.25
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	1.25	NU BOP's:		BOP Drill:	
Tripping:		Test BOP's:		Safety Meet:	0.50
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4650	kPa
SPM	58	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	108	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.51	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3004.05	3011.36	7.31	3.30	2.22	14.0	40	7500	1.50	17.0	13.0	13000
3011.36	3016.36	340	5.00	5.50	0.91	56	22.0	3016.36	3020.51	4.15	2.30	1.80	14.0	40	8000	1.45	17.0	13.0	13400
3020.51	3025.51	330	5.00	4.00	1.25	56	21.0	3025.51	3030.04	4.53	2.00	2.26	15.0	40	8000	1.45	17.0	13.0	14000
3030.04	3033.04	300	3.00	2.50	1.20	56	22.0	3033.04	3039.66	6.62	3.25	2.04	15.0	40	8000	1.45	17.0	13.0	14000
								3039.66	3049.33	9.67	4.25	2.28	16.0	40	8000	1.45	19.0	13.0	12000
								3049.33	3058.97	9.64	3.50	2.75	18.0	40	8000	1.50	19.0	13.0	14000
								3058.97	3068.59	9.62	4.00	2.41	18.0	30	8000	1.60	19.0	14.0	14000
3068.59	3071.59	280	3.00	3.00	1.00	56	23.0	3071.59	3078.08	6.49	3.00	2.16	18.0	30	8000	1.60	19.0	14.0	14200
3078.08	3079.25	280	1.17	1.22	0.96	56	21.0												
			17.17	16.22	1.06					58.03	25.60	2.27							

Directional drill 216mm hole from 3037m to 3061m as per attached slide and drill sheet data
Directional surveys and circulate & work hole on all connections.
Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.
Directional drill 216mm hole from 3061m 3079.25m as per attached slide and drill sheet data
Directional surveys and circulate & work hole on all connections.
Wellbore in good condition / Hole drag 17,000 kdaN up, 13,000 kdaN down
Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each & 5 sec to open each.
Average Torque on bottom 8,000 ft-lbs / wellbore condition good / Hole drag 19,000 kdaN up, 14,000 kdaN

DAILY OPERATIONS REPORT

Ver: 311-5-28109

(MIRU) 15.0	(Drilling) 23.0	XXXXXXXX 0.0	
(Well Kill) 3.0	(Completion) 1.0	XXXXXXXX 0.0	REPORT #
(Workover) 27.5	(Production) 4.5	XXXXXXXX 0.0	79.0
(Abandonment) 4.0		(NPCT) 1.0	

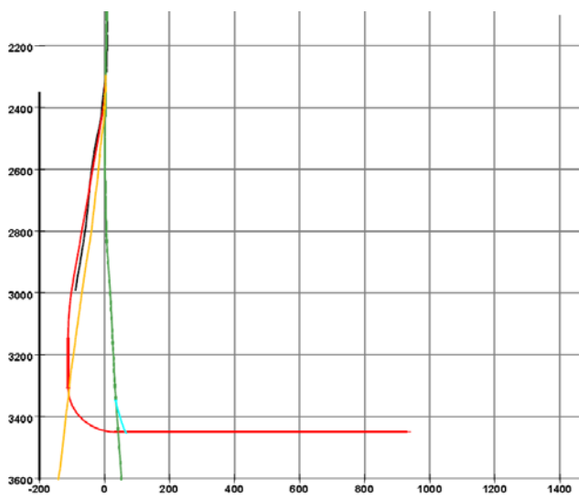
DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

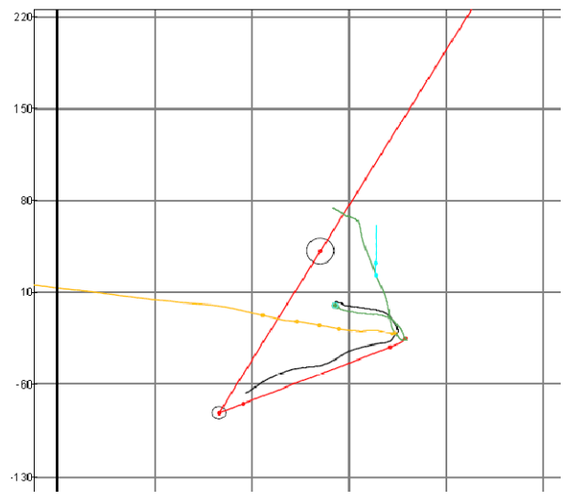
Hole condition - Hole drag 17,000 kdaN up, 13,000 kdaN down, Torque at bottom 8,000 ft-lbs

2895-2905 meters Sandstone.60% dull to light grey,fine to very fine grain,consolidated,tight,hard,calcareous,with 40% dark grey shale ,blocky to platy to tery,hard to brittle with minor coal black to green phyllite grains,greasy
lustre,rich in cave-ins,large fragments,

2905-2920 meters Shale.80-90% dark grey to light to weathered brown,blocky to lumpy to platy,firm to brittle,micaceous,
calcarceous,with 10-20% dull grey to speckled sandstone,as before,silty in part,

2920-2955 meters consolidated,friable to hard,calcarceous cement,silty in part,with 10-20% dark grey shale, blocky to
lumpy, sandy in part,firm to brittle,slightly calcareous,trace of banding,loose vitreous quartz grains,
subangular,coal black phyllite grains,greasy lustre,





DAILY OPERATIONS REPORT

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pdiproduction

(MIRU)	15.0	(Drilling)	24.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **80.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drill ahead directionally with PDM @ 1.83 degrees - Hole drag 19,000 kdaN up, 14,000 kdaN down

OPS @ 07:00 HRS: POOH to change bit & 14 day BOP pressure test.

DATE REPORTED:	October 18, 2008
OPERATION DATE:	October 17, 2008
Current Formation:	Lower Winterhouse
Next Formation:	Lourdes
Prognosed Depth:	3107.00
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Cell:	
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

24:00 DEPTH:	3116.71	AFE:	
Previous DEPTH:	3079.25	LICENCE #:	
PROGRESS (m):	37.46	KB ELEV:	219.70
24:00 Avg. ROP:	2.05	GRD ELEV:	212.40
07:00 DEPTH:	3116.71	RIG & #:	Nabors 45
07:00 Avg. ROP:	0.00	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$51,933	RIG REL:	
PREV COST:	$6,399,157	EST. TD (m):	4448.00
CUM COST:	$6,451,090	Meters to TD:	1331.29

EXCECUTIVE OPERATIONS SUMMARY

Rotate & Slide drill ahead to 3116.71m / The angle holding good and minor corrections for direction control required due to formation dip in the Winterhouse formation. The wellbore is cleaning well and stabile with no sloughing shales. Hole drag 20,000 kdaN up and 13,000 kdaN down. We began dropping angle at 3097.43 meters.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

POOH to change bit from tri-cone to PDC with 13mm cutters. While out of hole we will pressure test BOP's for the required 14 day NLDNR pressure test and casing check. After BOP testing we will run in with an 813 style PDC. (8 blade with 13mm cuters). Run back in the hole and drill ahead dropping angle to vertical as programmed.

BIT PERFORMANCE

Bit No.	12							
Size (mm)	216.0							
Mfg.	Smith							
Type	FH45ODIPS							
Serial #	PH0976							
Nozzles (mm)	3x11.1							
AreaNoz(mm2)								
WOB (daN)	17.0	25.0						
RPM (R & PDM)	56	45						
Start Depth	3004.05							
Finish Depth	3116.71							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	28.63	8.83						
Daily (hours)	10.75	7.50						
Daily ROP (m/hr)	2.66	1.18						
Bit Total (m)	86.66	26.00						
Bit Total (hrs)	44.50	24.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	112.66							
Cum Bit Hrs	58.50							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	454.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	20:00	13:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1090	1090
Vis.	35	35
W.L.	20	17
Filter Cake	1	1
600 Fann	15	15
300 Fann	9	9
200 Fann	6	6
100 Fann	4	4
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.737	
n - Value "a"	0.395	
k - Value "p"	0.046	
k - Value "a"	0.268	
P.V.	6	6
Y.P.	1.5	1.5
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	5
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	3.9	
Solids (%)	5.5	6
Oil (%)	1	1
Water (%)	93.5	93
pH	8.5	8.5
Pf	.02	0
Mf	2.2	2.6
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	10000	16000
Cl (ppm)	28000	28000
Ca (ppm)	400	600

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	150	min
Bottoms Up	55	min
Mud Tanks	120	m3
Hole Volume	102.5	m3 + 20%
Active System Vol.	222.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	0	Pulpro 10	0
Poly Pac R	0	Pulpro 20	0
Xanvis	0	Pulpro 30	0
Caustic	0		
Soda Ash	0		
Bleach	0		
X-cide	0		

	Mud	Water
Daily Cost	$900	$0
Cum Cost	$227,781	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Feed Rate m3/min.	1.2	1.2
Vol UF (l/min)	10	10
Hours	10.00	10.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	1		163		9.46
Monel DC	1		163		9.28
Monel DC	1		163		9.36
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	30		127		287.21
127mm HWDP	30		171		280.42
Total					1061.61
Avail WOB	54,000	String Wt (daN)			131,000

rpm/l: 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	10.75
Rig Move:		Logging:		Drill (slide):	7.50
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	0.50
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	1.00	NU BOP's:		BOP Drill:	
Tripping:	3.75	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4650	kPa
SPM	58	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	108	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.51	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3079.25	3081.08	280	1.83	1.78	1.03	56	23.0	3081.08	3087.78	6.70	2.76	2.43	18.0	30	8000	1.60	19.0	14.0	14000
3087.78	3090.78	260	3.00	3.00	1.00	56	23.0	3090.78	3097.43	6.65	2.40	2.77	18.0	30	8000	1.60	19.0	14.0	14000
3097.43	3099.93	180	2.50	1.80	1.39	56	23.0	3099.93	3107.03	7.10	2.50	2.84	18.0	30	8000	1.60	19.0	14.0	14000
3107.03	3108.53	180	1.50	1.00	1.50	56	23.0	3108.53	3116.71	8.18	3.00	2.73	18.0	30	8000	1.60	20.0	14.0	14000
			8.83	7.58	1.16					28.63	10.66	2.69							

Slide drill 216mm hole from 3079.25m to 3081.08m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Rotary drill 216mm hole from 3081.08m to 3087.78m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.

Slide drill 216mm hole from 3087.78m to 3090.78m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Rotary drill 216mm hole from 3090.78m to 3097.43m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Wellbore in good condition / Hole drag 19,000 kdaN up, 14,000 kdaN down

Slide drill 216mm hole from 3097.43m to 3099.93m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Rotary drill 216mm hole from 3099.93m to 3107.03m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Slide drill 216mm hole from 3107.03m to 3108.53m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Rotary drill 216mm hole from 3108.53m to 3116.71m as per above slide and drill sheet data / Directional surveys and circulate & work hole on all connections.

Circulate and condition wellbore prior to tripping / POOH to change bit & assmbley.

Rig Service & Top Drive service Function Upper and Lower Pipe Rams 6 sec to close each & 6 sec to open each.

Average Torque on bottom 8,000 ft-lbs / wellbore condition good / Hole drag 19,000 kdaN up, 14,000 kdaN

DAILY OPERATIONS REPORT

Ver: 311-5-28109

(MIRU) 15.0	(Drilling) 24.0	XXXXXXXX 0.0	
(Well Kill) 3.0	(Completion) 1.0	XXXXXXXX 0.0	REPORT #
(Workover) 27.5	(Production) 4.5	XXXXXXXX 0.0	80.0
(Abandonment) 4.0		(NPCT) 1.0	

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

Hole condition - Hole drag 20,000 kdaN up, 14,000 kdaN down, Torque at bottom 8,000 ft-lbs

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	25.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **81.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Laying down test packer assembly and tools.

OPS @ 07:00 HRS: RIH with bit #13 (PDC)

DATE REPORTED:	October 19, 2008
OPERATION DATE:	October 18, 2008

DEPTH (MD):	3116.71	GRD ELEV:	212.40
DEPTH (TVD):	3102.17	KB ELEV:	219.70
DEPTH (SSTVD):	2882.47		
Previous DEPTH:	3116.71	AFE:	
PROGRESS (m):	0.00	LICENCE #:	
24:00 Avg. ROP:	#DIV/0!	RIG & #:	Nabors 45
07:00 DEPTH:	3116.71		
07:00 DEPTH:	3116.71		
07:00 Avg. ROP:	0.00	SPUD DATE:	
D&A COST:	$0	T.D. DATE:	
DAILY COST:	$50,005	RIG REL:	
PREV COST:	$6,451,090	EST. TD (m):	4448.00
CUM COST:	$6,501,095	Meters to TD:	1331.29

EXCECUTIVE OPERATIONS SUMMARY

POOH with bit # 12 the wellbore was in very good condition with no tight areas on the trip. Pick up casing packer, safety joint and circulating sub, RIH and set packer in 244.5mm casing at 660 meters. Pressure test all BOP equipment as required. POOH with test packer and RIH with bit #13 PDC Type 8 blade 13mm Cutters.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

RIH with bit #13. Drill ahead dropping angle back to vertical with 1 to 2 meters slides. Angle is prodicted to drop at 2 to 2.5 degrees per 30 meters and we should cross the planed wellbore vertical line between 3235 MD, 3220 TVD, 83.72 SOUTH, 91.73 WEST, 118.02 VS to 3255 MD, 3240 TVD, 84.64 SOUTH, 93.01 WEST, 119.45 VS. This will put the bit with in the 10m radius of our planned drop point.

Current Formation:	Lourdes
MD (m) 3110.0	T.V.D. (m) 3095.0
Next Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m)
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	12		13					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	FH45ODIPS		MDSi-813-NBPX					
Serial #	PH0976		JY5284					
Nozzles (mm)	3 x 11.1		4 x 7.9					
AreaNoz(mm2)	291		197.9					
WOB (daN)	17.0	25.0						
RPM (R & PDM)	56	45						
Start Depth	3004.05							
Finish Depth	3116.71							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	28.63	8.83						
Daily (hours)	10.75	7.50						
Daily ROP (m/hr)	2.66	1.18						
Bit Total (m)	86.66	26.00						
Bit Total (hrs)	44.50	24.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	112.66							
Cum Bit Hrs	58.50							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	454.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	RESERVE PIT
Time Check	21:00	20:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Buoyancy	0.8605	0.8605
Vis.	34	45
W.L.	20	32
Filter Cake	1	3
600 Fann	15	34
300 Fann	9	24
200 Fann	6	18
100 Fann	4	14
6 Fann	2	10
3 Fann	1	8
n - Value "p"		
k - Value "p"		
n - Value "a"		
k - Value "a"		
P.V.	6	10
Y.P.	1.5	7
Gels (1 sec)	1	5
Gels (10 Min.)	3	12
Gels (30 Min.)	5	18
Sand (%)		
L.G.S. (% Wt.)	3.9	
Solids (%)	6	10
Oil (%)	1	2
Water (%)	93	88
pH	8	8
Pf	0	0
Mf	2.2	1
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	10000	16000
Cl (ppm)	28000	26000
Ca (ppm)	400	1700

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	150	min
Bottoms Up	55	min
Mud Tanks	120	m3
Hole Volume	102.5	m3 + 20%
Active System Vol.	222.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	0	Pulpro 10	0
Poly Pac R	0	Pulpro 20	0
Xanvis	0	Pulpro 30	60
Caustic	2		
Soda Ash	26		
Bleach	3		
X-cide	0		

	Mud	Water
Daily Cost	$2,568	$0
Cum Cost	$227,781	$0

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Feed Rate m3/min.	1.2	1.2
Vol UF (l/min)	10	10
Hours	10.00	10.00

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	1		163		9.46
Monel DC	1		163		9.28
Monel DC	1		163		9.36
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	30		127		287.21
127mm HWDP	30		171		280.42
				BHA TOTAL:	1061.61

Avail WOB 54,000 String Wt (daN) 131,000 rpm/l 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	0.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:		NU BOP's:	0.50	BOP Drill:	
Tripping:	6.50	Test BOP's:	14.00	Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	0.50
Slip / Cut:		Handle Tools:	1.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4650	kPa
SPM	51	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	108	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.51	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3079.25	3081.08	280	1.83	1.78	1.03	56	23.0	3081.08	3087.78	6.70	2.76	2.43	18.0	30	8000	1.60	19.0	14.0	14000
3087.78	3090.78	260	3.00	3.00	1.00	56	23.0	3090.78	3097.43	6.65	2.40	2.77	18.0	30	8000	1.60	19.0	14.0	14000
3097.43	3099.93	180	2.50	1.80	1.39	56	23.0	3099.93	3107.03	7.10	2.50	2.84	18.0	30	8000	1.60	19.0	14.0	14000
3107.03	3108.53	180	1.50	1.00	1.50	56	23.0	3108.53	3116.71	8.18	3.00	2.73	18.0	30	8000	1.60	20.0	14.0	14000
			8.83	7.58	1.16					28.63	10.66	2.69							

POOH from 2270m to 0m / Flow chcks at 2129m, 1090m and 0m / POOH to pick up casing test packer / Wellbore in good condition / Hole drag 19,000 kdaN up, 14,000 kdaN down

Handle directional tools / Inspect PDM motor / Pull MWD and Test same / Rack back PDM motor & flex monel DC's

Rig Service & Top Drive service / Function all main & remote BOP equipment controls (AL OK)

Function test blind rams and test with FIT / Run FIT test to 1400, 3000, 4500, 5500, 7000, and 8000 kPa (Test All OK)

RIH with 6 stands of HWDP / PU 244.5mm HOWCO test packer with safety joint and circulating port sub above / RIH slowly with packer and set packer at 660m center of elements

Conduct weekly rig inspection / Inspect all related well control equipment as required / Function test engine shut downs & emergency rig kills (All OK)

Pressure test annular preventer to 1,400 kPa f/15 min. against 6 outside manifold valves (2 degasserlines, 2 flare lines and 2 gut lines) with "0" kpa pressure (0%) drop over 15 min.

Pressure test annular preventer to 18,000 kPa f/30 min. against 6 outside manifold valves (2 degasserlines, 2 flare lines and 2 gut lines) with 625 kpa pressure (3.5%) drop over 30 min.

Pressure Upper pipe rams to 1,400 kPa f/15 min. against 3 middle manifold valves (2 wing valves & center gut valve) with "0" kpa pressure (0%) drop over 15 min.

Pressure Upper pipe rams to 14,000 kPa f/30 min. against 3 middle manifold valves (2 wing valves & center gut valve) with "0" kpa pressure (0%) drop over 30 min.

Pressure Lower pipe rams to 1,400 kPa f/15 min. against 3 middle manifold valves (Swaco Auto chokes) with "0" kpa pressure (0%) drop over 15 min.

Pressure Lower pipe rams to 14,000 kPa (Lower pipe ram rubber failed at 14,000 kPa / Open the ram doors and change out rubbers as required (Rubber had signs of damage)

Re-Pressure Lower pipe rams to 1,400 kPa f/15 min. against 3 middle manifold valves (Swaco Auto chokes) with "0" kpa pressure (0%) drop over 15 min.

Pressure Upper pipe rams to 14,500 kPa f/30 min. against 3 middle manifold valves (Swaco Auto chokes) with "0" kpa pressure (0%) drop over 30 min.

Pressure Kelly cock, ICP valve, Stab Valve, Inside BOP to 1,400 kPa & 14,500 kPa f/30 min. with "0" kpa pressure (0%) drop over 30 min.

Unset HOWCO packer and POOH with DP & HWDP / Lay down HOWCO test packer with safety joint and circulating port sub / POOH with 6 stands of HWDP tail section

Pick up PDM motor and Flex drill collars / Install bit #13 Smith MDSi-813-NBPX / Prepare to RIH

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	26.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **82.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drilling ahead 216mm hole @ 3156m

OPS @ 07:00 HRS: Drilling ahead 216mm hole @ 3185m

DATE REPORTED:	October 20, 2008
OPERATION DATE:	October 19, 2008
Current Formation:	Lourdes
MD (m) 3110.0	T.V.D. (m) 3095.0
Next Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m)

DEPTH (MD):	3155.82	GRD ELEV:	212.40
DEPTH (TVD):	3140.89	KB ELEV:	219.70
DEPTH (SSTVD):	2921.19	EST. TD (MD m):	4448.00
Previous Depth:	3116.71		
PROGRESS (m):	39.11	AFE:	
24:00 Avg. ROP:	4.60	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3185.00	RIG & #:	
07:00 TVD DEPTH:	3185.00	RIG MOVE START:	
07:00 Avg. ROP:	12.50	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$56,966	SURFACE SET:	
PREV COST:	$6,501,095	T.D. DATE:	
CUM COST:	$6,558,061	RIG UP START:	
Meters to TD:	1292.18	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Shallow test MWD at surface / RIH with bit #13 PDC Type 8 blade 13mm Cutters and wash to bottom @ 3116.71m / The wellbore was in very good condition with no tight areas on the trip to bottom with no fill. Drill ahead 216mm hole to 3155.82 meters at 24:00 hours Oct. 19th Note: 1400 unit gas peak @ 2008, October 20, 06:20

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead dropping angle back to vertical and drill vertical section. Start drilling the 12 degree BUR and start the final build up to 90 degrees.

Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	12		13					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	FH45ODIPS		MDSi-813-NBPX					
Serial #	PH0976		JY5284					
Nozzles (mm)	3 x 11.1		4 x 7.9					
AreaNoz(mm2)	291		197.9					
WOB (daN) D&S	17.0	25.0	10.0	12.5				
RPM (R & PDM)	56	45	35	60				
Bit Depth (IN)	3004.05		3116.71					
Bit Depth (OUT)	3116.71		Driling					
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	28.63	8.83	35.61	3.50				
Daily (hours)	10.75	7.50	5.00	3.50				
Daily ROP (m/hr)	2.66	1.18	7.12	1.00				
Bit Total (m)	86.66	26.00	35.61	3.50				
Bit Total (hrs)	44.50	24.00	5.00	3.50				
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	112.66		39.11					
Cum Bit Hrs	58.50		8.5					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	454.75		463.25					
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	RESERVE PIT
Time Check	23:00	14:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Buoyancy	0.8605	0.8605
Vis.	36	33
W.L.	14	17
Filter Cake	1	1
Rheology Temp	21	21
600 Fann	15	15
300 Fann	8	8
200 Fann	6	6
100 Fann	3	3
6 Fann	1	2
3 Fann	0	1
n - Value "p"	0.903	0.903
k - Value "p"	0.015	0.015
n - Value "a"	0.903	0.903
k - Value "a"	0.015	0.015
P.V.	7	7
Y.P.	0.5	0.5
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	5
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	4.5	4.5
Solids (%)	6.0	6.0
Oil (%)	1.0	1.0
Water (%)	93.0	93.0
pH	8.0	8.0
Pf	0.12	0.00
Mf	2.00	2.50
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	12000	12000
Cl (ppm)	24000	26000
Ca (ppm)	320	300

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	150	min
Bottoms Up	55	min
Mud Tanks	120	m3
Hole Volume	102.5	m3 + 20%
Active System Vol.	222.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	4	Pulpro 30	
Poly Pac R	4		
Caustic	4		
Soda Ash			
Bleach			
X-cide			

	Mud	Water
Daily Cost	$2,568	$0
Cum Cost	$225,988	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1157.46
68 Stands of DP	204	9.51583			1941.23
TOP DRIVE	1				0.35
				DRILL STRING TOTALTOTAL:	3099.04

rpm/l 0.0370

Avail WOB 54,000 String Wt (daN) 131,000

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

SOLIDS CONTROL

Shaker Make		
Shaker #	1	2
Shaker Mesh	200	200
Shaker Mesh	200	200
Shaker Mesh	200	200
Centrifuge #	1	2
Make	SS-1000	SS-1000
U.F. (kg/m3)	1085	1080
O.F. (kg/m3)	1950	1950
Feed Rate m3/min.	1.2	1.2
Vol UF (l/min)	10	10
Hours	10.00	10.00

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.00	Drill (rotary):	5.00
Rig Move:		Logging:		Drill (slide):	3.50
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	0.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	0.75	NU BOP's:		BOP Drill:	
Tripping:	11.00	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	0.50	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	4650	kPa
SPM	51	
Calc hole fill	16.74	m3
Act Hole Fill	16.83	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	108	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.51	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3116.71	3125.89	9.18	2.00	4.59	10.0	25	11500	1.60	20.0	14.0	18000
								3125.89	3135.51	9.62	1.35	7.13	10.0	25	11500	1.60	20.0	14.0	18000
3135.51	3137.01	180	1.50	1.50	1.00	56	12.5	3137.01	3145.18	8.17	0.91	8.98	10.0	25	11500	1.60	20.0	14.0	18000
3145.18	3146.18	180	1.00	1.00	1.00	56	12.5	3146.18	3154.82	8.64	0.80	10.80	10.0	25	11500	1.60	20.0	14.0	18000
3154.82	3155.82	210	1.00	1.00	1.00	56	12.5												
			3.50	3.50	1.00					35.61	5.06	7.04							

Unset HOWCO packer and POOH with DP & HWDP / Lay down HOWCO test packer with safety joint and circulating port sub / POOH with 6 stands of HWDP tail section

Pick up PDM motor and Flex drill collars / Install bit #13 Smith MDSi-813-NBPX / Prepare to RIH

RIH with directional assembly to 1300m / Fill DP @ 1174m / Flow Check Wellbore @ 1300m

RIH with directional assembly to 2260m / Fill DP @ 1174m / Flow Check Wellbore @ 2260m

Wash to botom from 3110m to 3116.60m / NO FILL ON BOTTOM / Average Torque on bottom 10,500 ft-lbs / Wellbore Condition Very Good / Hole drag down @ 14,000 to 15,000 kdaN

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 26 sec to open.

Rotary drill from 3116.60 to 3135.51m with 8-10 kDa/N & 35 to 40 rpm & 1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

Circulate & Work drill pipe to orient PDM to 180 degrees Azimuth to drop angle / Hole in good condition / Hole drag 20,000 kdaN up, 14,000 kdaN down

Slide Drill 180TF f/ 3135.51m to 3137.01m with 12.5 kDa/N & 60 PDM rpm w/1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

Rotary drill from 3137.01 to 3145.18m with 8-10 kDa/N & 35 to 40 rpm & 1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

Circulate & Work drill pipe to orient PDM to 180 degrees Azimuth to drop angle / Hole in good condition / Hole drag 20,000 kdaN up, 14,000 kdaN down

Slide Drill 180TF f/ 3145.18m to 3146.18m with 12.5 kDa/N & 60 PDM rpm w/1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

Rotary drill from 3146.18 to 3154.82m with 8-10 kDa/N & 35 to 40 rpm & 1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

Circulate & Work drill pipe to orient PDM to 180 degrees Azimuth to drop angle / Hole in good condition / Hole drag 20,000 kdaN up, 14,000 kdaN down

Slide Drill 210TF f/ 3154.82m to 3155.82m with 12.5 kDa/N & 60 PDM rpm w/1.60 m3/min with 18,000 off bottom pressure & Drag up @ 20 kDa/N & Drag down @ 14 kDa/N

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 27.0 XXXXXXXX 0.0

(Well Kill) 3.0 (Completion) 1.0 XXXXXXXX 0.0

(Workover) 27.5 (Production) 4.5 XXXXXXXX 0.0

(Abandonment) 4.0 (NPCT) 1.0

REPORT # **83.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drilling ahead 216mm hole @ 3227.66m & changing parameters to optimize ROP

OPS @ 07:00 HRS: Drilling ahead 216mm hole @ 3234m

DATE REPORTED:	October 21, 2008
OPERATION DATE:	October 20, 2008
Current Formation:	Lourdes
MD (m) 3110.0	T.V.D. (m) 3095.0
Next Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m) 3261.0

DEPTH (MD):	3227.66	GRD ELEV:	212.40
DEPTH (TVD):	3212.52	KB ELEV:	219.70
DEPTH (SSTVD):	2992.82	EST. TD (MD m):	4448.00
Previous Depth:	3155.82		
PROGRESS (m):	71.84	AFE:	
24:00 Avg. ROP:	4.71	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3234.00	RIG & #:	
07:00 TVD DEPTH:	3218.86	RIG MOVE START:	
07:00 Avg. ROP:	1.80	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$68,068	SURFACE SET:	
PREV COST:	$6,558,061	T.D. DATE:	
CUM COST:	$6,626,129	RIG UP START:	
Meters to TD:	1220.34	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill ahead 216mm hole from 3155.82 to 3222.07 meters at 15:00 hours Oct. 20th @ Avg. ROP of 9 m/hr. / Hit a hard section of drilling confirmed by samples / Drill ahead 216mm hole from 3222.07 to 3227.66 meters at 24:00 hours Oct. 20th @ Avg. ROP of 1.4 m/hr.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead to the Goose Tickle Formation / Drill ahead dropping angle back to vertical and drill vertical section. / Start drilling the 12 degree BUR and start the final build up to 90 degrees. We will most likely have to trip to dial up the motor for this section of hole.

Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-8848
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-8848

BIT PERFORMANCE

Bit No.	13							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-813-NBPX							
Serial #	JY5284							
Nozzles (mm)	4 x 7.9							
AreaNoz(mm2)	197.9							
WOB (daN) D&S	10.0	12.5						
RPM (R & PDM)	35	60						
Bit Depth (IN)	3116.71							
Bit Depth (OUT)	Driling							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Daily (meters)	67.14	5.70						
Daily (hours)	10.00	5.25						
Daily ROP (m/hr)	6.71	1.09						
Bit Total (m)	102.75	9.20						
Bit Total (hrs)	15.00	8.75						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	111.95							
Cum Bit Hrs	23.75							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	478.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	RESERVE PIT
Time Check	21:00	12:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Buoyancy	0.8605	0.8605
Vis.	40	43
W.L.	10	11
Filter Cake	1	1
Rheology Temp	30	30
600 Fann	19	20
300 Fann	11	12
200 Fann	9	9
100 Fann	5	5
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.788	0.903
k - Value "p"	0.041	0.015
n - Value "a"	0.459	0.903
k - Value "a"	0.242	0.015
P.V.	8	8
Y.P.	1.5	2
Gels (1 sec)	1	1
Gels (10 Min.)	4	4
Gels (30 Min.)	6	7
Sand (%)	0.010	0.010
L.G.S. (% Wt.)	4.5	4.5
Solids (%)	6.0	6.0
Oil (%)	1.0	1.0
Water (%)	93.0	93.0
pH	9.5	9.0
Pf	0.25	0.15
Mf	2.50	2.00
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	10000	12000
Cl (ppm)	23000	23000
Ca (ppm)	200	200

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	120	min
Bottoms Up	59	min
Mud Tanks	105	m3
Hole Volume	122	m3 + 20%
Active System Vol.	227	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	5	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	4	Pulpro 30	
Poly Pac R	9		
Caustic	6		
Soda Ash			
Bleach	2		
X-cide			
Defoam X	1		

	Mud	Water
Daily Cost	$7,213	$0
Cum Cost	$233,201	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1157.46
Singles of Drill Pipe of DP	215		9.52		2046.25
TOP DRIVE	1				5.12
			DRILL STRING TOTAL	TOTAL:	3208.83
Avail WOB	54,000		String Wt (daN)		131,000

rpm/l 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	n/a
UF kg	1865	1850	n/a
UF liters	0	0	n/a
OF kg	1085	1085	n/a
OF liters	1120	1120	n/a
Hours	12	12	n/a
Speed	2150	2150	n/a
Feed rpm	650	650	n/a

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	3.25	Drill (rotary):	10.00
Rig Move:		Logging:		Drill (slide):	5.25
				Well Control:	
W.O. Daylight:		Run Casing:		Directional:	1.75
Coring:		Cementing:		Squeeze Job:	
Reaming:		WOC:		Lost Circ:	
Cond / Circ:	0.75	NU BOP's:		BOP Drill:	
Tripping:		Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	2.50	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5250	kPa
SPM	56	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	115	117
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.61	1.64
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3155.82	3164.44	8.62	0.75	11.49	10.0	35	12500	1.60	20.0	14.0	16500
3164.44	3165.44	180	1.00	1.10	0.91	60	10.0	3165.44	3173.93	8.49	0.70	12.13	10.0	35	12500	1.60	20.0	14.0	16500
3173.93	3174.43	180	0.50	0.65	0.77	60	10.0	3174.43	3183.63	9.20	0.75	12.27	10.0	35	12500	1.60	20.0	14.0	16500
3183.63	3184.63	180	1.00	0.47	2.13	60	10.0	3184.63	3193.28	8.65	0.78	11.09	10.0	35	13500	1.60	21.0	14.0	17000
3193.28	3193.78	180	0.50	0.35	1.43	60	10.0	3193.78	3202.88	9.10	1.10	8.27	10.0	35	13500	1.60	21.0	14.0	17000
								3202.88	3212.56	9.68	1.00	9.68	10.0	35	13500	1.60	21.0	14.0	17000
3212.56	3213.76	70 MTF	1.20	0.73	1.64	60	10.0	3213.76	3222.15	8.39	1.22	6.88	10.0	40	13500	1.67	21.0	14.0	18000
3222.15	3223.65	70 MTF	1.50	1.80	0.83	60	10.0	3222.65	3227.66	5.01	3.67	1.37	10.0	40	13500	1.67	21.0	14.0	18000
			5.70	5.10	1.12					67.14	9.97	6.73							

Rotary drill from 3155.82m to 3164.44m with chart as per above / Circ & Work DP to orient PDM to 180 deg Azimuth / Slide Drill 180TF f/ 3164.44m to 3165.44m as above chart

Rotary drill from 3165.44m to 3173.93m with chart as per above / Circ & Work DP to orient PDM to 180 deg Azimuth / Slide Drill 180TF f/ 3173.93m to 3174.43m as above chart

Rotary drill from 3174.43m to 3183.63m with chart as per above / Circ & Work DP to orient PDM to 180 deg Azimuth / Slide Drill 180TF f/ 3193.28m to 3193.78m as above chart

Rotary drill from 3193.28m to 3193.78m with chart as per above / Circ & Work DP to orient PDM to 180 deg Azimuth / Slide Drill 180TF f/ 3193.78m to 3202.88m as above chart

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 26 sec to open.

Rotary drill from 3102.88m to 3112.56m with chart as per above chart / Rotary drill from 3112.56m to 3112.56m with chart as per above chart

Circ & Work DP to orient PDM to 70 MTF / Slide Drill 70 MTF f/ 3112.56m to 3213.76m as above chart / Rotary drill from 3113.76m to 3122.15m with chart as per above chart

Circ & Work DP to orient PDM to 70 MTF / Slide Drill 70 MTF f/ 3122.15m to 3223.65m as above chart / Rotary drill from 3123.65m to 3127.66m with chart as per above chart

Wiper trip f/ 3227.66 to 3124m / Drag up 18 to 21,000 & Drag down from 12 to 15,000 kDa/N

Rig Service & Top Drive service Function BOP upper pipe rams Annular Preventer @ 7 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 28.0 XXXXXXXX 0.0

(Well Kill) 3.0 (Completion) 1.0 XXXXXXXX 0.0

(Workover) 27.5 (Production) 4.5 XXXXXXXX 0.0

(Abandonment) 4.0 (NPCT) 1.0

REPORT # **84.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3	24:00 HRS PROJECT STATUS:	Drilling ahead 216mm hole @ 3252.50m & changing parameters to optimize ROP
UNIQUE ID:	PaP #1 ST #3		
AREA:	Garden Hill South	OPS @ 07:00 HRS:	Drilling ahead 216mm hole @ 3255m

DATE REPORTED: October 22, 2008
OPERATION DATE: October 21, 2008

Current Formation: Lourdes
MD (m) 3110.0 T.V.D. (m) 3095.0
Next Formation: Goose Tickle Grp.
MD (m) 3277.0 T.V.D. (m) 3261.0

DEPTH (MD):	3252.50	GRD ELEV:	212.40
DEPTH (TVD):	3237.34	KB ELEV:	219.70
DEPTH (SSTVD):	3017.64	EST. TD (MD m):	4448.00
Previous Depth:	3227.66		
PROGRESS (m):	24.84	AFE:	
24:00 Avg. ROP:	1.38	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3267.00	RIG & #:	
07:00 TVD DEPTH:	3246.83	RIG MOVE START:	
07:00 Avg. ROP:	2.40	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$62,326	SURFACE SET:	
PREV COST:	$6,626,129	T.D. DATE:	
CUM COST:	$6,688,455	RIG UP START:	
Meters to TD:	1195.50	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill ahead 216mm hole from 3155.82 to 3222.07 meters at 15:00 hours Oct. 20th @ Avg. ROP of 8 to 9 m/hr. / Hit a hard section of drilling confirmed by samples / Drill ahead 216mm hole from 3222.07 to 3227.66 meters at 24:00 hours Oct. 20th @ Avg. ROP of 1.2 to 1.4 m/hr.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Attempt to drill ahead to the Goose Tickle Formation depending on how bit performs and samples / Drill ahead; sliding 1m per kelly dropping angle back to vertical to drill vertical section. / Start drilling the 12 degree BUR and start the final build up to 90 degrees. We will most likely have to trip to dial up the motor for this section of hole.

Rig Manager:	Rick Zenner	
Cell:	1-709-649-0255	
Drilling Foreman:	Lyle McIntosh	
Cell:	1-780-913-4612	
Drilling Foreman:	Steve c McIntosh	
Cell:	1-403-875-8848	
Operations Room:	"Rig Site"	
Cell:	1-709-649-4925	
Wellsite Geologist:	Gus Finn	
Reported To:	Steve c McIntosh	
Cell:	1-403-875-8848	

BIT PERFORMANCE

Bit No.	13							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-813-NBPX							
Serial #	JY5284							
Nozzles (mm)	4 x 7.9							
AreaNoz(mm2)	197.9							
WOB (daN) D&S	12.0	18.0						
RPM (R & PDM)	45	65						
Bit Depth (IN)	3116.71							
Bit Depth (OUT)	Drilling							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	21.84	3.00						
Daily (hours)	14.50	3.50						
Daily ROP (m/hr)	1.51	0.86						
Bit Total (m)	124.59	12.20						
Bit Total (hrs)	29.50	12.25						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	136.79							
Cum Bit Hrs	41.75							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	496.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	RESERVE PIT
Time Check	23:00	14:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1090	1095
Buoyancy	0.8611	0.8605
Vis.	36	40
W.L.	12	10
Filter Cake	1	1
Rheology Temp	35	35
600 Fann	16	19
300 Fann	9	11
200 Fann	7	8
100 Fann	5	5
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.83	0.83
k - Value "p"	0.026	0.026
n - Value "a"	0.459	0.459
k - Value "a"	0.242	0.242
P.V.	7	8
Y.P.	1	1.5
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	6
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	4.6	4.6
L.G.S. (kg/m3)	118.2	118.2
Solids (%)	6.0	6.0
Oil (%)	1.0	1.0
Water (%)	93.0	93.0
pH	9.5	9.50
Pf	0.25	0.20
Mf	2.40	2.20
MBT (kg/m3)	0	0
PHPA (kg/m3)	0	0
K+ (mg/l)	10000	12000
Cl (ppm)	23000	23000
Ca (ppm)	240	200

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	115	min
Bottoms Up	45	min
Mud Tanks	102	m3
Hole Volume	107	m3 + 20%
Active System Vol.	209	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R			
Caustic	1		
Soda Ash			
Bleach	5		
X-cide	1		

	Mud	Water
Daily Cost	$4,048	$0
Cum Cost	$237,249	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1157.46
Singles of Drill Pipe of DP	220		9.52		2094.13
TOP DRIVE	1				1.74
				DRILL STRING TOTALTOTAL:	3253.33
Avail WOB	54,000		String Wt (daN)		131,000

rpm/l 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	n/a
UF kg	2000	1900	n/a
UF liters	1.85	1.85	n/a
OF kg	1160	1080	n/a
OF liters	1000	1200	n/a
Hours	8	12	n/a
Speed	2000	2250	n/a
Feed rpm	650	850	n/a

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	14.50
Rig Move:		Logging:		Drill (slide):	3.50
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Directional:	2.00
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.25	WOC:		Lost Circ:	
Wiper Trips:	2.00	NU BOP's:		BOP Drill:	
Tripping:		Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	0.25
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5250	kPa
SPM	56	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	122	132
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.71	1.85
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3227.66	3231.68	4.02	5.65	0.71	18.0	40	13500	1.67	21.0	14.0	19400
3231.68	3232.18	70 MTF	0.50	0.65	0.77	63	20.0	3232.18	3241.23	9.05	4.22	2.14	17.0	30	10000	1.85	21.0	14.0	21500
3241.23	3242.23	70 MTF	1.00	1.00	1.00	63	20.0	3242.23	3250.76	8.53	4.38	1.95	20.0	45	10000	1.85	21.0	14.0	21500
3250.76	3252.26	70 MTF	1.50	1.85	0.81	63	20.0	3252.26	3252.50	0.24	0.35	0.69	20.0	45	10000	1.85	21.0	14.0	21500
			3.00	3.50	0.86					21.84	14.60	1.50							

POOH with Wiper trip f/ 3227.66 to 3124m / Drag up 18 to 21,000 & Drag down from 12 to 15,000 kDa/N / POOH with Wiper trip f/ 3124.66 to 3200m

Wash to bottom from 3200m to 3227.66m

Rotary drill from 3227.63m to 3231.68m with chart as per above / Circ & Work DP to orient PDM to 70 MTF deg Azimuth / Slide Drill 70 MTF f/ 3231.68m to 3232.18m as above chart

Rotary drill from 3232.18m to 3241.23m with chart as per above / Circ & Work DP to orient PDM to 70 MTF deg Azimuth / Slide Drill 70 MTF f/ 3241.23m to 33242.23m as above chart

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.

Rotary drill from 3242.23m to 3250.76m with chart as per above / Circ & Work DP to orient PDM to 70 MTF deg Azimuth / Slide Drill 70 MTF f/ 3270.56m to 33252.26m as above chart

Rotary drill from 3252.26m to 3252.50m with chart as per above

Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	29.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **85.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS:	POOH with bit #13 to chage bit and dial up the PDM to optimize BUR
OPS @ 07:00 HRS:	RIH with BHA #9 and Bit #14

DATE REPORTED:	October 23, 2008
OPERATION DATE:	October 22, 2008

DEPTH (MD):	3267.00	GRD ELEV:	212.40
DEPTH (TVD):	3251.83	KB ELEV:	219.70
DEPTH (SSTVD):	3032.13	EST. TD (MD m):	4448.00
Previous Depth:	3252.50		
PROGRESS (m):	14.50	AFE:	
24:00 Avg. ROP:	1.21	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3267.00	RIG & #:	
07:00 TVD DEPTH:	3251.83	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$52,029	SURFACE SET:	
PREV COST:	$6,688,455	T.D. DATE:	
CUM COST:	$6,740,484	RIG UP START:	
Meters to TD:	1181.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill ahead 216mm hole from 3252.50 to 3267.00 meters. Circulate sample for geologist and pump sweeps to clean the well prior to tripping. POOH with Bit #13

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead to the Goose Tickle Formation / Once into the Goose Tickle increase bit perameters as reqired / Drill ahead to KOP as determined and drill ahead sliding to build angle at 12 degree BUR and build up to 90 degrees.

Current Formation:	Lourdes
MD (m) 3110.0	T.V.D. (m) 3095.0
Next Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m) 3261.0
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Steve c McIntosh
Cell:	1-403-875-6132
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	13		14					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	MDSi-813-NBPX		MDSi-816-WPX					
Serial #	JY5284							
Nozzles (mm)	4 x 7.9		6 x 7.1					
AreaNoz(mm2)	197.9							
WOB (daN) D&S	20.0	20.0						
RPM (R & PDM)	45	65						
Bit Depth (IN)	3116.71							
Bit Depth (OUT)	3267.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	13.50	1.00						
Daily (hours)	9.50	2.50						
Daily ROP (m/hr)	1.42	0.40						
Bit Total (m)	137.09	13.20						
Bit Total (hrs)	39.00	14.75						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	150.29							
Cum Bit Hrs	53.75							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	508.5							
Bit Condition:	POOH							

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb
Time Check	16:00
Mud Man	Jody Kereliuk
Mud Co.	Mi Swaco
Density (kg/m3)	1095
Buoyancy	0.8605
Vis.	36
W.L.	14
Filter Cake	1
Rheology Temp	35
600 Fann	14
300 Fann	8
200 Fann	6
100 Fann	4
6 Fann	2
3 Fann	1
n - Value "p"	0.807
k - Value "p"	0.027
n - Value "a"	0.395
k - Value "a"	0.268
P.V.	6
Y.P.	1
Gels (1 sec)	1
Gels (10 Min.)	3
Gels (30 Min.)	5
Sand (%)	0.025
L.G.S. (% Wt.)	4.6
L.G.S. (kg/m3)	119.9
Solids (%)	6.0
Oil (%)	1.0
Water (%)	93.0
pH	10.5
Pf	0.35
Mf	2.40
MBT (kg/m3)	0
PHPA (kg/m3)	0
K+ (mg/l)	10000
Cl (ppm)	23000
Ca (ppm)	120

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	120	min
Bottoms Up	50	min
Mud Tanks	103	m3
Hole Volume	130	m3 + 20%
Active System Vol.	233	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	120
Poly Pac R		SPR Sweep	1
Caustic	4		
Soda Ash			
Bleach			
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$2,874	$0
Cum Cost	$240,123	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	16	16	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1880	1840	0
UF liters	1.85	2.0	0
OF kg	1115	1085	0
OF liters	1200	1200	0
Hours	24	16	0
Speed	2250	2250	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1157.46
Singles of Drill Pipe of DP	221		9.52		2103.87
TOP DRIVE	1				7.13
				DRILL STRING TOTALTOTAL:	3268.46

Avail WOB	54,000	String Wt (daN)	131,000	rpm/l	0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	9.50
Rig Move:		Logging:		Drill (slide):	2.50
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Directional:	2.50
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.25	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	6.75	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:	1.00	Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5670	kPa
SPM	58	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	122	132
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.71	1.85
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	53.5	57.4
H.W. Drillpipe AV		
Drillcollar AV	87.9	91.2
Nozzel Vel	60.0	60.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3252.50	3260.50	8.00	3.22	2.48	20.0	45	10000	1.85	21.0	14.0	21500
3260.50	3261.50	70 MTF	1.00	2.50	0.40	63	20.0	3261.50	3267.00	5.50	6.13	0.90	20.0	45	10000	1.85	21.0	14.0	21500
			1.00	2.50	0.40					13.50	9.35	1.44							

Rotary drill from 3252.50m to 3260.50m with chart as per above
Circ & Work DP to orient PDM to 70 MTF deg Azimuth
Slide Drill 70 MTF f/ 3260.50m to 3261.50 as above chart
Rotary drill from 3261.50m to 3267.00m with chart as per above
Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.
Circulate out sample from 3267m / Continue to Circulate hole clean
Pump a tandem sweep with High Weight 1250 kg/m3 Lead 3m3 Pill and followed by Super Sweep Tail of 2m3 Pill and followed by 1095 density mud
Circulate hole clean of cuttings after Sweep bottoms Up
Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.
Slip & Cut Drilling Line
POOH with Bit #13 and flow check at 1832m and 1141m
Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.
Continue to POOH

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	30.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **86.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: POOH with bit #13 to chage bit

OPS @ 07:00 HRS: Drilling Ahead @ 3279m TVD

DATE REPORTED:	October 24, 2008
OPERATION DATE:	October 23, 2008
Current Formation:	Lourdes
MD (m) 3110.0	T.V.D. (m) 3095.0
Next Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m) 3261.0

DEPTH (MD):	3267.00	GRD ELEV:	212.40
DEPTH (TVD):	3237.34	KB ELEV:	219.70
DEPTH (SSTVD):	3017.64	EST. TD (MD m):	4448.00
Previous Depth:	3267.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	Nabors 45
07:00 MD DEPTH:	3279.00	RIG & #:	
07:00 TVD DEPTH:	3263.83	RIG MOVE START:	
07:00 Avg. ROP:	5.50	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$97,354	SURFACE SET:	
PREV COST:	$6,740,484	T.D. DATE:	
CUM COST:	$6,837,838	RIG UP START:	
Meters to TD:	1181.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Trip out of the hole and change bit and MWD tools, Function test MWD tool OK, RIH to Open Hole, test MWD, POOH and change out MWD that shorted out all the electronics. RIH with new bit & MWD / Shallow and deep test on MWD went OK.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead to the Goose Tickle Formation / Once into the Goose Tickle increase bit perameters as reqired / Drill ahead to KOP of 3300m and BUR of 12 deg per 30/m and build up to 90 degrees.

Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	13		14					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	MDSi-813-NBPX		MDSi-816-WPX					
Serial #	JY5284							
Nozzles (mm)	4 x 7.9		6 x 7.1					
AreaNoz(mm2)	197.9							
WOB (daN) D&S	20.0	20.0						
RPM (R & PDM)	45	65						
Bit Depth (IN)	3116.71							
Bit Depth (OUT)	3267.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	13.50	1.00						
Daily (hours)	9.50	2.50						
Daily ROP (m/hr)	1.42	0.40						
Bit Total (m)	137.09	13.20						
Bit Total (hrs)	39.00	14.75						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	150.29							
Cum Bit Hrs	53.75							
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	508.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	23:55	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1105	
Buoyancy	0.8592	
Vis.	36	
W.L.	14	
Filter Cake	1	
Rheology Temp	24	35
600 Fann	20	14
300 Fann	12	8
200 Fann	8	6
100 Fann	6	4
6 Fann	3	2
3 Fann	1	1
n - Value "p"	0.737	0.807
k - Value "p"	0.062	0.027
n - Value "a"	0.511	0.395
k - Value "a"	0.222	0.268
P.V.	8	6
Y.P.	2	1
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	5
Sand (%)	0.025	
L.G.S. (% Wt.)	5.5	
L.G.S. (kg/m3)	143.0	
Solids (%)	6.5	
Oil (%)	1.0	
Water (%)	92.5	
pH	10.0	
Pf	0.20	
Mf	2.40	
MBT (kg/m3)	0	25
PHPA (kg/m3)	0	
K+ (mg/l)	10000	
Cl (ppm)	23000	
Ca (ppm)	160	

DRILLING FLUID VOLUMES

Mud Gradient	10.84	kPa/m
Mud Cycle	130	min
Bottoms Up	52	min
Mud Tanks	103	m3
Hole Volume	111	m3 + 20%
Active System Vol.	214	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	60
Poly Pac R		SPR Sweep	
Caustic			
Soda Ash			
Bleach			
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$1,657	$0
Cum Cost	$241,780	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1880	1840	0
UF liters	1.85	2.0	0
OF kg	1115	1085	0
OF liters	1200	1200	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.25
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.78
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1157.46
Singles of Drill Pipe of DP	221		9.52		2103.87
TOP DRIVE	1				7.13
			DRILL STRING TOTAL	TOTAL:	3268.46

Avail WOB 54,000 | String Wt (daN) 131,000 | rpm/l 0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	6.00
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:		WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	16.25	Test BOP's:	0.25	Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	1.00	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5670	kPa
SPM	58	
Calc hole fill	13.97	m3
Act Hole Fill	14.59	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):		(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	116	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.62	0.00
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	59.5	0.0
H.W. Drillpipe AV	59.5	0.0
Drillcollar AV	87.9	0.0
Nozzel Vel	60.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
									3267.00				20.0	45	10000	1.85	21.0	14.0	21500
			0.00	0.00	#DIV/0!					0.00	0.00	#####							

Continue to POOH

POOH with Bit #13 and flow check from 950 to 39m

Rig Service & Top Drive service Function BOP HCR @ 3 sec to close & 2 sec to open.

Lay down Monel DC and POOH to remove bit

Change MWD tools (Change UBHO Sleeve, Scribe motor and test MWD Survey, Qualifiers and gamma counts all checked out OK

Trip in hole from 39m to 2306m / Flow check & fil pipe at 1100m and 2306m

Test MWD in open hole @ 2280m and test failed / Wash down DP from 2280m to 2306m / Test MWD in open hole @ 2306m and test failed

POOH for failed MWD / 2306m to 2034m with flow checks at 2306m and 2280m

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.

POOH from 2034m with failed MWD tool with flow checks at 1870m and 1100m

Lay down MWD tool and PU New MWD tool / Test MWD Survey, Qualifiers and gamma counts all checked out OK

RIH to 324m and PU Jars

Continue to RIH

NOTE: Interesting gas spike 14 X BG gas and drilling break to investigate 3m/hr to 9m/hr @ 3274m MD (3258.83m TVD) to 3278m MD (3262.83m TVD)

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	31.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **87.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: POOH with bit #13 to chage bit

OPS @ 07:00 HRS: Drilling Ahead @ 3337M

DEPTH (MD):	3318.60	GRD ELEV:	212.40
DEPTH (TVD):	3303.29	KB ELEV:	219.70
DEPTH (SSTVD):	3083.59	EST. TD (MD m):	4448.00
Previous Depth:	3267.00		
PROGRESS (m):	51.60	AFE:	
24:00 Avg. ROP:	2.87	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3337.00	RIG & #:	
07:00 TVD DEPTH:	3321.42	RIG MOVE START:	
07:00 Avg. ROP:	3.40	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$52,457	SURFACE SET:	
PREV COST:	$6,837,838	T.D. DATE:	
CUM COST:	$6,890,295	RIG UP START:	
Meters to TD:	1129.40	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

RIH WITH Bit #14 and wash to bottom / Drill ahead to 3280m / Start KOP Building angle for the curve section, attempting to build 10 to 12 DLS. / Sliding full singles and getting 1.8 to 8.6 DLS from motor setting of 1.83 / Change variables to attempt higher build rates.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Sliding full singles in the Goose Tickle and getting 1.8 to 8.6 DLS from motor setting of 1.83 / Change variables to attempt higher build rates. / If BUR does not increase to minimum 11 DSL we will POOH and dial te motor up from 1.83 MS to 2.12 or 2.38 MS and RIH to build angle to 90 degrees.

DATE REPORTED:	October 25, 2008
OPERATION DATE:	October 24, 2008
Current Formation:	Goose Tickle Grp.
MD (m)	3277.0 T.V.D. (m) 3261.8
Next Formation:	Table Point
MD (m)	3500.0 T.V.D. (m) 3442.0
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	13		14					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	MDSi-813-NBPX		MDSi-816-WPX					
Serial #	JY5284		JX1066					
Nozzles (mm)	4 x 7.9		4 x 7.1, 4x8.7					
AreaNoz(mm2)	197.9		316.74					
WOB (daN) D&S	20.0	20.0	10.0	23.0				
RPM (R & PDM)	45	65	45	65				
Bit Depth (IN)	3116.71		3267.00					
Bit Depth (OUT)	3267.00		Drilling					
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	13.50	1.00	31.12	20.48				
Daily (hours)	9.50	2.50	13.50	4.50				
Daily ROP (m/hr)	1.42	0.40	2.31	4.55				
Bit Total (m)	137.09	13.20	31.12	20.48				
Bit Total (hrs)	39.00	14.75	13.50	4.50				
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	150.29		51.60					
Cum Bit Hrs	53.75		18.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	526.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	22:00	13:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1095
Buoyancy	0.8605	0.8605
Vis.	35	35
W.L.	16	14
Filter Cake	1	1
Rheology Temp	34	34
600 Fann	14	15
300 Fann	8	9
200 Fann	5	5
100 Fann	3	3
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.807	
k - Value "p"	0.027	
n - Value "a"	0.313	
k - Value "a"	0.306	
P.V.	6	6
Y.P.	1	1.5
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	5
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	4.4	4.4
L.G.S. (kg/m3)	114.3	114.3
Solids (%)	5.5	6.0
Oil (%)	0.5	1.0
Water (%)	93.0	93.0
pH	10.0	10.00
Pf	0.40	0.30
Mf	2.30	2.5
MBT (kg/m3)	18	15
PHPA (kg/m3)	0	0
K+ (mg/l)	11000	11000
Cl (ppm)	24000	23000
Ca (ppm)	80	60

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	118	min
Bottoms Up	47	min
Mud Tanks	102	m3
Hole Volume	112	m3 + 20%
Active System Vol.	214	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	5	Pulpro 30	
Poly Pac R	5	SPR Sweep	
Caustic	2		
Soda Ash			
Bleach			
X-cide			

	Mud	Water
Daily Cost	$3,352	$0
Cum Cost	$245,132	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1860	1840	0
UF liters	1.85	2.0	0
OF kg	1080	1085	0
OF liters	1200	1200	0
Hours	12	12	0
Speed	2250	2250	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		4.95
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1156.66
Singles of Drill Pipe of DP	225		9.61		2161.18
TOP DRIVE	1				0.76
				DRILL STRING TOTAL TOTAL:	3318.60
Avail WOB	64,000	String Wt (daN)	141,000		0.0370 rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.25	Drill (rotary):	13.50
Rig Move:		Logging:		Drill (slide):	4.50
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	1.25
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:		WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	2.00	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	3700	kPa
SPM	58	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	116	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.62	0.00
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	96.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3267.00	3270.09	3.09	0.80	3.86	6.0	30	12000	1.60	20.0	14.0	14700
								3270.09	3279.49	9.40	2.37	3.97	8.0	40	14000	1.60	20.0	14.0	15000
3279.49	3280.99	90 MTF	1.50	1.45	1.03	60	18.0	3280.99	3288.98	7.99	1.45	5.51	8.0	40	14000	1.80	20.0	14.0	16500
3288.98	3298.58	40 MTF	9.60	3.22	2.98	67	23.0						23.0	0	0	1.85	22.0	16.0	17000
3298.58	3308.29	35 MTF	9.71	2.78	3.49	67	23.0						23.0	0	0	1.85	22.0	16.0	17000
3308.29	3317.84	30 MTF	9.55	3.00	3.18	60	23.0						23.0	0	0	1.85	22.0	16.0	17000
3317.84	3318.60	30 MTF	0.76	3.00	0.25	60	23.0						23.0	0	0	1.85	22.0	16.0	17000
			31.12	13.45	2.31					20.48	4.62	4.43							

Trip in hole from 2750m to 3220m / Flow check & fill pipe at 2500m / Wash down DP from 3220m to3267m

Pattern 215mm bit with 6 kDa/N & 30 RPM + 50 PDM RPM

Rotary drill from 3267m to 3270m with chart as per above

Rotary drill from 3270m to 3279.49m with chart as per above

Circ & Work DP to orient PDM to 90 MTF deg Azimuth / Slide Drill 90 MTF f/ 3270m to 3280.99 as above chart

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.

Rotary drill from 3280.99m to 3288.98m with chart as per above

Circ & Work DP to orient PDM to 40 MTF deg Azimuth / Slide Drill 40 MTF f/ 3288.98m to 3298.58 as above chart

Circ & Work DP to orient PDM to 35 MTF deg Azimuth / Slide Drill 35 MTF f/ 3298.58m to 3308.29 as above chart

Circ & Work DP to orient PDM to 30 MTF deg Azimuth / Slide Drill 30 MTF f/ 3308.29m to 3317.84 as above chart

Circ & Work DP to orient PDM to 30 MTF deg Azimuth / Slide Drill 30 MTF f/ 3317.84m to 3318.60 as above chart

Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 6 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	32.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **88.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: RIH with bit #14 (after setting motor to 2.12 MS)
OPS @ 07:00 HRS: Drilling Ahead @ 3347.50 meters (Pattern Bit)

DATE REPORTED: October 26, 2008
OPERATION DATE: October 25, 2008

Current Formation: Goose Tickle Grp.
MD (m) 3277.0 T.V.D. (m) 3261.8
Next Formation: Table Point
MD (m) 3500.0 T.V.D. (m) 3442.0

DEPTH (MD):	3347.00	GRD ELEV:	212.40
DEPTH (TVD):	3330.83	KB ELEV:	219.70
DEPTH (TVDSS):	3111.13	EST. TD (MD m):	4448.00
Previous Depth:	3318.60		
PROGRESS (m):	28.40	AFE:	
24:00 Avg. ROP:	3.34	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3347.50	RIG & #:	
07:00 TVD DEPTH:	3330.95	RIG MOVE START:	
07:00 Avg. ROP:	3.50	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$65,300	SURFACE SET:	
PREV COST:	$6,890,295	T.D. DATE:	
CUM COST:	$6,955,595	RIG UP START:	
Meters to TD:	1101.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Slide Drill ahead to 3318.60m / Start KOP Building angle for the curve section, attempting to build 10 to 12 DLS. / Sliding full singles and getting 1.8 to 8.6 DLS from motor setting of 1.83 / Change variables to attempt higher build rates. POOH tp set up motor to 2.12 MS

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Sliding full singles in the Goose Tickle and getting 10 to 12 DLS from motor setting of 2.12 MS

Rig Manager: Rick Zenner
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1, 4x8.7							
AreaNoz(mm2)	316.74							
WOB (daN) D&S	23.0	23.0						
RPM (R & PDM)	45	65						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	Drilling							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	28.19						
Daily (hours)	0.00	8.50						
Daily ROP (m/hr)		3.32						
Bit Total (m)	31.12	48.67						
Bit Total (hrs)	13.50	13.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	79.79		0.00					
Cum Bit Hrs	26.50		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	535							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb
Time Check	22:00
Mud Man	Jody Kereliuk
Mud Co.	Mi Swaco
Density (kg/m3)	1095
Buoyancy	0.8605
Vis.	35
W.L.	14
Filter Cake	1
Rheology Temp	35
600 Fann	15
300 Fann	9
200 Fann	5
100 Fann	3
6 Fann	2
3 Fann	1
n - Value "p"	0.737
k - Value "p"	0.046
n - Value "a"	0.313
k - Value "a"	0.306
P.V.	6
Y.P.	1.5
Gels (1 sec)	1
Gels (10 Min.)	3
Gels (30 Min.)	5
Gels (60 Min.)	7
Sand (%)	0.025
L.G.S. (% Wt.)	4.1
L.G.S. (kg/m3)	106.0
Solids (%)	6.0
Oil (%)	0.5
Water (%)	93.5
pH	10.5
Pf	0.45
Mf	2.00
MBT (kg/m3)	18
PHPA (kg/m3)	
K+ (mg/l)	11000
Cl (ppm)	24000
Ca (ppm)	80

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	121	min
Bottoms Up	48	min
Mud Tanks	109	m3
Hole Volume	112	m3 + 10%
Active System Vol.	221	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	60
Poly Pac R	5	SPR Sweep	1
Caustic	1		
Soda Ash			
Bleach			
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$3,086	$0
Cum Cost	$248,218	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1900	1900	0
UF liters	1.85	1.85	0
OF kg	1080	1080	0
OF liters	1100	1100	0
Hours	12	12	0
Speed	2100	2100	0
Feed rpm	750	750	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.13)	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		4.95
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
BHA TOTAL:					1156.66
Singles of Drill Pipe of DP	236		9.28		2190.13
TOP DRIVE	1				0.21
DRILL STRING TOTAL				TOTAL:	3347.00

rpm/l 0.0370

Avail WOB 64,000 String Wt (daN) 141,000

PIPE STRAP (BHA + DP)

Strap (metres)
Board (metres)
Difference (metres) 0.00
Correction (Yes/No?)

