

HUSKY LITTLE BEAR H-64 WELL HISTORY REPORT

NWT- NEW FIELD WILDCAT TIGHT HOLE

JUNE 2012

ABSTRACT

This end of well report covers drilling operations, evaluation and suspension of the Husky Little Bear H-64 Exploration well drilled in NWT during winter of 2012

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| Reviewed by | Senior Drilling Engineer Goly Zilabi <i>Zilabi</i> June 4, 2012 |

LIST OF REFERENCES

This document is prepared with reference to the following documents:

- Canada Oil and Gas Drilling and Production Regulations(SOR/2009-315)
- Little Bear Geology report
- Little Bear H-64 well file (Drilling reports)

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A WELL INFORMATION

A.1 WELL SUMMARY

Husky Little Bear H-64 was drilled by Husky Oil Operations Limited in Sahtu region of NWT within Exploration Licence 462 (EL462).

Husky Oil Operations Limited had a 100% working interest in the project.

The program area was located approximately 55 km south-southwest (SSE) of the Town of Norman wells in a low lying area within the Mackenzie River valley. Access to the project crossed EL463, EL462 and a combination of Crown land and First nations land with surface and/or subsurface rights.

Well Little Bear H-64 is located at the surface coordinates of:

Latitude: N64°53'28.5", Longitude: W126°11'20.3" (NAD 27)

Overland travel to the program area utilized the GNWT winter road to an access point approximately 30 km south of Norman wells. From there, new and existing cut lines and an ice bridge across the Mackenzie River was utilized to access the wells site. An airstrip was prepared on a frozen lake adjacent to the Base camp centrally located in the project area. Air strip was used for emergency medical evacuations and as supplement to ground transportation if required. The Little Bear H-64 wellsite was located approximately 47km road distance from the ice bridge crossing of the Mackenzie River and 21km south east from the Base Camp.

Well site & Ice pad was built as per program. 508mm conductor pipe was installed and cemented at 23 m KB. Rat hole rig was used for setting the conductor pipe and cemented using Arctic set cement.

Rig Nabors 23 was moved to the well site from Little Bear N9 location and spudded on 11:30 February 19th, 2012

311mm surface hole was drilled to 510 m KB in Lower Cretaceous with Gel/Polymer mud. 244.5mm casing was run to section TD and cemented with return to surface.

222 mm main hole was drilled to final depth of 1341 m. Coring operations were performed from 1170-1303m. Coring was performed in Canol, Hare Indian, Bluefish to top of Hume formation. Wire line logs were acquired at TD.

177.8mm casing was ran to well TD and cemented with return to surface. A retrievable bridge plug was set at 475 m in 177.8mm casing. Well operations completed at 24:00 March 10th, 2012 and rig was released. Rig was demobilized to Edson, Alberta after finishing Little Bear H-64.

Drilling operations were performed as per Canada Oil and Gas Drilling Regulations (SOR/2009-315) with very good safety performance. Drilling and environmental inspections were performed by the NEB and rated satisfactory.

A.1.1 WELL SUMMARY DATA

| | |
|--|--|
| Well name | Husky Little Bear H-64 |
| Province /Territories | North West Territories |
| Operator | Husky Oil Operations Limited |
| Exploration License | EL-462 |
| Well Classification | New Field Wildcat |
| Operations Authorization | OA-1204-002 |
| Well ID | 2077 |
| UWI | 300H64500126000 |
| Proposed Final Depth (MD./TVD) | 1412 m KB |
| Planned Well Profile | Vertical |
| Actual Well Total Depth | 1341 m KB |
| Actual well profile | Vertical |
| Surface Coordinates NAD 27, UTM zone 10 | Lat. 64°53'28.5"N Long. 126°11'20.3"W |
| Bottom Hole Coordinates NAD 27, UTM zone 10 | Lat 64° 53' 28.5"N Long. 126°11'19.8"W |
| Ground Elevation | 178.5 m |
| KB Elevation | 183.2 m |
| Drilling Unit | Nabors 23 |
| Spud date | Feb 19,2012 |
| Rig Release date | March 10, 2012 |
| Planned Days /Actual Days | 21 days /20.5 days |
| AFE amount /Actual | \$ 11,500,000 +/- 9,600,000 |
| Final Well Status | Suspended |

A.2 PROJECT SET UP& GENERAL OVERVIEW

A.2.1 SUPERVISION AND PERSONNEL

- Calgary office multi disciplinary project team including a drilling superintendent, a drilling engineer, a geologist, a geophysicist, construction supervisor, procurement advisor and administrator was dedicated to the project from the conceptual design to the end of project execution.
- Onsite supervision was under the direction of a Senior Drilling Supervisor reporting to Husky Oil Operations Limited's head office in Calgary. There was also a Night Drilling Supervisor to allow 24 hour direct supervision of all drilling operations.
- Husky logistics and Surface Development manager based in Norman Wells managed logistics, access road construction, environmental and safety aspects of the project.
- Husky construction& logistics supervisor based in project area, managed access road maintenance, base camps operations, transportsations and related services
- There was a full time safety advisor and medic on the site.
- A geologist was onsite from spud to rig Full time drilling fluids engineer was on the site.
- Drilling waste supervision was performed by full time technician on the site.
- Full time mud logging team was on the site
- H₂S service including full time technician was on the site from spud to the end of the well.
- Drilling contractor, Nabors provided a full time rig Manager and onsite Rig crew of minimum 6 kept on the site.
- Specialized services personnel mobilized as required.

A.2.2 SERVICE PROVIDERS

| Service | Contact Person | Contact Number |
|-----------------------------|-----------------------------------|------------------------------|
| Rig 23 / Nabors | Greg Caouette | 780-916-6868 |
| Drilling Fluid / MI Swaco | Nick Farrell | 403-803-0600 |
| Cementing /SLB | Rae Spickett Eugene Harris | 403-509-4225 780-512-4435 |
| Bits / Smith | Les Facca | 403-585-5232 |
| Coring / Baker | Wayne Gingerysty John Williams | 403.850-1767 780.916.0717 |
| Motor / MWD / Phoenix | Jim Anderson | 403-512-9678 |
| Mud Logging / Continental | Don MacDonald | 403-717-3568 |
| Wire line Logging / Baker | Ramadane Bouchou Dave Ironside | 403-462-7606 780-228-4573 |
| Casing / Hallmark | Dirk Blaufuss | 403-471-3177 |
| Power tong / Hallmark | Markus Busch | 780-720-9092 |
| Casing Acces. / Weatherford | Dwayne DuBourdieu | 403-390-7645 |
| Bridge plug / Weatherford | Laren Cruise | 403.819.6366 |
| Fishing Tool / Weatherford | Len Armstrong | 403-540-0293 |
| Wellhead / Streamflo | Scott Brinson | 403-862-3462 |
| Pressure test / Big Eagle | Terry Oakley | 780-933-9963 |
| Safety Service / HSE | Ed Rode | 4-3-815-5911 |
| Rig Move / Mullen | Bill Cardinal | 780-499-9566 |
| ERP | Greg Marshall | 403-863-0630 |

A.2.3 PROJECT MOBILIZATION

Project mobilization was started with barging of construction equipment on September 10th, 2011. Construction of access road was started on Dec 10, ice bridge was finished by January 18th, 2012.

A rat hole rig was mobilized to set the conductor following the opening of the access road from south in 3rd week of January, 2012.

Rig Nabors 23, service equipments and materials mobilization started on January 20th, 2012. There was four day delay due to adverse winter conditions.

Little Bear N-9 was spudded by Nabors 23 rig on January 27th 2012 and rig released on February 16th, 2012. Rig was moved from Little Bear N-9 to Little Bear H-64 and spudded on February 19th, 2012 at 11:30 AM.

A.2.4 ACCESS ROAD

- The Slater River Program area is approximately 55km SSE of Norman Wells. Overland travel to the program area utilized the GNWT winter road to kick-off point approximately 30km southeast of Norman Wells. An ice bridge was constructed across the Mackenzie River. The Little Bear H-64 wellsite is located 47 km from the proposed ice bridge crossing of the Mackenzie River (approximately 21 km from base camp).

A.2.5 WELL SITE

Refer to attachment E_5 Wellsite Survey.

- The size of the well site was 130 m x 130 m. Ice pad (0.5 m thickness) was made at the well site to support the drilling rig.
- A 2.4 m diameter corrugated steel cellar was dug into the ice pad below the natural ground level and grouted in place.
- A synthetic liner was installed on the footprint of the drilling area prior to the installation of rig components, including the substructure and mud tanks, to contain any accidental and operational spills.
- Soil assessment to 1.2 m BGL was performed at this location. Permafrost was not encountered in any part of the location..

A.2.6 DRILLING RIG

Rig Nabors 23 was used to drill this well. A detailed inspection on the rig was performed and some modification implemented before mobilizing the rig to NWT. Rig performed as per well program requirement. Refer to attachment E_4 rig specifications & layout.

A.2.7 CAMP

The drilling crew was accommodated in a camp that was co-located with a construction camp and consist of a 40-person skid camp, associated generators and portable sewage treatment systems. The camp clearing was 220m x 180m in order to meet NEB safety specifications and to meet the size requirements to house personnel from the drilling, access construction and seismic program operations. Co-locating the camps reduced the operational footprint. A central location for crew housing provides a measure of safety in terms of crew travel and results to logistical efficiencies. The campsite was located in 21 km from the H-64 wellsite.

Eight wellsite trailers were temporarily stationed at the wellsite to accommodate personnel that are required on-wellsite during the drilling process.

A.2.8 WATER SUPPLY

Water was required for ice bridge and road construction, drilling operations and road and lease construction and maintenance. The Mackenzie River and seven potential water sources included in license application were used. Water intakes were screened as per the current Department of Fisheries and Oceans Canada (DFO) Protocol. The domestic water supply (camp wash water, showers, and toilets) was drawn from the Mackenzie River and treated prior to use.

Drinking water was purchased and transported to the project area.

A.2.9 WASTE DISPOSAL

Waste Management H-64 (Summary)

- Sumpless drilling waste operations were employed for the drilling program. All waste generated as detail below were shipped to waste facilities in Alberta.
- A water-based drilling fluid system was used for drilling the surface hole on the H-64 location. The waste streams generated included used water-based drilling fluids and drill cuttings and fines.
- The intermediate / main hole was drilled with a mineral-oil based drilling fluid system (invert). The waste stream included the rock cuttings and fines contaminated with invert.
- Recovered mineral oil from the H-64 location was returned to the Mud Company's storage facility in Fort Nelson, British Columbia for reconditioning..
- Cement returns were stored within the onsite lined cement rings to harden, prior to being transported by sealed and tarpred end-dump trucks to the CCS Class II Oilfield Waste Landfill Facility located in Rainbow Lake, Alberta
- After drilling operations were completed and the rig moved offsite, the lease cleanup process began. All lease cleanup material was loaded into sealed and tarpred end dump trucks and hauled to the appropriate facility.
- Drilling waste types, volumes, and final disposal locations are summarized in Table 1.

Table 1: Little Bear H-64 Waste Tracking

| Waste Type | Disposal Facility | Volume | Units |
|-----------------------------|---------------------------|--------|----------------|
| Water Based Gel/chem Fluids | Newalta TRD | 56 | m ³ |
| Water Based Gel/chem Fluids | CCS Rainbow Lake TRD | 50 | m ³ |
| Water Based Gel/chem Solids | CCS Rainbow Lake Landfill | 83.45 | tonnes |
| Invert Solids | CCS Rainbow Lake Landfill | 142 | tonnes |
| Cement | CCS Rainbow Lake Landfill | 8.22 | tonnes |
| Lease cleanup | CCS Rainbow Lake TRD | 43 | m ³ |
| Lease cleanup | Newalta TRD | 25 | m ³ |
| Lease cleanup | CCS Rainbow Lake Landfill | 117.03 | tonnes |

- Domestic waste streams including sewage treatment and effluent discharge, incineration, and other details pertaining to the drilling waste and waste management operations can be viewed in the detailed report located in Attachment E.6.

A.2.10 SAFETY AND INSPECTION

- Husky Slater River project had site specific emergency response plan.
- NEB performed safety and well integrity inspection on Little Bear H-64 camp and well operations on Feb 29th with satisfactory evaluation. Husky implemented corrections recommended by the NEB. Refer to attachment E 7 NEB inspection reports
- Sahtu Land and Water Board performed one inspection on the project with satisfactory result.
- AANDC performed 3 inspections on the project with satisfactory result.
- NEB preformed environmental inspection during drilling Husky Little Bear H-64 on Feb. 28th with satisfactory result.
- Incidents were reported as per regulatory requirement.
- Two spills occurred on Husky Little Bear H-64.
 - Spill: On Feb 20th, while circulating invert oil mud in the tank farm, due to mis-aligned valve, one tank overflowed and resulted to 10 m³ of invert mud overflowed in the tank farm containment berm. No Spill outside of the containment berm and no contact to soil.
 - Spill: On Feb 21 Vac truck driver overfilled evaporator and spilled approx 250 liters of dirty water onto the ground. Approx 100 liters of dirty water and ice was cleaned up.

B WELL RESULT

B.1 WELL RESULT

B.1.1 WELL OBJECTIVE

Well Little Bear H-64 was planned as a validation well to evaluate the Canol, Hare Indian and Bluefish Shales in oil thermal maturity window. Objective was to obtain core and specialty logs from shales in this well, which will help Husky evaluate mineralogy, geomechanical properties, thermal maturity, effective porosity, matrix permeability and saturation of these rocks.

Well H-64 drilled through Slater River, Imperial sands, Canol, Hare Indian, Bluefish and terminated in Hume formation. Total well depth was 1341 m. 122 m of core was cut (114m recovered) in zones of interest and specialty wire line logs were ran. Well was cased and cemented with 177.8 mm casing in main hole and suspended with two barriers in place.

Refer to E_8 well Little Bear N9 planned stick diagram for well objectives and well design.

B.1.2 EVALUATION

| | |
|-------------------|--|
| Cutting Sample | <ul style="list-style-type: none"> ➤ NEB: 5m intervals surface to TD. 2 vial sets and 1 bag set 500g minimum. ➤ Husky: Samples in vials at 5m intervals surface to TD. ➤ GSC: Bagged samples at 5m intervals from surface to base of Cretaceous. |
| Mud Log | Continuous gas reading from surface; |
| GR while drilling | Recorded GR from 124 m in surface hole to Core Point. |
| Coring | 122 m core in Canol, Hare Indian, Bluefish and Hume. |
| Logs | Induction Resistivity (510 – 1340.2 m) Gamma Ray (0-1340.2 m) Spectral Gamma Ray (510 – 1308.8 m) Density-Photoelectric Effect (510 – 1340.2 m) Neutron (4 -1340.2 m) Sonic (510 – 1340.2 m) Neutron Spectroscopy (650- 1329.1 m) Nuclear Magnetic Resonance (650-1337.4 m) Electric Imaging (565 -1327 m) Acoustic Imaging (787-1337.5 m) Acoustic Cement Bond (15.5 - 538 m) |

B.1.3 RESERVOIR FLUIDS, PRESSURE & TEMPERATURE

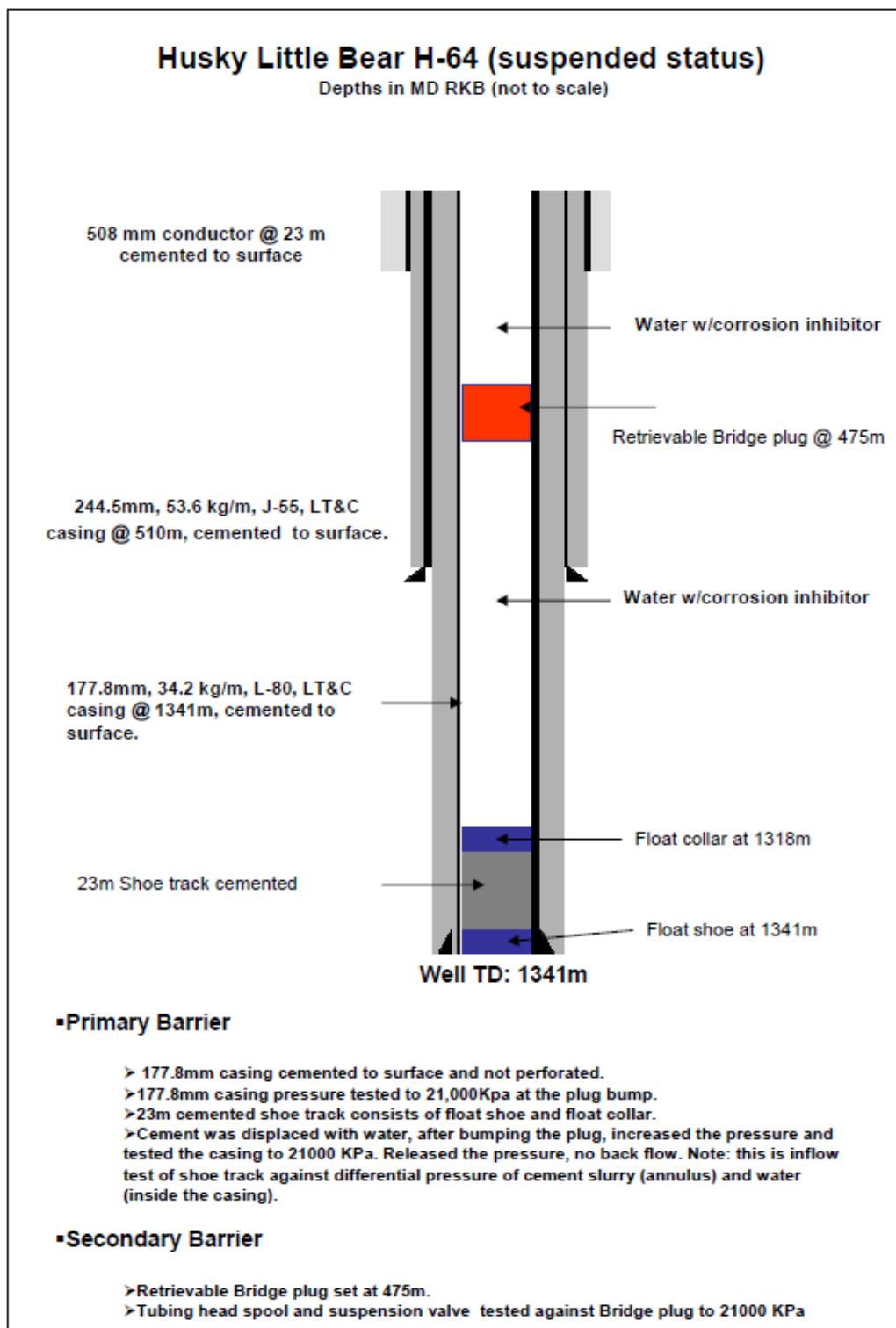
Bottom hole temperature of 53.2 deg.C at well TD was recorded by wireline log.

Surface hole was drilled with water based mud, 1010- 1190 Kg/m³. There was no evidence of shallow gas in this section.

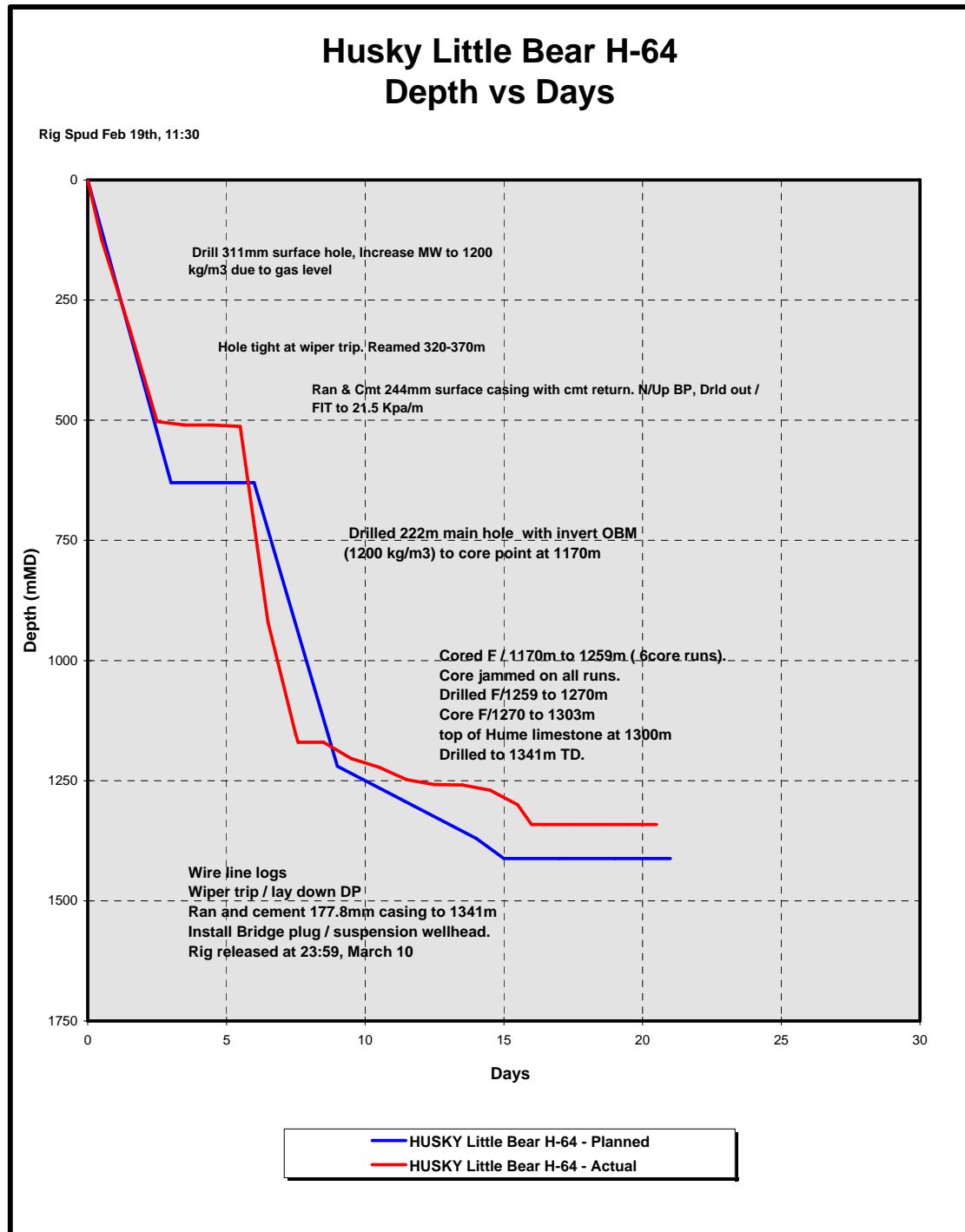
Main hole was drilled from 510 m to 1341m with invert oil mud, 1200-1260 kg/m³ MW was increased to keep the background gas at manageable level.

B.2 FINAL WELL STATUS

For detail suspension operations refer to section C.4.10 suspended



B.3 TIME VS DEPTH CURVE



C WELL CONSTRUCTION

C.1 WELL SITE

- 130 m X 130 m. ice pad was built at well site to support the drilling rig.
- A 2.4 m (8 ft) diameter corrugated steel cellar dug into the ice pad (70 to 100 cm below ground level) and grouted in place.

C.2 CONDUCTOR PIPE 508 MM

C.2.1 INSTALLATION

- Conductor was set with a rat hole rig provided by Cancor Rathole.
- 762 mm vertical hole drilled to 23 m KB. Ran 508 mm conductor pipe.
- Pressure cemented with 15 m³ (19 tons) of Arctic set cement with returns to surface.
- Top of the 508 mm conductor pipe was cut above the level of ice pad and 540 mm, 14000 kPa diverter was installed.
- Refer to attachment E_3 well control set up

C.3 SURFACE HOLE 311 MM SECTION (23-510m)

C.3.1 SECTION OVERVIEW

311 mm surface hole was drilled vertically with a Directional Motor BHA to 510 m KB using a Gel/Polymer mud. 244.5 mm surface casing set at 510 m KB and cemented with cement return to surface.

No wireline logs were ran in this section. MWD Gamma was acquired from 124m KB to surface TD. While logging the main hole at well TD, GR/Neutron was extended across surface casing from shoe to surface.

No hydrocarbon bearing zone encountered in this section. Diverter system was installed for drilling this section.

C.3.2 SURFACE SECTION SUMMARY

| | Remarks |
|---------------------|---|
| Well Control | 540 mm, 14000 KPa diverter was installed Refer to <u>attachment E_3 well control set up</u> |
| H2S Service | H ₂ S service including H ₂ S detector and air package and full time technician was operational from spud to end of the well due the exploratory nature of the well. |
| Drilling | Drilled 311 mm section with directional motor to 510 m |
| Drilling fluid | Water based polymer mud with mud weight range of 1010 to 1190 kg/m ³ . Refer to <u>C.3.4 surface hole drilling fluid</u> and <u>attachment E_9 daily drilling fluid reports</u> |
| Bit & BHA | Refer to <u>C.3.6 Drilling parameters & Bit & BHA (311mm surface hole section)</u> for detailed bit & BHA and drilling parameters. |
| Formation | Slater River from 122 to 430 m and Lower cretaceous from 430 m to surface TD 510. |
| Mud Logging | Mud logging service was utilized from surface to well TD. |
| Hydrocarbon show | Gas reading in mud returns up to 9% in Slater River. No flow. |
| Hole stability | Required to ream tight hole before running surface casing. |
| Hole deviation | Max deviation in surface hole section = 2.3 ° at 416 m MD. For detailed directional drilling and well surveys refer to <u>C.3.5 directional survey</u> and <u>attachment E_2 directional survey& plot</u> |
| Lost of Circulation | None |
| Casing | 244.5 mm casing ran to 510 m and cemented with returns to surface. Refer to <u>C.3.7</u> and <u>C.3.8</u> for casing and cement detail |

C.3.3 LESSON LEARNED

| Operations | Remarks |
|--------------------|--|
| Deviation Tendency | Surface hole was drilled to 124 m using a slick BHA. Deviation was $< 1^\circ$ in this interval. BHA with directional motor was used from 124 m to Surface TD. Max deviation was 2.3° at 416 m. Directional motor is recommended to prevent excessive deviation on surface. See C.3.5 directioanal survey and attachment E_2 directional survey& plot for Directional detail. |

C.3.4 DRILLING FLUID

Refer to [C.3.4 surface hole drilling fluid](#) and [attachment E_10 daily drilling fluid reports](#) for detailed mud properties and chemical consumption.

Spud the 311 mm hole section with Gel & Polymer water based mud at 1010 kg/m^3 . Mud weight was increased to 1190 kg/m^3 by TD. Mud weight and solids were controlled using shakers and centrifuges.

The following are the mud parameters:

| Mud Parameter | |
|-----------------------------|-------------|
| Mud Type | Gel Polymer |
| Density (kg/m^3) | 1010-1190 |
| Viscosity (sec/liter) | 43-51 |
| PV (mPa-sec) | 7-23 |
| YP (Pa) | 3.5-8.5 |
| Gel Strengths 10sec / 10min | 4-4.5/7-9 |
| Fluid loss (cc) | 6-15 |
| pH | 9 |

C.3.5 DIRECTIOANL SURVEY

- Drilled to 124 m with slick BHA and survey the well with Totco.
- Drilled From 124 m to 510 m with Directional motor and MWD.
- Entire section was drilled with inclination less than 2.5 deg. Inclination at 510 m was 1.6 degree. Refer to [attachment E_2 directional survey& plot](#) for well directional survey.

C.3.6 DRILLING PARAMETERS & BIT & BHA (311MM SURFACE HOLE SECTION)

| Bit No/ Run | Size (mm) | Make/ Type | IADC Code | TFA (mm ²) Nozzle (mm) | MD In/ Out (m) | Total Drilled (m) | Drilling Hours | ROP m/hr | WOB KdAN | RPM | Pump output (m ³) | Pump press (KPa) | Mud Wt Kg/m ³ | Bit condition | Remark |
|--|--------------|-------------------|--------------|---------------------------------------|-------------------|-------------------------|-------------------|-------------|-------------|-----|-------------------------------------|------------------------|--------------------------------|---------------------|---|
| 1 | 311 | Smith XR1CP | 117 | 1335 23.8/23.8/23.8 | 23/124 | 101 | 10.5 | 9.6 | 4-5 | 140 | 2.3 | 1100 | 1010 | 2-2-WT-A-E-0-NO-BHA | Drilled to 124. Pulled out to pick a PDC bit. |
| BHA: 311mm Bit+ Bit sub (w/float)+ 2 x 207 mm Monel + X/O +2 x 165 mm DC + Jar + 2 x 165 mm DC + X/O+ HWDP to surface | | | | | | | | | | | | | | | |
| 2 | 311 | Smith PDC M516 | M123 | 6x 10.3 | 124/510 | 386 | 19.5 | 19.8 | 4-5 | 30 | 2.5 | 9500 | 1190 | 1-1-CC-H-X-0-CC-CP | Drilled to 510 m, pulled out to run casing. |
| BHA: 311mm PDC bit+ 203 mm Motor +UBHO+ 2 x 207 mm Monel + X/O+ 1x 165mm DC+ 165 mm jar+ 3x 165 mm DC+X-over+8x 101mm HWDP+ 101mm DP | | | | | | | | | | | | | | | |

C.3.7 SURFACE CASING SPECIFICATION

| Interval (m) | | Size (mm) | Weight (kg/m) | Tubular Grade | Thread Type | Pipe ID (mm) | Drift (mm) | Coupling OD (mm) |
|--------------------------------------|-----|-----------------|---------------------------------------|--------------------------|------------------------|------------------------|------------------------|---------------------|
| From | To | | | | | | | |
| 0 | 510 | 244.5 | 53.57 kg/m | J-55 | LT&C | 226.59 | 222.6 | 269.87 |
| Casing Performance Properties | | | | | | | | |
| Burst KPa | | Collapse KPa | Pipe body yield strength daN | Joint strength daN | Make up Torque N-m | | | |
| | | | | | Min | Optimum | Max | |
| 24,270 | | 13,930 | 250,000 | 201,000 | 4600 N-m 3400 ft-lb | 6100 N-m 4500 ft-lb | 7700 N-m 5600 ft-lb | |

C.3.7.1 SURFACE CASING STRING DETAILS

| Qt. | Length | Description | Centralization |
|-----|--------|-----------------------------------|--|
| 1 | 0.44 | 244.5 mm Float shoe PDC drillable | |
| 1 | 13.45 | 244.5mm Csg Joint | C-1 One Bow spring at 3m above the shoe (on stop collar) |
| 1 | 0.43 | 244.5 mm Float shoe PDC drillable | C-1 One Bow spring at 3m above the float collar (on stop collar) |
| 37 | 510m | 244.5mm Csg Joint | C-1 One Bow spring on the 3 joint above Float collar C-4 One every 4jts (50m) up to conductor (on the coupling) |

C.3.8 SURFACE CASING CEMENT DESIGN

| Type | Composition | Density/ thickening time | Volume | Remarks |
|--|--|---|----------------------------------|---|
| Pre flush | Water | 1000+ Kg/m ³ | 4 m ³ | |
| Cement | Surface cement RFC 2 % D151 Ca Cl ₂ 0.2% D 46 De-foamer | 1740 Kg/m ³ Thickening time: 4 hrs | 40.0 m ³ 43 tonnes | Added Cellophane (LCM) while mixing cement. |
| NOTE: | | | | |
| Good returns throughout the job with 20 m ³ cement returns to surface. Floats held. WOC for 6hrs. | | | | |

C.3.9 CASING BOWL & BOP

After cementing 244.5mm casing. Waited on cement for 6 hours.

Nipped down diverter, cut the conductor and install the Casing Bowl

Installed Streamflo casing bowl 11" (279.4mm) 3000 psi (21 MPa) x 9 5/8"" (244.5mm) slip-on bowl API DD. c/w two 2-1/16" 3000 psi (21 MPa) SSO and two lockdowns (PSL-2).

Tested casing Bowl weld to casing at 7000 kPa with nitrogen.

Installed 279mm, 21 MPa (11"-3000#) BOP stack (Annular preventer, Blind ram, 101mm pipe ram), Drilling spools, adapter, Kill lines, Choke line, choke manifold,

Pressure test BOP, and related lines and equipment with 1400 kPa low and 21000 kPa high. Tested annular preventer to 1400 kPa low and 10500 kPa high.

Pressure test lower Kelly cock, inside BOP, stabbing valves etc as per program.

Pressure test casing to 10,000 kPa.

Installed wear bushing.

Big Eagle pressure tester provided the BOP pressure test service,

C.4 MAIN HOLE 222 MM SECTION (510- 1341 m MD)

C.4.1 SECTION OVERVIEW

Ran in hole with 222 mm PDC bit & directional BHA. Tagged cement at 494 m. Displaced water in hole with 1200 kg/m³ Alpha Plus base invert mud. Drilled out 244.5 mm casing shoe track and new formation from 510 m to 513 m.

Circulated hole, pulled to casing shoe and performed formation integrity test to 21.5 kPa/m gradient. Applied 5000 kPa on surface with 1200 kg/m³ mud in hole for 10 minutes. Refer to attachment E_1 Formation integrity test

Drilled to core point at 1170 m with an average ROP of 17.5 m/hr. Controlled ROP from 1051 m to core point. Tripped in with 54 m core barrels. Cut core #1 from 1170-1204 m. Pulled out due to core jam, Core recovery for core #1 was 85%. Cut core #2 from 1204-1222 m. Core jammed after cutting 18 m. Core recovery for core #2 was 91 %. Cut core #3 from 1222-1241 m. Core jammed. Core recovery for core #3 was 97%. Cut core #4 from 1241-1257 m. Core jammed in the shoe. Tripped out. Core recovery from core # 4 was 97%. Cut core # 5 from 1257-1259 m. Core jammed. Core recovery was 94 %. Core #6 jammed after cutting 1 m core. Drilled with directional motor from 1259 m to 1270 m. Tripped out. Cut core # 7 from 1270-1303 m. Core recovery for core # 7 was 97.5%. Drilled 222 mm hole with directional motor from 1303 to 1341 m TD.

Ran wireline logs. 177.8mm casing was ran to well TD and cemented to surface with 7 m³ of good cement return. Bumped plug, increased pressure to 21000 kPa and held it for 10 min to pressure test the casing. Installed retrievable bridge plug at 475m. Installed tubing spool and suspension valve and cap.

C.4.2 MAIN HOLE SECTION SUMMARY

| | Remarks |
|------------------|---|
| Well control | 279mm, 21000 MPa (11"-3000) BOP stack (Annular preventer, 101 mm pipe ram, Shear blind ram, 101 mm pipe ram). Refer to <u>attachment E_3 well control set up</u> |
| H2S Service | As the well was exploration well. H2S service including H2S detector and air package and full time technician was operational from spud to the end of the well. |
| Drilling | <ul style="list-style-type: none"> ➤ Drilled 222mm section with a motor and MWD to 1170m. ➤ Cut six cores from 1170-1259 m. ➤ Drilled from 1258 m to 1270 m. ➤ Cut core from 1270 m to 1303 m. ➤ Drilled from 1303 m to 1341 m TD. |
| Drilling fluid | Alphaplus base invert. MW 1260 kg/m ³ at section TD. Refer to <u>C.4.4 222mm section drilling fluid</u> and <u>attachment E_11 daily drilling fluid reports</u> |
| Bit& BHA | Refer to <u>C.4.5 Drilling parameters& Bit &BHA (222mm hole section)</u> for detailed Bit& BHA report and drilling parameters. |
| Mud Logging | Mud logging service was utilized from surface to well TD. |
| Formations | Refer to <u>geology</u> report |
| Hydrocarbon show | No Hydrocarbon show. Some gas cuttings while drilling Canol shale |
| Hole deviation | Drilled vertically to core point with directional motor. Inclination at 1341 m was 0.4 degree. Refer to <u>C.4.6</u> , <u>C.4.7 Directional well plot</u> and <u>attachment E_2 directional survey& plot</u> |

| | |
|---------------------|--|
| Lost of Circulation | Minor Seepage Losses |
| Logging /coring | Conducted seven coring runs. Cut cores from 1670-1838 m. Ran wireline logs at TD. |
| Casing | 177.8mm casing ran to TD and cemented with return to surface. Refer to <u>C.4.8</u> and <u>C.4.9</u> for casing & cementing. |

C.4.3 LESSON LEARNED

| Operations | Remarks |
|--------------------------|--|
| Vertical Drilling | Main hole was drilled with a directional motor to maintain the verticality. Total sliding time was 7.7% of cumulative drilling time. No deviation tendency was encountered in main hole.. Refer to <u>C.4.6</u> , <u>C.4.7 Directional well plot</u> and <u>attachment E_2 directional survey& plot</u> |
| Coring | Core jamming was encountered on each run due highly fractured formation. Most of the jams happened in shoe. |

C.4.4 DRILLING FLUID

Refer to Drilling Fluid reports attachment E_10 daily drilling fluid reports for detailed mud mood properties and chemical consumption.

Alpha Plus base invert oil mud was used in drilling entire 222 mm hole. Commenced drilling 222 mm hole with 1200 Kg/m³ increased during drilling to 1260 Kg/m³ at TD. Mud weight was increased to keep the background gas below 5%.

| | Volume delivered to well site (m ³) | Loss Cutting retention & seepage (m ³) | Returned to Mud company Base in Ft. Nelson |
|---------------------------------------|---|--|--|
| Alpha Plus base Megadril invert 90:10 | 202 | 29 | 173 |
| Alpha Plus base oil | 27 | | 27 |

The following are the mud parameters range.

| Mud Parameter | |
|------------------------------|------------------------|
| Mud Type | Alpha Plus base Invert |
| Density (kg/m ³) | 1200-1260 |
| Viscosity (sec/liter) | 48-57 |
| PV (mPa-sec) | 14-19 |
| YP (Pa) | 3-4 |
| Gel Strengths 10sec / 10min | 2.5-3.5/5-7 |
| Solids (%) | 14-17% |

C.4.5 DRILLING PARAMETERS & BIT & BHA (222 MM HOLE SECTION)

| Bit No/ Run | Size (mm) | Make/ Type | IADC Code | TFA (mm ²) Nozzle (mm) | MD In/ Out (m) | Total Drilled (m) | Drilling Hours | ROP m/hr | WOB KdaN | Surfa ce RPM | Pump output (m ³) | Pump press (KPa) | Mud Wt Kg/m ³ | Bit condition | Remark |
|---|--------------|--------------------------------|--------------|---|-------------------|-------------------------|-------------------|-------------|-------------|--------------------|-------------------------------------|------------------------|--------------------------------|---------------------|--|
| 3 | 222 | Smith PDC Mi516 | M123 | 847 12.7/12.7/12.7/12.7/12.7/ 9.5/9.5/9.5 | 510/1170 | 660 | 37.75 | 17.5 | 2-3 | 40 | 1.45 | 9500 | 1200 | 1-1-WT-A-X-0-NO-BHA | Drilled out from surface casing shoe to core point. |
| BHA: 222mm Bit+ 167 mm Motor + UBHO +MWD +Monel +Pump out sub + 2X 165 mm DC+165 mm Jar+ 2X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 4 | 222 | Hughes Coring Bit BHC406 | | | 1170/1204 | 34 | 6.25 | 5.4 | 3 | 55 | 1.2 | 7500 | 1280 | 1-1-WT-A-X-0-NO-BHA | Cored jammed. |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 5RR | 222 | Hughes Coring Bit BHC406 | | | 1204/1222 | 18 | 3.0 | 6.0 | 3 | 55 | 1.2 | 8000 | 1280 | 1-1-WT-A-X-0-NO-BHA | Cored jammed |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 6 | 222 | Hughes Coring Bit BHC406 | | | 1222/1241 | 19 | 4.25 | 4.5 | 3 | 45 | 1.2 | 7500 | 1280 | 1-1-WT-A-X-0-NO-BHA | Cored jammed after cutting 19 m core |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 7RR | 222 | Hughes Coring Bit BHC406 | | | 1241/1256 | 15 | 3.5 | 4.3 | 3 | 45 | 1.2 | 7800 | 1250 | 1-1-WT-A-X-0-NO-BHA | Core jammed |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 8RR | 222 | Hughes Coring Bit BHC406 | | | 1256/1258 | 2 | 1.5 | 1.3 | 2 | 40 | 1.2 | 8000 | 1250 | 1-1-WT-A-X-0-NO-BHA | Core jammed. |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |

HUSKY OIL OPERATIONS LTD
DRILLING & COMPLETIONS DEPARTMENT

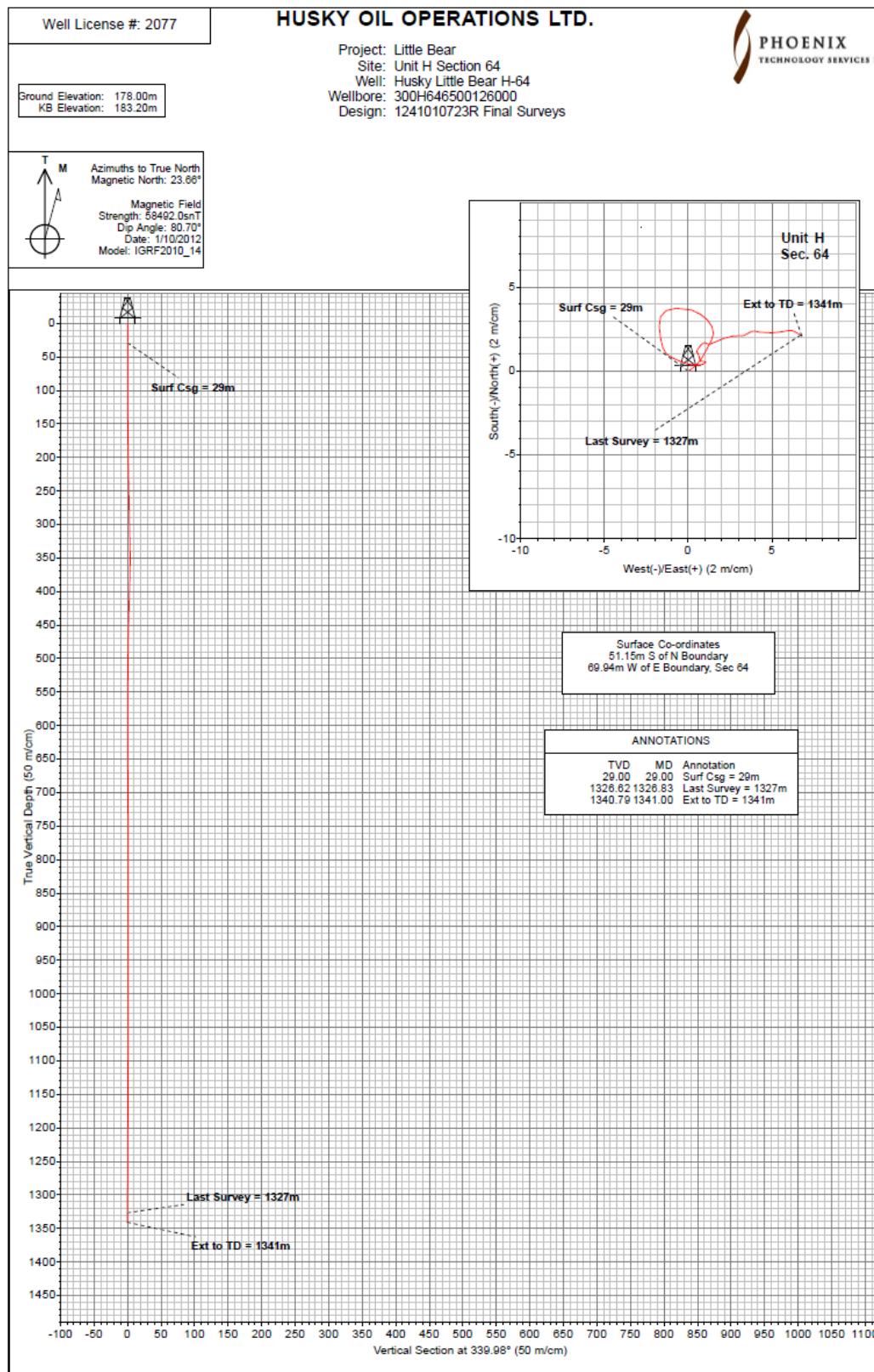
Husky Little Bear H-64
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| | | | | | | | | | | | | | | | |
|---|-----|--------------------------------|------|---|-----------|-----|------|-----|---|----|------|------|------|---------------------|------------------------------------|
| 9RR | 222 | Hughes Coring bit BHC406 | | | 1258/1259 | 1.0 | 1.0 | 1.0 | 3 | 40 | 1.2 | 8700 | 1250 | 1-1-WT-A-X-0-NO-BHA | Core jammed. |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 10 | 222 | Smith PDC Mi516 | M123 | 847 12.7/12.7/12.7/12.7/12.7/ 9.5/9.5/9.5 | 1259/1270 | 11 | 1.25 | 8.8 | 4 | 40 | 1.45 | 9300 | 1230 | 1-1-WT-A-X-0-NO-BHA | Pulled out to pick up core barrels |
| BHA: 222mm Bit+ 167 mm Motor + UBHO +MWD +Monel +Pump out sub + 2X 165 mm DC+165 mm Jar+ 2X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 11 | 222 | Hughes Coring bit BHC406 | | | 1270/1302 | 32 | 5.75 | 5.6 | 4 | 55 | 1.2 | 7100 | 1225 | 1-1-WT-A-X-0-NO-BHA | Core jammed |
| BHA: 222mm core Bit+ 6 x 171 core barrels + Top Sub+171 mm Jar+ Float Sub + Pump out Sub + 4X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 12 | 222 | Smith PDC Mi516 | M123 | 847 12.7/12.7/12.7/12.7/12.7/ 9.5/9.5/9.5 | 1302/1341 | 39 | 4.75 | 8.2 | 6 | 35 | 1.45 | 9700 | 1240 | 1-1-WT-A-X-0-NO-LOG | |
| BHA: 222mm Bit+ 167 mm Motor + UBHO +MWD +Monel +Pump out sub + 2X 165 mm DC+165 mm Jar+ 2X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |
| 13 | 222 | J&L Retip | | 380 12.7/12.7/12.7 | 1341/1341 | 0 | 0 | | | | 1.45 | 9000 | 1260 | 2-2-WT-A-X-0-NO-TD | Cleanout Trip |
| BHA: 222mm Bit+ 2X 165 mm DC+165 mm Jar+ 2X165mm DC + x-over+ 8 x 101mm HWDP. | | | | | | | | | | | | | | | |

C.4.6 DIRECTIONAL DRILLING & SURVEY

Refer to [C.4.7 Directional well plot](#) for directional plot and [attachment E_2 directional survey& plot](#) for well survey.

C.4.7 DIRECTIONAL WELL PLOT



C.4.8 MAIN HOLE CASING SPECIFICATION

| Interval (m) | | Size (mm) | Weight (kg/m) | Tubular Grade | Thread Type | Pipe ID (mm) | Drift (mm) | Coupling OD (mm) |
|--------------------------------------|--------------|-------------------------|--------------------|--------------------------|--------------------------|--------------------------|------------|------------------|
| From | To | | | | | | | |
| 0 | 1341 | 177.8 | 34.2 | L-80 | LT&C | 161.7 | 158.5 | 194.46 |
| Casing Performance Properties | | | | | | | | |
| Burst KPa | Collapse KPa | Body yield strength daN | Joint strength daN | Make up Torque N-m | | | | |
| | | | | Min | Optimum | Max | | |
| 43,700 | 26,400 | 236,000 | 196,600 | 4420 N-m (3260 ft-lb) | 5900 N-m (4350 ft-lb) | 7380 N-m (5440 ft-lb) | | |

C.4.8.1 MAIN HOLE CASING STRING DETAILS

| Qt. | Length | Description | Centralization |
|-----|--------|-----------------------------------|---|
| 1 | 0.45m | 177.8 mm Float shoe PDC drillable | |
| 2 | 22.81m | 177.85mm Csg Joint | C-1 One Bow spring at mid point over stop collar |
| 1 | 0.45m | 177.8 mm Float shoe PDC drillable | C-1 One Bow spring per joint on 3 joints above Float Collar |
| 124 | 1317 m | 177.8 mm Csg Joint | C-4 One every 4jts (50m) up to surface |

C.4.9 MAIN HOLE CASING CEMENT

| Type | Composition | Density/ thickening time | Volume | Remarks |
|--|---------------|--|---|---|
| Pre flush | Chemical wash | 1300 Kg/m ³ | 3 m ³ | |
| Cement | Lead | Hilite 1.2% B348+ 1.0% S001 +0.2% D046 | 1400 Kg/m ³ 19.6 m ³ 14.8 tonne | 40% excess over Caliper volume on lead and tail |
| | Tail | Class G 0.2% D46+ 0.5% D65+ 0.4% D167 | 1900 Kg/m ³ 11.2 m ³ 15.2 tonne | Displaced cement with water containing 0.8% corrosion inhibitor (K13908). |
| ➤ 7.0 m ³ good cement returns. Bumped plug, increased pressure to 21000 kPa and held it for 10 minutes to pressure test casing. | | | | |

C.4.10 SUSPENSION

Pressure tested casing using 21000 kPa at surface after bumping the plug.

Waited on cement for 6 hours. Lifted BOP stack. cut the casing. Nipped down BOP. Installed tubing spool Pressure tested the seals to 14000 kPa.

Set a wire line retrievable Bridge plug in 177.8 mm casing at 475m.

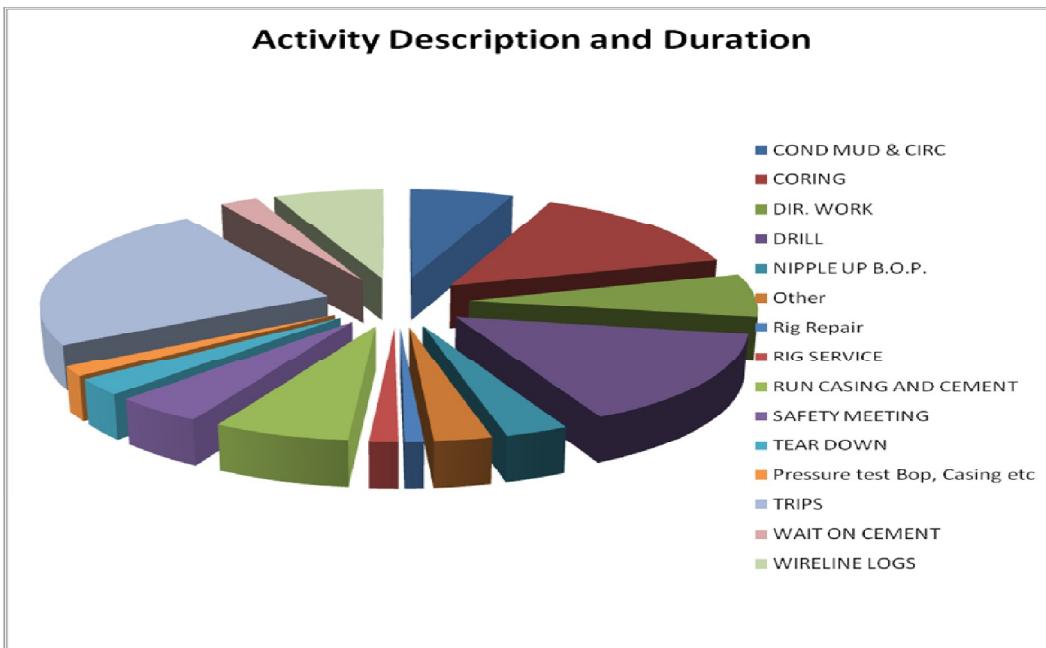
Installed 7-1/16" & suspension valve and pressure tested bridge plug and wellhead with 21000 kPa for 10 minutes. Refer to B.2 final well status for well schematics after release and E.12 Well Termination Report.

D TIME AND NPT ANALYSIS

Chart D1 and table show detail time breakdown from Spud to Rig Release respectively. It is prepared by the category of operations and services.

Spud to rig Release time was 492 hrs (20.5 days). There was no major downtime or NPT.

| Activity Description | Duration (hrs) | % Total Time |
|-----------------------|----------------|--------------|
| COND MUD & CIRC | 31.5 | 6.4 |
| CORING | 70 | 14.2 |
| DIR. WORK | 34.5 | 7.0 |
| DRILL | 74 | 15.0 |
| NIPPLE UP B.O.P | 15.75 | 3.2 |
| OTHER | 14.5 | 2.9 |
| RIG REPAIR | 4.75 | 1.0 |
| RIG SERVICE | 7.25 | 1.5 |
| RUN CASING AND CEMENT | 34 | 6.9 |
| SAFETY MEETING | 22.5 | 4.6 |
| TEAR DOWN | 13.25 | 2.7 |
| TEST BOP | 7.75 | 1.6 |
| TRIPS | 117.25 | 23.8 |
| WAIT ON CEMENT | 11.5 | 2.3 |
| WIRELINE LOGS | 33.5 | 6.8 |
| TOTAL TIME | 492 | 100.0 |



E ATTACHMENTS

E.1 FORMATION INTEGRITY TEST

Big Eagle Services

JOB REPORT

Company: Husky Oil
Contact: Cal Conklin
Location: Husky Little Bear H-64

Email:

Date February 25, 2012

Start Time 0:19:03

Unit#: PT112

End Time

Operator: Husky oil

PO#:

Swamper: N/A

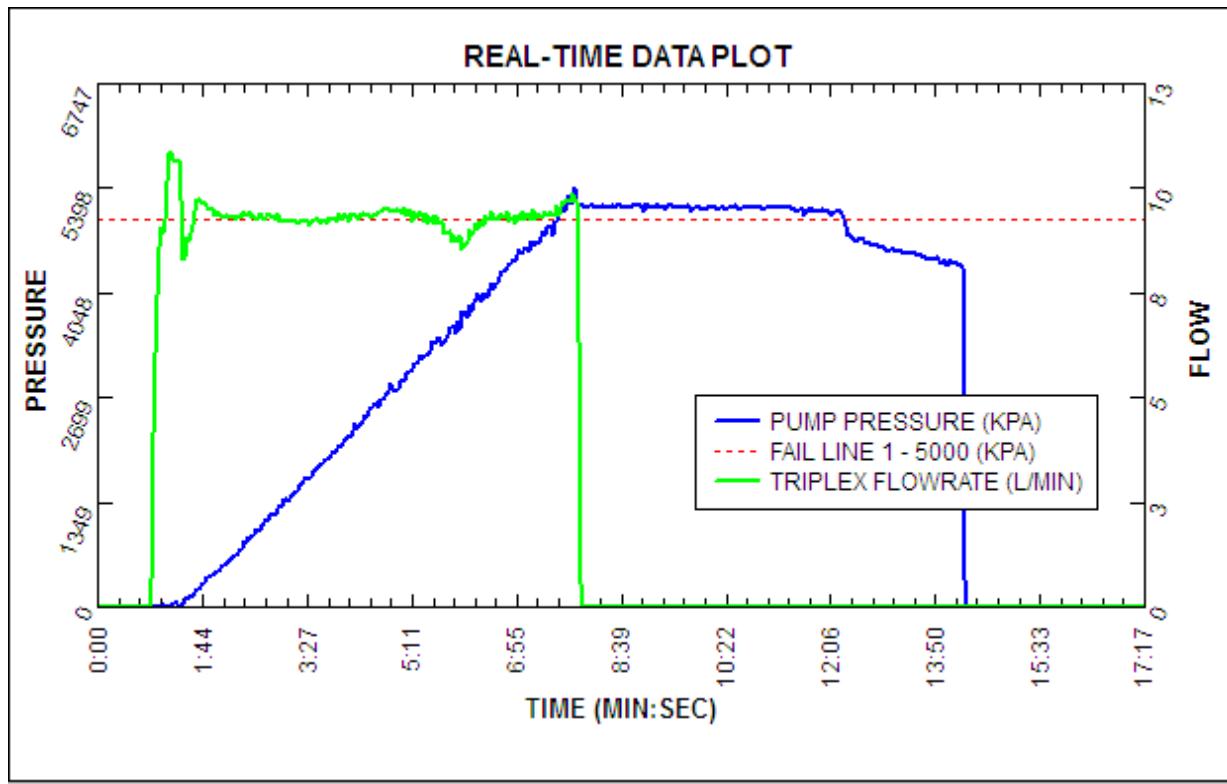
AFE#:

Fluid Pumped: 68 Liters

LSD#: Little bear H-64

Chemical Pumped: Water

Phone#:



E.2 DIRECTIONAL SURVEY

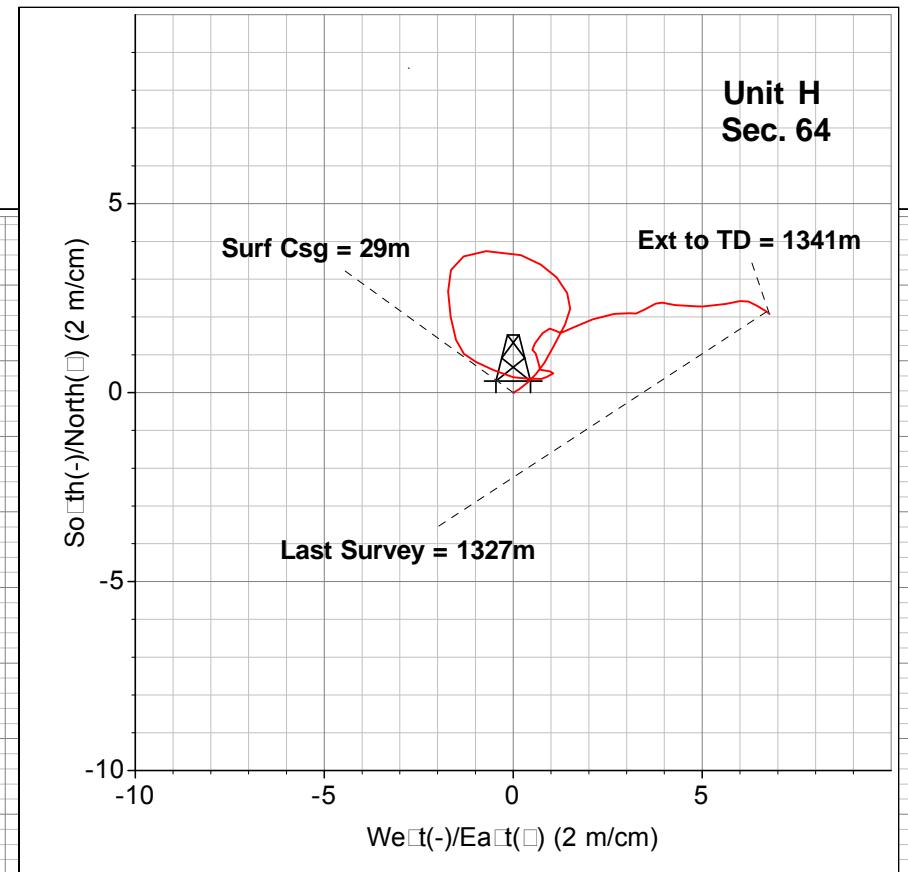
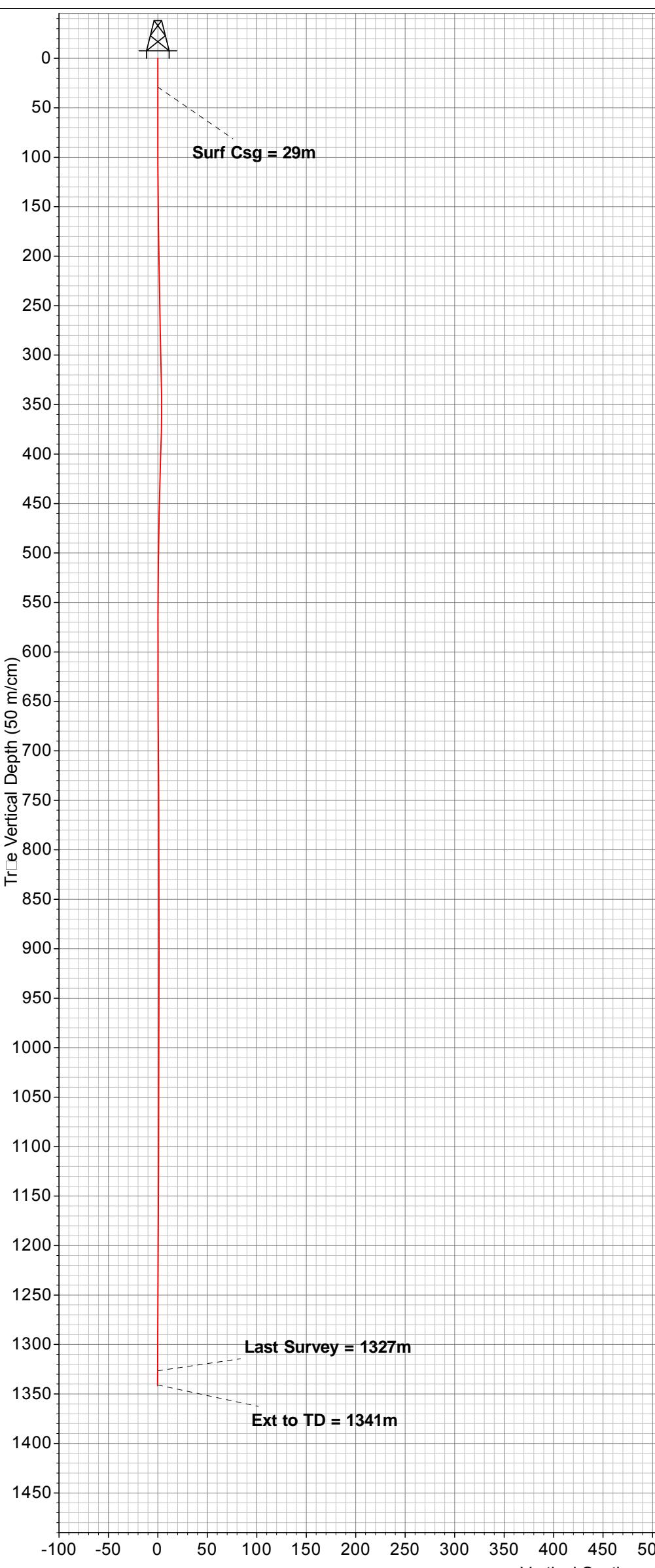
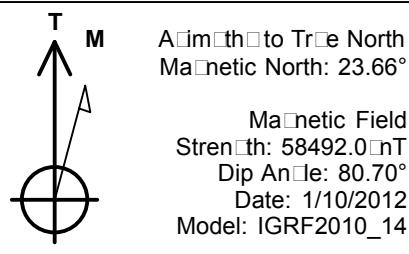
Well License 2077

HUSKY OIL OPERATIONS LTD.