CASING BOWL DETAILS

Manufacturer
Size (mm)
WP (MPa)
Serial No.

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.50	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	8.50
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	2.00
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.25	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	9.00	Test BOP's:	0.25	Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	6000	kPa
SPM	65	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	116	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.62	0.00
Pump Eff.	100%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	96.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3318.60	3327.51	30 R	8.91	2.75	3.24	66	23.0						23.0	40	0	1.85	22.0	16.0	18000
3327.51	3337.09	40 R	9.58	3.00	3.19	66	23.0						23.0	40	0	1.85	22.0	16.0	18000
3337.09	3346.79	40 R	9.70	2.85	3.40	66	23.0						23.0	40	0	1.85	22.0	16.0	18000
			28.19	8.60	3.28					0.00	0.00								

Circ & Work DP to orient PDM to 30 R / Slide Drill 30 R f/ 3318.60m to 3327.51 as above chart
Circ & Work DP to orient PDM to 40 R / Slide Drill 40 R f/ 3327.51m to 3337.09 as above chart
Circ & Work DP to orient PDM to 40 R / Slide Drill 40 R f/ 333.09m to 3346.79 as above chart
Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.
Weekly BOP Inspection
Circulate Bottom hole sample for Geologist / Pump Super Sweep to clean wellbore / Circulate hole clean
POOH with bit #13 and set motor setting up to 2.12 MS (10 to 12 DLS) with flow checks at 3325m, 2920m, 1500m, 1156m and at surface
Rig Service & Top Drive service Function BOP "Blind Rams" @ 7 sec to close & 6 sec to open.
Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.
Check PDC bit, Check MWD and increase motor setting from 1.83 MS to 2.12 MS for predicted 10 to 12 DLS BUR
Test MWD
RIH

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 33.0 XXXXXXXX 0.0

(Well Kill) 3.0 (Completion) 1.0 XXXXXXXX 0.0

(Workover) 27.5 (Production) 4.5 XXXXXXXX 0.0

(Abandonment) 4.0 (NPCT) 1.0

REPORT # **89.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS:	POOH bit #14 motor set at 2.12 isonly producing 8.9 DLS BUR / Set motor from 2.12 MS to 2.60 MS
OPS @ 07:00 HRS:	RIH with bit #14 and motor set at 2.60 MS

DATE REPORTED:	October 27, 2008
OPERATION DATE:	October 26, 2008
Current Formation:	Goose Tickle Grp.
MD (m) 3277.0	T.V.D. (m) 3261.8
Next Formation:	Table Point
MD (m) 3500.0	T.V.D. (m) 3442.0

DEPTH (MD):	3385.27	GRD ELEV:	212.40
DEPTH (TVD):	3367.05	KB ELEV:	219.70
DEPTH (TVDSS):	3147.35	EST. TD (MD m):	4448.00
Previous Depth:	3347.00		
PROGRESS (m):	38.27	AFE:	
24:00 Avg. ROP:	4.50	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3385.27	RIG & #:	
07:00 TVD DEPTH:	3367.05	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$50,931	SURFACE SET:	
PREV COST:	$6,955,595	T.D. DATE:	
CUM COST:	$7,006,526	RIG UP START:	
Meters to TD:	1062.73	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

RIH & Wash to bottom with no fill / Slide Drill ahead to 3385.27m / Building angle for the curve section and attempting to build 10 to 12 DLS. / Sliding full singles and getting 8.6 to 8.9 DLS from motor setting of 2.12 / Change variables to attempt higher build rates. POOH tp set up motor to 2.60 MS

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

RIH with bit #14 / Wash to bottom / Sliding full singles in the Goose Tickle to build 10.5 to 12 DLS from motor setting of 2.60 MS

Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1 4 x 8.7							
AreaNoz(mm2)	396.16							
WOB (daN) D&S		25.0						
RPM (R & PDM)		67						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	RIH							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	38.48						
Daily (hours)	0.00	8.77						
Daily ROP (m/hr)		4.39						
Bit Total (m)	31.12	87.15						
Bit Total (hrs)	13.50	21.50						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	118.27		0.00					
Cum Bit Hrs	35.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	543.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	17:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1090	
Buoyancy	0.8611	
Vis.	38	
W.L.	14	
Filter Cake	1	
Rheology Temp	35	
600 Fann	16	
300 Fann	9	
200 Fann	6	
100 Fann	4	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.830	
k - Value "p"	0.026	
n - Value "a"	0.395	
k - Value "a"	0.268	
P.V.	7	
Y.P.	1	
Gels (1 sec)	1	
Gels (10 Min.)	3	
Gels (30 Min.)	6	
Gels (60 Min.)	8	
Sand (%)	0.025	
L.G.S. (% Wt.)	4.2	
L.G.S. (kg/m3)	109.9	
Solids (%)	6.0	5.0
Oil (%)	1.0	
Water (%)	93.0	95.0
pH	10.5	
Pf	0.45	
Mf	2.40	
MBT (kg/m3)	25	
PHPA (kg/m3)		
K+ (mg/l)	11000	
Cl (ppm)	24000	
Ca (ppm)	80	

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	120	min
Bottoms Up	48	min
Mud Tanks	103	m3
Hole Volume	114	m3 + 10%
Active System Vol.	217	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	60
Poly Pac R		SPR Sweep	
Caustic			
Soda Ash			
Bleach	1		
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$1,726	$0
Cum Cost	$249,944	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1870	1855	0
UF liters	1.9	1.9	0
OF kg	1080	1085	0
OF liters	1200	1200	0
Hours	12	12	0
Speed	2250	2250	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.13)	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		4.95
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1156.66
Singles of Drill Pipe of DP	234		9.53		2229.61
TOP DRIVE	1				0.21
			DRILL STRING TOTAL	TOTAL:	3386.48
Avail WOB	64,000	String Wt (daN)	141,000		0.0370 rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.25	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	8.50
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	1.00
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.75	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	11.00	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	6000	kPa
SPM	65	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD): 163	(ID):
HWDP	(OD): 127	(ID):
DP	(OD): 127	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	0.00
Pump Eff.	97%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	85.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3346.79	3356.44	30 R	9.65	2.52	3.83	66	17.0						17.0	0	0	1.85	26.0	16.0	18000
3356.44	3366.09	20 R	9.65	2.65	3.64	66	22.0						22.0	0	0	1.85	26.0	16.0	18000
3366.09	3375.64	20 R	9.55	1.87	5.11	66	22.0						22.0	0	0	1.85	26.0	16.0	18000
3375.64	3385.27	20 L	9.63	1.73	5.57	66	25.0						25.0	0	0	1.85	26.0	16.0	18000
			38.48	8.77	4.39					0.00	0.00								

Trip in hole from 320m to 3270m / Flow check & fill pipe at 1156m & 2325m / Wash down DP from 3270m to3347m / Pattern 215mm bit with 6 kDa/N & 45 PDM RPM

Circ & Work DP to orient PDM to 30 R / Slide Drill 30 R f/ 3346.79m to 3356.44 as above chart

Circ & Work DP to orient PDM to 20 R / Slide Drill 20 R f/ 3356.44m to 3361.00 as above chart

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.

Circ & Work DP to orient PDM to 20 R / Slide Drill 20 R f/ 3361.00m to 3366.09 as above chart

Circ & Work DP to orient PDM to 20 R / Slide Drill 20 R f/ 3366.09m to 3375.64 as above chart

Circ & Work DP to orient PDM to 20 L / Slide Drill 40 R f/ 3375.64m to 3385.27 as above chart

Circulate Bottom hole sample for Geologist / Pump Super Sweep to clean wellbore / Circulate hole clean

Circulate out 5 stands of DP from 3385.27 to 3250m / Pump weighted tipping pill

Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.

POOH

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 34.0 XXXXXXXX 0.0
(Well Kill) 3.0 (Completion) 1.0 XXXXXXXX 0.0
(Workover) 27.5 (Production) 4.5 XXXXXXXX 0.0
(Abandonment) 4.0 (NPCT) 1.0

REPORT # **90.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3414.08	GRD ELEV:	212.40
DEPTH (TVD):	3391.46	KB ELEV:	219.70
DEPTH (TVDSS):	3171.76	EST. TD (MD m):	4448.00
Previous Depth:	3385.27		
PROGRESS (m):	28.81	AFE:	
24:00 Avg. ROP:	5.49	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3442.76	RIG & #:	
07:00 TVD DEPTH:	3411.91	RIG MOVE START:	
07:00 Avg. ROP:	6.20	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$58,020	SURFACE SET:	
PREV COST:	$7,006,526	T.D. DATE:	
CUM COST:	$7,064,546	RIG UP START:	
Meters to TD:	1033.92	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Drilling ahead 216mm hole with bit #14 and motor set to 2.60 MS BUR 13.17 DLS 13.45

OPS @ 07:00 HRS: Circulate hole clean @ 3442.76 MD & prepare to trip for BHA assembly change

EXCECUTIVE OPERATIONS SUMMARY

POOH to change motor setting from 2.12 MS to 2.60 MS / RIH to build 10 to 12 DLS. / Sliding full singles and getting 12.3 to 13.8 DLS from motor setting of 2.60 / Slide drill to 3442.76m with 51.5 degree projection to bit.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

POOH to change motor setting from 2.60 MS to 1.83 MS with "Kick Pad" RIH to build 9 to 11 DLS. / Slide & Rotate singles as required to soft land the ICP in place.

DATE REPORTED:	October 28, 2008
OPERATION DATE:	October 27, 2008
Current Formation:	Goose Tickle Grp.
MD (m)	3277.0 T.V.D. (m) 3261.8
Next Formation:	Table Point
MD (m)	3500.0 T.V.D. (m) 3442.0
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1 4 x 8.7							
AreaNoz(mm2)	396.16							
WOB (daN) D&S		28.0						
RPM (R & PDM)		67						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	RIH							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	28.81						
Daily (hours)	0.00	5.25						
Daily ROP (m/hr)		5.49						
Bit Total (m)	31.12	115.96						
Bit Total (hrs)	13.50	26.75						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	147.08		0.00					
Cum Bit Hrs	40.25		0.00					
Cum Bit ROP	3.65		#DIV/0!					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	548.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	17:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1095	
Buoyancy	0.8605	
Vis.	38	
W.L.	13	
Filter Cake	1	
Rheology Temp	35	
600 Fann	17	
300 Fann	10	
200 Fann	7	
100 Fann	4	
6 Fann	1	
3 Fann	0.5	
n - Value "p"	0.766	
k - Value "p"	0.043	
n - Value "a"	0.593	
k - Value "a"	0.097	
P.V.	7	
Y.P.	1.5	
Gels (1 sec)	1	
Gels (10 Min.)	3	
Gels (30 Min.)	5	
Gels (60 Min.)	9	
Sand (%)	0.025	
L.G.S. (% Wt.)	4.6	
L.G.S. (kg/m3)	118.2	
Solids (%)	6.0	
Oil (%)	1.0	
Water (%)	93.0	100.0
pH	10.0	
Pf	0.30	
Mf	2.50	
MBT (kg/m3)	28	
PHPA (kg/m3)		
K+ (mg/l)	11000	
Cl (ppm)	23000	
Ca (ppm)	80	

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	117	min
Bottoms Up	49	min
Mud Tanks	99	m3
Hole Volume	116	m3 + 10%
Active System Vol.	215	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	5	Pulpro 30	
Poly Pac R		SPR Sweep	
Caustic			
Soda Ash			
Bleach	2		
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$2,130	$0
Cum Cost	$252,074	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	18	18	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	2000	1900	0
UF liters	1.9	1.9	0
OF kg	1115	1085	0
OF liters	1200	1200	0
Hours	8	8	0
Speed	2250	2250	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		4.95
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
				BHA TOTAL:	1156.66
Singles of Drill Pipe of DP	238		9.49		2257.56
TOP DRIVE	1				0.14
				DRILL STRING TOTAL TOTAL:	3414.08 rpm/l
Avail WOB	64,000	String Wt (daN)	146,000		0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.50	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	5.25
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	1.25
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.25	WOC:		Lost Circ:	
Wiper Trips:	0.75	NU BOP's:		BOP Drill:	
Tripping:	13.00	Test BOP's:	0.50	Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	6000	kPa
SPM	65	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	02/09/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	0.00
Pump Eff.	97%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	77.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3385.27	3394.78	20 L	9.51	1.78	5.34	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
3394.78	3404.47	20 L	9.69	1.78	5.44	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
3404.47	3414.08	20 R	9.61	1.78	5.40	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
			28.81	5.34	5.40					0.00	0.00								

POOH with bit #14 and set motor setting from 2.12 to 2.60 MS for 11 to 13 DLS
Rig Service & Top Drive service Function BOP Upper Pipe Rams @ 7 sec to close & 6 sec to open.
Check PDC bit, Check MWD and increase motor setting from 2.12 MS to 2.60 MS for predicted 11 to 13 DLS BUR
RIH from 39m to 2400m / Flow check & fill pipe at 1156m, 2300m, and 2400m
Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 28 sec to open.
RIH from 2400m to 3350m / Flow check & fill pipe at 3300m
Wash to bottom from 3350m to 3385m / Survey at 3389.47m @ 23.7 degrees with 41.90 azimuth
Circ & Work DP to orient PDM to 20 L / Slide Drill 20 L f/ 3385.27m to 3394.78m as above chart / Survey at 3389.47m @ 23.7 degrees with 41.90 azimuth
Circ & Work DP to orient PDM to 20 L / Slide Drill 20 L f/ 3394.78m to 3404.47m as above chart / Survey at 3399.08m @ 31.4 degrees with 31.40 azimuth
Circ & Work DP to orient PDM to 20 R / Slide Drill 20 R f/ 3404.47m to 3414.08m as above chart / Survey at 3408.77m @ 35.7 degrees with 35.70 azimuth

07:00 AM Slide Drilling Ahead @ 3442.76m / Survey at 3428.02m @ 44.60 degrees with 44.6 azimuth
07:00 AM PROJECTION TO BIT @ 3442.76m / Survey at 3443m @ 51.47 degrees with 32.8 azimuth

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	35.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0			(NPCT)	1.0

REPORT # **91.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drilling ahead with PDM set at 1.83 degrees to drill ahead in slide and rotory mode at 3480m.

OPS @ 07:00 HRS: Drilling ahead directional 216mm hole

DATE REPORTED:	October 29, 2008		
OPERATION DATE:	October 28, 2008		
Current Formation:	Goose Tickle Grp.		
MD (m)	3277.0	T.V.D. (m)	3261.8
Next Formation:	Table Point		
MD (m)	3500.0	T.V.D. (m)	3442.0

DEPTH (MD):	3442.76	GRD ELEV:	212.40
DEPTH (TVD):	3411.81	KB ELEV:	219.70
DEPTH (TVDSS):	3192.11	EST. TD (MD m):	4448.00
Previous Depth:	3414.08		
PROGRESS (m):	28.68	AFE:	
24:00 Avg. ROP:	5.46	LICENCE #:	Nabors 45
07:00 MD DEPTH:	3444.00	RIG & #:	
07:00 TVD DEPTH:	3412.58	RIG MOVE START:	
07:00 Avg. ROP:	4.50	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$53,276	SURFACE SET:	
PREV COST:	$7,064,546	T.D. DATE:	
CUM COST:	$7,117,822	RIG UP START:	
Meters to TD:	1005.24	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

RIH with PDM at 1.83 MS with kick pad to enable the ability of sliding & rotate, this will optimized the drilling to target phase. RIH with no hole problems, well in good condition (No losses & No sloughing shales) We hit the top of the Table Point @ 3501m MD / 3439.9m

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Circulate hole clean and circulate out of to the top of the curve section and rotate back to bottom. Slide drill ahead to soft land in the Auguthuna formation. Wiper trip the open hole section / POOH and lay down directional tools / RIH and condition hole and mud to run casing

Rig Manager:	Rick Zenner		
Cell:	1-709-649-0255		
Drilling Foreman:	Lyle McIntosh		
Cell:	1-780-913-4612		
Drilling Foreman:	Tibor Papp		
Cell:	1-403-652-6404		
Operations Room:	"Rig Site"		
Cell:	1-709-649-4925		
Wellsite Geologist:	Gus Finn		
Reported To:	Steve c McIntosh		
Cell:	1-403-875-6132		

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1 4 x 8.7							
AreaNoz(mm2)	396.16							
WOB (daN) D&S		28.0						
RPM (R & PDM)		67						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	RIH							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	28.68						
Daily (hours)	0.00	5.24						
Daily ROP (m/hr)	#DIV/0!	5.47						
Bit Total (m)	31.12	144.64						
Bit Total (hrs)	13.50	32.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	175.76		0.00					
Cum Bit Hrs	45.50		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	554							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb		
Time Check	09:00		
Mud Man	Jody Kereliuk		
Mud Co.	Mi Swaco		
Density (kg/m3)	1095		
Buoyancy	0.8605		
Vis.	38		
W.L.	13		
Filter Cake	1		
Rheology Temp	35		
600 Fann	16		
300 Fann	10		
200 Fann	7		
100 Fann	4		
6 Fann	2		
3 Fann	1		
n - Value "p"	0.678		
k - Value "p"	0.074		
n - Value "a"	0.395		
k - Value "a"	0.268		
P.V.	6		
Y.P.	2		
Gels (1 sec)	1		
Gels (10 Min.)	3		
Gels (30 Min.)	5		
Gels (60 Min.)	10		
Sand (%)	0.025		
L.G.S. (% Wt.)	4.9		
L.G.S. (kg/m3)	128.2		
Solids (%)	6.0		
Oil (%)	1.0		
Water (%)	93.0	100.0	
pH	10.5		
Pf	0.20		
Mf	2.00		
MBT (kg/m3)	28		
PHPA (kg/m3)			
K+ (mg/l)	10000		
Cl (ppm)	22000		
Ca (ppm)	160		

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	120	min
Bottoms Up	48	min
Mud Tanks	99	m3
Hole Volume	117	m3 + 10%
Active System Vol.	216	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	1	Pulpro 10	
Xanvis	1	Pulpro 20	
PolyPac UL		Pulpro 30	30
Poly Pac R		SPR Sweep	
Caustic	2		
Soda Ash			
Bleach	1		
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$3,002	$0
Cum Cost	$255,076	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	9.73
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		4.95
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		383.06
127mm HWDP	30		171		280.42
			BHA TOTAL:		1156.66
Singles of Drill Pipe of DP	240		9.53		2286.49
TOP DRIVE	1				9.38
			DRILL STRING TOTAL	TOTAL:	3452.53
Avail WOB	64,000	String Wt (daN)	146,000		0.0370

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	16	16	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1970	1860	0
UF liters	1.9	1.9	0
OF kg	1110	1085	0
OF liters	1200	1200	0
Hours	8	8	0
Speed	2250	2250	0
Feed rpm	850	850	0

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.25	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	5.25
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	1.75
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	2.00	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	0.25
Tripping:	10.00	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:	0.75	Handle Tools:	2.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	0.00
Pump Eff.	97%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	77.0	0.0

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3414.08	3423.77	HS	9.69	1.78	5.44	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
3423.77	3433.40	HS	9.63	1.83	5.26	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
3433.40	3442.76	HS	9.36	1.63	5.74	66	28.0						28.0	0	0	1.85	30.0	18.0	20000
			28.68	5.24	5.47					0.00	0.00	#####							

Circ & Work DP to orient PDM to HS / Slide Drill 30 HS f/ 3414.08m to 3423.77 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 30 HS f/ 3423.77m to 3433.40 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 30 HS f/ 3433.40m to 3442.76 as above chart

Circulate Bottom hole sample for Geologist / Circulate hole clean to POOH and PU PDM

POOH with bit #14 and set motor setting "DOWN" from 2.60 MS to 1.83 MS

Circulate out from 3414.08m to 3280m / POOH with no pump fom 3280m to 2280m / Flow check at 3280m / Pump tripping pill

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 27 sec to open.

POOH with bit #14to su rface with hole in good condition with flow checks at 2280m, 1160m and 38m

Lay down Jars and PDM / PU NEW PDM with kick pad and set to 1.83 MS / Install and test MWD to new test procedures / Orient tools / Reinstall bit / RIH & PU NEW JARS

RIH to 320m / Held BOP dril with night crew "Well Secured in 45 seconds" / RIH from 320m to 2300m with flow check and pipe fill up at 1173m

Slip and Cut Drilling line as required

Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.

RIH to 2280m

NOTE: Wellbore cleaning very good prior to tripping out of hole and tripping conditions of wellbore are in very good condition, past trips have had no fill on bottom.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	36.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **92.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Drilling ahead with PDM set at 1.83 degrees to drill ahead in slide and rotory mode at 3480m.

OPS @ 07:00 HRS: Drilling ahead directional 216mm hole

DEPTH (MD):	3479.96	GRD ELEV:	212.40
DEPTH (TVD):	3441.56	KB ELEV:	219.70
DEPTH (TVDSS):	3221.86	EST. TD (MD m):	4448.00
Previous Depth:	3442.76		
PROGRESS (m):	37.20	AFE:	
24:00 Avg. ROP:	4.13	LICENCE #:	
07:00 MD DEPTH:	3501.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3439.91	RIG MOVE START:	
07:00 Avg. ROP:	7.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$84,616	SURFACE SET:	
PREV COST:	$7,117,822	T.D. DATE:	
CUM COST:	$7,202,438	RIG UP START:	
Meters to TD:	968.04	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

RIH with PDM at 1.83 MS with kick pad to enable the ability of sliding & rotate, this will optimized the drilling to target phase. RIH with no hole problems, well in good condition (No losses & No sloughing shales) We hit the top of the Table Point @ 3501m MD / 3439.9m

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Circulate hole clean and circulate out of to the top of the curve section and rotate back to bottom. Slide drill ahead to soft land in the Auguthuna formation. Wiper trip the open hole section / POOH and lay down directional tools / RIH and condition hole and mud to run casing

DATE REPORTED:	October 30, 2008
OPERATION DATE:	October 29, 2008
Current Formation:	Table Point
MD (m)	3001.0 T.V.D. (m) 3439.9
Next Formation:	Auguathuna
MD (m)	3548.0 T.V.D. (m)
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1 4 x 8.7							
AreaNoz(mm2)	396.16							
WOB (daN) D&S		28.0						
RPM (R & PDM)		80						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	RIH							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	37.20						
Daily (hours)	0.00	9.03						
Daily ROP (m/hr)		4.12						
Bit Total (m)	31.12	181.84						
Bit Total (hrs)	13.50	41.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	212.96		0.00					
Cum Bit Hrs	54.50		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	563							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	22:00	14:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1100	1100
Buoyancy	0.8599	0.8599
Vis.	36	38
W.L.	13	14
Filter Cake	1	1
Rheology Temp	35	35
600 Fann	15	16
300 Fann	9	10
200 Fann	7	7
100 Fann	4	4
6 Fann	1	2
3 Fann	0.5	1
n - Value "p"	0.737	0.678
k - Value "p"	0.046	0.155
n - Value "a"	0.593	0.395
k - Value "a"	0.097	0.560
P.V.	6	6
Y.P.	1.5	2
Gels (1 sec)	1	1
Gels (10 Min.)	3	3
Gels (30 Min.)	5	5
Gels (60 Min.)	7	7
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	5.3	5.3
L.G.S. (kg/m3)	136.5	136.5
Solids (%)	6.0	6.0
Oil (%)	1.0	1.0
Water (%)	93.0	93.0
pH	10.5	10.0
Pf	0.35	0.25
Mf	3.20	2.0
MBT (kg/m3)	24	24
PHPA (kg/m3)		
K+ (mg/l)	10000	10000
Cl (ppm)	22000	22000
Ca (ppm)	160	160

DRILLING FLUID VOLUMES

Mud Gradient	10.79	kPa/m
Mud Cycle	121	min
Bottoms Up	50	min
Mud Tanks	106	m3
Hole Volume	116	m3 + 10%
Active System Vol.	222	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	1	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	8	Pulpro 30	
Poly Pac R	1	SPR Sweep	
Caustic	3		
Soda Ash			
Bleach			
X-cide			
Defoam X			

	Mud	Water
Daily Cost	$3,569	$0
Cum Cost	$258,645	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1840	1850	0
UF liters	1.9	1.9	0
OF kg	1090	1090	0
OF liters	1200	1200	0
Hours	12	20	0
Speed	2100	2150	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	8.34
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.52
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		373.31
127mm HWDP	30		171		280.42
			BHA TOTAL:		1146.09
Singles of Drill Pipe of DP	245		9.53		2333.87
TOP DRIVE	1				0.00
			DRILL STRING TOTAL	TOTAL:	3479.96
Avail WOB	64,000		String Wt (daN)		146,000

rpm/l 0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.75	Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	9.00
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	2.50
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.50	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	5.50	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:	1.00	DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	1.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	0.00
Pump Eff.	97%	100%
Pump Press.	15700	16000
Drillpipe AV	66.3	0.0
H.W. Drillpipe AV	66.3	0.0
Drillcollar AV	96.9	0.0
Nozzel Vel	77.0	0.0

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3442.76	3451.62	20 R	8.86	2.12	4.18	80	28.0						28.0	0	0	1.85	30.0	18.0	20000
3451.62	3461.29	20 R	9.67	2.12	4.56	80	28.0						28.0	0	0	1.85	30.0	18.0	18500
3461.29	3470.63	20 R	9.34	2.12	4.41	80	30.0						28.0	0	0	1.85	30.0	18.0	18500
3470.63	3479.96	20 R	9.33	2.67	3.49	80	32.0						28.0	0	0	1.85	30.0	18.0	18500
			37.20	9.03	4.12					0.00	0.00	#####							

RIH with bit #14 and PDM set at 1.83 MS = Kick Pad / RIH from 2280m to 3300m (Flow check & Fill pipe at 2300m)

Ream and Wash to bottom from 3300m to 3442m / Ream through the total slide are from the pdm runs with 2.12 MS (3347m to 3385.27m) & 2.60 MS (3385.27m to 3442.76m)

Work on Top Drive / Locking problem with TD, Fuse blown repair same

Circ & Work DP to orient PDM to HS / Slide Drill 20 R f/ 3442.76m to 3451.62 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R f/ 3451.62m to 3457 as above chart

Rig Service & Top Drive service Function BOP Annular Preventer @ 26 sec to close & 26 sec to open.

Circ & Work DP to orient PDM to HS / Slide Drill 20 R f/ 3457m to 3461.29 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R f/ 3461.29m to 3470.63 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R f/ 3470.63m to 3479.96 as above chart

Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	37.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **93.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3534.17	GRD ELEV:	212.40
DEPTH (TVD):	3447.61	KB ELEV:	219.70
DEPTH (TVDSS):	3227.91	EST. TD (MD m):	4448.00
Previous Depth:	3479.96		
PROGRESS (m):	54.21	AFE:	
24:00 Avg. ROP:	4.02	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	8.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$62,017	SURFACE SET:	
PREV COST:	$7,202,438	T.D. DATE:	
CUM COST:	$7,264,455	RIG UP START:	
Meters to TD:	913.83	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Drilling ahead with PDM set at 1.83 degrees to drill ahead in slide and rotory mode at 3534m.

OPS @ 07:00 HRS: Drill to 3550m MD TD for intermediate casing ICP of the 216mm hole section

EXCECUTIVE OPERATIONS SUMMARY

Slide drill ahead to soft land in the Auguthuna formation with PDM at 1.83 MS with kick pad to enable the ability of sliding & rotate. No hole problems, well in good condition (No losses & No sloughing shales) We hit the top of the Auguthuna @ APROXIMATELY 3535m MD / 3439.9m TVD "YET TO BE CONFIRMED BY GEOLOGIST"

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Circulate hole clean and circulate / Circulate out of to the top of the curve section / POOH and lay down directional tools / RIH and condition hole and mud and wellbore to run casing

DATE REPORTED:	October 31, 2008
OPERATION DATE:	October 30, 2008
Current Formation:	Table Point
MD (m)	3001.0 T.V.D. (m) 3439.9
Next Formation:	Auguathuna
MD (m)	3548.0 T.V.D. (m)
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	14							
Size (mm)	216.0							
Mfg.	Smith							
Type	MDSi-816-WPX							
Serial #	JX1066							
Nozzles (mm)	4 x 7.1 4 x 8.7							
AreaNoz(mm2)	396.16							
WOB (daN) D&S		32.0						
RPM (R & PDM)		75						
Bit Depth (IN)	3267.00							
Bit Depth (OUT)	RIH							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	3.76	50.45						
Daily (hours)	0.50	13.00						
Daily ROP (m/hr)	7.52	3.88						
Bit Total (m)	34.88	232.29						
Bit Total (hrs)	14.00	54.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	267.17		0.00					
Cum Bit Hrs	68.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	576.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	23:55	18:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1100
Buoyancy	0.8605	0.8599
Vis.	39	37
W.L.	11	15
Filter Cake	1	1
Rheology Temp	35	35
600 Fann	20	18
300 Fann	13	11
200 Fann	10	9
100 Fann	7	5
6 Fann	2	2
3 Fann	1	1
n - Value "p"	0.621	0.710
k - Value "p"	0.288	0.140
n - Value "a"	0.555	0.459
k - Value "a"	0.432	0.505
P.V.	7	7
Y.P.	3	2
Gels (1 sec)	2	2
Gels (10 Min.)	5	4
Gels (30 Min.)	6	6
Gels (60 Min.)	10	9
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	5.0	5.0
L.G.S. (kg/m3)	129.9	129.9
Solids (%)	6.0	7.0
Oil (%)	1.0	1.0
Water (%)	93.0	92.0
pH	10.5	10.5
Pf	0.35	0.30
Mf	3.20	3.2
MBT (kg/m3)	24	24
PHPA (kg/m3)		
K+ (mg/l)	12000	10000
Cl (ppm)	21000	22000
Ca (ppm)	80	120

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	144	min
Bottoms Up	58	min
Mud Tanks	112	m3
Hole Volume	118	m3 + 10%
Active System Vol.	230	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	2	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	2	Pulpro 30	
Poly Pac R	4	SPR Sweep	
Caustic	3		
Soda Ash			
Bleach			
X-cide		Duovis	-23
Defoam X			

	Mud	Water
Daily Cost	-$529	$0
Cum Cost	$258,116	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1890	1900	0
UF liters	1.9	1.9	0
OF kg	1090	1090	0
OF liters	1200	1200	0
Hours	24	24	0
Speed	2100	2150	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	8.34
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.52
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		373.31
127mm HWDP	30		171		280.42
				BHA TOTAL:	1146.09
Singles of Drill Pipe of DP	252		9.45		2382.08
TOP DRIVE	1				6.00
			DRILL STRING TOTAL	TOTAL:	3534.17
Avail WOB	64,000	String Wt (daN)		146,000	rpm/l 0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	2.25	Drill (rotary):	0.50
Rig Move:		Logging:		Drill (slide):	13.00
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	0.75
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	1.50	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	5.50	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:		Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	118
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	1.60
Pump Eff.	97%	97%
Pump Press.	15700	14000
Drillpipe AV	66.3	57.7
H.W. Drillpipe AV	66.3	57.7
Drillcollar AV	96.9	84.2
Nozzel Vel	77.0	67.0

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
3479.96	3489.61	20 R	9.65	2.18	4.43	80	28.0						28.0	0	0	1.85	30.0	18.0	20000
3489.61	3499.25	5 R	9.64	2.55	3.78	80	28.0						28.0	0	0	1.85	30.0	18.0	20000
3499.25	3508.87	20 R	9.62	2.17	4.43	80	28.0						28.0	0	0	1.85	30.0	18.0	20000
3508.87	3518.50	10 L	9.63	2.08	4.63	80	36.0						28.0	0	0	1.85	30.0	18.0	20000
3518.50	3525.41	20 R	6.91	1.93	3.58	72	36.0	3525.41	3528.17	2.76	0.32	8.63	31.0	20	20000	1.60	30.0	16.0	13500
3528.17	3533.17	20 L	5.00	2.17	2.30	72	36.0	3533.17	3534.17	1.00	0.15	6.67	32.0	20	20000	1.60	30.0	16.0	15000
			50.45	13.08	3.86					3.76	0.47	8.00							

Circ & Work DP to orient PDM to HS / Slide Drill 20 R from 3479.96m to 3489.61 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 5 R from 3489.61m to 3499.25 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R from 3499.25m to 3508.87 as above chart

Circulate bottoms up and wiper trip to above the curve section to KOP

Circulate & wash stands out from 3509m to 3285m

Rig Service & Top Drive service Function BOP Uower Pipe Rams @ 6 sec to close & 6 sec to open.

Circulate & wash stands in hole from 3285m to 3509m

Circ & Work DP to orient PDM to HS / Slide Drill 10 R from 3508.87m to 3518.50 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R from 3518.50m to 3525.41 as above chart

Rotary Drill from 3525.41m to 3528.17 as above chart

Circ & Work DP to orient PDM to HS / Slide Drill 20 R from 3528.41m to 3533.17 as above chart

Rotary Drill from 3533.17m to 3534.17 as above chart

Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	38.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **94.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: RIH with 216mm bit for clean out and wiper trip.

OPS @ 07:00 HRS: RIH and clean to bottom / Circulate and conditon mud for casing.

DATE REPORTED: November 1, 2008
OPERATION DATE: October 31, 2008
Current Formation: Auguathuna
MD (m) 3001.0 T.V.D. (m) 3439.9
Next Formation:
MD (m) T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3534.17		
PROGRESS (m):	15.83	AFE:	
24:00 Avg. ROP:	4.87	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$56,543	SURFACE SET:	
PREV COST:	$7,264,455	T.D. DATE:	
CUM COST:	$7,320,998	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill ahead 216mm hole to casing TD (ICP) / Circulate and wait on orders (Hold meeting with PDIP Manchester for ICP) / POOH to lay down directional tools and release all directional personnel & tools / RIH with 216mm bit and clen to bottom. Circulate and condition mud.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Circulate and condition mud for running casing / POOH and lay down all grade "E" drillpipe / POOH / Rig up casing crews and run 177.8mm casing with liner tools / Run liner into place and circulate to ICP / Circulate and condition mud for cementing.

Rig Manager: Rick Zenner
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.	14		15					
Size (mm)	216.0		216.0					
Mfg.	Smith		Smith					
Type	MDSi-816-WPX		FDS+ PR					
Serial #	JX1066		FJ1744					
Nozzles (mm)	4 x 7.1 4 x 8.7		3 x 15.8					
AreaNoz(mm2)	396.16							
WOB (daN) D&S		32.0						
RPM (R & PDM)		75						
Bit Depth (IN)	3267.00		3550.00					
Bit Depth (OUT)	3550.00		3550.00					
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	7.83	8.00						
Daily (hours)	1.25	2.00						
Daily ROP (m/hr)	6.26	4.00						
Bit Total (m)	42.71	240.29						
Bit Total (hrs)	15.25	56.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	283.00		0.00					
Cum Bit Hrs	71.25		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	06:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1095	
Buoyancy	0.8605	
Vis.	42	
W.L.	11	
Filter Cake	1	
Rheology Temp	35	
600 Fann	24	
300 Fann	16	
200 Fann	12	
100 Fann	8	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.585	
k - Value "p"	0.445	
n - Value "a"	0.593	
k - Value "a"	0.408	
P.V.	8	
Y.P.	4	
Gels (1 sec)	2	
Gels (10 Min.)	4	
Gels (30 Min.)	6	
Gels (60 Min.)	10	
Sand (%)	0.025	
L.G.S. (% Wt.)	4.7	
L.G.S. (kg/m3)	121.7	
Solids (%)	7.0	
Oil (%)	1.0	
Water (%)	92.0	100.0
pH	10.5	
Pf	0.35	
Mf	3.40	
MBT (kg/m3)	24	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	21000	
Ca (ppm)	80	

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	145	min
Bottoms Up	58	min
Mud Tanks	112	m3
Hole Volume	118.3	m3 + 10%
Active System Vol.	230.3	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	5	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL	8	Pulpro 30	60
Poly Pac R	2	SPR Sweep	1
Caustic	2		
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X			

	Mud	Water
Daily Cost	$7,122	$0
Cum Cost	$265,238	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1880	1860	0
UF liters	1.9	1.9	0
OF kg	1090	1090	0
OF liters	1200	1200	0
Hours	8	8	0
Speed	2100	2150	0
Feed rpm	850	850	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	8.34
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.52
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		373.31
127mm HWDP	30		171		280.42
				BHA TOTAL:	1146.09
Singles of Drill Pipe of DP	252		9.53		2401.37
TOP DRIVE	1				3.46
				DRILL STRING TOTALTOTAL:	3550.92
Avail WOB	64,000	String Wt (daN)	146,000		rpm/l 0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	1.00	Drill (rotary):	1.25
Rig Move:		Logging:		Drill (slide):	2.00
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	1.50
Reaming:		Cementing:		Squeeze Job:	
Cond / Circ:	5.00	WOC:		Lost Circ:	
Wiper Trips:		NU BOP's:		BOP Drill:	
Tripping:	11.50	Test BOP's:		Safety Meet:	
Rig Service:	0.50	Drill Cmt:		Circ Sample:	
Rig Repair:		DST:		Rig Inspection:	
Slip / Cut:		Handle Tools:	1.25	Leak -Off Test:	
				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	118
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	1.60
Pump Eff.	97%	97%
Pump Press.	15700	14000
Drillpipe AV	66.3	57.7
H.W. Drillpipe AV	66.3	57.7
Drillcollar AV	96.9	84.2
Nozzel Vel	77.0	67.0

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
								3534.17	3537.75	3.58	0.60	5.97	32.0	20	20000	1.85	30.0	18.0	20000
3537.75	3545.75	HS	8.00	1.83	4.37	70	34.0	3545.75	3547.46	1.71	0.16	10.69	25.0	20	20000	1.85	30.0	18.0	20000
								3547.46	3550.00	2.54	0.45	5.64	25.0	20	20000	1.85	30.0	18.0	20000
			8.00	1.83	4.37					7.83	1.21	6.47							

Rotary Drill from 3534.17m to 3537.75 as above chart
Circ & Work DP to orient PDM to HS / Slide Drill HS from 3537.75m to 3537.75 as above chart
Rotary Drill from 3545.75m to 3537.75 as above chart
Circulate bottoms up sample for geologist
Rotary Drill from 3537.75m to 3550.00 as above chart
Pump 4 m3 Super Sweep pill
Circulate bottoms up and wiper trip to above the curve section to KOP
Circulate & wash stands out from 3550m to 3450m
Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.
Circulate & wash stands out from 3550m to 3285m / Flow Check / Pump Tripping Pill / POOH
Lay down all directional tools and release directional company
Pick Up and make up clean out BHA
RIH and fill pipe at 1000m
Rig Service & Top Drive service Function BOP Uower Pipe Rams @ 6 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	39.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **95.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$60,273	SURFACE SET:	
PREV COST:	$7,320,998	T.D. DATE:	
CUM COST:	$7,381,271	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: POOH with 216mm bit from clean out and wiper trip. Wellbore in good condition.

OPS @ 07:00 HRS: Pick up and make up 177.8mm casing for liner.

EXCECUTIVE OPERATIONS SUMMARY

RIH with 216mm bit and clen to bottom. Circulate and condition mud. Wellbore in good condition. POOH to PU 177.8mm casing for liner assembly.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Rig up casing crews and run 177.8mm casing with liner tools / Run liner into place and circulate to ICP / Circulate and condition mud for cementing / Cement liner into place.

DATE REPORTED:	November 2, 2008
OPERATION DATE:	November 1, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	15							
Size (mm)	216.0							
Mfg.	Smith							
Type	FDS+ PR							
Serial #	FJ1744							
Nozzles (mm)	3 x 15.9							
AreaNoz(mm2)	595.67							
WOB (daN) D&S		4.0						
RPM (R & PDM)		25						
Bit Depth (IN)	3550.00							
Bit Depth (OUT)	3550.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	14:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1095	
Buoyancy	0.8605	
Vis.	43	
W.L.	10	
Filter Cake	1	
Rheology Temp	35	
600 Fann	22	
300 Fann	15	
200 Fann	12	
100 Fann	8	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.550	
k - Value "p"	0.510	
n - Value "a"	0.593	
k - Value "a"	0.406	
P.V.	7	
Y.P.	4	
Gels (1 sec)	2	
Gels (10 Min.)	4	
Gels (30 Min.)	8	
Gels (60 Min.)	11	
Sand (%)	0.025	
L.G.S. (% Wt.)	5.0	
L.G.S. (kg/m3)	129.9	
Solids (%)	7.0	
Oil (%)	1.0	
Water (%)	92.0	100.0
pH	11.0	
Pf	0.50	
Mf	3.00	
MBT (kg/m3)	24	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	21000	
Ca (ppm)	80	

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	145	min
Bottoms Up	58	min
Mud Tanks	112	m3
Hole Volume	118.3	m3 + 10%
Active System Vol.	230.3	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	87
PolyPac UL		Pulpro 30	33
Poly Pac R		SPR Sweep	
Caustic	4		
Soda Ash			
Bleach	6		
X-cide		Duovis	
Defoam X			

	Mud	Water
Daily Cost	$2,799	$0
Cum Cost	$268,037	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	18	18	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1980	1980	0
UF liters	1.9	1.9	0
OF kg	1085	1085	0
OF liters	1100	1100	0
Hours	6	6	0
Speed	2000	2000	0
Feed rpm	650	650	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Bit	1		216	n/a	0.28
Motor 7/8 - 3.25 Stage 37R-M3 (2.60)	1		164	n/a	8.34
UBHO	1		165		0.75
Monel DC	3		163		28.1
X/O	1		165		0.78
127mm HWDP	30		171		279.49
X/O	1		165		0.80
Jars	1		166		5.52
X/O	1		165		0.80
127mm HWDP	18		171		167.50
127mm X-95 DP	40		127		373.31
127mm HWDP	30		171		280.42
				BHA TOTAL:	1146.09
Singles of Drill Pipe of DP	252		9.53		2401.37
TOP DRIVE	1				3.46
			DRILL STRING TOTAL	TOTAL:	3550.92
Avail WOB	64,000		String Wt (daN)		146,000

rpm/l: 0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	
Rig Move:		Logging:	
W.O. Daylight:			
Coring:		Run Casing:	
Reaming:		Cementing:	
Circulate Wellbore:	2.00	WOC:	
Conditon Mud:	7.00	NU BOP's:	
Lost Circ:		Test BOP's:	
Wiper Trips:	2.50	Drill Cmt:	
Tripping:	12.00	DST:	
Rig Service:	0.50	Handle Tools:	
Rig Repair:			
Slip / Cut:			

Drill (rotary):			
Drill (slide):			
Well Control:			
Dir. Work:			
Squeeze Job:			
BOP Drill:			
Safety Meet:			
Circ Sample:			
Rig Inspection:			
Leak -Off Test:			
TOTAL HRS:	24.00		

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	134	150
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	1.82	2.04
Pump Eff.	97%	97%
Pump Press.	11000	13100
Drillpipe AV	66.3	
H.W. Drillpipe AV	66.3	
Drillcollar AV	96.9	
Nozzel Vel	77.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

RIH from 1000m to 3550m / Flow Check @ 2200m / Work tight spot @ 3403m
Circulate bottoms up and condition mud with bleach and bocide
Rig Service & Top Drive service Function BOP Annular @ 26 sec to close & 27 sec to open.
Circulate bottoms up and condition mud with polymers as required
Pump 4 m3 Super Sweep pill
Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.
Circulate out to top of KOP with 50spm
Pump tripping pill and TM Pill
POOH to PU and run casing liner
Rig Service and prepare floor for running casing

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	40.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **96.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: RIH with liner and liner hanger on 127mm DP

OPS @ 07:00 HRS: Work casing into hole @ 3053m

DATE REPORTED:	November 3, 2008
OPERATION DATE:	November 2, 2008
Current Formation:	Auguathuna
MD (m) 3001.0	T.V.D. (m) 3439.9
Next Formation:	
MD (m)	T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$319,650	SURFACE SET:	
PREV COST:	$7,381,271	T.D. DATE:	
CUM COST:	$7,700,921	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Rig up to run casing with Weatherford casing crew / Running liner into place and circulate to ICP

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Finish running liner into place and circulate to ICP / Circulate and condition mud for cementing / Cement liner into place.

Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	12:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1095	
Buoyancy	0.8605	
Vis.	42	
W.L.	10	
Filter Cake	1	
Rheology Temp	35	
600 Fann	22	
300 Fann	15	
200 Fann	12	
100 Fann	8	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.553	
k - Value "p"	0.244	
n - Value "a"	0.593	
k - Value "a"	0.194	
P.V.	7	
Y.P.	4	
Gels (1 sec)	2	
Gels (10 Min.)	4	
Gels (30 Min.)	8	
Gels (60 Min.)	11	
Sand (%)	0.025	
L.G.S. (% Wt.)	5.0	
L.G.S. (kg/m3)	129.9	
Solids (%)	7.0	
Oil (%)	1.0	
Water (%)	92.0	100.0
pH	11.0	
Pf	0.50	
Mf	3.00	
MBT (kg/m3)	24	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	21000	
Ca (ppm)	80	

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	145	min
Bottoms Up	58	min
Mud Tanks	110	m3
Hole Volume	127.6	m3 + 10%
Active System Vol.	237.6	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
Caustic			
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X			

	Mud	Water
Daily Cost	$900	$0
Cum Cost	$268,937	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
BHA TOTAL:			0.00
Singles of Drill Pipe of DP		#DIV/0!	
TOP DRIVE			
DRILL STRING TOTAL		TOTAL:	0.00 rpm/l
Avail WOB	String Wt (daN)		0.0450

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	0	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:	22.25	Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:		NU BOP's:		BOP Drill:	0.25
Lost Circ:		Test BOP's:		Safety Meet:	0.50
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:		DST:		Rig Inspection:	0.50
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:	0.50				
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	60	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.81	0.00
Pump Eff.	97%	97%
Pump Press.		
Drillpipe AV		
H.W. Drillpipe AV		
Drillcollar AV		
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Rig Service and prepare floor for running casing
Rig up to run casing with Weatherford casing crew / Hold pre-job safety meeting
Run 102 joints of 177.8mm casing and dress reamer float shoe, Float Collar and Landing Collar with centrilization equipment as per running program
Run 177.8mm casing from 0 to 1386m / Rig in liner hanger system (Smith Pocket Slip Liner System)
Operations talk with crews on running liner and drifting DP
Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.
RIH with liner and liner hanger on 127mm DP
Down Time Repair Rig Monitor Console
RIH with liner and liner hanger on 127mm DP

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	1.0

REPORT # **97.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Work stuck casing from 3418m to 3440m

OPS @ 07:00 HRS: Work casing into hole @ 3425m

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$105,784	SURFACE SET:	
PREV COST:	$7,700,921	T.D. DATE:	
CUM COST:	$7,806,705	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Work stuck casing from 3418m to 3440m attempting to run liner into place

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Free liner and finish running liner into place and circulate to ICP / Circulate and condition mud for cementing / Cement liner into place.

DATE REPORTED:	November 4, 2008
OPERATION DATE:	November 3, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	21:00	09:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1095	1100
Buoyancy	0.8605	0.8599
Vis.	44	48
W.L.	11	13
Filter Cake	1	1
Rheology Temp	35	20
600 Fann	27	38
300 Fann	18	25
200 Fann	14	18
100 Fann	10	12
6 Fann	3	3
3 Fann	2	2
n - Value "p"	0.585	0.604
k - Value "p"	0.239	0.617
n - Value "a"	0.459	0.511
k - Value "a"	0.483	0.927
P.V.	9	13
Y.P.	4.5	6
Gels (1 sec)	2	2
Gels (10 Min.)	5	5
Gels (30 Min.)	7	8
Gels (60 Min.)	11.5	12
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	4.7	4.7
L.G.S. (kg/m3)	121.7	121.7
Solids (%)	7.0	7.0
Oil (%)	1.0	1.0
Water (%)	92.0	92.0
pH	11.0	11.0
Pf	0.50	0.50
Mf	3.00	3.00
MBT (kg/m3)	24	24
PHPA (kg/m3)		
K+ (mg/l)	10000	10000
Cl (ppm)	21000	21000
Ca (ppm)	80	80

DRILLING FLUID VOLUMES

Mud Gradient	10.74	kPa/m
Mud Cycle	243	min
Bottoms Up	75	min
Mud Tanks	114	m3
Hole Volume	123	m3 + 10%
Active System Vol.	237	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	2	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R	4	SPR Sweep	1
Caustic			
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X			

	Mud	Water
Daily Cost	$3,231	$0
Cum Cost	$272,167	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
BHA TOTAL:			0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
DRILL STRING TOTALTOTAL:			0.00
Avail WOB	String Wt (daN)		0.0450

rpm/l

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:	Survey:	Drill (rotary):	
Rig Move:	Logging:	Drill (slide):	
W.O. Daylight:		Well Control:	
Coring:	Run Casing: 23.50	Dir. Work:	
Reaming:	Cementing:	Squeeze Job:	
Circulate Wellbore:	WOC:		
Conditon Mud:	NU BOP's:	BOP Drill:	
Lost Circ:	Test BOP's:	Safety Meet:	
Wiper Trips:	Drill Cmt:	Circ Sample:	
Tripping:	DST:	Rig Inspection:	
Rig Service: 0.50	Handle Tools:	Leak -Off Test:	
Rig Repair:			
Slip / Cut:		TOTAL HRS: 24.00	

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	35	35
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.48	0.48
Pump Eff.	97%	97%
Pump Press.	3500	3500
Drillpipe AV	37.5	Compound
H.W. Drillpipe AV	37.5	Compound
Drillcollar AV	64.9	Compound
Nozzel Vel	0.0	Compound

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

RIH with liner and liner hanger on 127mm DP

RIH with 7" liner and liner hanger on 127mm DP / Circulate and work pipe from 2960m to 3055m

Rig Service & Top Drive service Function BOP Annular @ 26 sec to close & 28 sec to open.

RIH with 7" liner and liner hanger on 127mm DP / Circulate and work pipe from 3055m to 3440m

Work stuck casing from 3418m to 3440m

Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 7 sec to close & 7 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	2.0

REPORT # **98.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$61,661	SURFACE SET:	
PREV COST:	$7,806,705	T.D. DATE:	
CUM COST:	$7,868,366	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Work stuck casing from 3418m to 3440m

OPS @ 07:00 HRS: Work casing

EXCECUTIVE OPERATIONS SUMMARY

Work stuck casing from 3418m to 3440m attempting to free liner

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Free liner and finish running liner into place and circulate to ICP / Circulate and condition mud for cementing / Cement liner into place.

DATE REPORTED:	November 5, 2008
OPERATION DATE:	November 4, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	MUD PUSH
Time Check	19:00	19:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Schlumberger
Density (kg/m3)	1100	1520
Buoyancy	0.8599	0.8064
Vis.	45	60
W.L.	10	
Filter Cake	1	
Rheology Temp	35	35
600 Fann	28	57
300 Fann	19	40
200 Fann	15	34
100 Fann	10	20
6 Fann	3	12
3 Fann	2	10
n - Value "p"	0.559	
k - Value "p"	0.296	
n - Value "a"	0.459	
k - Value "a"	0.483	
P.V.	9	17
Y.P.	5	11.5
Gels (1 sec)	2	8
Gels (10 Min.)	5	11
Gels (30 Min.)	8	13
Gels (60 Min.)	11	
Sand (%)	0.025	
L.G.S. (% Wt.)	5.0	
L.G.S. (kg/m3)	129.9	
Solids (%)	7.5	
Oil (%)	1.0	
Water (%)	91.5	100.0
pH	10.0	
Pf	0.30	
Mf	3.20	
MBT (kg/m3)	24	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	21000	
Ca (ppm)	120	

DRILLING FLUID VOLUMES

Mud Gradient	10.79	kPa/m
Mud Cycle	177	min
Bottoms Up	55	min
Mud Tanks	110	m3
Hole Volume	123	m3 + 10%
Active System Vol.	233	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	4	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R	2	SPR Sweep	
		Nut Plug-m	50
		Nut Plug-f	50
Caustic	2		
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X			

	Mud	Water
Daily Cost	$7,146	$0
Cum Cost	$279,313	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
		BHA TOTAL:	0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
		DRILL STRING TOTALTOTAL:	0.00
Avail WOB	String Wt (daN)		0.0450

rpm/l

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	0	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:	17.75	Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	5.75	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:		DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	47	48
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.64	0.65
Pump Eff.	97%	97%
Pump Press.	11000	Compound
Drillpipe AV	50.7	Compound
H.W. Drillpipe AV	50.7	Compound
Drillcollar AV	87.8	Compound
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Work stuck liner from 3417m to 3435m

Function test annular, 26 sec. to close and 28 sec. to open

Pump walnut shell sweep and spot in open hole to reduce drag while working stuck liner from 3424m to 3440m

Circulate stuck liner while mixing 1520kg/m3 mud push in preperation for cement job

Function test upper and lower pipe rams, 7 sec. to close each

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	3.0

REPORT # **99.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$57,083	SURFACE SET:	
PREV COST:	$7,868,366	T.D. DATE:	
CUM COST:	$7,925,449	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS:	Work stuck casing from 3424m to 3443m / Attempting to work casing free
OPS @ 07:00 HRS:	Work stuck casing from 3424m to 3443m / Attempting to work casing free

EXCECUTIVE OPERATIONS SUMMARY

Spot oil sweep across liner and work stuck casing from 3424m to 3443m / Attempting to work casing free

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Spot oil sweep across liner and work stuck casing from 3424m to 3443m / Attempting to work casing free / Prepare well bore for cementing operations

DATE REPORTED:	November 6, 2008
OPERATION DATE:	November 5, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	477.65							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	Poly CalCarb
Time Check	23:00	10:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Mi Swaco
Density (kg/m3)	1075	1100
Buoyancy	0.8631	0.8599
Vis.	45	43
W.L.	11	12
Filter Cake	1	1
Rheology Temp	35	35
600 Fann	38	29
300 Fann	27	20
200 Fann	22	16
100 Fann	16	10
6 Fann	5	3
3 Fann	4	2
n - Value "p"	0.493	0.536
k - Value "p"	0.637	0.754
n - Value "a"	0.395	0.459
k - Value "a"	1.072	1.009
P.V.	11	9
Y.P.	8	5.5
Gels (1 sec)	5	2
Gels (10 Min.)	7	5
Gels (30 Min.)	9	7
Gels (60 Min.)	12	9
Sand (%)	0.025	0.025
L.G.S. (% Wt.)	4.8	4.8
L.G.S. (kg/m3)	124.0	124.0
Solids (%)	7.5	7.5
Oil (%)	9.0	1.0
Water (%)	83.5	91.5
pH	9.5	10.0
Pf	0.20	0.30
Mf	3.00	3.00
MBT (kg/m3)	20	24
PHPA (kg/m3)		
K+ (mg/l)	10000	10000
Cl (ppm)	20000	20000
Ca (ppm)	80	80

DRILLING FLUID VOLUMES

Mud Gradient	10.55	kPa/m
Mud Cycle	514	min
Bottoms Up	180	min
Mud Tanks	91.2	m3
Hole Volume	123.1	m3 + 10%
Active System Vol.	214.3	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	33
PolyPac UL		Pulpro 30	-7
Poly Pac R		SPR Sweep	
		Nut Plug-m	
		Nut Plug-f	
Caustic			
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X		Barite	420

	Mud	Water
Daily Cost	$9,093	$0
Cum Cost	$288,406	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
BHA TOTAL:			0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
DRILL STRING TOTALTOTAL:			0.00
Avail WOB	String Wt (daN)		0.0450

rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	0	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:	15.75	Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	7.00	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:		DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:	0.75				
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	30	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.41	0.00
Pump Eff.	97%	97%
Pump Press.	8000	
Drillpipe AV	16.0	
H.W. Drillpipe AV	16.0	
Drillcollar AV	28.0	
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Circulate and condition well while building 1520kg/m3 mud push in preperation for cement job

Circulate and work stuck liner from 3424m to 3443m

Function test annular, 26 sec. to close and 28 sec. to open

Spot produced oil sweep across liner annulus to reduce torque and drag while working stuck liner from 3424m to 3443m

Repair faulty DC cable on drawworks - down time 0.75hrs

Function test upper and lower pipe rams, 7 sec. each to close

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	4.0

REPORT # **100.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: Finished cementing casing liner / pull out of hole

OPS @ 07:00 HRS: Lay down 105 joints of G-105 drill pipe and liner running tool

DATE REPORTED: November 7, 2008
OPERATION DATE: November 6, 2008

Current Formation: Auguathuna
MD (m) 3001.0 T.V.D. (m) 3439.9
Next Formation:
MD (m) T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$63,883	SURFACE SET:	
PREV COST:	$7,925,449	T.D. DATE:	
CUM COST:	$7,989,332	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Liner struck on 9 5/8 casing window / Set liner with shoe @ 3437m / Left 113m of open hole below shoe / Condition hole to cement and cement / Finished cementing casing liner / WOC / Polish liner and drill ahead

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

WOC / Polish liner and drill ahead

Rig Manager: Rick Zenner
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	477.65							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	MUD PUSH
Time Check	18:00	19:00
Mud Man	Jody Kereliuk	Jody Kereliuk
Mud Co.	Mi Swaco	Schlumberger
Density (kg/m3)	1080	1490
Buoyancy	0.8624	0.8102
Vis.	48	58
W.L.	11	0
Filter Cake	1	0
Rheology Temp	35	35
600 Fann	38	65
300 Fann	26	48
200 Fann	21	40
100 Fann	15	31
6 Fann	4	13
3 Fann	3	11
n - Value "p"	0.547	0.437
k - Value "p"	0.437	3.348
n - Value "a"	0.459	0.295
k - Value "a"	0.725	7.248
P.V.	12	17
Y.P.	7	15.5
Gels (1 sec)	5	8
Gels (10 Min.)	7	15
Gels (30 Min.)	9	
Gels (60 Min.)	12	
Sand (%)	0.025	
L.G.S. (% Wt.)	4.8	
L.G.S. (kg/m3)	124.0	
Solids (%)	7.5	
Oil (%)	9.0	
Water (%)	83.5	100.0
pH	10.0	7.5
Pf	0.30	
Mf	3.00	
MBT (kg/m3)	24	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	20000	
Ca (ppm)	120	

DRILLING FLUID VOLUMES

Mud Gradient	10.59	kPa/m
Mud Cycle	324	min
Bottoms Up	117	min
Mud Tanks	82	m3
Hole Volume	123.1	m3 + 10%
Active System Vol.	205.1	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
		Nut Plug-m	
SAPP	4	Nut Plug-f	
Caustic	3		
Soda Ash			
Bleach			
X-cide		Duovis	
Defoam X		Barite	

	Mud	Water
Daily Cost	$1,460	$0
Cum Cost	$289,866	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
BHA TOTAL:			0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
DRILL STRING TOTALTOTAL:			0.00 rpm/l
Avail WOB	String Wt (daN)		0.0450

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	0	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:	13.00	Dir. Work:	
Reaming:		Cementing:	6.25	Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	1.25	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	0.50
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:	1.50	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
Slip / Cut:	1.00			TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):
HWDP	(OD):	127	(ID):
DP	(OD):	127	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	45	0
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.61	0.00
Pump Eff.	97%	97%
Pump Press.	8000	
Drillpipe AV	24.2	
H.W. Drillpipe AV	24.2	
Drillcollar AV	41.9	
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Work stuck liner with produced oil pill spotted across annulus
Pump sapp sweep to assist in breaking up of obstructions
Circulate sapp sweep out of hole
Function test annular, 26 sec. to close and 28 sec. to open
Set and release liner hanger
Safety meeting with Smith liner hand, Schlumberger and rig crew prior to installing cement head
Pump water ahead with Schlumberger pumper to fill lines and pressure test same to 35,000kPa
Pump 3.0m3 water, 8.0m3 mud push, 3.0m3 water, 8.0m3 mud push with rig pump
Batch mix and pump cement slurry with Schlumberger pumper @ 1950kg/m3
Release drill pipe wiper plug and displace with 4.0m3 water with Schlumberger pumper
Displace with rig pump 23.0m3 mud, 1.5m3 water across liner hanger and 15.2m3 mud
Bumped plug with 100strokes over calculated (volume of standpipe) 3,500kPa over final pump pressure 28,550kPa @ 19:21hrs
Rig out cementers and P.O.O.H to 1478m
Circulate bottoms up / Slip and cut drilling line
Function test upper and lower pipe rams, 7 sec. to close each