Ground Elevation: 178.00m
KB Elevation: 183.20m

Project: Little Bear
Site: Unit H Section 64
Well: Husky Little Bear H-64
Wellbore: 300H646500126000
Definition: 1241010723R Final Survey



| ANNOTATIONS | | |
|-------------|---------|---------------------|
| TVD | MD | Annotation |
| 29.00 | 29.00 | Surf Csg = 29m |
| 1326.62 | 1326.83 | Last Survey = 1327m |
| 1340.79 | 1341.00 | Ext to TD = 1341m |

| | | | |
|-------------------|---------------------------|-------------------------------------|-------------------------------|
| Database: | Canada Compass DB | Local Co-ordinate Reference: | Well Husky Little Bear H-64 |
| Company: | HUSKY OIL OPERATIONS LTD. | TVD Reference: | KB act. @ 183.20m (Nabors 23) |
| Project: | Little Bear | MD Reference: | KB act. @ 183.20m (Nabors 23) |
| Site: | Unit H Section 64 | North Reference: | True |
| Well: | Husky Little Bear H-64 | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | 300H646500126000 | | |
| Job Number | 1241010723R Final Surveys | | |

| | | | |
|--------------------|-------------------------------|----------------------|----------------|
| Project | Little Bear | | |
| Map System: | Universal Transverse Mercator | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | |
| Map Zone: | Zone 09N (132 W to 126 W) | | |

| | | | | | |
|------------------------------|-------------------|---------------------|----------------|--------------------------|---------|
| Site | Unit H Section 64 | | | | |
| Site Position: | | Northing: | 7,199,322.99 m | Latitude: | 64.89 |
| From: | Map | Easting: | 633,013.97 m | Longitude: | -126.19 |
| Position Uncertainty: | 0.00 m | Slot Radius: | 335.28 mm | Grid Convergence: | 2.54 ° |

| | | | | | |
|-----------------------------|------------------------|--------|-------------------------------------|--------------------------------|---------------------------------------|
| Well | Husky Little Bear H-64 | | | | |
| Well Position | +N-S +E/-W | 0.00 m | Northing: Easting: | 7,199,322.99 m 633,013.97 m | Latitude: Longitude: |
| Position Uncertainty | | 0.00 m | Slot Radius: | 335.28 mm | Grid Convergence: |
| | | | Wellhead Elevation: | m | Ground Level: |

| | | | | | |
|------------------|-------------------|--------------------|---------------------------|-------------------------|-------------------------------|
| Wellbore | 300H646500126000 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2010_14 | 1/10/2012 | 23.66 | 80.70 | 58,492 |

| | | | | | |
|--------------------------|---------------------------|--------------------------------|--------------------|----------------------|-------------------------|
| Job Number | 1241010723R Final Surveys | | | | |
| Audit Notes: | Well License # 2077 | | | | |
| Version: | 1.0 | Phase: | ACTUAL | Tie On Depth: | 0.00 |
| Vertical Section: | | Depth From (TVD) (m) | +N-S (m) | +E/-W (m) | Direction (°) |
| | | 0.00 | 0.00 | 0.00 | 339.98 |

| | | | | |
|-----------------------|------------------|--|------------------|--------------------|
| Survey Program | Date | 3/12/2012 | | |
| From () | To (m) | Survey (Wellbore) | Tool Name | Description |
| 0.00 | 1,341.83 | 1241010723R Final Surveys (300H646500) | MWD | MWD |

| Measured Depth (m) | Inclination (°) | Azimuth (°) | Vertical Depth (m) | Subsea Depth (m) | +N-S (m) | +E/-W (m) | Vertical Section (m) | Dogleg Rate (/30m) | Build Rate (/30m) | Turn Rate (/30m) |
|-----------------------|-----------------|-------------|--------------------|------------------|----------|-----------|----------------------|--------------------|-------------------|------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 183.20 | 0.00 | 0.00 | 0.00 | 0.000 | 0.000 | 0.000 |
| Surf Csg = 29m | | | | | | | | | | |
| 29.00 | 0.00 | 0.00 | 29.00 | 154.20 | 0.00 | 0.00 | 0.00 | 0.000 | 0.000 | 0.000 |
| 42.00 | 0.20 | 69.40 | 42.00 | 141.20 | 0.01 | 0.02 | 0.00 | 0.462 | 0.462 | 0.000 |
| 72.00 | 0.40 | 53.80 | 72.00 | 111.20 | 0.09 | 0.15 | 0.03 | 0.214 | 0.200 | -15.600 |
| 109.52 | 0.50 | 50.50 | 109.52 | 73.68 | 0.27 | 0.39 | 0.12 | 0.083 | 0.080 | -2.639 |
| 136.58 | 0.80 | 39.20 | 136.58 | 46.62 | 0.49 | 0.60 | 0.26 | 0.360 | 0.333 | -12.528 |
| 163.98 | 0.80 | 34.80 | 163.97 | 19.23 | 0.80 | 0.83 | 0.47 | 0.067 | 0.000 | -4.818 |
| 191.53 | 1.20 | 26.00 | 191.52 | -8.32 | 1.21 | 1.06 | 0.78 | 0.465 | 0.436 | -9.583 |

| Database: Company: Project: Site: Well: Wellbore: Job Number | Canada Compass DB HUSKY OIL OPERATIONS LTD. Little Bear Unit H Section 64 Husky Little Bear H-64 300H646500126000 1241010723R Final Surveys | Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: | Well Husky Little Bear H-64 KB act. @ 183.20m (Nabors 23) KB act. @ 183.20m (Nabors 23) True Minimum Curvature | | | | | | | |
|---|---|--|--|------------------|----------|----------|----------------------|--------------------|-------------------|------------------|
| Survey | | | | | | | | | | |
| | | | | | | | | | | |
| Measured Depth (m) | Inclination (°) | Azimuth (°) | Vertical Depth (m) | Subsea Depth (m) | +N-S (m) | +E-W (m) | Vertical Section (m) | Dogleg Rate (/30m) | Build Rate (/30m) | Turn Rate (/30m) |
| 219.85 | 1.50 | 28.80 | 219.83 | -36.63 | 1.81 | 1.37 | 1.23 | 0.325 | 0.318 | 2.966 |
| 238.71 | 1.20 | 5.30 | 238.69 | -55.49 | 2.22 | 1.51 | 1.57 | 0.991 | -0.477 | -37.381 |
| 257.17 | 1.50 | 335.40 | 257.14 | -73.94 | 2.63 | 1.43 | 1.98 | 1.226 | 0.488 | -48.592 |
| 276.05 | 1.60 | 317.70 | 276.02 | -92.82 | 3.05 | 1.15 | 2.47 | 0.774 | 0.159 | -28.125 |
| 294.50 | 1.80 | 301.00 | 294.46 | -111.26 | 3.39 | 0.72 | 2.94 | 0.865 | 0.325 | -27.154 |
| 312.93 | 1.80 | 289.80 | 312.88 | -129.68 | 3.64 | 0.20 | 3.35 | 0.572 | 0.000 | -18.231 |
| 340.72 | 2.10 | 265.50 | 340.65 | -157.45 | 3.74 | -0.71 | 3.76 | 0.941 | 0.324 | -26.232 |
| 359.55 | 1.70 | 245.60 | 359.47 | -176.27 | 3.60 | -1.31 | 3.83 | 1.220 | -0.637 | -31.705 |
| 378.12 | 1.60 | 199.00 | 378.04 | -194.84 | 3.24 | -1.65 | 3.61 | 2.114 | -0.162 | -75.283 |
| 397.07 | 1.90 | 178.30 | 396.98 | -213.78 | 2.68 | -1.72 | 3.11 | 1.100 | 0.475 | -32.770 |
| 415.68 | 2.30 | 171.10 | 415.57 | -232.37 | 2.00 | -1.66 | 2.45 | 0.771 | 0.645 | -11.607 |
| 434.02 | 1.60 | 160.70 | 433.90 | -250.70 | 1.40 | -1.52 | 1.83 | 1.278 | -1.145 | -17.012 |
| 452.48 | 1.10 | 135.30 | 452.36 | -269.16 | 1.03 | -1.31 | 1.41 | 1.249 | -0.813 | -41.278 |
| 471.60 | 1.30 | 113.60 | 471.47 | -288.27 | 0.81 | -0.98 | 1.10 | 0.773 | 0.314 | -34.048 |
| 495.00 | 1.20 | 116.50 | 494.87 | -311.67 | 0.59 | -0.52 | 0.74 | 0.152 | -0.128 | 3.718 |
| 517.53 | 1.60 | 105.10 | 517.39 | -334.19 | 0.41 | 0.00 | 0.38 | 0.647 | 0.533 | -15.180 |
| 536.47 | 1.10 | 81.60 | 536.33 | -353.13 | 0.36 | 0.43 | 0.19 | 1.166 | -0.792 | -37.223 |
| 554.92 | 0.30 | 118.60 | 554.78 | -371.58 | 0.37 | 0.65 | 0.12 | 1.430 | -1.301 | 60.163 |
| 573.69 | 0.30 | 68.60 | 573.55 | -390.35 | 0.36 | 0.74 | 0.09 | 0.405 | 0.000 | -79.915 |
| 591.98 | 0.70 | 70.80 | 591.83 | -408.63 | 0.42 | 0.89 | 0.09 | 0.657 | 0.656 | 3.609 |
| 610.47 | 0.50 | 47.90 | 610.32 | -427.12 | 0.51 | 1.06 | 0.11 | 0.501 | -0.324 | -37.155 |
| 637.80 | 0.70 | 259.70 | 637.65 | -454.45 | 0.56 | 0.98 | 0.19 | 1.268 | 0.220 | -162.678 |
| 666.16 | 0.50 | 307.50 | 666.01 | -482.81 | 0.60 | 0.71 | 0.32 | 0.549 | -0.212 | 50.564 |
| 694.31 | 0.70 | 12.50 | 694.16 | -510.96 | 0.84 | 0.65 | 0.57 | 0.710 | 0.213 | 69.272 |
| 722.68 | 0.40 | 282.90 | 722.53 | -539.33 | 1.04 | 0.59 | 0.77 | 0.850 | -0.317 | -94.748 |
| 750.61 | 0.30 | 4.60 | 750.46 | -567.26 | 1.13 | 0.50 | 0.89 | 0.498 | -0.107 | 87.755 |
| 778.08 | 0.50 | 32.40 | 777.93 | -594.73 | 1.30 | 0.57 | 1.03 | 0.298 | 0.218 | 30.360 |
| 805.78 | 0.90 | 39.00 | 805.63 | -622.43 | 1.57 | 0.78 | 1.21 | 0.441 | 0.433 | 7.148 |
| 833.69 | 0.30 | 136.30 | 833.53 | -650.33 | 1.69 | 0.96 | 1.26 | 1.058 | -0.645 | 104.586 |
| 861.30 | 0.50 | 93.40 | 861.14 | -677.94 | 1.63 | 1.13 | 1.15 | 0.377 | 0.217 | -46.614 |
| 889.17 | 0.20 | 220.40 | 889.01 | -705.81 | 1.59 | 1.22 | 1.07 | 0.690 | -0.323 | 136.706 |
| 916.90 | 0.50 | 67.80 | 916.74 | -733.54 | 1.60 | 1.31 | 1.05 | 0.740 | 0.325 | -165.092 |
| 935.27 | 1.50 | 65.70 | 935.11 | -751.91 | 1.73 | 1.60 | 1.08 | 1.634 | 1.633 | -3.430 |
| 953.78 | 1.90 | 68.00 | 953.61 | -770.41 | 1.94 | 2.10 | 1.10 | 0.658 | 0.648 | 3.728 |
| 972.73 | 1.70 | 85.50 | 972.55 | -789.35 | 2.08 | 2.68 | 1.04 | 0.922 | -0.317 | 27.704 |
| 991.58 | 0.80 | 92.90 | 991.40 | -808.20 | 2.10 | 3.09 | 0.91 | 1.452 | -1.432 | 11.777 |
| 1,010.01 | 0.20 | 82.40 | 1,009.83 | -826.63 | 2.09 | 3.25 | 0.86 | 0.984 | -0.977 | -17.092 |
| 1,037.78 | 0.90 | 62.20 | 1,037.60 | -854.40 | 2.20 | 3.49 | 0.88 | 0.773 | 0.756 | -21.822 |
| 1,065.84 | 0.40 | 61.30 | 1,065.65 | -882.45 | 2.35 | 3.77 | 0.92 | 0.535 | -0.535 | -0.962 |
| 1,093.29 | 0.40 | 102.80 | 1,093.10 | -909.90 | 2.38 | 3.95 | 0.88 | 0.310 | 0.000 | 45.355 |
| 1,120.96 | 1.00 | 99.20 | 1,120.77 | -937.57 | 2.32 | 4.28 | 0.71 | 0.652 | 0.651 | -3.903 |
| 1,148.83 | 1.40 | 89.70 | 1,148.64 | -965.44 | 2.28 | 4.86 | 0.48 | 0.479 | 0.431 | -10.226 |

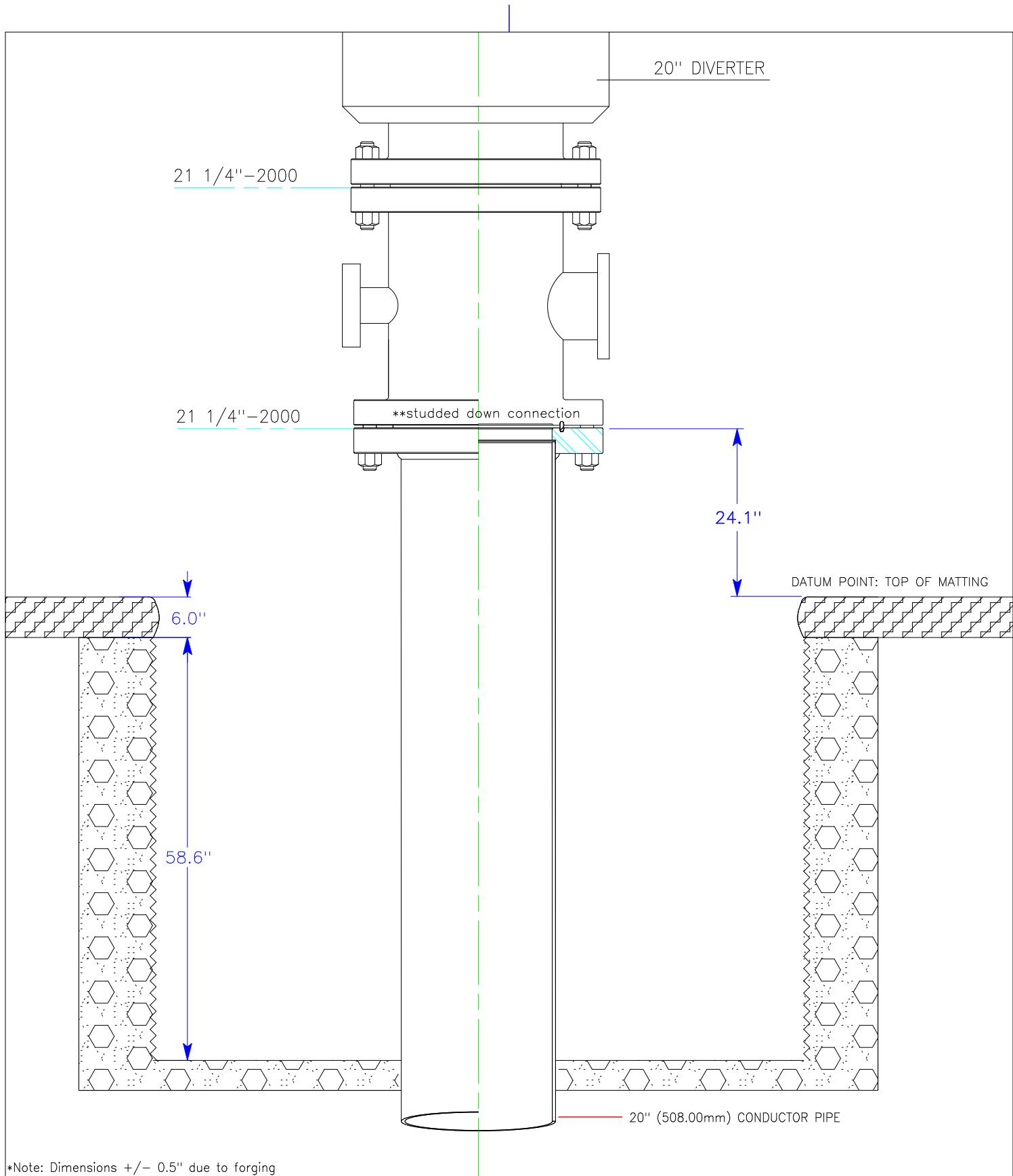
| | | | |
|---|---|--|--|
| Database: Company: Project: Site: Well: Wellbore: Job Number | Canada Compass DB HUSKY OIL OPERATIONS LTD. Little Bear Unit H Section 64 Husky Little Bear H-64 300H646500126000 1241010723R Final Surveys | Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method: | Well Husky Little Bear H-64 KB act. @ 183.20m (Nabors 23) KB act. @ 183.20m (Nabors 23) True Minimum Curvature |
|---|---|--|--|

| Survey | | | | | | | | | | | |
|----------------------------|-----------------|-------------|--------------------|------------------|----------|----------|----------------------|---------------------|--------------------|-------------------|--|
| Measured Depth (m) | Inclination (°) | Azimuth (°) | Vertical Depth (m) | Subsea Depth (m) | +N-S (m) | +E-W (m) | Vertical Section (m) | Dogleg Rate (°/30m) | Build Rate (°/30m) | Turn Rate (°/30m) | |
| 1,155.18 | 1.30 | 91.80 | 1,154.98 | -971.78 | 2.28 | 5.01 | 0.43 | 0.527 | -0.472 | 9.921 | |
| 1,186.56 | 1.00 | 73.30 | 1,186.36 | -1,003.16 | 2.35 | 5.63 | 0.28 | 0.453 | -0.287 | -17.686 | |
| 1,214.26 | 0.60 | 86.80 | 1,214.05 | -1,030.85 | 2.42 | 6.00 | 0.22 | 0.476 | -0.433 | 14.621 | |
| 1,242.52 | 0.30 | 107.90 | 1,242.31 | -1,059.11 | 2.41 | 6.22 | 0.13 | 0.359 | -0.318 | 22.399 | |
| 1,255.00 | 0.20 | 120.70 | 1,254.79 | -1,071.59 | 2.39 | 6.27 | 0.10 | 0.274 | -0.240 | 30.769 | |
| 1,289.96 | 0.50 | 114.50 | 1,289.75 | -1,106.55 | 2.29 | 6.46 | -0.06 | 0.259 | 0.257 | -5.320 | |
| Last Survey = 1327m | | | | | | | | | | | |
| 1,326.83 | 0.40 | 129.70 | 1,326.62 | -1,143.42 | 2.14 | 6.71 | -0.28 | 0.126 | -0.081 | 12.368 | |
| Ext to TD = 1341m | | | | | | | | | | | |
| 1,341.00 | 0.36 | 135.50 | 1,340.79 | -1,157.59 | 2.08 | 6.78 | -0.37 | 0.114 | -0.080 | 12.286 | |
| 1,341.83 | 0.36 | 135.88 | 1,341.62 | -1,158.42 | 2.08 | 6.78 | -0.37 | 0.114 | -0.076 | 13.628 | |

| Survey Annotations | | | | | | | | | | | |
|--------------------|-------------------|-------------------|---------|--|--|---------------------|--|--|--|--|--|
| Measured Depth () | Vertical Depth () | Local Coordinates | | | | Comment | | | | | |
| | | +N-S () | +E-W () | | | | | | | | |
| 29.00 | 29.00 | 0.00 | 0.00 | | | Surf Csg = 29m | | | | | |
| 1,326.83 | 1,326.62 | 2.14 | 6.71 | | | Last Survey = 1327m | | | | | |
| 1,341.00 | 1,340.79 | 2.08 | 6.78 | | | Ext to TD = 1341m | | | | | |