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	5.0

REPORT # **101.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

24:00 HRS PROJECT STATUS: Pressure Testing B.O.P.s

OPS @ 07:00 HRS: Run in hole to drill out cement on top of liner

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$259,882	SURFACE SET:	
PREV COST:	$7,989,332	T.D. DATE:	
CUM COST:	$8,249,214	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Lay down 105 joints of G-105 drill pipe and liner running tool / Pressure test B.O.P.s and equipment

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Pressure test B.O.P.s and equipment / Run in hole to drill out cement on top of liner

DATE REPORTED:	November 8, 2008
OPERATION DATE:	November 7, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.								
Size (mm)								
Mfg.								
Type								
Serial #								
Nozzles (mm)								
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)								
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)								
Bit Total (m)	0.00	0.00						
Bit Total (hrs)	0.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	0.00		0.00					
Cum Bit Hrs	0.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	579.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	20:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1090	
Buoyancy	0.8611	
Vis.	48	
W.L.	12	
Filter Cake	1	
Rheology Temp	35	
600 Fann	36	
300 Fann	25	
200 Fann	20	
100 Fann	14	
6 Fann	4	
3 Fann	3	
n - Value "p"	0.526	
k - Value "p"	0.480	
n - Value "a"	0.439	
k - Value "a"	0.749	
P.V.	11	
Y.P.	7	
Gels (1 sec)	5	
Gels (10 Min.)	7	
Gels (30 Min.)	10	
Gels (60 Min.)	14	
Sand (%)	0.025	
L.G.S. (% Wt.)	5.7	
L.G.S. (kg/m3)	148.8	
Solids (%)	7.0	
Oil (%)	9.0	
Water (%)	84.0	100.0
pH	9.5	
Pf	0.28	
Mf	3.10	
MBT (kg/m3)	20	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	20000	
Ca (ppm)	120	

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	180	min
Bottoms Up	56.4	min
Mud Tanks	105	m3
Hole Volume	97	m3 + 10%
Active System Vol.	202	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime	6	Alkapam	
Soda Ash		Zetag	6
Bleach		CaNO3	15
X-cide			
Defoam X		Barite	

	Mud	Water
Daily Cost	$5,102	$0
Cum Cost	$294,968	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
		BHA TOTAL:	0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
		DRILL STRING TOTALTOTAL:	0.00 rpm/l
Avail WOB	String Wt (daN)		0.0450

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1910	2020	0
UF liters	2	2	0
OF kg	1025	1030	0
OF liters	1200	1200	0
Hours	12	12	0
Speed	2100	2000	0
Feed rpm	700	650	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:		NU BOP's:	1.25	BOP Drill:	
Lost Circ:		Test BOP's:	7.75	Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:	14.50	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	37	37
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.50	0.50
Pump Eff.	97%	97%
Pump Press.	8500	Compound
Drillpipe AV	140.0	Compound
H.W. Drillpipe AV	140.0	Compound
Drillcollar AV	73.0	Compound
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Flow check @1443m

Lay down 105 joints of G-105 drill pipe and liner running tool

Flow check O.O.H

Function test blind rams, 7 sec. to close

Load racks and strap 3.5" drill pipe and 3.5" HWDP

Pressure test annulas against blind rams and record LOP (leak off pressure) from 2,500kPa to 6,000Kpa in 500kPa intervals

Make up bit and R.I.H with 3.5" drill pipe to 1423m

Replace lower pipe rams with 3.5" variable rams

Pressure test variable pipe rams to 1,400kpa, 3,000kPa, 5,000kPa and 6,000kPa for 15 minutes each

Function test upper and lower pipe rams, 7 sec. to close each

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	6.0

REPORT # **102.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3		
UNIQUE ID:	PaP #1 ST #3		
AREA:	Garden Hill South		
DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$133,175	SURFACE SET:	
PREV COST:	$8,249,214	T.D. DATE:	
CUM COST:	$8,382,389	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Pressure test surface and Intermedite casing

OPS @ 07:00 HRS: Pressure test variable rams to 1,400kPa low and 14,000kPa high for 15 minutes each

EXCECUTIVE OPERATIONS SUMMARY

Dril out cement and float / Condition liner to shoe / DID NOT DRILL OUT SHOE

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Pressure test casing and B.O.P.s

DATE REPORTED:	November 9, 2008
OPERATION DATE:	November 8, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	16							
Size (mm)	156.0							
Mfg.	Smith							
Type	XR+PS							
Serial #	PG7950							
Nozzles (mm)	3x14.3							
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)	3430.00							
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	42.00	0.00						
Daily (hours)	10.75	0.00						
Daily ROP (m/hr)								
Bit Total (m)	42.00	0.00						
Bit Total (hrs)	10.75	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	42.00		0.00					
Cum Bit Hrs	10.75		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	590.5							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	14:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1090	
Buoyancy	0.8611	
Vis.	45	
W.L.	12	
Filter Cake	1	
Rheology Temp	35	
600 Fann	35	
300 Fann	25	
200 Fann	20	
100 Fann	14	
6 Fann	4	
3 Fann	3	
n - Value "p"	0.485	
k - Value "p"	0.619	
n - Value "a"	0.439	
k - Value "a"	0.749	
P.V.	10	
Y.P.	7.5	
Gels (1 sec)	5	
Gels (10 Min.)	7	
Gels (30 Min.)	10	
Gels (60 Min.)	14	
Sand (%)	0.025	
L.G.S. (% Wt.)	5.7	
L.G.S. (kg/m3)	148.8	
Solids (%)	6.5	
Oil (%)	9.0	
Water (%)	84.5	100.0
pH	8.7	
Pf	0.15	
Mf	2.50	
MBT (kg/m3)	20	
PHPA (kg/m3)		
K+ (mg/l)	10000	
Cl (ppm)	20000	
Ca (ppm)	440	

DRILLING FLUID VOLUMES

Mud Gradient	10.69	kPa/m
Mud Cycle	176	min
Bottoms Up	64	min
Mud Tanks	85	m3
Hole Volume	93	m3 + 10%
Active System Vol.	178	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime	2	Alkapam	
Soda Ash		Zetag	7
Bleach		CaNO3	7
X-cide			
Defoam X		Barite	
		Mud	Water
Daily Cost		$5,032	$0
Cum Cost		$300,000	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
		BHA TOTAL:	0.00
Singles of Drill Pipe of DP			
TOP DRIVE			
		DRILL STRING TOTALTOTAL:	0.00
Avail WOB	String Wt (daN)		0.0450

rpm/l

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	12	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	0	0	0
UF liters	0	0	0
OF kg	0	0	0
OF liters	0	0	0
Hours	0	0	0
Speed	0	0	0
Feed rpm	0	0	0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	1.00	NU BOP's:		BOP Drill:	0.5
Lost Circ:		Test BOP's:	2.00	Safety Meet:	0.75
Wiper Trips:		Drill Cmt:	10.75	Circ Sample:	
Tripping:	8.50	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):
HWDP	(OD):	127	(ID):
DP	(OD):	127	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	37	37
Litre/Sk 100%	0.0140	0.0140
Circ Rate100%	0.50	0.50
Pump Eff.	97%	97%
Pump Press.	8500	Compound
Drillpipe AV	140.0	Compound
H.W. Drillpipe AV	140.0	Compound
Drillcollar AV	73.0	Compound
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Trip in hole from 1400m to 2036m

Drill out liner hanger @ 2036.6m / length 0.5m

Circulate bottoms up to clean hole from hanger cuttings

Trip in hole from 2036m to 3032m

Load racks and strap 5" 127mm drill pipe

R.I.H from 3032m to 3386m

Drill cement tagged @ 3386m

Function test annular, 26 sec. to close 28 sec. to open

Drill cement and float and shoe from 3386m to 3415m

BOP drill with both crews / well secure in 45 seconds / safety meeting with both crews, discuss well control issues

Drill cement to 3421m / Shoe is not drilled out

Pressure up well with 6450kPa surface pressure with 1100kg/m3 mud / total of 48 strokes

Function test upper and lower pipe rams, 7 sec. to close

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	41.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **103.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:		LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$66,431	SURFACE SET:	
PREV COST:	$8,382,389	T.D. DATE:	
CUM COST:	$8,448,820	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Drill out reaming shoe and shoe float assembly @ 3426m and work bit through shoe 4 times

OPS @ 07:00 HRS: Circulate and condition wellbore clean

EXCECUTIVE OPERATIONS SUMMARY

Clean and condition 216mm open hole section prior to drilling 156mm new hole

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Drill ahead 156mm hole

DATE REPORTED:	November 10, 2008
OPERATION DATE:	November 9, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Rick Zenner
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	16							
Size (mm)	156.0							
Mfg.	Smith							
Type	XR+PS							
Serial #	PG7950							
Nozzles (mm)	3x14.3							
AreaNoz(mm2)								
WOB (daN) D&S								
RPM (R & PDM)								
Bit Depth (IN)	3430.00							
Bit Depth (OUT)								
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	9.00	0.00						
Daily (hours)	2.25	0.00						
Daily ROP (m/hr)	4.00							
Bit Total (m)	51.00	0.00						
Bit Total (hrs)	13.00	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	51.00		0.00					
Cum Bit Hrs	13.00		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	592.75							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	06:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1075	
Buoyancy	0.8631	
Vis.	43	
W.L.	15	
Filter Cake	1	
Rheology Temp	35	
600 Fann	17	
300 Fann	11	
200 Fann	9	
100 Fann	6	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.628	
k - Value "p"	0.112	
n - Value "a"	0.511	
k - Value "a"	0.222	
P.V.	6	
Y.P.	2.5	
Gels (1 sec)	2	
Gels (10 Min.)	3	
Gels (30 Min.)	6	
Gels (60 Min.)	9	
Sand (%)	0.025	
L.G.S. (% Wt.)	4.7	
L.G.S. (kg/m3)	123.1	
Solids (%)	6.5	
Oil (%)	8.0	
Water (%)	85.5	100.0
pH	11.3	
Pf	0.25	
Mf	2.40	
MBT (kg/m3)	16	
PHPA (kg/m3)		
K+ (mg/l)	8000	
Cl (ppm)	18000	
Ca (ppm)	520	

DRILLING FLUID VOLUMES

Mud Gradient	10.55	kPa/m
Mud Cycle	99	min
Bottoms Up	39	min
Mud Tanks	70	m3
Hole Volume	93	m3 + 10%
Active System Vol.	163	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime	2	Alkapam	2
Soda Ash		Zetag	11
Bleach		CaNO3	8
X-cide			
Defoam X		Barite	
Fresh H2O	31	Sea H2O	42
		Mud	Water
Daily Cost		$7,756	$0
Cum Cost		$307,756	$0

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1650	1320	0
UF liters	2	2	0
OF kg	1035	1025	0
OF liters	1000	1000	0
Hours	24	24	0
Speed	2100	2100	0
Feed rpm	650	650	0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
		BHA TOTAL:	0.00
Singles of Drill Pipe of DP		#DIV/0!	
TOP DRIVE			
		DRILL STRING TOTALTOTAL:	0.00 rpm/l
Avail WOB	String Wt (daN)		0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:		Drill (rotary):	
Rig Move:		Logging:		Drill (slide):	
W.O. Daylight:				Well Control:	
Coring:		Run Casing:		Dir. Work:	
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	1.50	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:	4.75	Safety Meet:	
Wiper Trips:		Drill Cmt:	2.25	Circ Sample:	
Tripping:	15.00	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
Slip / Cut:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5850	kPa
SPM	66	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	163	(ID):	
HWDP	(OD):	127	(ID):	
DP	(OD):	127	(ID):	

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	60	60
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	0.82	0.82
Pump Eff.	97%	97%
Pump Press.	8500	Compound
Drillpipe AV	140.0	Compound
H.W. Drillpipe AV	140.0	Compound
Drillcollar AV	73.0	Compound
Nozzel Vel		

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Lay down drill pipe / 33 joints of G-105 DP from 3421m to 3198m / Flow check @ 3421m

Trip out of hole from 3198m to O.O.H / Flow check and pump pill @ 3198m

Flow check @ 1413m and O.O.H

Function test blind rams O.O.H 7 sec. to close

Pressure test variable rams to 1,400kPa low and 14,000kPa high for 15 minutes each

Function test lower pipe rams, 6 sec. to close

Make up bit sub and bit / R.I.H from surface to 330m

Pick up 3.5" drill pipe and R.I.H from 330m to 3400m

Circulate bottoms up

Drill out cement Landing collar and shoe from 3421m to 3430m / Shoe @ 3426m

Function test upper and lower pipe rams, 7 sec. to close each

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	42.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **104.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: POOH WITH Bit to RIH Open ended for cementing

OPS @ 07:00 HRS: RIH with Open ended DP to run cement plug

DATE REPORTED: November 11, 2008
OPERATION DATE: November 10, 2008

Current Formation: Auguathuna
MD (m) 3001.0 T.V.D. (m) 3439.9
Next Formation:
MD (m) T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:	0.00	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$87,186	SURFACE SET:	
PREV COST:	$8,448,820	T.D. DATE:	
CUM COST:	$8,536,006	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill out the reaming shoe @ 3426m / Drill out cement 3426m to 3428m / Wash to bottom f/3428m to 3550m / Circulate and condition f/ cementing / Wiper Trip as required to stabilize the well bore for cementing / POOH

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

POOH to cement isolation plug / RIH / Cement / POOH from plug / WOC

Rig Manager: Rick Zenner
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.	16							
Size (mm)	156.0							
Mfg.	Smith							
Type	XR+ PS							
Serial #	PG7950							
Nozzles (mm)	3 x 14.3							
AreaNoz(mm2)								
WOB (daN) D&S	6.0	0.0						
RPM (R & PDM)	60	0						
Bit Depth (IN)	3430.00							
Bit Depth (OUT)	3550.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	120.00	0.00						
Daily (hours)	4.25	0.00						
Daily ROP (m/hr)	28.24	0.00						
Bit Total (m)	120.00	0.00						
Bit Total (hrs)	17.25	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	120.00		0.00					
Cum Bit Hrs	17.25		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	597							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	16:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1065	
Buoyancy	0.8643	
Vis.	35	
W.L.	16	
Filter Cake	1	
Rheology Temp	35	
600 Fann	17	
300 Fann	10	
200 Fann	8	
100 Fann	5	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.766	
k - Value "p"	0.043	
n - Value "a"	0.459	
k - Value "a"	0.242	
P.V.	7	
Y.P.	1	
Gels (1 sec)	2	
Gels (10 Min.)	3	
Gels (30 Min.)	6	
Gels (60 Min.)	8	
Sand (%)	0.025	
L.G.S. (% Wt.)	3.7	
L.G.S. (kg/m3)	96.3	
Solids (%)	5.5	
Oil (%)	8.0	
Water (%)	86.5	100.0
pH	11.9	
Pf	0.45	
Mf	2.50	
MBT (kg/m3)	18	
PHPA (kg/m3)		
K+ (mg/l)	8000	
Cl (ppm)	18000	
Ca (ppm)	640	

DRILLING FLUID VOLUMES

Mud Gradient	10.45	kPa/m
Mud Cycle	115	min
Bottoms Up	45	min
Mud Tanks	93.9	m3
Hole Volume	95	m3 + 10%
Active System Vol.	188.9	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	1
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime		Alkapam	1
Soda Ash		Zetag	9
Bleach		CaNO3	9
X-cide			
Defoam X		Barite	
Fresh H2O		Sea H2O	20.3
		Mud	Water
Daily Cost		$6,753	$0
Cum Cost		$314,509	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection	OD (mm)	ID (mm)	Length (meters)
Drill Bit 1			0.19
Bit Sub 1			0.70
89mm HWDP 36			330.00
89mm S-135 DP			
X/O			0.77
127mm HWDP			
127mm X-95 DP			
BHA TOTAL:			331.66
Singles of Drill Pipe of DP 36	89.21		3211.73
TOP DRIVE			6.61
DRILL STRING TOTAL		TOTAL:	3550.00
Avail WOB	String Wt (daN)		0.0450

rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1860	1280	0
UF liters	2	2	0
OF kg	1035	1020	0
OF liters	1000	1000	0
Hours	18	18	0
Speed	2100	2100	0
Feed rpm	650	650	0

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Survey:	Drill (rotary):
Rig Move:		Logging:	Drill (slide):
W.O. Daylight:			Well Control:
Coring:		Run Casing:	Dir. Work:
Reaming:	4.25	Cementing:	Squeeze Job:
Circulate Wellbore:	11.00	WOC:	
Conditon Mud:	4.75	NU BOP's:	BOP Drill:
Lost Circ:		Test BOP's:	Safety Meet:
Wiper Trips:		Drill Cmt:	Circ Sample:
Tripping:	3.50	DST:	Rig Inspection:
Rig Service:	0.50	Handle Tools:	Leak -Off Test:
Rig Repair:			
Slip / Cut:			TOTAL HRS: 24.00

WELL CONTROL

MACP	3550	kPa
RSPP	3950	kPa
SPM	40	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	127	(ID):
HWDP	(OD):	89	(ID):
DP	(OD):	89	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	60	60
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	0.82	0.82
Pump Eff.	97%	97%
Pump Press.	24000	Compound
Drillpipe AV	64.0	Compound
H.W. Drillpipe AV	64.0	Compound
Drillcollar AV	127.5	Compound
Nozzel Vel	36.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Drill out reaming shoe and shoe float assembly @ 3426m and work bit through shoe 4 times
Clean and ream from 3430m to 3550m (Last TD with 216mm bit)
Circulate and condition wellbore clean / Circulate 1 complete bottoms up at 1.2 m3/minute
Circulate and condition wellbore clean / Circulate 1 complete bottoms up at 1.5 m3/minute
Circulate and condition wellbore clean / Circulate 1 complete bottoms up at 1.8 m3/minute
Wiper trip / Circulate out stands from 3550m to 3406m / Rig Service / Function Test Annular Preventer close 26 sec. open 28 sec.
Circulate and condition wellbore clean / Circulate 1 complete bottoms up at 1.5 m3/minute
Circulate and condition wellbore clean / Circulate 1 complete bottoms up at 1.8 m3/minute
Circulate and condition mud / Pump Super Sweep Pill / WIPER TRIP 3550 to 3426m
Circulate and condition mud / Pump Super Sweep Pill / Circulate bottoms up
Rig Service & Top Drive service Function BOP Lower Pipe Rams @ 6 sec to close & 6 sec to open.

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	43.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **105.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:	0.00	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$154,907	SURFACE SET:	
PREV COST:	$8,536,006	T.D. DATE:	
CUM COST:	$8,690,913	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Strip out of the isolation plug

OPS @ 07:00 HRS: Displace over to drilling water

EXCECUTIVE OPERATIONS SUMMARY

Trip in the hole with drilling assembly and cementing stinger to cement isolaion plug from 3530 back into the casing. POOH (strip out) cement isolation plug.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

WOC / POOH to PU Drilling Assembly / RIH / Drill out Cement from casing / WOC / Drill out open hole islation plug from driling liner seat to TD of curve section.

DATE REPORTED:	November 12, 2008
OPERATION DATE:	November 11, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Brent Kramps
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	16							
Size (mm)	156.0							
Mfg.	Smith							
Type	XR+ PS							
Serial #	PG7950							
Nozzles (mm)	3 x 14.3							
AreaNoz(mm2)								
WOB (daN) D&S	6.0	0.0						
RPM (R & PDM)	60	0						
Bit Depth (IN)	3430.00							
Bit Depth (OUT)	3550.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	120.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)	0.00	0.00						
Bit Total (m)	120.00	0.00						
Bit Total (hrs)	17.50	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	120.00		0.00					
Cum Bit Hrs	17.50		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	597							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	11:00	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1065	
Buoyancy	0.8643	
Vis.	35	
W.L.	18	
Filter Cake	1	
Rheology Temp	35	
600 Fann	16	
300 Fann	9	
200 Fann	7	
100 Fann	5	
6 Fann	2	
3 Fann	1	
n - Value "p"	0.830	
k - Value "p"	0.026	
n - Value "a"	0.459	
k - Value "a"	0.242	
P.V.	7	
Y.P.	1	
Gels (1 sec)	2	
Gels (10 Min.)	3	
Gels (30 Min.)	5	
Gels (60 Min.)	6	
Sand (%)	0.025	
L.G.S. (% Wt.)	3.7	
L.G.S. (kg/m3)	95.9	
Solids (%)	5.0	
Oil (%)	7.0	
Water (%)	88.0	100.0
pH	11.6	
Pf	0.50	
Mf	2.40	
MBT (kg/m3)	14	
PHPA (kg/m3)		
K+ (mg/l)	8000	
Cl (ppm)	17000	
Ca (ppm)	600	

DRILLING FLUID VOLUMES

Mud Gradient	10.45	kPa/m
Mud Cycle	86	min
Bottoms Up	34	min
Mud Tanks	92.7	m3
Hole Volume	97.8	m3 + 10%
Active System Vol.	190.5	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	1	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	40
Poly Pac R		SPR Sweep	1
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime		Alkapam	
Soda Ash		Zetag	
Bleach		CaNO3	
X-cide			
Defoam X		Barite	
Fresh H2O		Sea H2O	20.3
		Mud	Water
Daily Cost		$2,281	$0
Cum Cost		$316,790	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Drill Bit	1				0.19
Bit Sub	1				0.70
89mm HWDP	36				330.90
89mm S-135 DP					
X/O					0.77
127mm HWDP					
127mm X-95 DP					
BHA TOTAL:					332.56
Singles of Drill Pipe of DP	36		89.21		3211.73
TOP DRIVE					5.71
DRILL STRING TOTAL				TOTAL:	3550.00
Avail WOB	String Wt (daN)				rpm/l 0.0450

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg			0
UF liters			0
OF kg			0
OF liters			0
Hours			0
Speed			0
Feed rpm			0

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Slip / Cut:		Drill (rotary):	
Rig Move:		Survey:		Drill (slide):	
W.O. Daylight:		Logging:		Well Control:	
Coring:		Run Casing:		Dir. Work:	
Reaming:		Cementing:	2.75	Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:		NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:	11.00	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
3rd Party Repairs:	9.75			TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	3950	kPa
SPM	40	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	127	(ID):
HWDP	(OD):	89	(ID):
DP	(OD):	89	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	75	75
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	1.03	1.03
Pump Eff.	97%	97%
Pump Press.	24000	Compound
Drillpipe AV	80.0	Compound
H.W. Drillpipe AV	80.0	Compound
Drillcollar AV	150.5	Compound
Nozzel Vel	16.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Trip out of hole from 3550m to Surface

Flow check @ 3550m, 3426m, 1400m, O.O.H

Function test blind rams, 7 sec. to close

Trip in hole from surface to 3424m / Wash to bottom from 3424m to 3550m

Flow checks @ 1252m and 3424m

Wait on Schlumberger cementers to chip cement out of batch mix unit from previous cement job / Total of 9.75 hrs waiting time

Function test annular, 26 sec. to close

Safety meeting with Schlumberger and rig crew prior to mixing and spotting cement plug

Pump 1.0m3 water and pressure test treating line to 35,000kPa / Batch mix 7.0m3 slurry @1950kg/m3

Pump 6.0m3 water with rig pump / 6.4m3 slurry with pumper / 2.0m3 water spacer with pumper / 14.0m3 mud with rig to balance

Theoretical cement top with pipe in hole is 3236m with 50% excess added to open hole volume / Plug ballanced @ 22:30hrs

Strip out of plug from 3526m to 3216m

Function test annular, 26 sec. to close

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	43.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **105.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

DIRECTIONAL DRILLING & SURVEY DATA

Bit Depth (meters)	Survey Depth (meters)	Inc. (deg)	Azimuth (deg)	Closure Length (meters)	T.V.D. (meters)	Vertical Section (meters)													
3428.02	44.60	32.80	9.62	3401.93	-73.71	45.48	S	69.33	W		82.92	236.74	14.53	14.35	-3.43	-3182.23			
3436.62	49.10	31.60	8.60	3407.81	-67.44	40.17	S	65.99	W		77.25	238.67	15.99	15.70	-4.19	-3188.11			
3446.29	53.00	31.30	9.67	3413.89	-59.93	33.76	S	62.07	W		70.65	241.46	12.12	12.10	-0.93	-3194.19			
3455.63	56.00	31.20	9.34	3419.31	-52.33	27.26	S	58.12	W		64.20	244.88	9.64	9.64	-0.32	-3199.61			
3464.96	58.80	31.00	9.33	3424.34	-44.47	20.53	S	54.06	W		57.83	249.21	9.02	9.00	-0.64	-3204.64			
3474.61	61.90	33.50	9.65	3429.11	-36.10	13.44	S	49.59	W		51.38	254.84	11.77	9.64	7.77	-3209.41			
3484.25	64.70	34.40	9.64	3433.44	-27.52	6.29	S	44.78	W		45.22	262.00	9.07	8.71	2.80	-3213.74			
3493.87	67.70	34.90	9.62	3437.32	-18.75	0.95	N	39.77	W		39.78	271.36	9.46	9.36	1.56	-3217.62			
3503.50	71.50	34.60	9.63	3440.68	-9.76	8.36	N	34.63	W		35.62	283.57	11.87	11.84	-0.93	-3220.98			
3513.17	75.20	35.40	9.67	3443.45	-0.54	15.95	N	29.32	W		33.37	298.55	11.72	11.48	2.48	-3223.75			
3522.75	78.80	34.20	9.58	3445.61	8.75	23.61	N	23.99	W		33.66	314.54	11.85	11.27	-3.76	-3225.91			
3532.46	81.40	33.50	9.71	3447.27	18.29	31.55	N	18.66	W		36.66	329.40	8.31	8.03	-2.16	-3227.57			
3547.46	84.70	33.50	15.00	3449.09	33.14	43.97	N	10.45	W		45.19	346.64	6.60	6.60	0.00	-3229.39			
3550.00	87.00	33.93	2.54	3449.27	35.66	46.08	N	9.04	W		46.95	348.90	27.64	27.17	5.12	-3229.57			

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU) 15.0 (Drilling) 44.0 XXXXXXXX 0.0

(Well Kill) 3.0 (Completion) 1.0 XXXXXXXX 0.0

(Workover) 27.5 (Production) 4.5 XXXXXXXX 0.0

(Abandonment) 4.0 XXXXXXXX 0.0 (NPCT) 7.0

REPORT # **106.0**

DRAGON LANCE MANAGEMENT CORPORATION

1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: Drill out cement from casing liner

OPS @ 07:00 HRS: Drilling out cement isolation plug in open hole section.

DATE REPORTED: November 13, 2008
OPERATION DATE: November 12, 2008

Current Formation: Auguathuna
MD (m) 3001.0 T.V.D. (m) 3439.9

Next Formation:
MD (m) T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:	0.00	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$72,390	SURFACE SET:	
PREV COST:	$8,690,913	T.D. DATE:	
CUM COST:	$8,763,303	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

POOH from cement plug and squeeze cement on open hole section. PU drilling assembly and RIH / Drill out Cement from casing / WOC / Drill out open hole islation plug from driling liner seat to TD of curve

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

Finish drill out open hole islation plug from driling liner seat to TD of curve section. Drill ahead 10m and POOH to set up PDM & PU PDC bit to drill ahead horizontal.

Rig Manager: Brent Kramps
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.	16							
Size (mm)	156.0							
Mfg.	Smith							
Type	XR+ PS							
Serial #	PG7950							
Nozzles (mm)	3 x 14.3							
AreaNoz(mm2)								
WOB (daN) D&S	6.0	0.0						
RPM (R & PDM)	60	0						
Bit Depth (IN)	3430.00							
Bit Depth (OUT)	3550.00							
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	120.00	0.00						
Daily (hours)	0.00	0.00						
Daily ROP (m/hr)	0.00	0.00						
Bit Total (m)	120.00	0.00						
Bit Total (hrs)	17.50	0.00						
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	120.00		0.00					
Cum Bit Hrs	17.50		0.00					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	597							
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb		
Time Check	02:00		
Mud Man	Jody Kereliuk		
Mud Co.	Mi Swaco		
Density (kg/m3)	1050		
Buoyancy	0.8662		
Vis.	32		
W.L.	N/A		
Filter Cake	N/A		
Rheology Temp	35		
600 Fann	9		
300 Fann	5		
200 Fann	3		
100 Fann	2		
6 Fann	1		
3 Fann	0.5		
n - Value "p"	0.848		
k - Value "p"	0.013		
n - Value "a"	0.395		
k - Value "a"	0.134		
P.V.	4		
Y.P.	0.5		
Gels (1 sec)	1		
Gels (10 Min.)	2		
Gels (30 Min.)	4		
Gels (60 Min.)	5		
Sand (%)	0		
L.G.S. (% Wt.)	2.2		
L.G.S. (kg/m3)	58.2		
Solids (%)	3.0		
Oil (%)	1.0		
Water (%)	96.0	100.0	
pH	12.0		
Pf	2.30		
Mf	3.00		
MBT (kg/m3)	0		
PHPA (kg/m3)			
K+ (mg/l)	6000		
Cl (ppm)	15000		
Ca (ppm)	800		

DRILLING FLUID VOLUMES

Mud Gradient	10.30	kPa/m
Mud Cycle	136	min
Bottoms Up	67	min
Mud Tanks	58.8	m3
Hole Volume	93	m3 + 10%
Active System Vol.	151.8	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD		Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	
Poly Pac R		SPR Sweep	
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime	2	Alkapam	
Soda Ash		Zetag	2
Bleach		CaNO3	12
X-cide			
Defoam X		Barite	
Fresh H2O		Sea H2O	20.3
		Mud	Water
Daily Cost		$2,757	$0
Cum Cost		$319,547	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Drill Bit	1				0.19
Bit Sub	1				0.70
89mm HWDP	36				330.90
89mm S-135 DP					
X/O					0.77
127mm HWDP					
127mm X-95 DP					
BHA TOTAL:					332.56
Singles of Drill Pipe of DP	36		89.21		3211.73
TOP DRIVE					5.71
DRILL STRING TOTALTOTAL:					3550.00
Avail WOB	String Wt (daN)				0.0450

rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)
Board (metres)
Difference (metres) 0.00
Correction (Yes/No?)

CASING BOWL DETAILS

Manufacturer
Size (mm)
WP (MPa)
Serial No.

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg			0
UF liters			0
OF kg			0
OF liters			0
Hours			0
Speed			0
Feed rpm			0

OPERATIONS TIME BREAKDOWN

RU / RD:		Slip / Cut:	1.00	Drill (rotary):	
Rig Move:		Survey:		Drill (slide):	
W.O. Daylight:		Logging:		Well Control:	
Coring:		Run Casing:		Dir. Work:	3.00
Reaming:		Cementing:	1.25	Squeeze Job:	4.00
Circulate Wellbore:		WOC:			
Conditon Mud:	1.00	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:	1.00	Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:	12.25	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
3rd Party Repairs:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	3950	kPa
SPM	40	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	127	(ID):
HWDP	(OD):	89	(ID):
DP	(OD):	89	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	75	75
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	1.03	1.03
Pump Eff.	97%	97%
Pump Press.	18000	Compound
Drillpipe AV	42.9	Compound
H.W. Drillpipe AV	42.9	Compound
Drillcollar AV	140.0	Compound
Nozzel Vel	24.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Trip out of hole from 3216m to 2966m / Fill hole and record volume
Squeeze cement with 400kPa, total of 28 strokes
Slip and cut drilling line
Displace well to water
Trip out of hole from 2961m to O.O.H / Flow checks @1860m, and O.O.H
Function test blind rams O.O.H, 6 sec. to close
Function test annular, 27 sec. to close
Remove catch cans in preperation for underballanced rig up
Pick up Directional motor, Monel DCs and MWD tool
Pulse test MWD
Rig up bit and R.I.H
Trip in hole to 3301m and tag cement
Drill cement to 3316m / Samples show contaminated cement to 3316m
Drill cement to 3338m / Samples show competent cement from 3316m
Function test upper pipe rams, 6 sec. to close

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	45.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **107.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME: PDIP GHS PaP #1 ST #3
UNIQUE ID: PaP #1 ST #3
AREA: Garden Hill South

24:00 HRS PROJECT STATUS: Drill out cement isolation plug from open hole

OPS @ 07:00 HRS: Build hot water pill to circulate wax & oil cuttings from 244mm casing

DATE REPORTED: November 14, 2008
OPERATION DATE: November 13, 2008

Current Formation: Auguathuna
MD (m) 3001.0 T.V.D. (m) 3439.9
Next Formation:
MD (m) T.V.D. (m)

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:	0.00	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$76,382	SURFACE SET:	
PREV COST:	$8,763,303	T.D. DATE:	
CUM COST:	$8,839,685	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

EXCECUTIVE OPERATIONS SUMMARY

Drill cement isolation plug from open hole from 3338m to 3508 through the build curve / No differential on PDM at 3508m / POOH / Work tight string in casing / Circulate waxy crud and cuttings from casing string.

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

POOH and change out PDM and PU PDM drill ahead assembly

Rig Manager: Brent Kramps
Cell: 1-709-649-0255
Drilling Foreman: Lyle McIntosh
Cell: 1-780-913-4612
Drilling Foreman: Tibor Papp
Cell: 1-403-652-6404
Operations Room: "Rig Site"
Cell: 1-709-649-4925
Wellsite Geologist: Gus Finn
Reported To: Steve c McIntosh
Cell: 1-403-875-6132

BIT PERFORMANCE

Bit No.	16		16					
Size (mm)	156.0		156.0					
Mfg.	Smith		Smith					
Type	XR+ PS		XR+ PS					
Serial #	PG7950		PG7950					
Nozzles (mm)	3 x 14.3		3 x 18.0					
AreaNoz(mm2)			Drill Cement					
WOB (daN) D&S	6.0	0.0	6.0	0.0				
RPM (R & PDM)	25	0	25	90				
Bit Depth (IN)	3430.00		3316.00					
Bit Depth (OUT)	3550.00		3508.00					
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	120.00	0.00	169.00					
Daily (hours)	0.00	0.00	16.25					
Daily ROP (m/hr)	0.00	0.00						
Bit Total (m)	120.00	0.00	289.00					
Bit Total (hrs)	17.50	0.00	33.50					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	120.00		289.00					
Cum Bit Hrs	17.50		33.50					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	597		613.25					
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	23:55	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1040	
Buoyancy	0.8675	
Vis.	32	
W.L.	N/A	
Filter Cake	N/A	
Rheology Temp	35	
600 Fann	9	
300 Fann	5	
200 Fann	3	
100 Fann	2	
6 Fann	1	
3 Fann	1.0	
n - Value "p"	0.848	
k - Value "p"	0.013	
n - Value "a"	0.395	
k - Value "a"	0.134	
P.V.	4	
Y.P.	1.0	
Gels (1 sec)	1	
Gels (10 Min.)	2	
Gels (30 Min.)	4	
Gels (60 Min.)	5	
Sand (%)	0	
L.G.S. (% Wt.)	1.3	
L.G.S. (kg/m3)	32.6	
Solids (%)	3.0	
Oil (%)	1.0	
Water (%)	96.0	100.0
pH	11.8	
Pf	1.40	
Mf	2.50	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)	6000	
Cl (ppm)	16000	
Ca (ppm)	800	

DRILLING FLUID VOLUMES

Mud Gradient	10.20	kPa/m
Mud Cycle	153	min
Bottoms Up	68	min
Mud Tanks	76.4	m3
Hole Volume	93	m3 + 10%
Active System Vol.	169.4	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	4	Pulpro 10	
Xanvis		Pulpro 20	
PolyPac UL		Pulpro 30	30
Poly Pac R		SPR Sweep	2
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic			
Lime		Alkapam	
Soda Ash		Zetag	
Bleach		CaNO3	
X-cide			
Defoam X		Barite	
Fresh H2O		Sea H2O	

	Mud	Water
Daily Cost	$4,193	$0
Cum Cost	$323,740	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Drill Bit	1				0.19
Bit Sub	1				0.70
89mm HWDP	36				330.90
89mm S-135 DP					
X/O					0.77
127mm HWDP					
127mm X-95 DP					
BHA TOTAL:					332.56
Singles of Drill Pipe of DP	36		89.21		3211.73
TOP DRIVE					5.71
DRILL STRING TOTALTOTAL:					3550.00
Avail WOB	String Wt (daN)				0.0450 rpm/l

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	230	230	0
M - Mesh	230	230	0
B - Mesh	230	230	0
Hours	16	12	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1600		0
UF liters	2		0
OF kg	1035		0
OF liters	1000		0
Hours	16		0
Speed	2100		0
Feed rpm	650		0

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

OPERATIONS TIME BREAKDOWN

RU / RD:		Slip / Cut:		Drill (rotary):	
Rig Move:		Survey:		Drill (slide):	
W.O. Daylight:		Logging:		Well Control:	
Coring:		Run Casing:		Dir. Work:	0.50
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	4.25	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	
Wiper Trips:	1.00	Drill Cmt:	16.25	Circ Sample:	
Tripping:	1.50	DST:		Rig Inspection:	
Rig Service:	0.50	Handle Tools:		Leak -Off Test:	
Rig Repair:					
3rd Party Repairs:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5200	kPa
SPM	40	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	127	(ID):
HWDP	(OD):	89	(ID):
DP	(OD):	89	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	83	0
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	1.14	0.00
Pump Eff.	97%	97%
Pump Press.	18000	Compound
Drillpipe AV	27.0	Compound
H.W. Drillpipe AV	27.0	Compound
Drillcollar AV	32.0	Compound
Nozzel Vel	24.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Drill out cement from 3338m to 3468m
Torque and drag increasing due to cement cuttings around BHA
Wiper trip to inside liner shoe to remove cuttings from well
Drill out cement from 3468m to 3477m
Function test annular, 27 sec. to close
Drill out cement from 3477m to 3507m
Circulate hole clean with Super sweep
Trip out of hole from 3507m to 3400m / Pulled tight
Circulate hole clean with high vis Super sweep
Function test upper and lower pipe rams, 7 sec. to close each

DAILY OPERATIONS REPORT

Ver: 311-5-28109

pdiproduction

(MIRU)	15.0	(Drilling)	46.0	XXXXXXXX	0.0
(Well Kill)	3.0	(Completion)	1.0	XXXXXXXX	0.0
(Workover)	27.5	(Production)	4.5	XXXXXXXX	0.0
(Abandonment)	4.0	XXXXXXXX	0.0	(NPCT)	7.0

REPORT # **108.0**

DRAGON LANCE MANAGEMENT CORPORATION
1-780-929-6768

WELL NAME:	PDIP GHS PaP #1 ST #3
UNIQUE ID:	PaP #1 ST #3
AREA:	Garden Hill South

DEPTH (MD):	3550.00	GRD ELEV:	212.40
DEPTH (TVD):	3448.90	KB ELEV:	219.70
DEPTH (TVDSS):	3229.20	EST. TD (MD m):	4448.00
Previous Depth:	3550.00		
PROGRESS (m):	0.00	AFE:	
24:00 Avg. ROP:	0.00	LICENCE #:	
07:00 MD DEPTH:	3550.00	RIG & #:	Nabors 45
07:00 TVD DEPTH:	3448.90	RIG MOVE START:	
07:00 Avg. ROP:	0.00	RIG UP START:	
D&A COST:	$0	SPUD DATE:	
DAILY COST:	$91,985	SURFACE SET:	
PREV COST:	$8,839,685	T.D. DATE:	
CUM COST:	$8,931,670	RIG UP START:	
Meters to TD:	898.00	RIG RELEASE:	

24:00 HRS PROJECT STATUS: Change out mud motors

OPS @ 07:00 HRS: Lay down 127mm Nabors HWDP

EXCECUTIVE OPERATIONS SUMMARY

Drill cement isolation plug / POOH for possible motor failure (No differential on PDM at 3508m) / Work tight string in casing / Circulate waxy crud and cuttings from casing string. POOH and change out PDM and PU PDM drill ahead assembly (Failed motor) / Lower motor housing secion is backed off. Make up new directional

PROPOSED NEXT 24 hrs. OPERATIONS SUMMARY

RIH with new PDM drill ahead assembly / Rig up managed pressure drilling equipment / Condition and heat mud system / Drill ahead

DATE REPORTED:	November 15, 2008
OPERATION DATE:	November 14, 2008
Current Formation:	Auguathuna
MD (m)	3001.0
T.V.D. (m)	3439.9
Next Formation:	
MD (m)	
T.V.D. (m)	
Rig Manager:	Brent Kramps
Cell:	1-709-649-0255
Drilling Foreman:	Lyle McIntosh
Cell:	1-780-913-4612
Drilling Foreman:	Tibor Papp
Cell:	1-403-652-6404
Operations Room:	"Rig Site"
Cell:	1-709-649-4925
Wellsite Geologist:	Gus Finn
Reported To:	Steve c McIntosh
Cell:	1-403-875-6132

BIT PERFORMANCE

Bit No.	16		16					
Size (mm)	156.0		156.0					
Mfg.	Smith		Smith					
Type	XR+ PS		XR+ PS					
Serial #	PG7950		PG7950					
Nozzles (mm)	3 x 14.3		3 x 18.0					
AreaNoz(mm2)			Drill Cement					
WOB (daN) D&S	6.0	0.0	6.0	0.0				
RPM (R & PDM)	25	0	25	90				
Bit Depth (IN)	3430.00		3316.00					
Bit Depth (OUT)	3550.00		3508.00					
	DRILL	SLIDE	DRILL	SLIDE	DRILL	SLIDE		
Daily (meters)	0.00	0.00	0.00					
Daily (hours)	0.00	0.00	0.00					
Daily ROP (m/hr)	0.00	0.00	0.00					
Bit Total (m)	120.00	0.00	289.00					
Bit Total (hrs)	17.50	0.00	33.50					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Bit Meters	120.00		289.00					
Cum Bit Hrs	17.50		33.50					
	DRILL & SLIDE		DRILL & SLIDE		DRILL & SLIDE			
Cum Hole Hrs	597		613.25					
Bit Condition:								

DRILLING FLUID ANALYSIS

Fluid Type	Poly CalCarb	
Time Check	11:45	
Mud Man	Jody Kereliuk	
Mud Co.	Mi Swaco	
Density (kg/m3)	1035	
Buoyancy	0.8682	
Vis.	31	
W.L.	N/A	
Filter Cake	N/A	
Rheology Temp	34	
600 Fann	9	
300 Fann	5	
200 Fann	3	
100 Fann	2	
6 Fann	1	
3 Fann	1.0	
n - Value "p"	0.848	
k - Value "p"	0.013	
n - Value "a"	0.395	
k - Value "a"	0.134	
P.V.	4	
Y.P.	1.0	
Gels (1 sec)	1	
Gels (10 Min.)	2	
Gels (30 Min.)	4	
Gels (60 Min.)	5	
Sand (%)	0	
L.G.S. (% Wt.)	1.3	
L.G.S. (kg/m3)	32.6	
Solids (%)	3.0	
Oil (%)	1.0	
Water (%)	96.0	100.0
pH	11.8	
Pf	1.40	
Mf	2.50	
MBT (kg/m3)	0	
PHPA (kg/m3)		
K+ (mg/l)	6000	
Cl (ppm)	16000	
Ca (ppm)	800	

DRILLING FLUID VOLUMES

Mud Gradient	10.15	kPa/m
Mud Cycle	153	min
Bottoms Up	68	min
Mud Tanks	76.4	m3
Hole Volume	93	m3 + 10%
Active System Vol.	169.4	m3

DRILLING FLUID ADDITIVES

Product	Qty.	Product	Qty.
XCD	3	Pulpro 10	
Xanvis	3	Pulpro 20	
PolyPac UL		Pulpro 30	30
Poly Pac R		SPR Sweep	6
Duovis		Nut Plug-m	
SAPP		Nut Plug-f	
Caustic	8		
Lime		Alkapam	
Soda Ash		Zetag	
Bleach		CaNO3	
X-cide			
Defoam X		Barite	
Fresh H2O		Sea H2O	
		Mud	Water
Daily Cost		$6,964	$0
Cum Cost		$330,704	$0

BOTTOM HOLE ASSEMBLY & TOTAL DRILL PIPE

Description; Type Connection			OD (mm)	ID (mm)	Length (meters)
Drill Bit	1				0.19
Bit Sub	1				0.70
89mm HWDP	36				330.90
89mm S-135 DP					
X/O					0.77
127mm HWDP					
127mm X-95 DP					
BHA TOTAL:					332.56
Singles of Drill Pipe of DP	36		89.21		3211.73
TOP DRIVE					5.71
DRILL STRING TOTALTOTAL:					3550.00
Avail WOB	String Wt (daN)				0.0450

PIPE STRAP (BHA + DP)

Strap (metres)	
Board (metres)	
Difference (metres)	0.00
Correction (Yes/No?)	

CASING BOWL DETAILS

Manufacturer	
Size (mm)	
WP (MPa)	
Serial No.	

SOLIDS CONTROL

Shaker	1	2	3
T - Mesh	165	165	0
M - Mesh	165	165	0
B - Mesh	165	165	0
Hours	24	24	0
Centrifuge	1	2	3
Make	SS-1000	SS-1000	0
UF kg	1600	Repair	0
UF liters	2	Repair	0
OF kg	1035	Repair	0
OF liters	1000	Repair	0
Hours	18.0	Repair	0
Speed	2100	Repair	0
Feed rpm	650	Repair	0

OPERATIONS TIME BREAKDOWN

RU / RD:		Slip / Cut:		Drill (rotary):	
Rig Move:		Survey:		Drill (slide):	
W.O. Daylight:		Logging:		Well Control:	
Coring:		Run Casing:		Dir. Work:	5.00
Reaming:		Cementing:		Squeeze Job:	
Circulate Wellbore:		WOC:			
Conditon Mud:	10.75	NU BOP's:		BOP Drill:	
Lost Circ:		Test BOP's:		Safety Meet:	
Wiper Trips:		Drill Cmt:		Circ Sample:	
Tripping:	7.50	DST:		Rig Inspection:	
Rig Service:	0.75	Handle Tools:		Leak -Off Test:	
Rig Repair:					
3rd Party Repairs:				TOTAL HRS:	24.00

WELL CONTROL

MACP	3550	kPa
RSPP	5200	kPa
SPM	40	
Calc hole fill	0	m3
Act Hole Fill	0	m3

BOP Drill

Daylights	09/10/08
Afternoons	n/a
Graveyards	28/10/08

HYDRAULICS SIZE

DC	(OD):	127	(ID):
HWDP	(OD):	89	(ID):
DP	(OD):	89	(ID):

MUD PUMP & HYDRAULICS

	1	2
Make & Model	FB-1600	FB-1600
Pump Liner:	140	140
Pump Stroke:	305	305
SPM	83	0
Litre/Sk 100%	0.0141	0.0141
Circ Rate100%	1.14	0.00
Pump Eff.	97%	97%
Pump Press.	18000	Compound
Drillpipe AV	27.0	Compound
H.W. Drillpipe AV	27.0	Compound
Drillcollar AV	32.0	Compound
Nozzel Vel	24.0	

DATA FOR ROTARY DRILLING & SLIDE DRILLING

SLIDE FROM (meters)	SLIDE TO (meters)	SLIDE TFO SET	SLIDE m	SLIDE hr.	SLIDE ROP m/hr	SLIDE PDM rpm	SLIDE WOB kDa/N	DRILL FROM (meters)	DRILL TO (meters)	DRILL m	DRILL (hr.)	DRILL ROP (m/hr)	DRILL WOB kDa/N	DRILL rpm	Rotary Torque	FLOW RATE m3/min	DRAG UP kDa/N	DRAG DOWN kDa/N	OFF Bottom kPa
			0.00	0.00						0.00	0.00								

Circulate high vis sweep out of hole
Circulate out stands from 3330m to 3274m
Mix high vis sweep and heat 8.0m3 water to pump in tandem with sweep
Function test annular, 27 sec. to close
Pump 8.0m3 drilling mud @ 90 deg.C followed by 20.0m3 super sweep
Circulate out stands from 3286m to 3110m
Flow check @ 3080m and pump pill @ 2980m
Trip out of hole for new assembly and bit / Flow check O.O.H
Break bit, change out motor, change out MWD (Failed motor) / Lower motor housing secion is backed off
Function test blind rams O.O.H 7 sec. to close
Make up 156mm PDC bit and check all factory shop breaks on motor to torque of 11,000 ft. lbs.
Test MWD and R.I.H with 3.5" S-135 DP

APPENDIX 7:

(Attachment) Drilled Survey Deviation Plot

Job Number: Preliminary Sdtrk #3
Company: PDI Production Inc.
Lease/Well: Garden Hill South
Location: Port au Port #1 (ST #3)
Rig Name: Nabors 45 ETD
RKB: 219.7m Actual
G.L. or M.S.L.: 212.5m Est

State/Country: Newfoundland / Canada
Declination: -20.57
Grid: Planned to NAD 83
File name: W:\COMPAN~H\PDI_PR~U\GARDEN~I\08925\08925.SV
Date/Time: 02-Dec-08 / 12:49
Curve Name: As Drilled Surveys

Meridian Directional Services Inc. Main: (403)269-8828 Fax: (403)264-8829

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 28.75
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
.00	.00	.00	.00	219.70	.00	.00	.00	.00
16.91	.37	32.06	16.91	202.79	.05	.03	.05	.66
26.91	.34	24.65	26.91	192.79	.10	.06	.12	.16
36.91	.32	18.97	36.91	182.79	.15	.08	.17	.11
46.91	.26	11.86	46.91	172.79	.20	.09	.22	.21
56.91	.30	21.87	56.91	162.79	.25	.11	.27	.19
66.91	.40	39.10	66.91	152.79	.30	.14	.33	.43
76.91	.38	36.03	76.91	142.79	.35	.18	.40	.09
86.91	.36	42.07	86.91	132.79	.40	.22	.46	.13
96.91	.35	30.63	96.91	122.79	.45	.26	.52	.21
106.91	.31	28.83	106.91	112.79	.50	.29	.58	.12
116.91	.33	35.85	116.91	102.79	.55	.32	.64	.13
126.91	.32	36.99	126.91	92.79	.60	.35	.69	.04
136.91	.33	38.42	136.91	82.79	.64	.39	.75	.04
146.91	.36	41.40	146.91	72.79	.69	.42	.81	.10
156.91	.31	23.75	156.91	62.79	.74	.46	.86	.34
166.91	.30	35.24	166.91	52.79	.78	.48	.92	.19
176.91	.27	336.08	176.91	42.79	.83	.49	.96	.85
186.91	.24	325.10	186.91	32.79	.86	.47	.98	.17
196.91	.33	21.74	196.91	22.79	.91	.46	1.02	.85
206.91	.29	27.46	206.91	12.79	.96	.49	1.07	.15
216.91	.27	359.23	216.91	2.79	1.00	.50	1.12	.41
226.91	.24	2.49	226.91	-7.21	1.05	.50	1.16	.10
236.91	.33	30.55	236.91	-17.21	1.09	.51	1.21	.49
246.91	.25	21.45	246.91	-27.21	1.14	.54	1.26	.28

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
256.91	.26	21.99	256.91	-37.21	1.18	.55	1.30	.03
266.91	.22	7.45	266.91	-47.21	1.22	.56	1.34	.22
276.91	.22	5.74	276.91	-57.21	1.26	.57	1.38	.02
286.91	.25	13.51	286.91	-67.21	1.30	.58	1.42	.13
296.91	.19	350.02	296.91	-77.21	1.34	.58	1.45	.32
306.91	.25	10.45	306.91	-87.21	1.37	.58	1.48	.29
316.91	.20	352.15	316.91	-97.21	1.41	.58	1.52	.26
326.91	.22	344.37	326.91	-107.21	1.45	.57	1.55	.10
336.91	.10	329.32	336.91	-117.21	1.47	.56	1.56	.38
346.91	.08	334.76	346.91	-127.21	1.49	.56	1.57	.07
356.91	.17	317.16	356.91	-137.21	1.51	.54	1.58	.29
366.91	.15	326.52	366.91	-147.21	1.53	.53	1.59	.10
376.91	.09	328.85	376.91	-157.21	1.54	.51	1.60	.18
386.91	.14	329.33	386.91	-167.21	1.56	.50	1.61	.15
396.91	.18	329.64	396.91	-177.21	1.59	.49	1.63	.12
406.91	.17	343.45	406.91	-187.21	1.61	.48	1.64	.13
416.91	.19	332.92	416.91	-197.21	1.64	.47	1.66	.12
426.91	.14	1.62	426.91	-207.21	1.67	.46	1.68	.29
436.91	.17	348.58	436.91	-217.21	1.70	.46	1.71	.14
446.91	.19	359.16	446.91	-227.21	1.73	.45	1.73	.12
456.91	.22	10.68	456.91	-237.21	1.76	.46	1.77	.15
466.91	.20	9.14	466.91	-247.21	1.80	.46	1.80	.06
476.91	.17	8.81	476.91	-257.21	1.83	.47	1.83	.09
486.91	.18	8.35	486.91	-267.21	1.86	.47	1.86	.03
496.91	.20	11.13	496.91	-277.21	1.89	.48	1.89	.07
506.91	.20	9.16	506.91	-287.21	1.93	.48	1.92	.02
516.91	.13	356.90	516.90	-297.20	1.96	.49	1.95	.23
526.91	.10	348.42	526.90	-307.20	1.98	.48	1.97	.10
536.91	.07	331.72	536.90	-317.20	1.99	.48	1.98	.12
546.91	.12	324.47	546.90	-327.20	2.00	.47	1.98	.15
556.91	.16	338.80	556.90	-337.20	2.03	.46	2.00	.16
566.91	.17	319.35	566.90	-347.20	2.05	.44	2.01	.17
576.91	.14	329.40	576.90	-357.20	2.07	.43	2.02	.12
586.91	.13	338.70	586.90	-367.20	2.09	.42	2.04	.07
596.91	.16	344.48	596.90	-377.20	2.12	.41	2.05	.10
606.91	.20	5.53	606.90	-387.20	2.15	.41	2.08	.23
616.91	.19	352.58	616.90	-397.20	2.18	.41	2.11	.14
626.91	.22	48.63	626.90	-407.20	2.21	.42	2.14	.58
636.91	.22	43.94	636.90	-417.20	2.24	.45	2.18	.05
646.91	.20	15.94	646.90	-427.20	2.27	.47	2.21	.31
656.91	.28	54.09	656.90	-437.20	2.30	.49	2.25	.52
666.91	.25	36.70	666.90	-447.20	2.33	.52	2.30	.26
676.91	.32	49.47	676.90	-457.20	2.37	.56	2.34	.28
686.91	.27	43.84	686.90	-467.20	2.40	.60	2.39	.17
696.91	.29	43.98	696.90	-477.20	2.44	.63	2.44	.06

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
706.91	.32	60.11	706.90	-487.20	2.47	.67	2.49	.27
716.91	.36	71.34	716.90	-497.20	2.49	.72	2.53	.23
726.91	.37	70.39	726.90	-507.20	2.51	.78	2.58	.04
736.91	.39	83.39	736.90	-517.20	2.53	.85	2.63	.26
746.91	.49	99.18	746.90	-527.20	2.53	.93	2.66	.47
756.91	.44	100.68	756.90	-537.20	2.51	1.01	2.69	.15
766.91	.41	112.25	766.90	-547.20	2.49	1.08	2.70	.27
776.91	.53	108.21	776.90	-557.20	2.46	1.15	2.71	.37
786.91	.46	115.62	786.90	-567.20	2.43	1.23	2.72	.28
796.91	.48	97.37	796.90	-577.20	2.41	1.31	2.74	.45
806.91	.45	95.80	806.90	-587.20	2.40	1.39	2.77	.10
816.91	.44	111.84	816.90	-597.20	2.38	1.47	2.79	.37
826.91	.45	105.14	826.90	-607.20	2.36	1.54	2.81	.16
836.91	.54	107.82	836.90	-617.20	2.33	1.62	2.82	.28
846.91	.51	97.90	846.90	-627.20	2.31	1.71	2.85	.29
856.91	.51	104.16	856.90	-637.20	2.29	1.80	2.88	.17
866.91	.47	92.80	866.90	-647.20	2.28	1.88	2.91	.31
876.91	.54	92.21	876.90	-657.20	2.28	1.97	2.94	.21
886.91	.61	90.48	886.90	-667.20	2.28	2.07	2.99	.22
896.91	.66	102.63	896.90	-677.20	2.26	2.18	3.03	.43
906.91	.72	104.41	906.90	-687.20	2.23	2.30	3.06	.19
916.91	.74	104.78	916.90	-697.20	2.20	2.42	3.09	.06
926.91	.76	111.50	926.89	-707.19	2.16	2.55	3.12	.27
936.91	.84	110.12	936.89	-717.19	2.11	2.68	3.14	.25
946.91	.84	108.50	946.89	-727.19	2.06	2.81	3.16	.07
956.91	.79	104.51	956.89	-737.19	2.02	2.95	3.19	.23
966.91	.83	109.23	966.89	-747.19	1.98	3.09	3.22	.23
976.91	.90	110.11	976.89	-757.19	1.93	3.23	3.24	.21
986.91	.84	109.77	986.89	-767.19	1.88	3.37	3.27	.18
996.91	.81	105.98	996.89	-777.19	1.83	3.51	3.30	.19
1006.91	.78	105.32	1006.89	-787.19	1.80	3.64	3.33	.09
1016.91	.63	102.97	1016.89	-797.19	1.77	3.76	3.36	.46
1026.91	.55	99.58	1026.89	-807.19	1.75	3.86	3.39	.26
1036.91	.52	102.58	1036.88	-817.18	1.73	3.95	3.42	.12
1046.91	.51	107.16	1046.88	-827.18	1.71	4.04	3.44	.13
1056.91	.56	112.79	1056.88	-837.18	1.67	4.13	3.45	.22
1066.91	.60	94.10	1066.88	-847.18	1.65	4.22	3.48	.58
1076.91	.45	118.95	1076.88	-857.18	1.63	4.31	3.50	.81
1086.91	.46	123.27	1086.88	-867.18	1.59	4.38	3.50	.11
1096.91	.41	108.63	1096.88	-877.18	1.55	4.45	3.50	.36
1106.91	.27	132.53	1106.88	-887.18	1.53	4.50	3.50	.59
1116.91	.34	129.41	1116.88	-897.18	1.49	4.54	3.49	.22
1126.91	.25	108.53	1126.88	-907.18	1.47	4.58	3.49	.42
1136.91	.28	117.90	1136.88	-917.18	1.45	4.62	3.49	.16
1146.91	.19	237.38	1146.88	-927.18	1.43	4.63	3.48	1.23

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
1156.91	.23	146.84	1156.88	-937.18	1.40	4.63	3.45	.90
1166.91	.29	197.01	1166.88	-947.18	1.36	4.63	3.42	.68
1176.91	.32	177.35	1176.88	-957.18	1.31	4.63	3.37	.32
1186.91	.37	169.16	1186.88	-967.18	1.25	4.63	3.32	.21
1196.91	.53	142.01	1196.88	-977.18	1.18	4.67	3.28	.79
1206.91	.48	150.03	1206.88	-987.18	1.11	4.72	3.24	.26
1216.91	.60	142.30	1216.88	-997.18	1.03	4.77	3.20	.42
1226.91	.66	130.13	1226.88	-1007.18	.95	4.85	3.16	.44
1236.91	.88	127.89	1236.88	-1017.18	.87	4.95	3.14	.67
1246.91	1.09	121.53	1246.88	-1027.18	.77	5.09	3.12	.71
1256.91	1.55	114.96	1256.87	-1037.17	.66	5.30	3.13	1.45
1266.91	1.89	111.34	1266.87	-1047.17	.55	5.57	3.16	1.07
1276.91	2.09	108.30	1276.86	-1057.16	.43	5.90	3.21	.68
1286.91	2.32	106.54	1286.86	-1067.16	.31	6.27	3.29	.72
1296.91	2.62	104.12	1296.85	-1077.15	.20	6.68	3.39	.95
1306.91	3.07	103.27	1306.83	-1087.13	.08	7.16	3.52	1.36
1316.91	3.22	100.11	1316.82	-1097.12	-.03	7.70	3.68	.69
1326.91	3.83	99.38	1326.80	-1107.10	-.13	8.31	3.88	1.83
1336.91	4.13	98.61	1336.78	-1117.08	-.24	8.99	4.12	.91
1346.91	4.24	99.48	1346.75	-1127.05	-.35	9.71	4.36	.38
1356.91	4.34	98.99	1356.72	-1137.02	-.47	10.45	4.61	.32
1366.91	4.49	99.00	1366.69	-1146.99	-.59	11.21	4.87	.45
1376.91	4.51	99.30	1376.66	-1156.96	-.72	11.99	5.13	.09
1386.91	4.48	99.11	1386.63	-1166.93	-.84	12.76	5.40	.10
1396.91	4.54	99.34	1396.60	-1176.90	-.97	13.54	5.66	.19
1406.91	4.55	99.26	1406.57	-1186.87	-1.10	14.32	5.92	.04
1416.91	4.66	98.93	1416.54	-1196.84	-1.23	15.11	6.19	.34
1426.91	4.57	99.01	1426.50	-1206.80	-1.35	15.91	6.47	.27
1436.91	4.66	97.71	1436.47	-1216.77	-1.47	16.70	6.75	.41
1446.91	4.47	99.75	1446.44	-1226.74	-1.59	17.49	7.02	.75
1456.91	4.68	98.95	1456.41	-1236.71	-1.72	18.28	7.28	.66
1466.91	4.60	98.08	1466.37	-1246.67	-1.84	19.08	7.56	.32
1476.91	4.79	98.37	1476.34	-1256.64	-1.95	19.89	7.85	.57
1486.91	4.64	99.00	1486.31	-1266.61	-2.08	20.70	8.13	.48
1496.91	4.65	98.08	1496.27	-1276.57	-2.20	21.50	8.41	.23
1506.91	4.68	97.11	1506.24	-1286.54	-2.31	22.31	8.71	.25
1516.91	4.80	97.85	1516.21	-1296.51	-2.41	23.12	9.01	.40
1526.91	4.59	97.38	1526.17	-1306.47	-2.52	23.94	9.30	.64
1536.91	4.25	96.81	1536.14	-1316.44	-2.62	24.70	9.59	1.03
1546.91	4.14	97.36	1546.12	-1326.42	-2.71	25.43	9.86	.35
1556.91	3.74	98.06	1556.09	-1336.39	-2.80	26.11	10.10	1.21
1566.91	3.46	97.59	1566.07	-1346.37	-2.89	26.73	10.33	.84
1576.91	3.30	98.68	1576.06	-1356.36	-2.97	27.31	10.53	.52
1586.91	3.21	99.31	1586.04	-1366.34	-3.06	27.87	10.73	.29
1596.91	3.06	100.35	1596.03	-1376.33	-3.15	28.41	10.90	.48