Checked By: _____ Approved By: _____ Date: _____

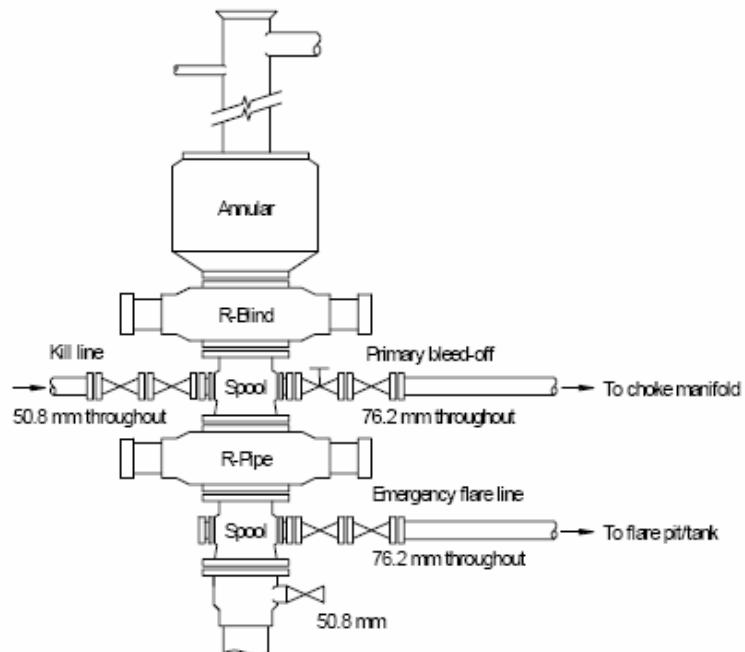
E.3 WELL CONTROL SETUP



*Note: Dimensions $\pm 0.5"$ due to forging
 Drawing is not to scale, and only used as representation

| | | | | | |
|--|-------|------|----------|---|---|
| HUSKY et al LITTLE BEAR N-9 AND H-64 NABORS 23 | DWN. | | 11/02/11 |  EDMONTON, AB. CANADA | DRAWING No. C2041 PAGE 3 of 10 REV 2 |
| | CHK. | | | | |
| | APPR. | | | | |
| | BY: | DATE | | | |
| | | | | | |

F.2.2 BOP CLASS IV □ WITH EMERGENCY FLARE LINE

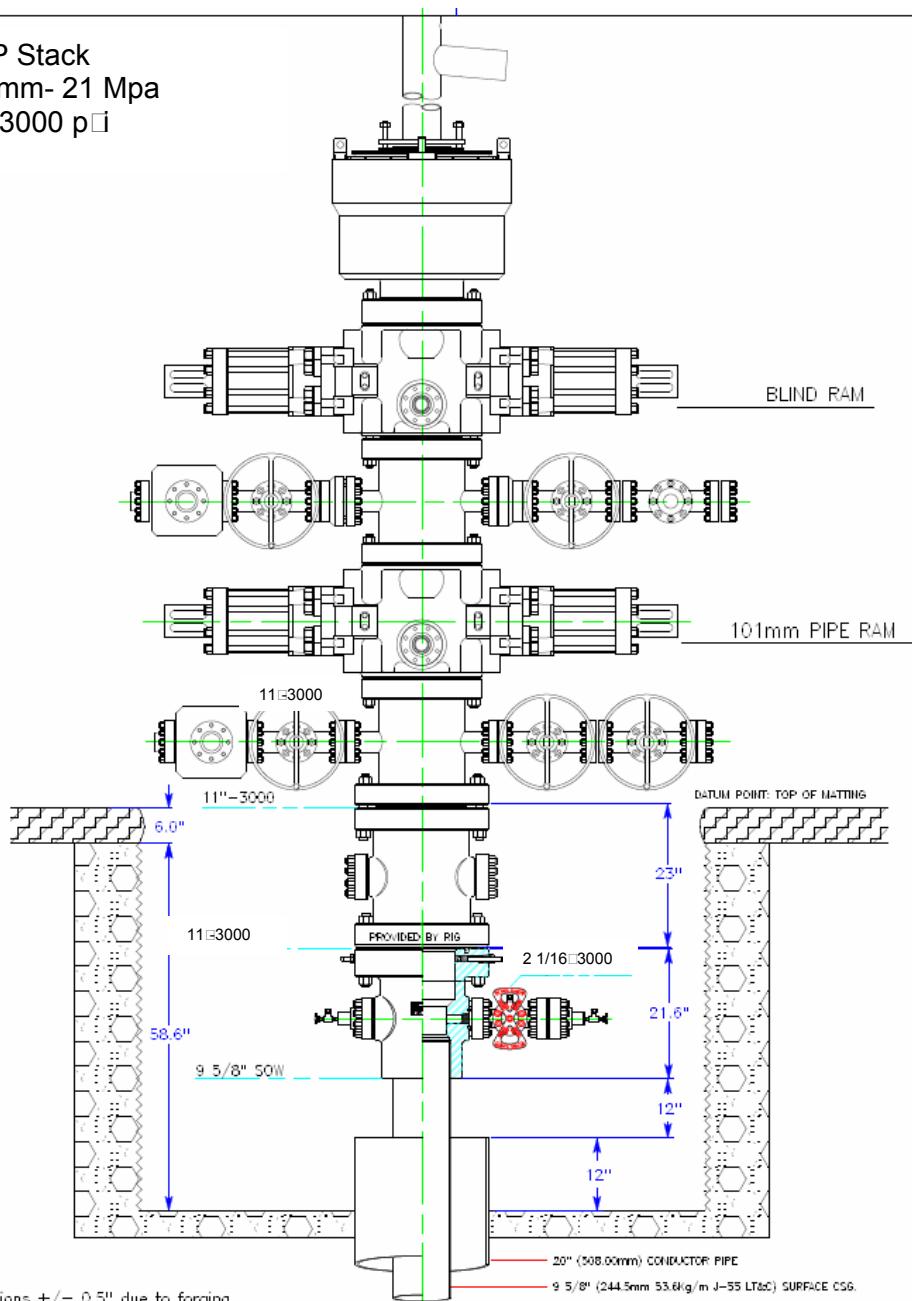


Note:

1. Ram type BOPs manufactured with integral outlets may be used in place of the drilling spools.
2. See Appendix 2 for equipment symbols.

Figure 4. Emergency flare line configuration for high-hazard area (southeastern Alberta) and for type 3 and type 4 surface casing reductions

BOP Stack
279mm- 21 Mpa
11E3000 p



| | | | | | |
|--|-------|------|----------|---|---|
| HUSKY et al LITTLE BEAR N-9 AND H-64 NABORS 23 | DWN. | | 11/02/11 |  EDMONTON, AB. CANADA | DRAWING No. C2041 PAGE 6 of 10 REV 2 |
| | CHK. | | | | |
| | APPR. | | | | |
| | BY: | DATE | | | |
| | | | | | |

E.4 RIG SPECIFICATIONS & LAYOUT



NABORS DRILLING
Rig Inventory and Specifications

Rig No.: 23

Effective Date of Inventory: April 2010

Rig depth rating 2,600 m using 114 mm Drill Pipe

Number of loads (w/ boiler) 19, No crane required

| | |
|-----------|---|
| A. | Drawworks: Make <u>TSM 6000A</u> Drum: <u>43.18 cm dia. x 99.06 cm long</u> |
| | Maximum Hoisting Capacity <u>113,000</u> daN |
| | Number of Hoisting Speeds <u>5</u> |
| | Auxiliary Brake Type <u>Hydromatic</u> |
| B. | Rig Power: Make <u>Caterpillar 3406 C</u> |
| | Maximum Power <u>390</u> kW |
| | Continuous Power <u>343</u> kW |
| C. | Derrick: Make <u>Mastco</u> Type <u>Telescoping Double</u> Height <u>31.1</u> m |
| | Normal Number of Lines Strung <u>8</u> |
| | Maximum Allowable Working Load (API rating) <u>124,600</u> daN w/ <u>8</u> lines |
| | Contractor's Allowable Working Load <u>111,200</u> daN w/ <u>8</u> lines |
| D. | Substructure: Make: <u>Mastco</u> Type: <u>Step Down</u> Self leveling |
| | Maximum Load Capacity Set back <u>89,000</u> daN <u>12.8 m long</u> |
| | Maximum Load Capacity Rotary <u>89,000</u> daN <u>4.27 m wide</u> |
| | KB - Ground <u>4.8</u> m Vertical Clearance for BOPs <u>3.81</u> m c/w BOP handling system |
| E. | Rotary Table: Make <u>Gardner Denver</u> |
| | Type <u>17.5</u> Opening <u>444.5</u> mm |
| | Contractor's Operating RPM Max. <u>180</u> Min. <u>1</u> |
| F. | Swivel: |
| | Make/ Model <u>National N-47</u> Manufacturer's Maximum Allowable Load <u>133,500</u> daN Manufacturer's Maximum Rotary Load <u>111,200</u> daN |
| G. | Traveling Equipment: |
| | Make/ Model <u>BJ 250 Ton</u> Manufacturer's Maximum Allowable Load <u>208,000</u> daN |
| | Elevator <u>WTM 150 Ton</u> <u>133,500</u> daN |
| | Block/Hook <u>BJ</u> <u>133,500</u> daN |

NABORS Rig 23 Inventory

H. Drilling Line:

| | | | | |
|-------------------------------|--------|-----|-----------|----------------------|
| Line Size | 28.5 | mm | Line Type | Wire Rope Industries |
| Single Line Breaking Strength | 65,000 | daN | | |

I. Drill Pipe:

| | | | | |
|------------------|---|------------------|-----------|---------|
| 114 mm OD, Grade | E | 24.7 kg/m, Conn. | 4 1/2" XH | 2,600 m |
| mm OD, Grade | | kg/m, Conn. | | m |

c/w three self contained hydraulic operated pipe tubes

J. Drill Collars:

| | | | | |
|------------|-----------------|------------|------------------|----|
| 203 mm OD, | 70 mm ID, Conn. | 6 5/8" Reg | joints available | 2 |
| 165 mm OD, | 57 mm ID, Conn. | 4 1/2" XH | joints available | 20 |
| mm OD, | mm ID, Conn. | | joints available | |

K. Mud Pump: Make & Model Gardner Denver PZ8

Stroke 203 mm

Pump powered by Caterpillar 3412 C @ 560 kW

| Liner Sizes (mm) | Maximum Strokes/min. | Minimum Strokes/min. | Manufacturer's Maximum Pump Pressure (kPa) | Contractor's Maximum Pump Pressure (kPa) |
|------------------|----------------------|----------------------|--|--|
| 127 | 130 | 60 | 23,700 | 19,000 |
| 139.7 | 130 | 60 | 19,600 | 15,700 |
| 152.4 | 130 | 60 | 16,400 | 13,200 |

L. Mud Tanks:

| | | | | |
|--|-----------------------|---------------------|----------------------------|---|
| Total Volume | 75 | m ³ | Number of Tanks | 1 |
| Active (Useable) Volume | 65 | m ³ | Number of Compartments | 6 |
| Pill Tank Volume | 2.5 | m ³ | | |
| Trip Tank Volume | 2.0 | m ³ | | |
| Independent Mud Mixing System | Pump 1 | Type Mission magnum | Size 127mm x 152mm x 254mm | |
| | Pump 2 | Type Mission magnum | Size 127mm x 152mm x 254mm | |
| Agitator Type | Brook Hansen 7 1/2 HP | | Number of Agitators | 3 |
| Independent Circulating Pump is supplied for hole fill | | | Brico 50.8 mm | |

M. Shale Shakers:

| | | | |
|-----------------|---------------------------|-------------|---|
| Make | Derrick Flo-Line Cleaners | Number | 2 |
| Vibrating Speed | 1,770 | Cycles/min. | |

N. Mud Gas Separator:

| | |
|------------------------|------------------------------------|
| Location | Shaker Tank |
| Height Above Mud Level | 2.0 m (Mud level to top of vessel) |
| Vessel Diameter | 762 mm |
| Liquid Inlet Line Size | 101.6 mm |
| Gas Outlet Size | 203.2 mm |
| Open Bottom | |
| Internal Baffles | |
| Nace Certified | |

Q. **Blowout Prevention:**

| BOP | Make | Type | Size (mm) | Pressure Rating (kPa) | Nace Trim |
|--------------------|---------|------------|-----------|-----------------------|-----------|
| Annular | Hydril | GK | 279.0 | 21,000 | Yes |
| Pipe Ram | Shaffer | LWS Single | 279.0 | 21,000 | Yes |
| Blind Ram/Pipe Ram | Shaffer | LWS Single | 279.0 | 21,000 | Yes |

HCR Valve Nace gate valve Kill Line Valves: 76mm Nace gate valvesAccumulator Oilco 5 station
Size 400 litres Rating 21,000 kPaP. **Manifold:**

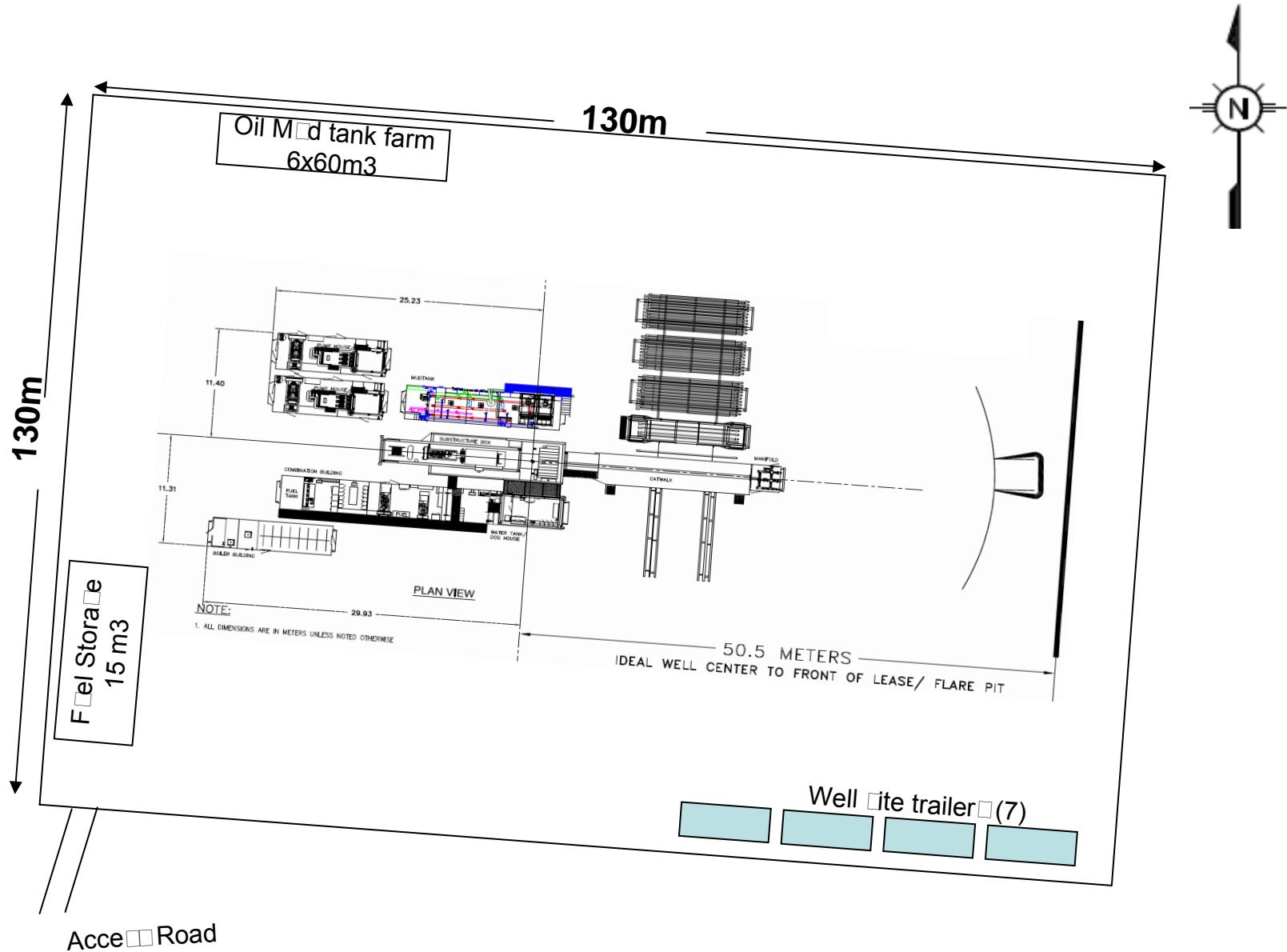
a) The Master BOP controls are located at the accumulator and remote controls located at the driller's station

| | | |
|--------------------|---------------------|-----|
| b) Pressure Rating | <u>21,000</u> | kPa |
| Kill Line Size | <u>76</u> | mm |
| Choke Line Size | <u>76</u> | mm |
| Valve Type | <u>Gate</u> | |
| Size | <u>76 x 76 x 76</u> | mm |
| c) Nace Trim | | |