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
1606.91	3.02	102.02	1606.01	-1386.31	-3.25	28.93	11.06	.29
1616.91	2.97	102.13	1616.00	-1396.30	-3.36	29.44	11.21	.15
1626.91	2.78	104.82	1625.99	-1406.29	-3.48	29.93	11.35	.70
1636.91	2.65	103.83	1635.97	-1416.27	-3.60	30.39	11.46	.41
1646.91	2.57	106.31	1645.96	-1426.26	-3.72	30.83	11.57	.42
1656.91	2.51	105.93	1655.95	-1436.25	-3.84	31.26	11.67	.19
1666.91	2.39	107.84	1665.94	-1446.24	-3.96	31.67	11.76	.44
1676.91	2.31	108.43	1675.94	-1456.24	-4.09	32.05	11.83	.25
1686.91	2.34	108.66	1685.93	-1466.23	-4.22	32.44	11.90	.09
1696.91	2.36	108.45	1695.92	-1476.22	-4.35	32.83	11.98	.07
1706.91	2.36	108.22	1705.91	-1486.21	-4.48	33.22	12.05	.03
1716.91	2.36	107.91	1715.90	-1496.20	-4.61	33.61	12.13	.04
1726.91	2.34	109.19	1725.89	-1506.19	-4.74	34.00	12.20	.17
1736.91	2.44	109.58	1735.89	-1516.19	-4.88	34.39	12.27	.30
1746.91	2.47	110.97	1745.88	-1526.18	-5.02	34.79	12.33	.20
1756.91	2.47	112.13	1755.87	-1536.17	-5.18	35.20	12.39	.15
1766.91	2.44	114.81	1765.86	-1546.16	-5.35	35.59	12.42	.36
1776.91	2.42	117.37	1775.85	-1556.15	-5.54	35.97	12.44	.33
1786.91	2.42	124.22	1785.84	-1566.14	-5.75	36.33	12.43	.87
1796.91	2.48	125.38	1795.83	-1576.13	-6.00	36.68	12.38	.23
1806.91	2.48	126.03	1805.82	-1586.12	-6.25	37.03	12.33	.08
1816.91	2.51	127.94	1815.81	-1596.11	-6.51	37.38	12.27	.27
1826.91	2.53	127.90	1825.80	-1606.10	-6.78	37.73	12.20	.06
1836.91	2.44	131.83	1835.79	-1616.09	-7.06	38.06	12.12	.58
1846.91	2.49	135.58	1845.78	-1626.08	-7.36	38.37	12.00	.51
1856.91	2.49	137.31	1855.77	-1636.07	-7.67	38.67	11.87	.23
1866.91	2.46	136.75	1865.76	-1646.06	-7.99	38.96	11.74	.12
1876.91	2.41	139.01	1875.76	-1656.06	-8.30	39.25	11.60	.32
1886.91	2.48	142.26	1885.75	-1666.05	-8.63	39.52	11.44	.47
1896.91	2.44	142.23	1895.74	-1676.04	-8.97	39.78	11.27	.12
1906.91	2.43	144.43	1905.73	-1686.03	-9.31	40.04	11.09	.28
1916.91	2.39	144.61	1915.72	-1696.02	-9.66	40.28	10.91	.12
1926.91	2.47	145.91	1925.71	-1706.01	-10.00	40.52	10.72	.29
1936.91	2.49	143.14	1935.70	-1716.00	-10.36	40.77	10.53	.36
1946.91	2.47	145.67	1945.69	-1725.99	-10.71	41.02	10.34	.33
1956.91	2.32	145.55	1955.68	-1735.98	-11.05	41.26	10.16	.45
1966.91	2.40	146.56	1965.67	-1745.97	-11.40	41.49	9.97	.27
1976.91	2.36	144.10	1975.67	-1755.97	-11.74	41.73	9.78	.33
1986.91	2.32	143.18	1985.66	-1765.96	-12.07	41.97	9.61	.16
1996.91	2.32	143.43	1995.65	-1775.95	-12.39	42.21	9.44	.03
2006.91	2.25	143.94	2005.64	-1785.94	-12.71	42.45	9.27	.22
2016.91	2.26	144.29	2015.63	-1795.93	-13.03	42.68	9.10	.05
2026.91	2.28	144.38	2025.63	-1805.93	-13.35	42.91	8.93	.06
2036.91	1.98	147.17	2035.62	-1815.92	-13.66	43.12	8.76	.95
2046.91	1.88	148.25	2045.61	-1825.91	-13.94	43.30	8.60	.32

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
2056.91	1.83	149.65	2055.61	-1835.91	-14.22	43.46	8.44	.20
2066.91	1.76	152.81	2065.60	-1845.90	-14.50	43.62	8.27	.36
2076.91	1.84	152.36	2075.60	-1855.90	-14.77	43.76	8.10	.24
2086.91	1.79	152.30	2085.59	-1865.89	-15.05	43.91	7.92	.15
2096.91	1.81	153.15	2095.59	-1875.89	-15.33	44.05	7.74	.10
2106.91	1.71	155.63	2105.58	-1885.88	-15.61	44.18	7.57	.38
2116.91	1.72	159.63	2115.58	-1895.88	-15.89	44.30	7.38	.36
2126.91	1.55	160.25	2125.58	-1905.88	-16.15	44.40	7.19	.51
2136.91	1.51	163.64	2135.57	-1915.87	-16.41	44.48	7.01	.30
2146.91	1.44	163.37	2145.57	-1925.87	-16.66	44.55	6.83	.21
2156.91	1.40	164.66	2155.57	-1935.87	-16.89	44.62	6.65	.15
2166.91	1.49	167.60	2165.56	-1945.86	-17.14	44.68	6.47	.35
2176.91	1.39	161.92	2175.56	-1955.86	-17.38	44.75	6.28	.52
2186.91	1.34	164.82	2185.56	-1965.86	-17.61	44.81	6.12	.26
2196.91	1.27	164.10	2195.55	-1975.85	-17.83	44.88	5.95	.22
2206.91	1.26	155.66	2205.55	-1985.85	-18.04	44.95	5.81	.56
2216.91	1.34	161.36	2215.55	-1995.85	-18.25	45.03	5.66	.46
2226.91	1.27	156.41	2225.55	-2005.85	-18.46	45.12	5.52	.40
2236.91	1.25	152.38	2235.54	-2015.84	-18.66	45.21	5.39	.27
2246.91	1.36	158.20	2245.54	-2025.84	-18.86	45.30	5.25	.52
2250.00	1.35	156.76	2248.63	-2028.93	-18.93	45.33	5.21	.34
2255.00	1.44	156.04	2253.63	-2033.93	-19.04	45.38	5.13	.55
2260.00	1.45	156.47	2258.63	-2038.93	-19.16	45.43	5.06	.09
2265.00	1.37	166.19	2263.63	-2043.93	-19.27	45.47	4.97	1.51
2270.00	1.71	193.95	2268.62	-2048.92	-19.40	45.47	4.86	4.85
2275.00	2.45	208.40	2273.62	-2053.92	-19.57	45.40	4.68	5.41
Int. Top of Window								
2278.75	3.05	212.04	2277.37	-2057.67	-19.73	45.31	4.50	4.98
2280.00	3.25	212.95	2278.61	-2058.91	-19.78	45.27	4.43	4.98
2285.00	3.93	213.25	2283.60	-2063.90	-20.05	45.10	4.12	4.08
2290.00	4.54	212.50	2288.59	-2068.89	-20.36	44.90	3.75	3.67
2295.00	5.07	212.61	2293.57	-2073.87	-20.71	44.67	3.33	3.18
2300.00	5.46	211.72	2298.55	-2078.85	-21.10	44.43	2.87	2.39
Final Gyro Survey								
2304.00	5.91	212.65	2302.53	-2082.83	-21.43	44.22	2.48	3.44
First MWD Survey								
2311.75	6.20	216.70	2310.24	-2090.54	-22.10	43.75	1.67	2.00
2321.49	7.20	221.20	2319.91	-2100.21	-22.99	43.04	.55	3.48
2331.08	8.10	217.50	2329.42	-2109.72	-23.97	42.23	-.71	3.21
2340.78	8.10	209.30	2339.02	-2119.32	-25.11	41.48	-2.06	3.57
2350.35	7.80	218.80	2348.50	-2128.80	-26.21	40.74	-3.38	4.22
2359.70	7.70	234.30	2357.76	-2138.06	-27.07	39.84	-4.57	6.69
2369.03	7.80	243.40	2367.01	-2147.31	-27.71	38.76	-5.65	3.95
2378.73	7.40	252.60	2376.62	-2156.92	-28.20	37.58	-6.65	3.96
2386.91	7.30	257.70	2384.74	-2165.04	-28.46	36.57	-7.37	2.42

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
2396.38	7.10	262.20	2394.13	-2174.43	-28.67	35.40	-8.11	1.90
2405.84	7.80	268.00	2403.51	-2183.81	-28.77	34.18	-8.79	3.26
2415.60	9.40	264.00	2413.16	-2193.46	-28.88	32.72	-9.58	5.25
2424.78	11.00	263.00	2422.20	-2202.50	-29.06	31.11	-10.52	5.26
2434.31	12.60	257.90	2431.53	-2211.83	-29.39	29.19	-11.73	6.01
2443.95	13.90	257.90	2440.91	-2221.21	-29.86	27.03	-13.17	4.05
2453.43	14.70	258.10	2450.10	-2230.40	-30.34	24.74	-14.70	2.54
2463.15	15.70	255.50	2459.48	-2239.78	-30.93	22.26	-16.41	3.73
2472.59	15.70	254.60	2468.56	-2248.86	-31.59	19.79	-18.17	.77
2482.10	16.00	252.40	2477.71	-2258.01	-32.32	17.30	-20.02	2.12
2491.66	15.70	252.00	2486.91	-2267.21	-33.12	14.82	-21.91	1.00
2501.16	14.60	249.50	2496.08	-2276.38	-33.94	12.47	-23.76	4.04
2510.88	13.10	248.30	2505.52	-2285.82	-34.77	10.30	-25.53	4.71
2520.39	12.20	241.60	2514.80	-2295.10	-35.65	8.42	-27.21	5.43
2529.93	11.50	237.40	2524.13	-2304.43	-36.64	6.73	-28.89	3.49
2539.53	10.80	236.70	2533.55	-2313.85	-37.65	5.17	-30.52	2.23
2548.97	10.20	235.00	2542.83	-2323.13	-38.62	3.75	-32.06	2.15
2558.49	9.70	238.60	2552.21	-2332.51	-39.52	2.37	-33.51	2.51
2568.22	9.40	238.90	2561.80	-2342.10	-40.36	.99	-34.91	.94
2577.92	9.40	240.50	2571.37	-2351.67	-41.16	-.38	-36.26	.81
2587.51	9.10	243.40	2580.84	-2361.14	-41.88	-1.74	-37.55	1.73
2596.79	9.10	241.90	2590.00	-2370.30	-42.56	-3.04	-38.77	.77
2606.24	9.00	244.20	2599.34	-2379.64	-43.23	-4.36	-40.00	1.19
2615.60	8.90	243.40	2608.58	-2388.88	-43.87	-5.67	-41.19	.51
2625.33	8.20	248.90	2618.20	-2398.50	-44.46	-6.99	-42.34	3.32
2634.83	7.90	251.00	2627.61	-2407.91	-44.92	-8.24	-43.34	1.33
2644.12	8.00	252.50	2636.81	-2417.11	-45.32	-9.46	-44.28	.74
2653.74	7.90	256.60	2646.34	-2426.64	-45.67	-10.74	-45.21	1.80
2663.21	7.60	260.00	2655.72	-2436.02	-45.93	-11.99	-46.04	1.74
2672.27	7.50	263.60	2664.70	-2445.00	-46.10	-13.17	-46.75	1.60
2681.88	7.30	266.30	2674.23	-2454.53	-46.21	-14.40	-47.44	1.25
2691.21	7.70	263.00	2683.48	-2463.78	-46.33	-15.61	-48.12	1.89
2700.65	8.40	267.30	2692.83	-2473.13	-46.43	-16.93	-48.85	2.93
2710.00	8.80	262.20	2702.08	-2482.38	-46.56	-18.32	-49.64	2.76
2719.15	9.10	265.90	2711.11	-2491.41	-46.71	-19.74	-50.45	2.13
2728.68	9.30	261.90	2720.52	-2500.82	-46.87	-21.25	-51.32	2.11
2738.30	9.60	262.70	2730.01	-2510.31	-47.08	-22.82	-52.25	1.02
2747.97	9.90	258.10	2739.54	-2519.84	-47.36	-24.43	-53.27	2.59
2757.51	9.90	257.90	2748.94	-2529.24	-47.70	-26.03	-54.34	.11
2767.23	9.20	259.30	2758.52	-2538.82	-48.02	-27.61	-55.38	2.28
2776.72	8.90	259.50	2767.90	-2548.20	-48.29	-29.08	-56.33	.95
2786.42	8.70	258.60	2777.48	-2557.78	-48.58	-30.54	-57.28	.75
2796.07	9.80	252.80	2787.01	-2567.31	-48.96	-32.04	-58.34	4.48
2805.67	10.60	247.40	2796.46	-2576.76	-49.54	-33.63	-59.61	3.89
2815.35	10.40	250.00	2805.97	-2586.27	-50.18	-35.28	-60.97	1.59

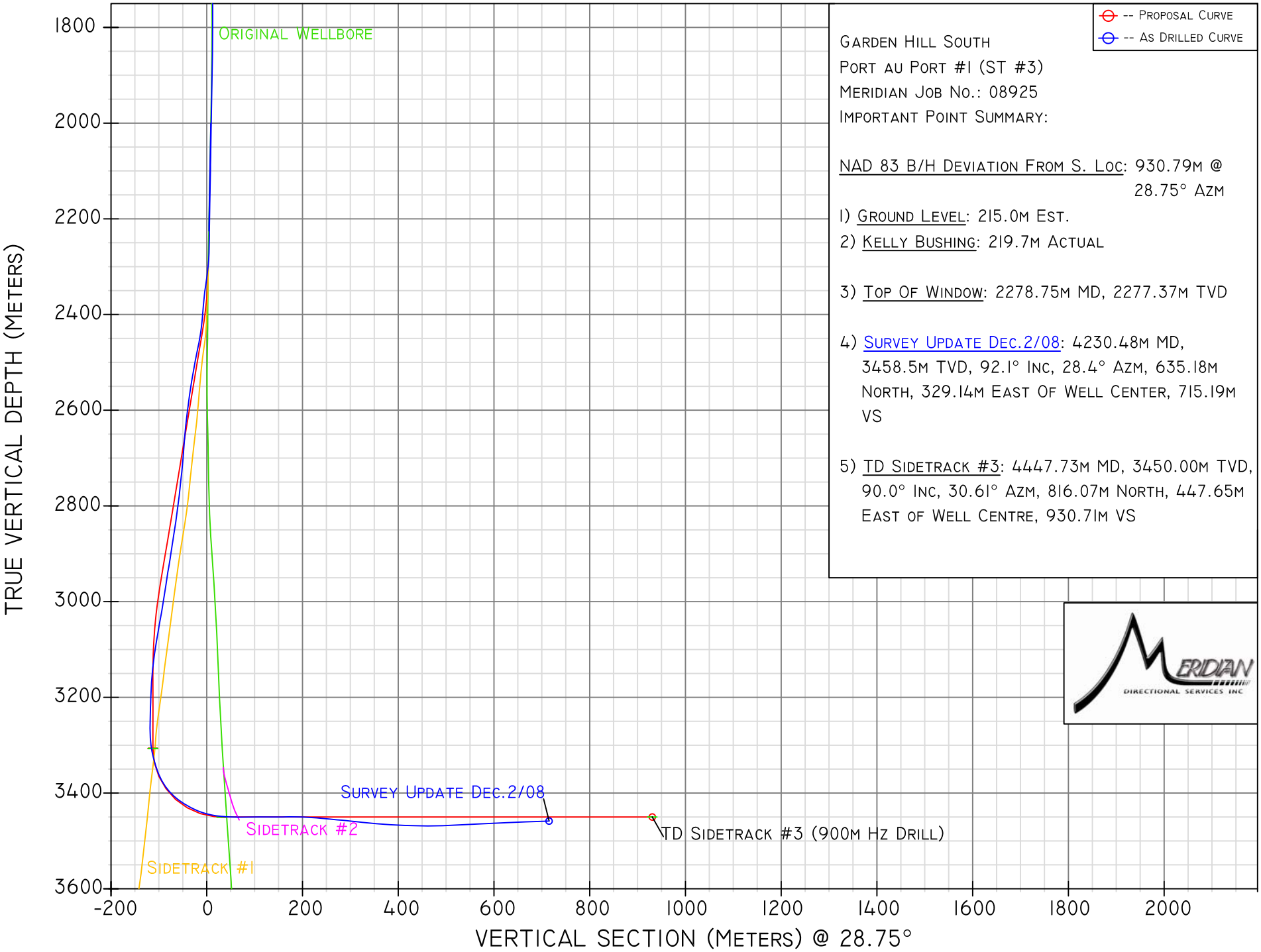
Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
2824.94	10.10	249.30	2815.41	-2595.71	-50.78	-36.88	-62.26	1.02
2834.47	10.20	248.70	2824.79	-2605.09	-51.38	-38.45	-63.54	.46
2844.05	10.50	249.20	2834.22	-2614.52	-52.00	-40.05	-64.85	.98
2853.58	10.90	243.40	2843.58	-2623.88	-52.71	-41.67	-66.25	3.61
2863.32	10.90	243.00	2853.14	-2633.44	-53.54	-43.31	-67.77	.23
2872.85	10.40	243.70	2862.51	-2642.81	-54.33	-44.89	-69.22	1.63
2882.25	10.30	242.00	2871.76	-2652.06	-55.10	-46.39	-70.62	1.03
2891.76	10.10	241.90	2881.12	-2661.42	-55.89	-47.88	-72.03	.63
2901.36	10.00	240.40	2890.57	-2670.87	-56.70	-49.34	-73.44	.88
2911.07	9.90	238.40	2900.13	-2680.43	-57.55	-50.79	-74.89	1.11
2920.62	10.20	236.80	2909.54	-2689.84	-58.45	-52.19	-76.35	1.29
2930.29	10.90	234.70	2919.04	-2699.34	-59.44	-53.66	-77.92	2.48
2939.87	10.70	233.30	2928.45	-2708.75	-60.50	-55.11	-79.55	1.03
2949.57	10.20	234.70	2937.99	-2718.29	-61.53	-56.53	-81.14	1.73
2959.22	9.80	234.30	2947.50	-2727.80	-62.51	-57.90	-82.65	1.26
2968.87	9.50	235.40	2957.01	-2737.31	-63.44	-59.22	-84.10	1.09
2978.42	9.60	236.90	2966.43	-2746.73	-64.32	-60.53	-85.51	.84
2987.01	9.70	238.60	2974.90	-2755.20	-65.09	-61.75	-86.77	1.05
2996.36	10.10	238.10	2984.11	-2764.41	-65.93	-63.12	-88.17	1.31
3005.51	10.10	242.30	2993.11	-2773.41	-66.73	-64.51	-89.53	2.41
3015.04	11.00	243.70	3002.48	-2782.78	-67.52	-66.07	-90.97	2.95
3024.66	12.30	242.10	3011.91	-2792.21	-68.41	-67.80	-92.58	4.18
3034.33	12.70	241.90	3021.35	-2801.65	-69.39	-69.64	-94.33	1.25
3043.97	12.40	241.70	3030.76	-2811.06	-70.38	-71.49	-96.09	.94
3053.59	11.90	242.40	3040.16	-2820.46	-71.33	-73.28	-97.78	1.63
3063.08	11.40	243.40	3049.45	-2829.75	-72.20	-74.98	-99.37	1.70
3072.78	11.10	243.30	3058.97	-2839.27	-73.05	-76.67	-100.93	.93
3082.43	11.40	236.40	3068.43	-2848.73	-74.00	-78.30	-102.54	4.28
3092.03	11.10	233.10	3077.85	-2858.15	-75.08	-79.83	-104.22	2.22
3101.71	10.00	231.40	3087.37	-2867.67	-76.16	-81.23	-105.84	3.54
3110.89	9.00	233.90	3096.42	-2876.72	-77.08	-82.43	-107.23	3.53
3120.51	8.90	234.50	3105.92	-2886.22	-77.96	-83.65	-108.58	.43
3130.18	8.70	233.00	3115.48	-2895.78	-78.83	-84.84	-109.92	.94
3139.82	7.90	239.20	3125.02	-2905.32	-79.61	-85.99	-111.16	3.73
3149.44	7.10	236.10	3134.55	-2914.85	-80.28	-87.05	-112.25	2.79
3158.93	6.20	237.70	3143.98	-2924.28	-80.88	-87.97	-113.22	2.90
3168.63	5.50	234.60	3153.63	-2933.93	-81.43	-88.79	-114.10	2.37
3178.28	4.70	237.10	3163.24	-2943.54	-81.91	-89.50	-114.86	2.58
3187.88	4.00	246.90	3172.81	-2953.11	-82.26	-90.14	-115.47	3.18
3197.56	3.70	250.80	3182.47	-2962.77	-82.49	-90.75	-115.97	1.23
3207.15	3.80	249.70	3192.04	-2972.34	-82.70	-91.34	-116.44	.39
3216.68	3.10	253.50	3201.55	-2981.85	-82.89	-91.88	-116.86	2.32
3226.00	2.50	251.60	3210.86	-2991.16	-83.02	-92.32	-117.19	1.95
3235.76	2.50	256.00	3220.61	-3000.91	-83.14	-92.72	-117.49	.59
3245.50	2.40	256.60	3230.35	-3010.65	-83.24	-93.13	-117.77	.32

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
3255.08	1.90	263.70	3239.92	-3020.22	-83.30	-93.48	-118.00	1.77
3264.49	1.90	273.60	3249.32	-3029.62	-83.31	-93.79	-118.15	1.05
3273.98	2.00	277.00	3258.81	-3039.11	-83.28	-94.11	-118.28	.48
3283.58	1.60	285.10	3268.40	-3048.70	-83.22	-94.41	-118.38	1.48
3293.29	2.20	348.20	3278.11	-3058.41	-83.01	-94.58	-118.27	6.34
3302.84	4.60	10.60	3287.64	-3067.94	-82.45	-94.55	-117.76	8.48
3312.51	7.20	15.40	3297.26	-3077.56	-81.49	-94.31	-116.80	8.20
3322.09	10.00	19.10	3306.73	-3087.03	-80.12	-93.88	-115.40	8.93
3331.79	12.10	23.10	3316.25	-3096.55	-78.39	-93.21	-113.56	6.91
3341.44	13.80	29.30	3325.66	-3105.96	-76.45	-92.25	-111.40	6.82
3351.09	15.50	36.00	3334.99	-3115.29	-74.41	-90.93	-108.97	7.45
3360.64	18.10	40.10	3344.13	-3124.43	-72.24	-89.22	-106.25	8.97
3370.27	20.70	43.00	3353.22	-3133.52	-69.85	-87.09	-103.13	8.64
3379.78	23.70	41.90	3362.02	-3142.32	-67.20	-84.67	-99.64	9.55
3389.47	27.30	38.00	3370.77	-3151.07	-64.00	-82.00	-95.55	12.29
3399.08	31.40	34.90	3379.14	-3159.44	-60.20	-79.21	-90.88	13.65
3408.77	35.70	34.00	3387.22	-3167.52	-55.79	-76.18	-85.56	13.40
3418.40	40.00	33.90	3394.82	-3175.12	-50.89	-72.89	-79.67	13.40
3428.02	44.60	32.80	3401.93	-3182.23	-45.48	-69.33	-73.22	14.53
3436.62	49.10	31.60	3407.81	-3188.11	-40.17	-65.99	-66.96	15.99
3446.29	53.00	31.30	3413.89	-3194.19	-33.76	-62.07	-59.45	12.12
3455.63	56.00	31.20	3419.31	-3199.61	-27.26	-58.12	-51.85	9.64
3464.96	58.80	31.00	3424.34	-3204.64	-20.53	-54.06	-44.00	9.02
3474.61	61.90	33.50	3429.11	-3209.41	-13.44	-49.59	-35.63	11.77
3484.25	64.70	34.40	3433.44	-3213.74	-6.29	-44.78	-27.06	9.07
3493.87	67.70	34.90	3437.32	-3217.62	.95	-39.77	-18.30	9.46
3503.50	71.50	34.60	3440.68	-3220.98	8.36	-34.63	-9.33	11.87
3513.17	75.20	35.40	3443.45	-3223.75	15.95	-29.32	-.12	11.72
3522.75	78.80	34.20	3445.61	-3225.91	23.61	-23.99	9.16	11.85
3532.46	81.40	33.50	3447.28	-3227.58	31.56	-18.66	18.69	8.31
3537.75	82.60	34.30	3448.01	-3228.31	35.90	-15.74	23.91	8.15
3547.34	85.40	33.70	3449.01	-3229.31	43.81	-10.41	33.40	8.96
3556.87	87.20	33.30	3449.63	-3229.93	51.74	-5.16	42.88	5.80
3566.42	88.50	32.90	3449.99	-3230.29	59.73	.05	52.40	4.27
3575.95	88.90	32.80	3450.20	-3230.50	67.74	5.22	61.90	1.30
3585.69	89.80	32.20	3450.31	-3230.61	75.95	10.45	71.62	3.33
3595.25	90.50	32.20	3450.29	-3230.59	84.04	15.55	81.16	2.20
3604.65	90.90	32.20	3450.17	-3230.47	91.99	20.56	90.54	1.28
3614.14	90.20	31.90	3450.08	-3230.38	100.04	25.59	100.02	2.41
3623.74	90.10	31.90	3450.06	-3230.36	108.19	30.66	109.60	.31
3633.45	90.10	31.40	3450.04	-3230.34	116.45	35.76	119.30	1.54
3643.00	90.40	31.00	3450.00	-3230.30	124.62	40.71	128.84	1.57
3652.67	89.70	30.50	3449.99	-3230.29	132.93	45.65	138.50	2.67
3662.25	90.00	30.20	3450.02	-3230.32	141.20	50.49	148.08	1.33
3671.95	90.30	29.90	3449.99	-3230.29	149.60	55.35	157.78	1.31