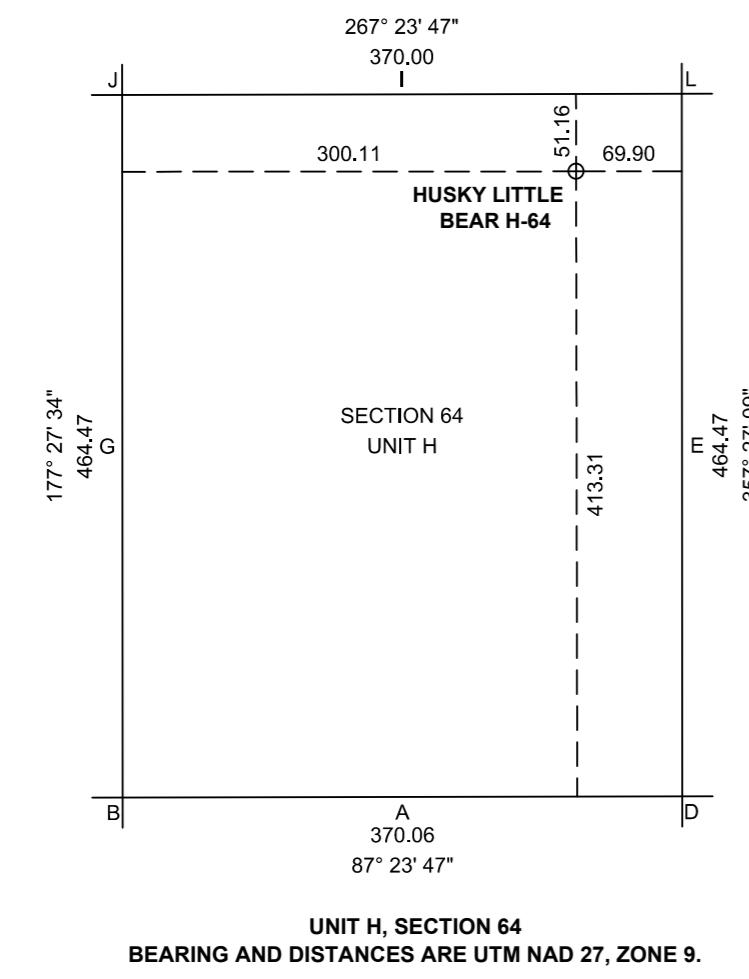
| Q. Light Plants: | Powered by | Output kW |
|-------------------------|----------------------------------|------------|
| Number 1 | <u>Caterpillar 3406 @ 520 HP</u> | <u>320</u> |
| Number 2 | <u>Caterpillar 3306 @ 300 HP</u> | <u>200</u> |

R. **Instrumentation:** Electronic Drilling RecorderS. **Boiler:** Make Saskatoon Type Diesel Output 75 kW
c/w 14 m³ water c/w 9 m³ fuelT. **Kelly Spinner:** Make Hydraulic Type Cesco 100 Size 197 mmU. **Drill Pipe Spinner:** Make Type Make Spinner HawkV. **Fuel Storage:** 18,000 litres c/w two transfer pumpsW. **Water Storage:** 68,000 litres c/w two transfer pumps

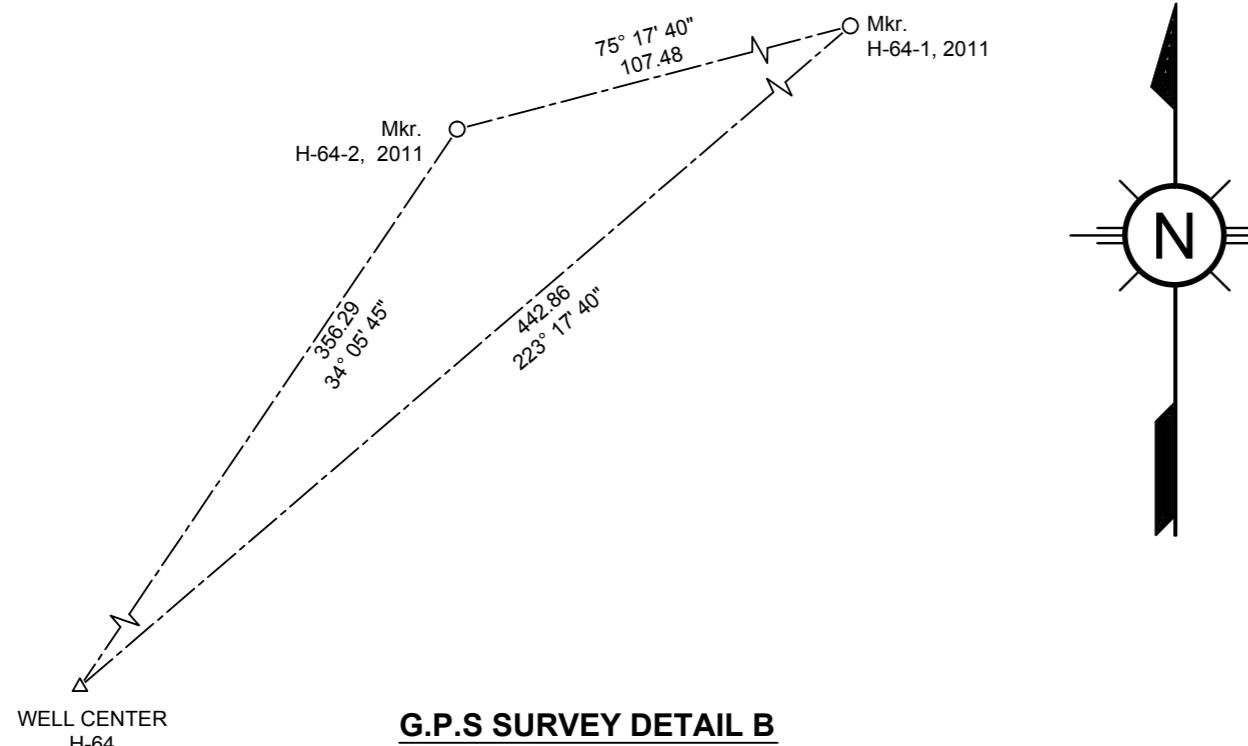
Rig Nabors 23 & Site layout (H-64)



E.5 WELL LOCATTION SURVEY



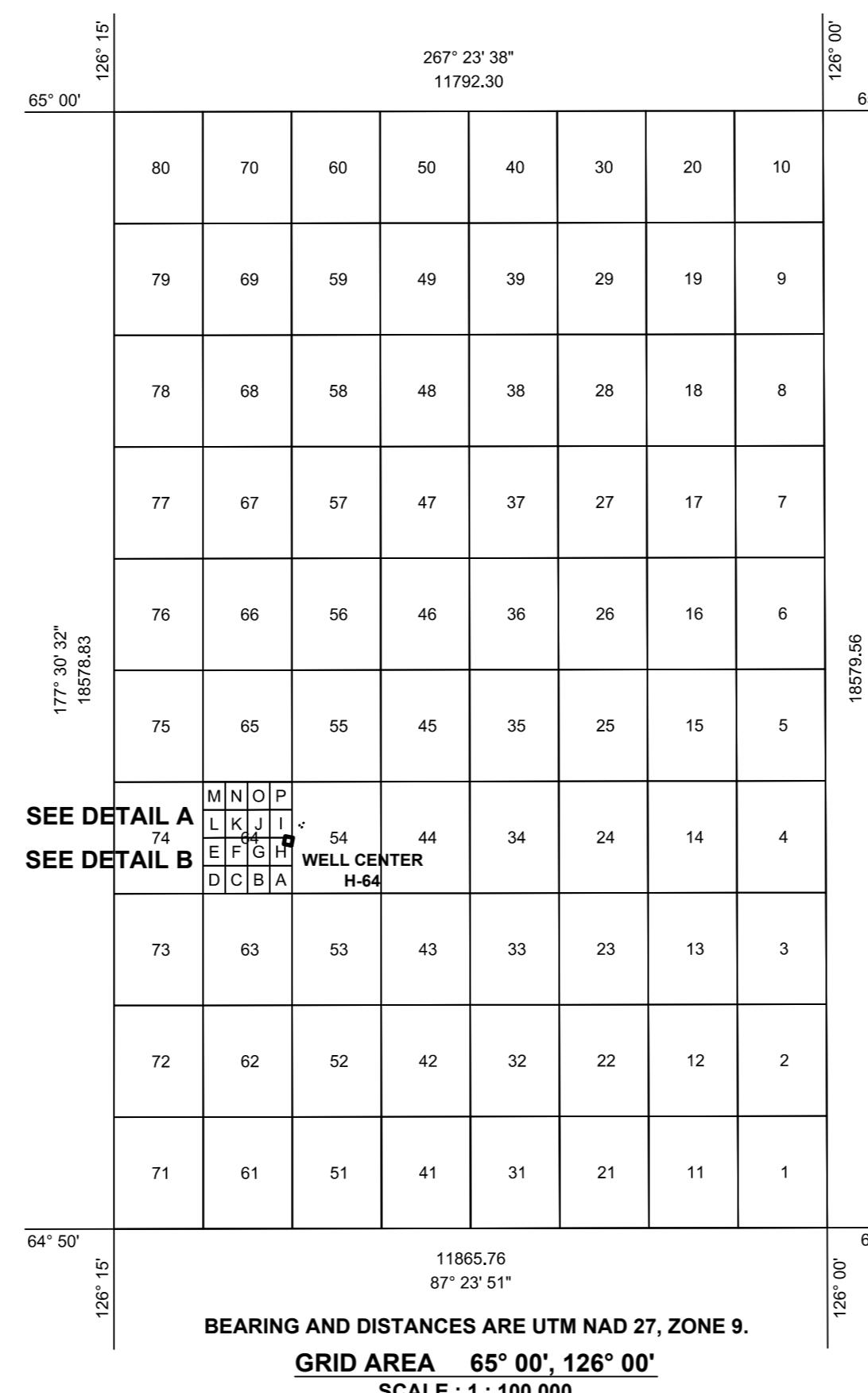
UNIT H, SECTION 64
BEARING AND DISTANCES ARE UTM NAD 27, ZONE 9.
SURFACE UNIT DETAIL B
SCALE : 1 : 5000



G.P.S SURVEY DETAIL B
NOT TO SCALE

-BEARINGS ARE UTM NAD27, ZONE 9.
-DISTANCES ARE REDUCED TO THE HORIZONTAL
AT GENERAL GROUND LEVEL.

| TABLE OF CO-ORDINATES | | | | | | |
|--|------------------------------------|-----------|------------------------------------|-----------|------------------------------------|---------------|
| STATION | U.T.M. ZONE 9, C.M. 129 (NAD83) | | U.T.M. ZONE 9, C.M. 129 (NAD27) | | GEOGRAPHIC CO-ORDINATES (NAD27) | |
| | NORTHING | EASTING | NORTHING | EASTING | LATITUDE | LONGITUDE |
| SURVEYED CO-ORDINATES - Derived Using NRCAN PPP Website | | | | | | |
| H-64-1, 2011 | 7199618.85 | 633281.48 | 7199419.80 | 633372.10 | | |
| H-64-2, 2011 | 7199591.56 | 633177.54 | 7199392.52 | 633268.16 | | |
| GRID AREA | | | | | | |
| N.E. | | | 7211618.36 | 641434.31 | 65°00'00" | 126°00'00" |
| N.W. | | | 7211082.18 | 629654.20 | 65°00'00" | 126°15'00" |
| S.E. | | | 7193059.69 | 642315.20 | 64°50'00" | 126°00'00" |
| S.W. | | | 7192520.91 | 630461.68 | 64°50'00" | 126°15'00" |
| H-64 N.E. | | | 7199151.82 | 633136.02 | 64°53'30.14" | 126°11'15.01" |
| H-64 N.W. | | | 7199135.02 | 632766.40 | 64°53'30.13" | 126°11'43.13" |
| H-64 S.E. | | | 7198687.81 | 633156.67 | 64°53'15.14" | 126°11'15.00" |
| H-64 S.W. | | | 7198671.00 | 632786.99 | 64°53'15.13" | 126°11'43.13" |
| WELL CENTRE | | | | | | |
| H-64 | 7199296.55 | 632977.85 | 7199097.54 | 633068.47 | 64°53'28.49" | 126°11'20.32" |



| | |
|------------------------------|--|
| CANADA LANDS SURVEYS RECORDS | |
| Date: _____, 20____ | |

PLAN AND FIELD NOTES
OF SURVEY OF
EXPLORATORY WELL
HUSKY LITTLE BEAR H-64
IN UNIT H, SECTION 64
GRID AREA 65° 00', 126° 00'
EXPLORATION LICENSE 462

NORTHWEST TERRITORIES
CANADA OIL AND GAS LAND REGULATIONS

100 50 0 100 200 metres
SCALE 1 : 5000

SURVEYED FOR
HUSKY OIL OPERATIONS LIMITED
BY: R. ROBINSON, C.L.S.
2012

-NAD 83 UTM COORDINATES ARE COMPUTED FOR ZONE 9, CENTRAL MERIDIAN 129°W.
BEARINGS WERE DERIVED FROM GPS OBSERVATIONS.
-DISTANCES ARE EXPRESSED IN METRES AND DECIMALS THEREOF.
-DISTANCES SHOWN IN G.P.S. TRAVERSE ARE MEASURED DISTANCES
REDUCED TO THE HORIZONTAL AT GENERAL GROUND LEVEL UNLESS SHOWN OTHERWISE.
-FOR THE COMPUTATION OF COORDINATES MEASURED DISTANCES HAVE BEEN
REDUCED TO THE UTM PLANE BY MULTIPLYING THEM BY AN AVERAGE COMBINED
SCALE FACTOR OF 0.999790.
-NAD 83 UTM COORDINATES ARE CONVERTED TO NAD 27 USING NATIONAL TRANSFORMATION
VERSION 2.

-DISTANCES SHOWN ON GRID AREA SUBDIVISIONS ARE UTM PLANE.
C.L.S. 77 TYPE MONUMENTS FOUND.....●
C.L.S. 77 TYPE MONUMENTS PLACED.....○
TEMPORARY TRAVERSE POINTS SHOWN THUS (SPIKE 8").....△

GROUND ELEVATION AT WELL CENTRE IS 178.50 metres.
ELEVATIONS WERE DERIVED FROM GPS OBSERVATIONS.

THIS SURVEY WAS EXECUTED DURING THE PERIOD
SEPTEMBER 10th 20011 TO SEPTEMBER 14th 2011, BY RON ROBINSON, C.L.S.

HUSKY OIL OPERATIONS LIMITED

(SIGNATURE, TITLE).....

(SIGNATURE).....

Certified Correct and completed on the
4th day of April, 2012.

RON ROBINSON C.L.S.
April 4, 2012



Ron Robinson
Comm. No. 1613

WITNESS.....

DATE.....

E.6 DRILLING WASTE DISPOSAL REPORT

SUMMARY REPORT
HUSKY LITTLE BEAR 300-H-64-6500-126-300
SLATER RIVER, NORTHWEST TERRITORIES

Prepared for:



**707, 7th Ave SW
Calgary, AB T2P 3G7**

Prepared by:



**Marquis Alliance Energy Group Inc.
1800, 800 – 6th Ave SW
Calgary, AB T2P 3G3**

TABLE OF CONTENTS

- 1.0 BACKGROUND INFORMATION
- 2.0 ENVIRONMENTAL CONDITIONS
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 - Weather Delays
- 3.0 ENVIRONMENTAL PROTECTION MATTERS
 - Spills
 - Sewage and Domestic Waste Water Discharges
- 4.0 REDUCTION MEASURES
 - Spills
 - TDG Information / Waste Handling
- 5.0 WASTE PRODUCTION OVERVIEW
 - Incineration
 - Domestic Waste
 - Evaporation
 - Water-Based Drilling Fluids and Cuttings
 - Mineral-Oil Based Drilling Fluids and Cuttings
 - Cement Returns
 - Sewage and Domestic Waste Water
 - Lease cleanup
- 6.0 ENVIRONMENTAL CONTINGENCY PLAN EXERCISES
- 7.0 CONCLUSION

LIST OF APPENDICES – Available Upon Request

- Appendix A: Environmental Monitoring Report
- Appendix B: Landfill Report
- Appendix C: Daily Waste Summary Table
- Appendix D: Tank Farm Spill Report – February 20, 2012
- Appendix E: Evaporator Spill Report – February 21, 2012

1.0 BACKGROUND INFORMATION

Marquis Alliance Energy Group Inc. (Marquis Alliance) was contracted by Husky Oil Operations Ltd. (Husky) to supervise the Husky Slater River waste management and spill response / support to all operations. Marquis Alliance was on location for the duration of the drilling operations which occurred from February 18 to March 19, 2012, to ensure that drilling waste, and other wastes associated with Little Bear H-64 was disposed using the terms and conditions as outlined in Husky's Northwest Territories drilling waste management plan submitted prior to the start of the project.

2.0 ENVIRONMENTAL CONDITIONS

The general environmental conditions of the lease were monitored throughout the project by the onsite Marquis Alliance representatives. Site inspections were conducted daily on the lease location, water sources, camp sites and fueling stations. Any spills or concerns were addressed immediately upon discovery, and general housekeeping was kept up hourly to ensure no accidental releases were encountered. A high standard was maintained at all times for the overall environmental condition of the project. After drilling operations, the entire lease was scraped by a hoe and the top layer was sent to the CCS Rainbow Lake Landfill / TRD for disposal. A visual inspection then confirmed that no drilling waste or other contaminants remained onsite once the project was completed.

Ice Management

The accumulation of ice on the site was maintained by applying anti-freeze to the steam lines, which greatly reduced the amount of ice buildup on the rig. When ice did manage to accumulate on the equipment, tools were used to remove the ice and then it was shoveled into the evaporator onsite.

Weather Delays

The rig did not experience any delays during the drilling operations of the H-64 well.

3.0 ENVIRONMENTAL PROTECTION MATTERS

The environmental protection used for this project was outlined in Husky's Northwest Territories environmental protection plan and drilling waste management plan.

Spills

There were two reportable spills that occurred during the drilling operations of the H-64 well, both of which were addressed immediately. The first release was a tank farm spill of invert drilling fluids which occurred on February 20, 2012 (Appendix D). Approximately 10m³ of invert fluids were released into the environment but contained in a lined area. The fluids were recovered and returned back into the invert system, and the remaining liner was disposed of during lease clean-up under the invert landfill approval at the CCS Rainbow Lake Landfill.

A second release occurred on February 21, 2012 from an evaporator spill of gel/chem fluids (Appendix E). Approximately 250L of gel/chem fluids were released onto lease surface to the northeast of the evaporator. The impacted area was cleaned up immediately and all impacted surface ice was placed into the evaporator for disposal. The spill contingency plans were available in the Emergency Response Plan.

Sewage and Domestic Waste Water Discharge

A small construction camp was set up at the start of operations to house a maximum of 50 personnel. The camp was then moved and was increased to a total of 135 personnel at peak times for all operations. Two Waste Water Treatment plants were utilized to handle the volumes of waste generated from the camps that were capable of handling up to 150 personnel. The raw municipal sewage generated at the camp operations was collected in a series of smaller sized sewage lift stations equipped with automated, redundant level switches and pumps. When the sewage was generated it was immediately pumped to the Waste Water Treatment Plant (WWTP) in flexible hoses equipped with both insulation and heat trace to ensure that the transfer lines did not freeze in the cold climate conditions. All sewage generated was first collected and then pumped directly to the WWTP for treatment and to an eventual designated discharge field. Discharge fluids were sampled by Banner Environmental Engineering Consulting Ltd and analyzed by ALS Labs. All effluent discharged to the environment met the criteria set by the Sahtu Land and Water Board in Licence Number S11L3-002. The remaining sewage sludge and remaining sewage waste at the end of the project, was disposed of, at the facilities run by the Town of Norman Wells

4.0 REDUCTION MEASURES

Meetings were held daily for the onsite workers, where all the safety concerns were addressed. All staff workers were updated with proper measures to prevent spills, and the procedures to follow in the event of a spill. In addition, a senior environmental advisor provided direction and guidance to the program through the field environmental advisor. The field environmental advisor was knowledgeable in the handling of wastes / spill response, as well as the waste regulations for the Northwest Territories, British Columbia, and Alberta.

Spills

Loads of sawdust were transported to the lease by sealed end dump trucks, which would first drop off fresh sawdust and then fill up with solid drilling waste prior to leaving the site. Garbage pails and spill kits were placed in close proximity to the rig and the rig shaker along with bags of sawdust. The easy access to this equipment improved the efficiency and reduced the environmental impacts associated with this project.

There were also spill kits that had been placed in close proximity to the mud products, inside the vacuum trucks, and next to the tank farms, fueling stations, and transfer stations. In the event of a spill, ease of access to the spill kits could aid in containing the release to a much smaller area.

High-density polyethylene (HDPE) liners were used on the H-64 location. This liner was placed underneath the rig, and the cuttings mixing area, in order to reduce the impacts of any potential spills / leaks. In addition, a secondary containment liner and synthetic berms were placed around the tank farm to contain any leaks or spills. Also, the mud product drums were placed in the onsite cement rings which acted as a secondary containment area in the event of leaks or spills.

TDG Information / Waste Handling

All parties involved in the disposal of hazardous wastes, the Generator, the Carrier, and the Receiver were registered and provided with the appropriate registration number prior to handling hazardous waste, and thereby complying with the Transportation of Dangerous Goods (TDG) regulations. The waste manifests that were completed by the Generator, Carrier, and Receiver, accompanied the shipments of hazardous waste. The information provided on the

manifests, as well as other TDG requirements (i.e.: labeling and placarding) were intended to assist first responders (police, ambulance, fire fighters) with hazard information should a transportation accident occur.

Husky created a Waste Management Table/Poster that was posted at the operations site to help the field staff determine how wastes were to be managed. The onsite Environmental Technician was responsible in ensuring that all wastes were managed accordingly. This Waste Management Table can be found in Husky's Northwest Territories drilling waste management plan.

5.0 WASTE PRODUCTION OVERVIEW

Incineration

Incineration was one means of reducing the mass and volume of waste used. There were two incinerators used: one remained at the camp, while the other was used on the drilling sites. There was 1830 kg of waste from the camp, and 784 kg from the H-64 lease (Appendix C). The amount of ash that was produced from this incineration was 3.5m³ from the camp waste and 1.5m³ from the lease H-64. This ash was disposed of by Ketek Group in Fort Nelson.

Domestic Waste

Domestic waste that was unsuitable to be incinerated was hauled to the Norman Wells transfer station by Hodgsons Contracting Inc. In total 150m³ of domestic waste was hauled offsite. One full 30m³ container of recyclables was hauled to the local Norman Wells School for fundraising purposes.

Evaporation

Evaporation was another method used to reduce the quantity of waste, by evaporating the fluids within the waste, such as ice and snow. This was most useful when the drilling waste was scraped up along with the surrounding snow and ice during cleanup operations. There was 36 m³ of waste that was evaporated from the H-64 lease.

Water-Based Drilling Fluids and Cutting

A water-based drilling fluid system was used for drilling the surface hole on the H-64 location. The waste streams generated included used water-based drilling fluids and drill cuttings and fines. The solid waste, including rock cuttings and centrifuged fines or sludge, were transferred to the onsite mixing bins where they were mixed with sawdust using the onsite loader, and prepared for transport. Prior to stabilization, the raw waste was sampled and analyzed at ALS Laboratory in Edmonton, a 3rd party laboratory, for landfill acceptance characterization. The stabilized waste was then transported by sealed and tarped end-dump truck trailers to the CCS Class II Oilfield Waste Landfill Facility located in Rainbow Lake, Alberta (Alberta Environmental Approval # 193262-00-00). Recovered water-based drilling fluids were centrifuged to extract water. The water was then evaporated and the remaining solids were hauled to the CCS Rainbow Lake Landfill. The waste was hauled with proper documentation (NWT Movement Documents).

A total of 83.45 tonnes of the surface hole drill cuttings from H-64 were hauled to the CCS Rainbow Lake Landfill for disposal. Water-based drilling waste fluids that were not suitable for re-use were removed for disposal at either the Newalta Treatment, Recovery, and Disposal (TRD) facility in Fort St. John, B.C. (LSD 15-05-083-17W6M), or the CCS Rainbow Lake TRD (LSD 12-24-085-19 W5M). A total of 56 m³ of fluids from H-64 went to the Newalta TRD, while 50 m³ of fluids went to the CCS Rainbow Lake TRD facility (Appendix B).

Mineral-Oil Based Drilling Fluids and Cuttings

The intermediate / main hole was drilled with a mineral-oil based drilling fluid system (invert). The waste stream included the rock cuttings and fines contaminated with invert. This solid waste was separated from the drilling fluids using the rig shakers and centrifuges. They were then transferred to the onsite mixing bins where they were mixed with a stabilizing agent (sawdust) using the onsite loader, and prepared for transport. Prior to stabilization the raw waste was sampled and analyzed at ALS Laboratory in Edmonton, a 3rd party laboratory, for landfill acceptance characterization. The stabilized waste was then transported by sealed and tarped end-dump trucks to the CCS Class II Oilfield Waste Landfill Facility located in Rainbow Lake, Alberta (Alberta Environmental Approval # 193262-00-00). The waste was hauled with the proper documentation (NWT Movement Documents).

A total of 142 tonnes of mineral-oil based cuttings from H-64 were hauled to the CCS Rainbow Lake Landfill for disposal (Appendix C). Upon completion of the drilling program, the mineral oil

was trucked back to Fort Nelson, British Columbia, for reconditioning to be recycled and re-used by the mud company.

Cement Returns

Cement returns were stored within the onsite lined cement rings to harden, prior to being transported by sealed and tarp end-dump truck trailers to the CCS Class II Oilfield Waste Landfill Facility located in Rainbow Lake, Alberta (Alberta Environmental Approval # 193262-00-00). There were a total of 8.22 tonnes of cement returns from H-64, hauled with the drilling waste using the proper NWT Movement Documents, to the CCS Rainbow Lake Landfill. A summary of the drilling waste disposal volumes can be found in Table 1, below.

| Table 1: H-64 Little Bear Daily Waste Tracking | | | |
|--|---------------------------|--------|----------------|
| Waste Type | Disposal Area | Volume | Units |
| Gel/chem Fluids | Newalta TRD | 56 | m ³ |
| Gel/chem Fluids | CCS Rainbow Lake TRD | 50 | m ³ |
| Gel/chem Solids | CCS Rainbow Lake Landfill | 83.45 | tonnes |
| Invert Solids | CCS Rainbow Lake Landfill | 142 | tonnes |
| Cement | CCS Rainbow Lake Landfill | 8.22 | tonnes |
| Lease cleanup | CCS Rainbow Lake TRD | 43 | m ³ |
| Lease cleanup | Newalta TRD | 25 | m ³ |
| Lease cleanup | CCS Rainbow Lake Landfill | 117.03 | tonnes |

Sewage and Domestic Waste Water

There were two camp operations used for this project. The initial construction group entered the area first and provided the necessary infrastructure for the drilling and seismic operations that followed. The camp peaked at a 135 person camp which housed the construction, drilling, seismic, and camp operational personnel. Hence, two sewage plants were used with the following stated capacities:

- Initial Construction Camp, Stated Capacity of 50 persons
- Combined Camps, Stated Maximum Capacity of 135 persons

Four main waste streams resulted from the wastewater and potable water operations for this project. These streams are listed below:

- Raw municipal sewage generated from camp operations
- Treated municipal wastewater effluent after treatment in the Wastewater Treatment Plant (WWTP)
- Residual sludge generated during treatment in the WWTP
- Backwash wastewater generated at the potable water plant

An engineered drawing for the effluent disposal field was created for a 200 man camp. Husky used this setup for a 50 man camp except the initial system was reduced in size being compromised of two 125 foot effluent discharge legs initially. Once the full operation began and road access to the main camp was provided, the effluent field was converted into a typical Type A 200 man discharge field. This field design proved to be very effective at dispersing the final treated effluent and allowed for the most beneficial uptake of these treated effluent waters by the natural environment. The 50 man WWTP had a total of 309.60 m³ of treated effluent that was discharged in the disposal field, while the 100 man WWTP produced 430.00 m³ of treated effluent that was discharged into the discharge field.

Residual sludge generated onsite occurred within the Membrane Bioreactor system as it is the natural byproduct of the WWTP processes. The eventual accumulation of sludge was impossible to avoid as these materials represent the inorganic fractions of the raw sewage and/or the organic fractions of the biomass highly resistant to aerobic decomposition. Also, at the end of the project as the camp facilities were being demobilized, the treatment plants needed to be emptied. These residuals required final treatment and management at longer term facilities, and a total of 96 m³ of waste from the 50 man WWTP and 73 m³ of waste from the 100 man WWTP were vacuumed out and transferred to an approved facility in Norman Wells for longer term treatment/management. These volumes were relatively small and represented only a very small fraction of the total volume of raw sewage generated and/or treated effluent disposed. Both the raw sewage and treated effluent flows were measured and recorded on site and any trucked residuals or bypasses were also recorded with the logs to ensure an accurate record of the sewage, effluent and residuals were maintained.

The last waste stream represents the backwash water from the potable water plant. Given the nature of the potable water plant and its pre-treatment cartridge filters, the backwash water was expected to be free of contaminants. There was 42.32 m³ of backwash water from the 50 man WWTP and 60.80 m³ of backwash water from the 100 man WWTP, for a total of 103.12 m³

of backwash water produced in this project. Since current potable water standards do not permit the recycle of these backwash waters within the potable water plant itself, this waste stream was ran through the WWTP, and discharged to the surrounding environment.

Lease cleanup

After drilling operations were completed and the rig moved offsite, the lease cleanup process began. All lease cleanup material was loaded into trucks and hauled to the appropriate facility. There was 43 m³ of lease cleanup from H-64 that was disposed at the CCS Rainbow Lake TRD, 25 m³ was disposed at the Newalta TRD, and 117.03 tonnes of lease cleanup from H-64 were disposed at the CCS Rainbow Lake Landfill.

This lease cleanup material included:

- liner, that had been cut into manageable pieces
- the top layer of snow on the lease that had been scraped, thereby removing any contaminated snow and ice
- any fresh water based or mineral-oil based drill cuttings and fluids that remained onsite in the mixing bins
- the remaining waste stored within the cement rings

6.0 ENVIRONMENTAL CONTINGENCY PLAN EXCERCISES

There were multiple environmental contingencies put in place for this project to be certain that all necessary compliances were met:

- Safety meetings were conducted every 12 hours by a Marquis Alliance representative
- Spill kits were placed in close proximity to all potential spill sources
- Sawdust was onsite and readily available
- Liners were used under tank farms and evaporators
- Waste was tracked daily
- A senior technician with spill response training was onsite at all times
- All parties involved in the project were given daily status updates

7.0 CONCLUSION

Over the duration of the project, all of the drilling and domestic wastes associated with Little Bear H-64 well, was disposed using the methodology outlined in Husky's Northwest Territories drilling waste management plan, and terms and conditions set out by the Sahtu Land and Water Board. After drilling operations were completed, all the equipment was removed from location and the lease was inspected for releases and scraped clean. There were no major spills identified during drilling operations of this well, and Husky Energy was satisfied with the outcome of this project.

E.7 NEB LICENSE & INSPECTION REPORTS

OCT 27 2011

National Energy
BoardOffice national
de l'énergie

OPERATIONS AUTHORIZATION

APPLICATION

HUSKY OIL OPERATIONS LTD

(Name of Operator)

Hereby applies for authorization of a proposed:

Drilling Program Production Program Installation/Removal Program Other
Please Specify:

under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (R.S.C., 1985, c. O-7) and Part 2 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315) using equipment and procedures described in the application.

Changes in equipment or procedures, outside the scope of this application, require the approval of the Board in order that this authorization remains valid. An approved copy of this notice is to be posted at each work site and is subject to the terms and conditions attached to this authorization.

| | | | |
|----------------------------------|--|---------------------------|----------|
| Licence No. | Select EL462 and EL463 | NEB Operating Licence No. | 1204 |
| Region | NWT Mainland | | |
| Field | SLATER RIVER | | |
| Anticipated date of commencement | DECEMBER 2011 | Proposed Duration | 4 months |
| Scope of Work | Construction of winter access road, campsite and 2 well sites locations Drilling and evaluation (core and log) of 2 exploration wells, Little Bear N-9 and Little Bear H-64 in Slater River area of NWT | | |

"I certify that the information provided on this form is true and correct"

| | | | |
|--------------------------------|----------------------------|-----------|------------------------------|
| Name | Brad Allison | Telephone | (403) 750-1515 Ext |
| Job Designation | Vice President Exploration | E-Mail | brad.allison@huskyenergy.com |
| Signature | | Date | Oct 24, 2011 |
| Responsible Officer of Company | | | |

NATIONAL ENERGY BOARD AUTHORIZATION
(Board Use Only)

The operator named above is hereby authorized under paragraph 5(1)(b) of the *Canada Oil and Gas Operations Act* (R.S.C., 1985, c. O-7) and is subject to the terms and conditions attached to this authorization.

Chief Conservation Officer

Job Designation

NEB Authority

Date

22 Dec 2011

Signature

Expiry Date

31 December 2012

Operation Authorization (OA) No.

OA-1204-002

APPROVAL TO DRILL A WELL

APPLICATION

This application is submitted under Section 10 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315). When granted under Section 13 of the Regulations, this form is the requisite approval for the commencement of well operations. An approved copy of this notice is to be posted at each drill site.

| | | | | | | |
|---------------------------|-------------------------|-------------|---------|-------------------------------|------------------------------|-------------------|
| Well Name | Little Bear H-64 | | | Operator | Husky Oil Operations Limited | |
| Well Type | Exploratory Well | | | If Other Type, please specify | | |
| NEB Operating Licence No. | 1204 | | | Operations Authorization No. | | |
| Drilling Rig or Unit | Nabors 23 | | | Contractor | | |
| Licence No. | Exploration Licence 462 | | | Estimated Well Cost | \$18,800,000 | |
| Station Keeping | Not Applicable | | | Land Structure | Conventional Land | |
| Land Use Permit No. | | | | Issued by: | Sahtu Land and Water Board | |
| Water Licence No. | | | | Issued by: | Sahtu Land and Water Board | |
| Location | Unit | H | Section | 64 | Grid | |
| Coordinates (NAD 27) | | Surface | Lat | 64 ° 53 ' 28.5 " | Long | 126 ° 11 ' 20.3 " |
| | | Bottom Hole | Lat | 64 ° 53 ' 28.5 " | Long | 126 ° 11 ' 20.3 " |
| Region | NWT Mainland | | | | | |
| Target Formation | Canol / Hume | | | Field/Pool | Slater River / | |
| Well Path | Vertical | | | Discovery Well | | |
| Elevation KB/RT | 183.5 m | | | Ground Level / Seafloor | 178.5 m | |
| Approximate Spud Date | 20 February 2012 | | | Est. Days on Location | 25 days | |
| Anticipated Total Depth | 1412 m KB | | | | | |

EVALUATION PROGRAM

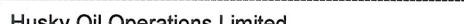
| Sample Type | Top to Bottom Interval (m KB) | Sample Interval (m) | Comments |
|--------------------|-------------------------------|---------------------|--|
| Drill Cuttings | surface-1412 | 5.0 | NEB: 2 vial sets and 1 bag set 500g minimum. |
| Drill Cuttings | Surface-819 | 5.0 | GSC Bagged samples to base of Cretaceous (819m TVD) |
| Conventional Cores | 1220-1370 | Other | Cut core in Lower Canol, Hare Indian and Bluefish formation |
| Logs and Tests | 650-1412 | Other | CNL-LDT-GR, Sonic,Array Induction&GR /CNL across surface csg |
| Logs and Tests | 1150-1412 | Other | ECS, Sonic Scanner, NMR |

CASING PROGRAM

| O.D. (mm) | Weight (kg/m) | Grade | Setting Depth (m KB) |
|-----------|----------------|-----------|----------------------|
| 508 | Conductor Pipe | ASTM A 53 | +/-30 |
| 244.5 | 53.6 | J-55 | 630 |
| 177.8 | 34.2 | L-80 | 1412 |

Additional Information

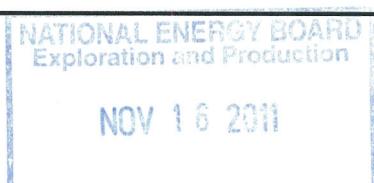
"I certify that the information provided on this form is true and correct."

| | | | |
|-----------------|---|-----------|---------------------------------------|
| Name | <i>Kim Richardson</i> | Telephone | <i>(403)-298-7273</i> |
| Job Designation | Drilling Superintendent | E-Mail | <i>kim.richardson@huskyenergy.com</i> |
| Operator | Husky Oil Operations Limited | | |
| Signature |  | | |
| | Date <i>15 November, 2011</i> | | |
| | <i>Responsible Officer of Company</i> | | |

NATIONAL ENERGY BOARD APPROVAL

(Board Use Only)

This well approval is granted under section 13 of the *Canada Oil and Gas Drilling and Production Regulations* (SOR/2009-0315) and is subject to the terms and conditions attached to this approval and Operations Authorization No. OA-1204-002.





Inspection Summary / Résumé de l'inspection

Canada Oil and Gas Operations Act

| | |
|--|--|
| <input type="checkbox"/> Canada Oil and Gas Operations Regulations | <input checked="" type="checkbox"/> Canada Oil and Gas Drilling and Production Regulations |
| <input type="checkbox"/> Canada Oil and Gas Certificate Of Fitness Regulations | <input type="checkbox"/> Canada Oil and Gas Geophysical Operations Regulations |
| <input type="checkbox"/> Canada Oil and Gas Installations Regulations | |

Canada Labour Code, Part II

| |
|--|
| <input checked="" type="checkbox"/> Oil and Gas Occupational Safety and Health Regulations |
|--|

COMPANY / SOCIÉTÉ

HUSKY OIL OPERATIONS LIMITED

LOCATION / EMPLACEMENT

Husky Little Bear H-64

FACILITY / INSTALLATION

Nabors Drilling Rig 23

DATE OF INSPECTION / DATE DE L'INSPECTION

FEB 29 – MARCH 1, 2012

**COMPANY REPRESENTATIVE /
REPRÉSENTANT(E) DE LA SOCIÉTÉ**

Goly Zilabi – Sr Drilling Engineer

(PRINT (NAME, TITLE) / EN MAJUSCULE (NOM, TITRE))

SIGNATURE

PHONE / TÉLÉPHONE
1-403-513-7586

FAX / FACSIMILÉ

March 1, 2012

Date

**COGOA INSPECTORS /
INSPECTEUR DE L'ONÉ**

Rick Turner and Lori Croal

(PRINT / EN MAJUSCULE)

SIGNATURE

PHONE / TÉLÉPHONE
403-540-3754
403-519-9889

FAX / FACSIMILÉ
(403) 292-5876

March 1, 2012

Date

**REMARKS / COMMENTAIRES:****Scope:**

Safety inspection of the Husky Little Bear H-64 well operations and to ensure all deficiencies noted from first inspection on N-09 have been rectified and program is being conducted according to the approved program, and applicable regulations.

Rig Safety General:

- Recording and posting of information (Satisfactory).
- Electrical equipment (Satisfactory).
- Accumulator at required distance from well and in good condition (Satisfactory).
- Boilers have been inspected at the proper intervals (Satisfactory).
- All safety equipment associated with engines (Satisfactory).
- Each work area has two exits (Satisfactory).
- Adequate lighting provided for each work area (Satisfactory).
- Sour service equipment meets requirements (Satisfactory). Pump lines properly secured (Satisfactory).
- Drillers BOP controls properly marked (Satisfactory).
- Wind indicators (Satisfactory).
- General house keeping (Satisfactory).

Personnel Safety:

- Personnel has valid first aid, CPR, WHMIS, TDG, and BOP tickets (Satisfactory).
- Adequate first aid equipment and facilities (Satisfactory).
- Safety meetings documented (Satisfactory).
- Respiratory protective systems (Satisfactory).
- Escape line located at the monkey board and properly installed (Satisfactory).
- Elimination of potential hazardous conditions (Satisfactory).
- Required personnel safety equipment provided (Satisfactory).
- Gas detection equipment adequate and properly maintained (Satisfactory).
- Adequate communication equipment in place (Satisfactory).
- Adequate signage (Satisfactory).
- Adequate contingency plans, equipment and supplies (Satisfactory).