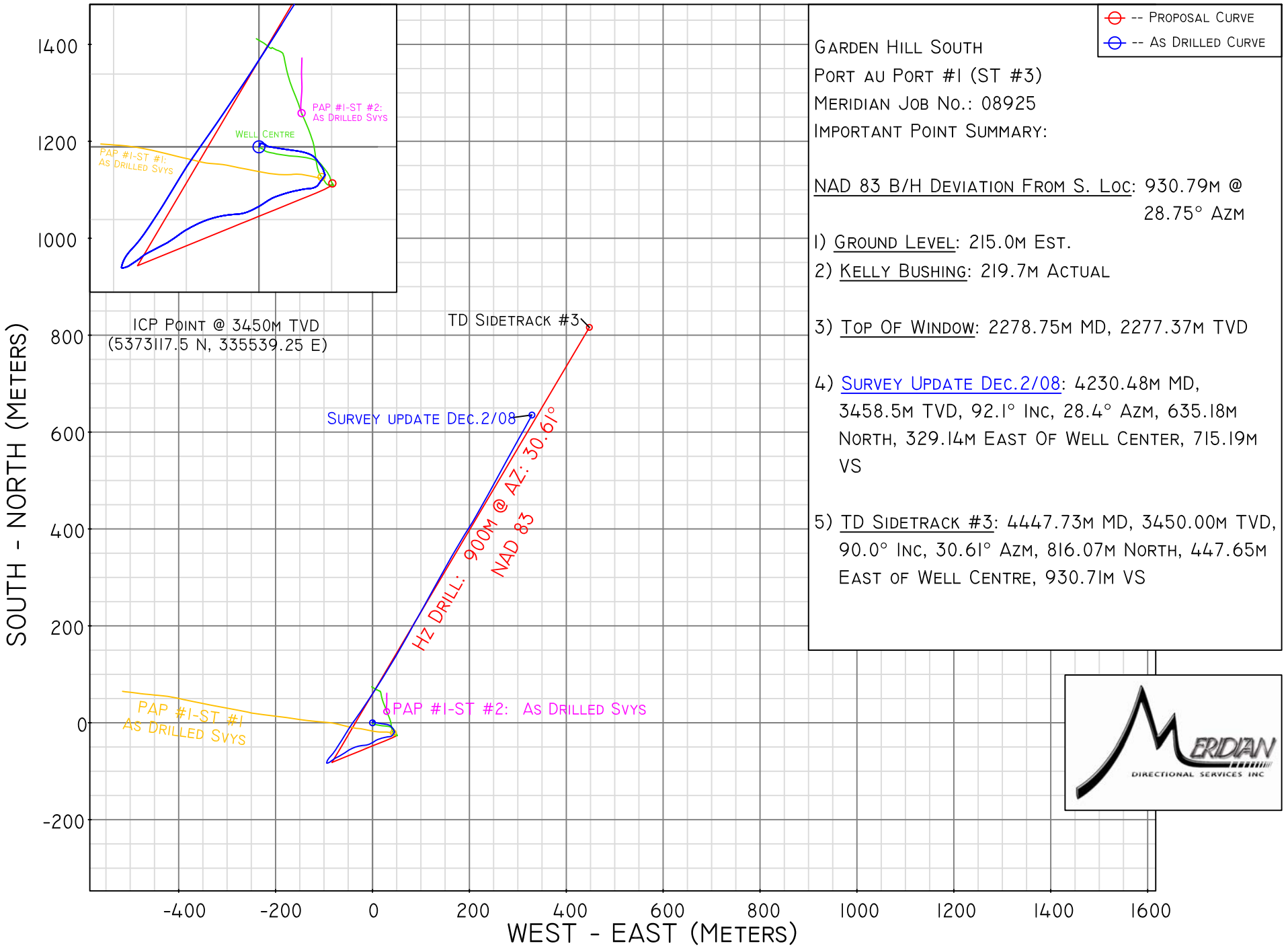
Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
3681.60	90.40	29.30	3449.93	-3230.23	157.99	60.12	167.43	1.89
3691.25	90.80	29.30	3449.83	-3230.13	166.40	64.84	177.07	1.24
3700.80	89.80	28.80	3449.78	-3230.08	174.75	69.47	186.62	3.51
3710.43	88.80	28.80	3449.90	-3230.20	183.19	74.11	196.25	3.12
3719.99	87.50	29.10	3450.21	-3230.51	191.55	78.74	205.81	4.19
3729.69	86.42	29.30	3450.72	-3231.02	200.00	83.46	215.49	3.40
3739.38	85.30	29.70	3451.42	-3231.72	208.42	88.22	225.16	3.68
3748.99	84.00	29.60	3452.32	-3232.62	216.73	92.96	234.72	4.07
3758.68	84.30	29.70	3453.30	-3233.60	225.11	97.72	244.36	.98
3768.31	84.60	29.30	3454.24	-3234.54	233.45	102.44	253.95	1.55
3777.93	84.90	29.40	3455.12	-3235.42	241.80	107.14	263.53	.99
3787.25	85.20	28.90	3455.92	-3236.22	249.91	111.66	272.81	1.87
3797.02	85.30	28.80	3456.73	-3237.03	258.44	116.36	282.55	.43
3806.36	84.00	28.30	3457.60	-3237.90	266.61	120.81	291.85	4.47
3815.69	83.70	28.50	3458.60	-3238.90	274.77	125.22	301.12	1.16
3825.34	83.70	28.70	3459.66	-3239.96	283.19	129.81	310.71	.62
3834.98	84.00	28.90	3460.69	-3240.99	291.59	134.43	320.30	1.12
3844.60	84.40	29.40	3461.66	-3241.96	299.94	139.09	329.87	1.99
3854.23	84.60	29.50	3462.59	-3242.89	308.29	143.80	339.45	.70
3863.90	84.90	29.30	3463.47	-3243.77	316.68	148.53	349.08	1.12
3873.48	85.40	29.20	3464.28	-3244.58	325.01	153.19	358.63	1.60
3883.19	85.70	29.30	3465.03	-3245.33	333.46	157.92	368.31	.98
3892.68	86.20	29.30	3465.70	-3246.00	341.71	162.56	377.77	1.58
3902.36	86.70	29.80	3466.30	-3246.60	350.12	167.32	387.43	2.19
3911.90	86.90	31.20	3466.84	-3247.14	358.32	172.15	396.96	4.44
3926.68	87.90	31.40	3467.51	-3247.81	370.94	179.82	411.71	2.07
3936.32	88.00	31.40	3467.85	-3248.15	379.16	184.84	421.33	.31
3942.30	88.50	32.10	3468.03	-3248.33	384.24	187.99	427.30	4.31
3951.67	88.70	32.10	3468.26	-3248.56	392.18	192.97	436.65	.64
3961.37	89.10	31.60	3468.45	-3248.75	400.42	198.08	446.33	1.98
3971.02	89.20	31.30	3468.59	-3248.89	408.65	203.12	455.97	.98
3980.62	89.90	30.40	3468.67	-3248.97	416.89	208.04	465.56	3.56
3990.30	91.10	30.10	3468.58	-3248.88	425.25	212.92	475.24	3.83
3999.89	91.90	29.70	3468.33	-3248.63	433.56	217.70	484.83	2.80
4009.42	91.80	29.50	3468.03	-3248.33	441.84	222.40	494.35	.70
4018.97	92.40	29.50	3467.68	-3247.98	450.15	227.10	503.89	1.88
4028.50	92.60	29.20	3467.26	-3247.56	458.45	231.77	513.41	1.13
4038.24	92.90	29.00	3466.79	-3247.09	466.95	236.50	523.14	1.11
4047.80	92.90	29.00	3466.31	-3246.61	475.30	241.13	532.69	.00
4057.20	92.80	28.50	3465.84	-3246.14	483.53	245.64	542.08	1.63
4066.69	92.90	28.10	3465.37	-3245.67	491.88	250.14	551.55	1.30
4076.29	92.80	27.80	3464.89	-3245.19	500.35	254.63	561.14	.99
4086.00	92.70	28.50	3464.43	-3244.73	508.90	259.21	570.84	2.18
4095.55	92.60	28.70	3463.98	-3244.28	517.27	263.77	580.38	.70
4105.22	92.40	28.50	3463.56	-3243.86	525.76	268.40	590.04	.88

Measured Depth Meters	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Subsea TVD Meters	N-S Meters	E-W Meters	Vertical Section Meters	Dogleg Severity Deg/30
4114.80	92.80	28.50	3463.13	-3243.43	534.17	272.96	599.61	1.25
4124.50	92.60	29.20	3462.67	-3242.97	542.65	277.64	609.30	2.25
4134.15	92.60	29.60	3462.23	-3242.53	551.05	282.37	618.94	1.24
4143.80	92.90	29.40	3461.77	-3242.07	559.44	287.12	628.58	1.12
4153.35	92.90	29.60	3461.29	-3241.59	567.74	291.81	638.11	.63
4162.98	91.80	29.50	3460.89	-3241.19	576.11	296.56	647.73	3.44
4172.44	92.00	29.20	3460.58	-3240.88	584.35	301.19	657.19	1.14
4182.24	92.02	29.06	3460.24	-3240.54	592.91	305.96	666.98	.43
4191.93	92.03	28.93	3459.89	-3240.19	601.38	310.66	676.67	.40
4201.54	92.05	28.80	3459.55	-3239.85	609.79	315.29	686.27	.41
4211.23	92.07	28.67	3459.20	-3239.50	618.28	319.95	695.95	.41
4220.86	92.08	28.53	3458.85	-3239.15	626.73	324.55	705.58	.44
Survey Update Dec.2/08								
4230.48	92.10	28.40	3458.50	-3238.80	635.18	329.14	715.19	.41

COMPANY: PDI PRODUCTION INC.
LEASE/WELL: GARDEN HILL SOUTH
LOCATION: PORT AU PORT #1 (ST #3)
RIG NAME: NABORS #45ETD



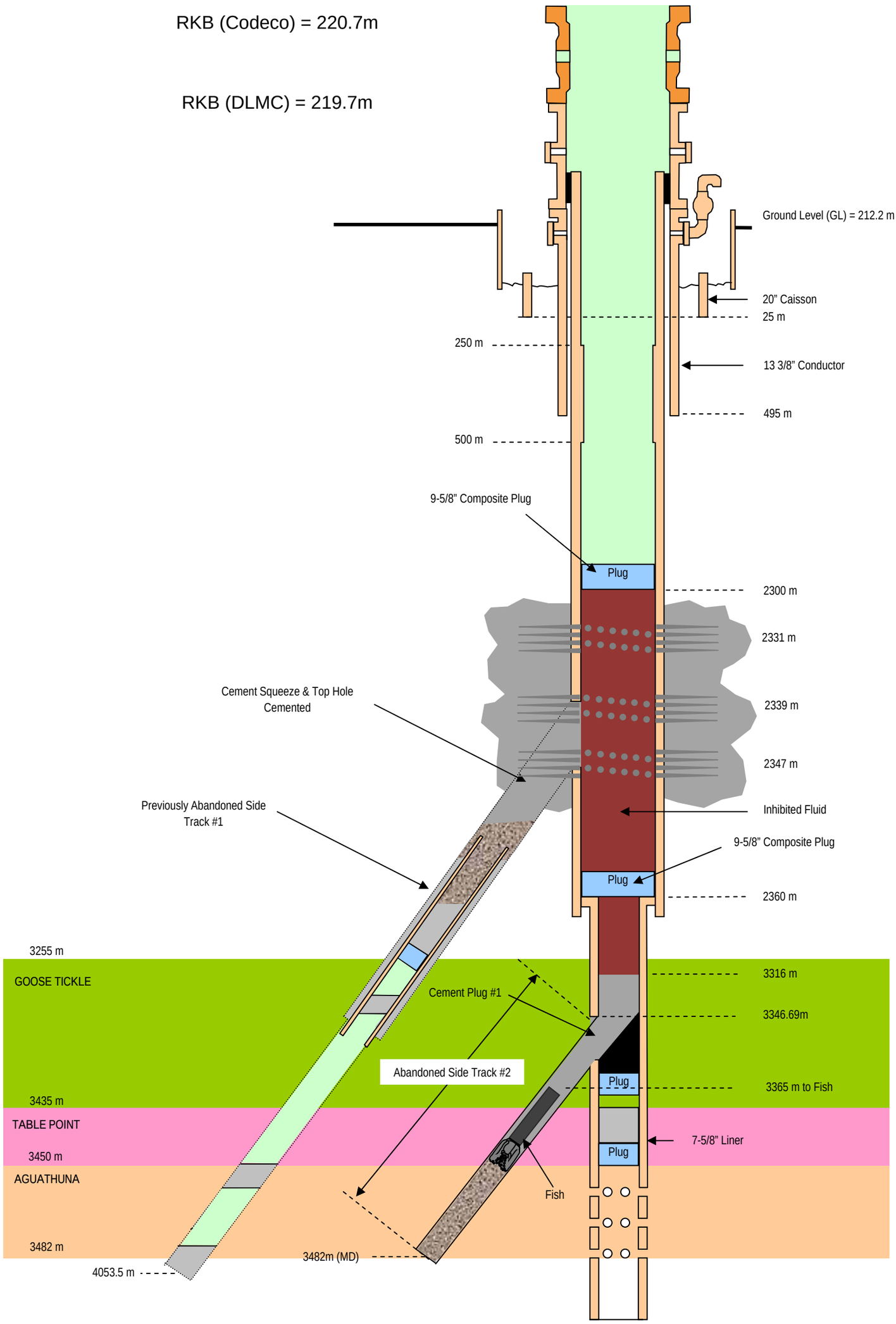
COMPANY: PDI PRODUCTION INC.
LEASE/WELL: GARDEN HILL SOUTH
LOCATION: PORT AU PORT #1 (ST #3)
RIG NAME: NABORS #45ETD



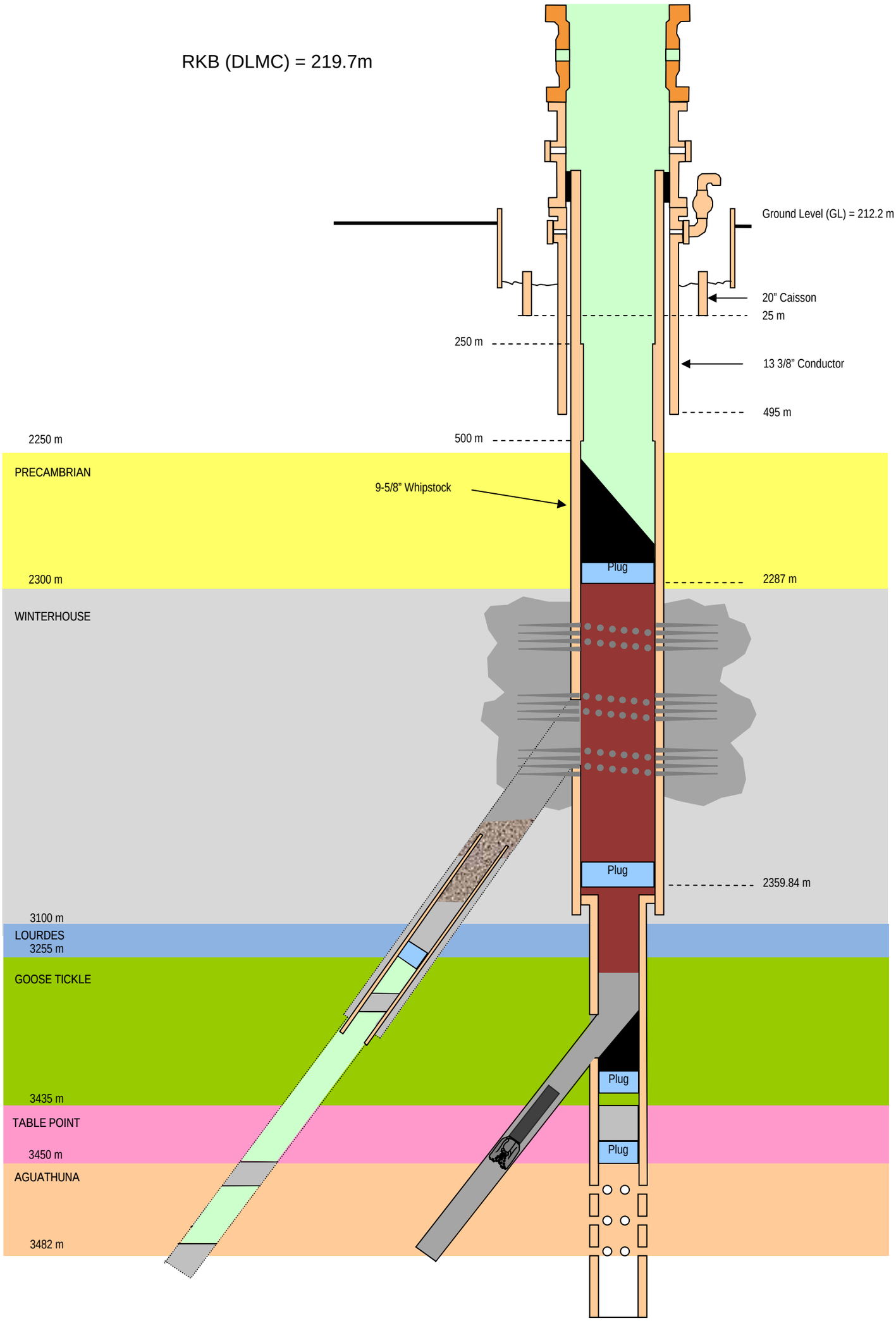
APPENDIX 8:

(Attachment) Final Well Schematics

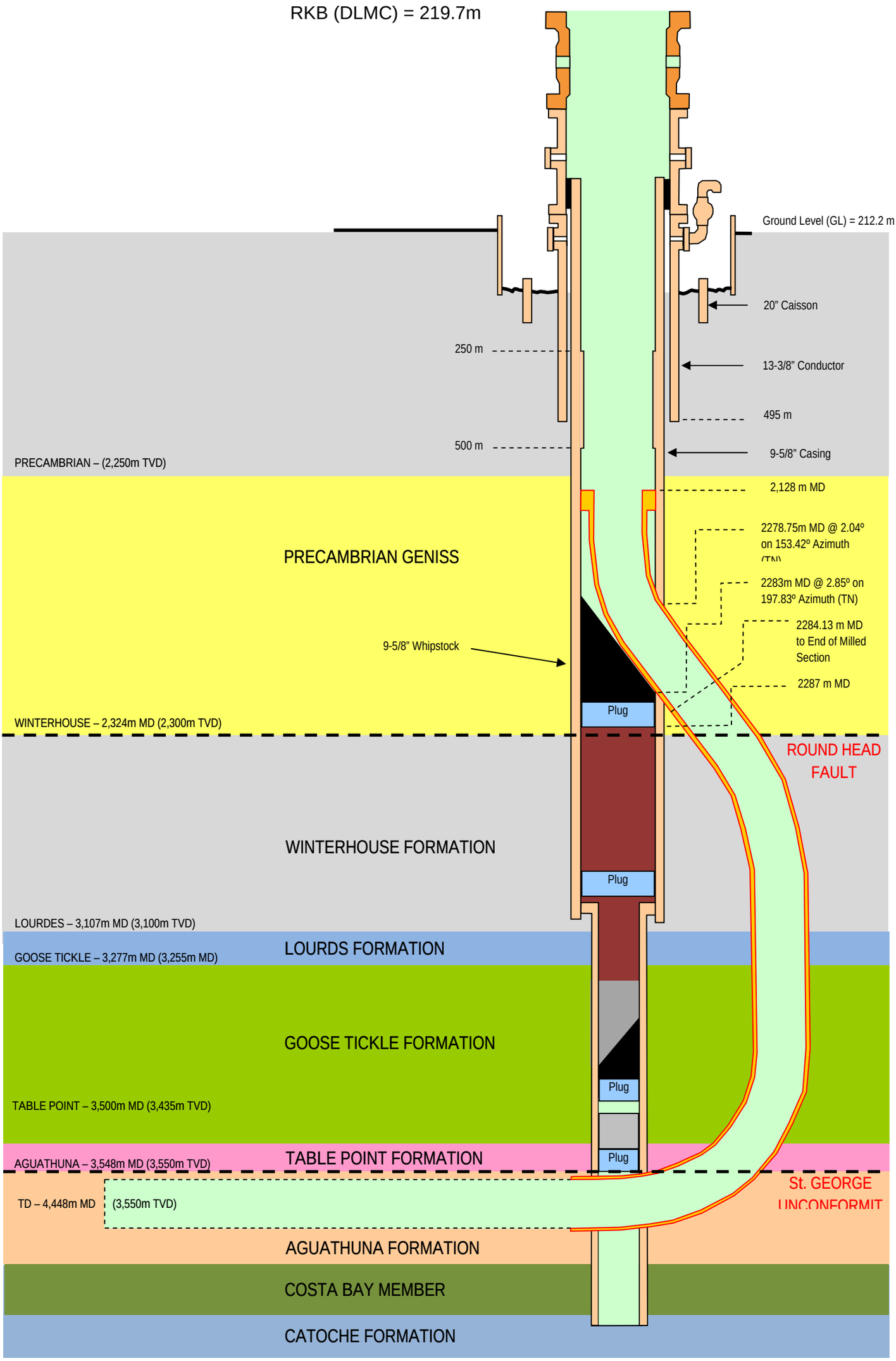
ST#2 Abandonment Details



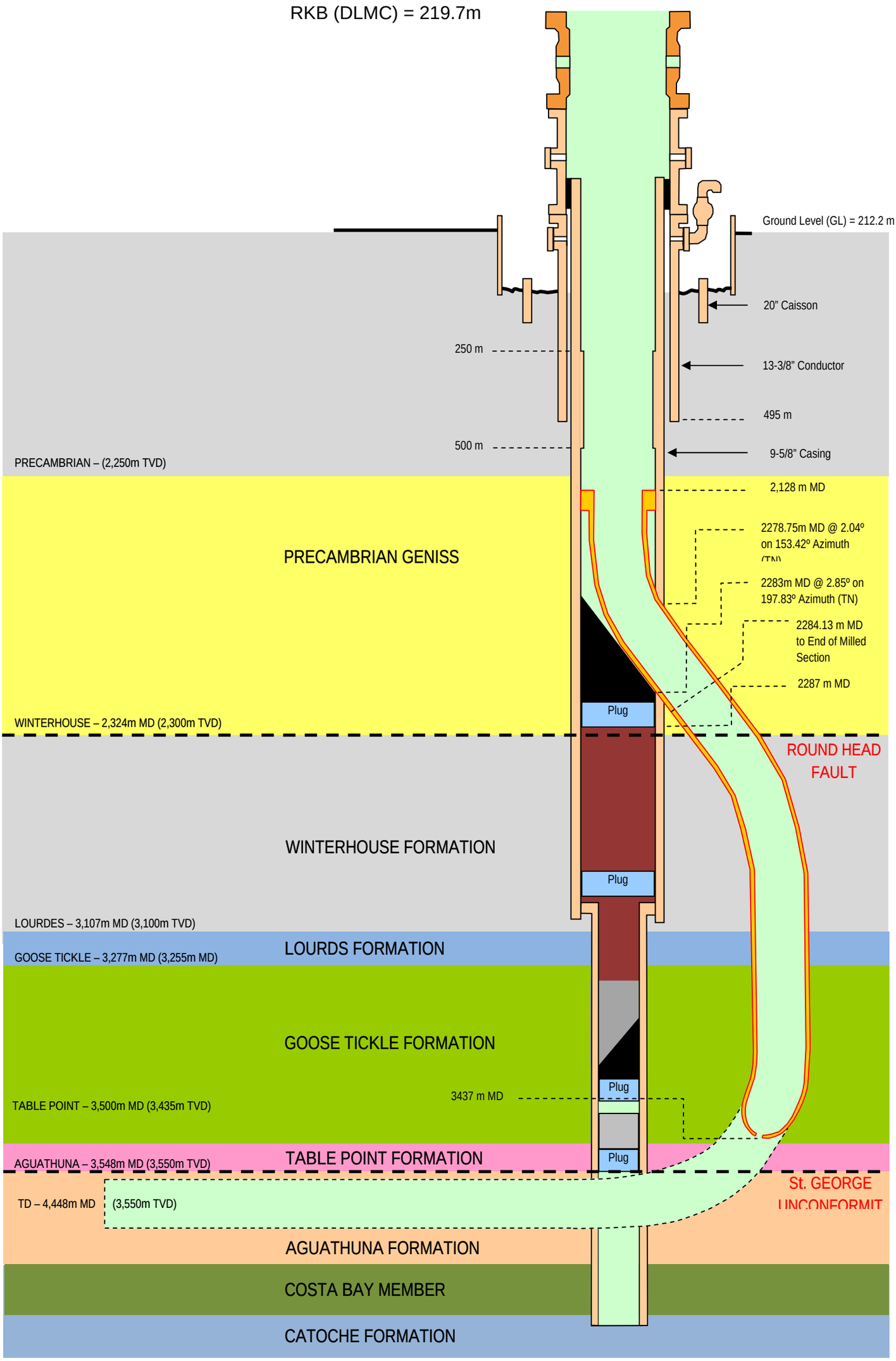
ST#3 Whipstock Details



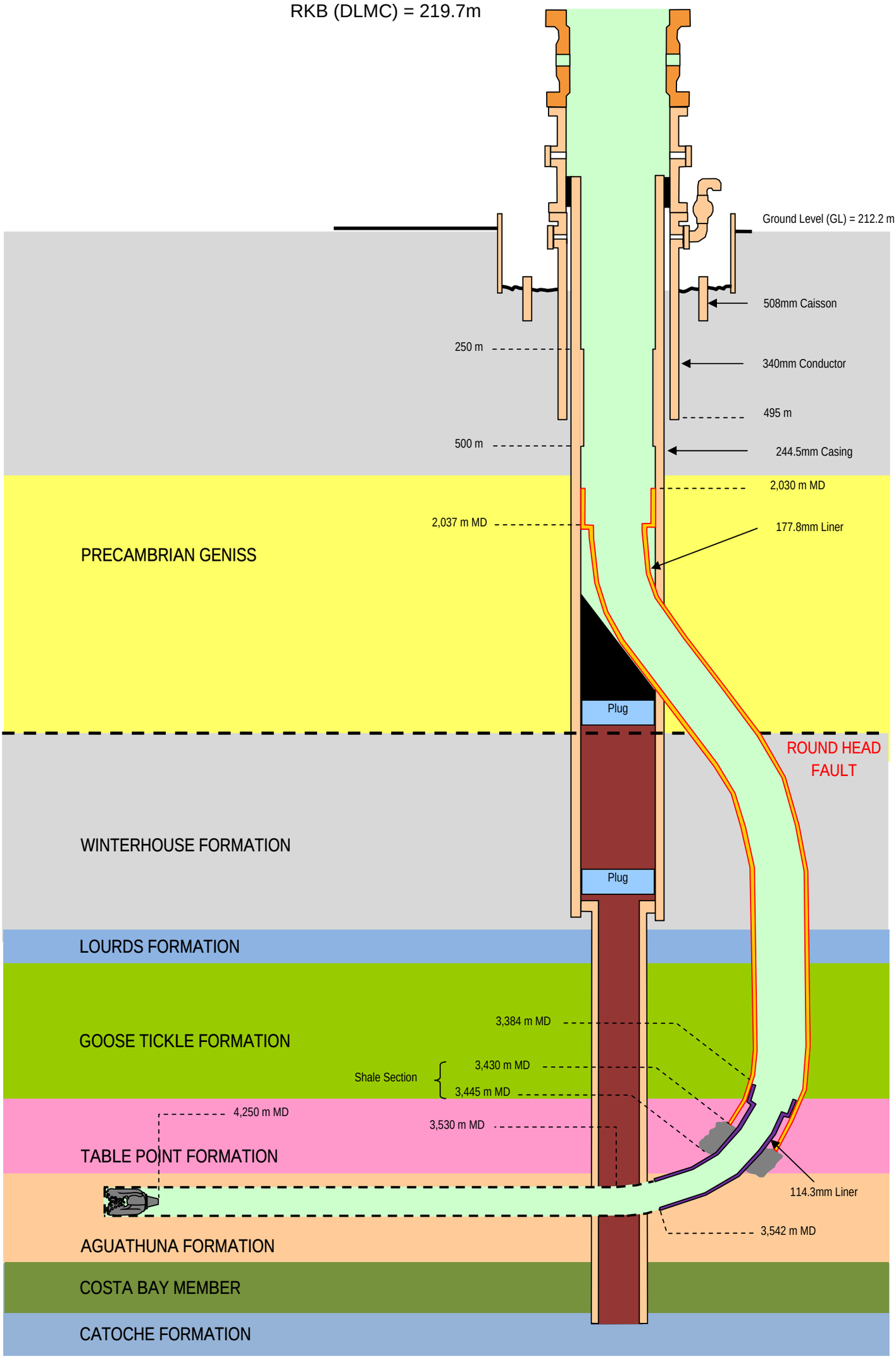
ST#3 Horizontal Well Details



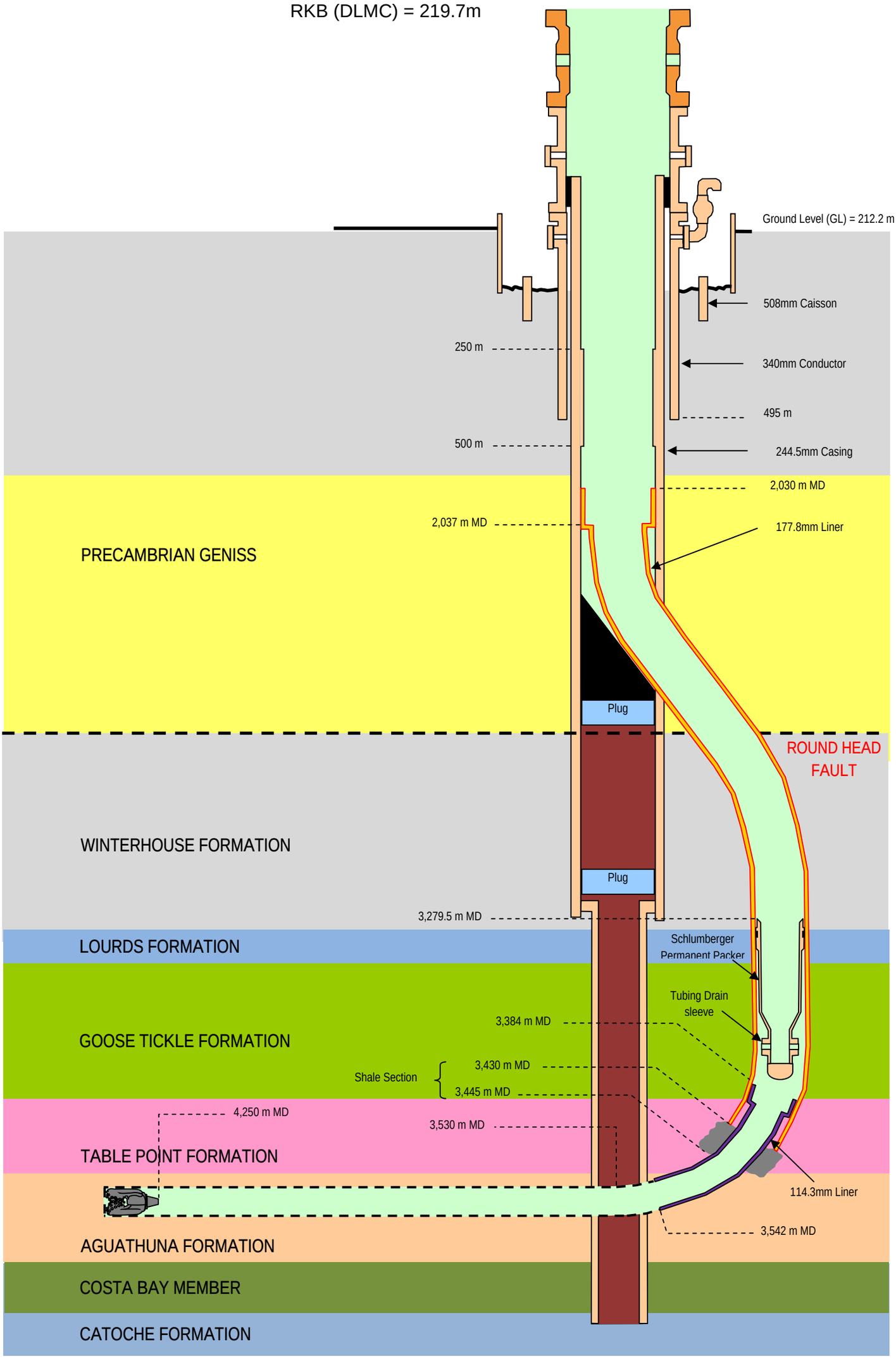
ST#3 177.8mm Liner Setting Details



ST#3 Horizontal Well Scab Liner Details



ST#3 Horizontal Well Permanent Packer Details



The sequence sketches depict the original Hunt well with the following changes: -

Side track 1drilled and abandoned by CIVC which was very poorly abandoned. PDIP squeeze cemented the casing to provide pressure support and also to seal-off mechanically the window opening where wireline tools were constantly hanging-up.

Side track 2 drilled by CIVC which produced oil but at a very low rate. The side track was a vertical well which PDIP plugged and abandoned.

Side track 3 drilled by PDIP which was a horizontal well, designed to intersect a known hydrocarbon zone (hence the shape) and intersected other zones in the Aguathuna formation.

Note the lost mud motor and bit in side track 2 – the Meridian Directional Drilling motor parted and so we cemented it in place. Note also the drill bit in side track 3 which was dropped by Nabors Drilling which we failed to fish and therefore pushed it to the toe of the well and abandoned it.