REMARKS / COMMENTAIRES:

Derrick/Rig Floor/ Substructure Safety:

- Rig mast properly inspected (Satisfactory).
- Substructure is in satisfactory condition with no visible damage (Satisfactory).
- Derrick name plate attached (Satisfactory).
- Drilling line in good condition (Satisfactory).
- Draw works in good condition (Satisfactory).
- Crown saver installed and in good operating condition (Satisfactory).
- Weight indicator installed and in good operating condition (Satisfactory).
- Tongs and slips in good condition (Satisfactory).
- Safety cables attached to tongs, weight indicator, Kelly hose, and mud pump lines (Satisfactory).
- Braking system in satisfactory condition (Satisfactory).

Blow-out Prevention Equipment - Safety:

- BOP stack shop serviced every three years (Satisfactory).
- BOP pressure rating and testing of system adequate (Satisfactory).
- Configuration of BOP stack complete (Satisfactory).
- BOP controls and accumulator are adequate and in good condition (Satisfactory).
- BOP function tests and results have been recorded (Satisfactory).
- BOP drills conducted and recorded (Satisfactory).
- Up to date kill sheet posted in the dog house shack (Satisfactory).
- BOP stack, choke, kill lines and manifold properly winterised (Satisfactory).
- Upper and lower Kelly cocks installed and key available (Satisfactory).
- Stabbing valves and cross overs available (Satisfactory). All flow lines, choke and kill lines properly installed and secured (Satisfactory).
- No valves down stream of manifold (Satisfactory).
- Flare tank adequate and at the proper distance from the well (Satisfactory).
- Trip sheets fully filled out (Satisfactory).
- Hole fill volumes available to the driller and hole is either filled every 5 stands or continuously (Satisfactory).
- Pop off valves have proper shear pins (Satisfactory).
- Pason (PVT) system works properly (Satisfactory). Crew properly trained and can run the BOP equipment (Satisfactory).
- Accumulator at required distance from well and in good condition (Satisfactory).

**REMARKS / COMMENTAIRES:****Camp Safety:**

- Fire and gas detectors installed and operable (Satisfactory).
- Fire extinguishers installed and checked every month (Satisfactory).
- Fire alarm systems operable (Satisfactory).
- Fire drills conducted (Satisfactory).
- Egress, window shutter are to be open during camp occupation (Satisfactory).
- General cleanliness (Satisfactory).
- Potable water available (Satisfactory).
- Accommodations meet requirements (Satisfactory).

Inspection Summary:**SAFETY:**

NEB COGOA Safety inspectors checked in at Husky's security shack where they were met by security and drug dogs and handlers. Husky Slater access road is radio controlled and kms are marked very well including speed posting. NEB COGOA Safety inspectors observed that visitors/personnel utilizing the Husky access road were utilizing the radios diligently.

NEB COGOA Safety inspectors were met at main camp by Goly Zilabi and Husky Safety Representative Stuart Gardner. Stuart gave NEB COGOA Safety inspectors a full blown (3 year valid) orientation for Husky site. Excellent thorough orientation and assistance by all personnel.

NEB COGOA Safety inspectors went to Husky Little Bear H-64 to complete rig inspection. NEB COGOA Safety inspectors checked in to site with Wellsite Consultant Cal Conklin. Cal gave NEB COGOA Safety inspectors site specific/hazards for H-64 site. NEB COGOA Safety inspectors met with onsite medic and verified her credentials as an EMT. Safety inspectors discussed with medic process for having the MTC warm and check to see how often the vehicle is started. We identified that having only one set of keys for emergency vehicles is potentially a concern. Medic confirmed with Goly that she was sent out with two sets of keys but cannot find second set currently. Goly has Frontier sending second set of keys. Goly will advise NEB COGOA Safety inspectors when they have arrived on site for medic.

NEB COGOA Safety inspectors observed from inspection on N-09 that the only concern from rig personnel was that communications were very weak for corresponding via telephone for personal calls. Immediately after our departure on last inspection Goly had communications rectified and all personnel have communication now.

NEB COGOA Safety inspectors observed that the "check in check out" system at security shack seems to be very positive and efficient.

NEB COGOA Safety inspectors along with Goly had spill kit placed where mud products were sitting in middle of area near rig. There was concern that barrels with versa coat were punctured that Husky did not have secondary containment in place for these barrels other than the liner on the ground. Versa Coat is a oil mud product that is contained in sealed metal barrels. It was discussed that a secondary containment (berm) would be more of a hazard due to tripping hazards or slipping as the



REMARKS / COMMENTAIRES:

barrels get moved up to mud tank area. NEB COGOA Safety inspectors were satisfied with a spill kit being placed in position for immediate clean up if spill occurred. The mud product (Versa Coat) was of a high viscosity, in a well travelled accessible area the spread of a spill would be limited along with the lease is protected with a environmental plastic base liner.

NEB COGOA Safety inspectors were at camp site when Husky had approximately 25 students out to tour project area. The school students were from grade 9 - 12. NEB COGOA Safety inspectors attended the discussion in the recreation area where Chris Salowich (environmentalist) and Goly Zilabi (Drilling Superintendent) were conducting a talk to the students. At this time Husky representatives introduced NEB COGOA Safety inspectors and asked inspectors to speak to the students unexpectedly. COGOA Safety inspectors were very pleased with this opportunity as inspectors wanted students to be aware of what the role of NEB is and what the students opportunities hold for their futures. It was noted after NEB COGOA Safety inspectors departed the meeting that Husky had further discussions regarding "women in the industry". This was very pleasing to hear as it opened up great discussions for students. NEB COGOA Safety inspectors would like to commend Husky Energy for its interactions with the students of the North. Excellent and thank you for the opportunity to be involved in the interaction.

Thank you to all personnel that accommodated NEB inspectors and the cooperation from all. It was very much appreciated and a pleasure.

A handwritten signature in black ink, appearing to read "Lori Croal".

Lori Croal
Safety Officer, Operations Inspector

A handwritten signature in black ink, appearing to read "Rick Turner".

Rick Turner, Safety Officer
Operations Technical Specialist



Inspection Report / Rapport d'inspection

Canada Oil and Gas Operations Act / Loi sur les opérations pétrolières au Canada

| | |
|---|---|
| <input checked="" type="checkbox"/> <i>Canada Oil and Gas Drilling and Production Regulations / Règlement sur le forage et la production de pétrole et de gaz au Canada</i> | <input type="checkbox"/> <i>Canada Oil and Gas Geophysical Operations Regulations / Règlement sur les études géophysiques liées à la recherche du pétrole et du gaz au Canada</i> |
| <input type="checkbox"/> <i>Other Autre</i> | <input type="checkbox"/> <i>Other Autre</i> |

Canada Labour Code, Part II / Code canadien du travail, Partie II

| |
|---|
| <input type="checkbox"/> <i>Oil and Gas Occupational Safety and Health Regulation Règlement sur la sécurité et la santé au travail (pétrole et gaz)</i> |
|---|

COMPANY / SOCIÉTÉ

Husky Oil Operations Ltd.

LOCATION / EMPLACEMENT

Slater River, NWT; Little Bear N-09 and H-64

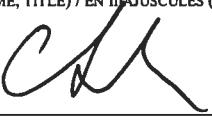
FACILITY / INSTALLATION

Nabors Drilling Unit Rig 23

Activity # / Activité n° : 1112-319

DATE OF INSPECTION (DD/MM/YYYY) / DATE DE L'INSPECTION (JJ/MM/AAAA)

28 FEBRUARY 2012

| | | |
|---|---|---|
| COMPANY REPRESENTATIVE / REPRÉSENTANT(E) DE LA SOCIÉTÉ | <u>Chris Salewich, Environmental Advisor</u> PRINT (NAME, TITLE) / EN MAJUSCULES (NOM, TITRE)  SIGNATURE <small>(SIGNATURE INDICATES RECEIPT OF FINAL COPY, NOT NECESSARILY AGREEMENT / LE SIGNATAIRE ACCÈSE RÉCEPTION DE LA VERSION DÉFINITIVE DU DOCUMENT SANS NÉCESSAIREMENT ÊTRE EN ACCORD AVEC SON CONTENU)</small> | 403-700-4780 PHONE / TÉLÉPHONE <u>chris.salewich@huskyenergy.com</u> Email <u>02 March 2012</u> DATE |
|---|---|---|

| | | |
|---|--|--|
| CONSERVATION OFFICER / LE DÉLÉGUÉ À L'EXPLOITATION | <u>John Korec/Don Logan</u> PRINT / EN MAJUSCULES  SIGNATURE | 403-292-6614/403-299-3676 PHONE / TÉLÉPHONE <u>(403) 292-5503</u> FAX <u>02 March 2012</u> DATE |
|---|--|--|

**REMARKS / COMMENTAIRES :**

Husky Slater River drilling program is located southeast of Norman Wells, NWT and west of Tulita, NWT. The purpose of this NEB inspection was to observe drilling operations and to verify compliance with the Environmental Protection Plan (EPP) and Operations Authorization conditions.

28 February 2012

NEB Environmental Specialists attended the site-specific safety and environmental orientation facilitated by Stuart Gartner, safety. Highlights included:

- Company safety commitments
- Company environmental commitments
- Hazard assessments
- Task specific assessments

Following the orientation, NEB staff conducted an opening meeting where they indicated an interest in observing or discussing:

- Well sites N-09 and H-64
- Duties of environment and wildlife monitors
- Mitigation measures identified in EPP
- Handling and use of waste and chemical substances
- Recent 10 m³ spill of invert mud (83% mineral oil) at H-64
- Water use

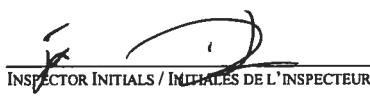
During the meeting spill reporting criteria and follow-up agency jurisdiction was also discussed. Husky staff Chris Salewich, Cal Conklin (Rig Supervisor), Stuart Gartner (Safety), and Darren Brown (Construction Supervisor) were in attendance. An HSE representative attended during the facility inspection to verify acceptable atmosphere prior to any NEB photos being taken.

Well site Little Bear N-09

NEB staff proceeded to N-09 where drilling activities were recently concluded. The wellhead, drilling pad, and remaining spoil piles were observed. There were no visible signs of contamination although one remaining piece of synthetic liner was observed in the NE corner of the site. Husky staff explained that the top 2 inches of the ice pad had been scrapped off and treated as contaminated before being shipped off-site for disposal. Spoil piles will be mulched and spread over the site once seismic operations in the area are completed. Any remaining synthetic liner will be collected and disposed.

Well site Little Bear H-64

At H-64, NEB staff observed: the drilling operations mud system, included the shakers; slop tank; large capacity tank storage; centrifuge; and mixing bins where sawdust is added to wet cuttings for stabilization prior to transport for off-site disposal. Husky staff pointed out the synthetic liner which underlies the entire drill site, barring spills from reaching the ice pad. On 20 February 2012, a spill of 10 m³ of mineral oil-based


INSPECTOR INITIALS / INITIALES DE L'INSPECTEUR

Activity # / Activité n°: 1112-319
Date of Inspection / Date de l'inspection: 28/02/2012


REPRESENTATIVE INITIALS / INITIALES DU REPRÉSENTANT

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REMARKS / COMMENTAIRES :

drilling fluid had overflowed a storage tank at the mud system tank farm. The spill was entirely contained within the synthetic-lined tank farm's secondary containment. Husky staff stated that spill was a result of human error outside normal operating practices. Additional follow-up will be conducted by NEB staff for this spill as it is a separate incident outside of this inspection.

NEB staff then observed the cement storage bins, evaporators, incinerators and enviro bin. No issues were noted. However, a pallet with drums of a marked toxic mud additive was observed to be without secondary containment. Husky staff stated that they would store the barrels within the mud system's tank farm's secondary storage. On 1 March, Rick Turner and Lori Croal, NEB Safety Inspectors, confirmed that the barrels were placed into the bermed area.

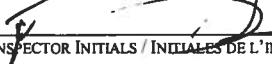
Husky and NEB staff also discussed the use of environmental monitors onsite, specifically wildlife and waste management monitors. Husky stated that monitors are employed from nearby communities of Norman Wells and Tulita. Husky provides additional training as needed.

- Wildlife monitors travel around the vicinity of the well lease and record all wildlife sightings provide the information and update a map with the sightings back at their camp. Husky staff indicated the data collected would be provided to the GNWT.
- Waste monitors ensure vehicles parked onsite for more than 2hrs have a drip tray under the engine.

Conclusion:

No non-compliances were observed within the scope of this inspection.

NEB staff would like to thank Husky staff for their cooperation and their time during the course of this inspection.


INSPECTOR INITIALS / INITIALES DE L'INSPECTEUR

Activity # / Activité n°: 1112-319
Date of Inspection / Date de l'inspection: 28/02/2012




REPRESENTATIVE INITIALS / INITIALES DU REPRÉSENTANT

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E.8 LITTLE BEAR H-64 PLANNED STICK DIAGRAM

HUSKY OIL OPERATIONS LIMITED - DRILL PLAN SUMMARY

| | | | |
|----------------------------------|-----------------------------------|--|--|
| Well Name: | Little Bear H-64 | Surface Coordinates: | 64° 53' 28.5"N 126° 11' 20.3"W NAD 27 |
| Well Location: | NWT- Slave River | Downhole Coordinates: | (same as above) |
| Well Type: | Vertical Drill | Total Depth: | 1412m |
| Primary Target: | Canol | GL elevation: | 179m |
| Secondary Targets: | None | KB elevation: | 184 m |
| Well Classification: | Wildcat | KB-GL: | 5.0m |
| Drilling Licence: | | Rig: | Nabors 23 |
| Tight Hole Status: | Confidential | D&C Cost Estimate: | |
| | | Drilling AFE#: | |
| | | Date: | October 11, 2011 |
| GL 179 m | | Conductor Pipe: +/- 30 m 500mm, pressure cemented with Arctic Cement | |
| KB 184 m | | | |
| Formation | -m SS | m MD | SURFACE HOLE (0-630m): |
| Little Bear | | Surface | Divetor is required for surface hole Shallow gas drill shall be performed before spud H2S service Rigged up before drilling |
| Slater River | -215.0 | 399 | DRILLING TIME: |
| Csg Shoe | | 630 | Hole Size : 311mm |
| Lower Cretaceous | -465.0 | 649 | Mud: Gel / Chem 1050-1150 kg/m³ |
| Imperial | -635 | 819 | Surveys: MWD |
| | | | Problems: Gravel, boulders, rough drilling, mud rings, losses, |
| | | | Casing: 244mm, 53.6 kg/m, J55, LTC |
| | | | Cement: CEMENT: Surface plus + LCC-1 (100% XS) |
| | | | MAIN HOLE (630-1412 m): |
| | | | BOP: Class IV |
| | | | Hole size: 222mm |
| | | | FLOT: Formation Leak off test will be performed |
| | | | Mud Type: Invert : MW: 1100-1250 kg/m³ |
| | | | Surveys: MWD / GR |
| | | | Mud Logging Samples: Full Spectrum Gas Chromatograph From Surface To TD w/ H2S Detection NEB: 5m intervals surface to TD. 2 vial sets and 1 big set 500g minimum. Husky: Samples in vials at 5m intervals surface to TD. GSC: Bagged samples at 5m intervals from surface to base of Cretaceous (819m TVD). |
| | | | Drilling Hazards |
| | | | -H2S: No H2S reported on any of the offset wells |
| | | | -Abnormal Pressure/Kick: No abnormal pressure /kick encountered on any of offset wells |
| | | | -Losses: Minor losses in formations above Slater River in offset wells cured by LCM |
| | | | -Mud Weight: Max. MW in offset wells drilled to Hume was 1160 kg/m³ |
| | | | -Pressure: Pressure in the Canol shales is unknown, by analogy to other productive shale horizons in North America, pressure gradients for the Canol, Hare Indian and Bluefish shales are estimated to lie within a range of 11.3 – 15.8 kPa/m. |
| | | | -Hazards: The wellbore to TD does not cross any fault and there is no seismic evidence to anticipate either shallow or deep drilling hazards. |
| Upper Canol ** | -1000 | 1184 | Coring: Entire Canol, Hare Indian and Bluefish will be cored |
| Middle Canol ** | -1014 | 1198 | Logging: CNL-LDT-GR, Dipole Sonic, and Array Induction over entire well. 2. ECS, Sonic Scanner, NMR from 30m above Upper Canol to TD |
| Lower Canol ** | -1045 | 1229 | Casing: Surface - 1415m: 177.8mm, 34.2 kg/m, L-80 LTC |
| Hare Indian ** | -1123 | 1307 | |
| Bluefish ** | -1158 | 1342 | Cement: Lead: LW-1400 + additives (0 - 1000m) 30% excess over caliper Tail: 0:1:0 'G' + additives (1000 - 1412m) 30% excess over caliper |
| Hume | -1178 | 1362 | |
| TD | -1226 | 1412 | |
| ERP: Site Specific ERP required | | | |
| <small>** Primary Target</small> | <small>* Secondary Target</small> | | |

E.9 DAILY DRILLING REPORTS

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|-------------------------------|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clai Sweet | ERP Reli No | Lahee Clai TH (C) | Boine Unit Canada Frontier - Exploration |
| Initial Groun 178.00 | Ct/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flan 5.47 | KB-T Head Di 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

Weather
Overcast
Operation at Report Time
Trip for directional BHA

Operation 06:00

Thaw frozen mud line

Continued to rig up and rig to spud, fill mud tank with water and pre-mix mud. Picked up BHA. Held a crew hand-over and a safety meeting. Mixed up kill mud to 1400 k/m3. Rigged up tank farm and transferred invert mud. Spudded well at 1130 hrs and drill 311mm surface hole to 69m. Ran a wireline survey at 57m. (0.1 degree). Drilled ahead from 69m to 97m. Ran a wireline survey at 87.0m (0.0 degree). Continued to drill ahead to 124m. Circulate and trip out to run directional BHA.

Remark

No Accident, Incident or Environmental Concern. Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the electricity. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. Tank Farm: Bare Oil Delivered today 0m3, Total at Tank Farm 27m3. Invert Delivered today 0m3, Total at Tank Farm 81m3 Daily invert loss 0.0 m3 Cumulative invert loss 0m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|-------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Contractor Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidorfer | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|---------------|----------------|-------------------|------------------|---|
| 00:00 | 6.75 | 6.75 | 06:45 | 1 | RIGUP □ TEARDOWN | RIG UP TO SPUD, FINISH SUB AND TANK TARPING, INSTALL FLOW LINE, ACCUMULATOR LINES TO DIVERTER, FLARE STACK, MIX DRILLING MUD, INSTALL NEW KELLY STRIPPER, |
| 06:45 | 0.25 | 7.00 | 07:00 | 21 | SAFETY MEETING | SAFETY MEETING HELD FOR SHIFT CHANGE W/ BOTH CREWS, R.M. AND OPERATORS REP. |
| 07:00 | 4.50 | 11.50 | 11:30 | 25 | | MAKE UP PRE MIX □ KILL MUD □ SPOT TANK FARM □ LAY OUT SWAMP MATTING |
| 11:30 | 0.50 | 12.00 | 12:00 | 2 | DRILL | SPUD WELL □ DRILL 311MM HOLE FR 0 TO 33M |
| 12:00 | 2.00 | 14.00 | 14:00 | 2 | DRILL | DRILL 311MM HOLE FR 33M TO 45M |
| 14:00 | 0.25 | 14.25 | 14:15 | 7 | RIG SERVICE | RIG SERVICE F/T DIVERTER 6 SECONDS C/O |
| 14:15 | 4.75 | 19.00 | 19:00 | 2 | DRILL | DRILL 311MM HOLE FR 45M TO 88M |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | SAFETY MEETING HELD FOR SHIFT CHANGE W/ BOTH CREWS, R.M. AND OPERATORS REP |
| 19:15 | 3.00 | 22.25 | 22:15 | 2 | DRILL | DRILL 311MM HOLE 88M - 124M |
| 22:15 | 0.50 | 22.75 | 22:45 | 5 | COND MUD □ CIRC | CONDITION MUD □ CIRCULATE |
| 22:45 | 1.25 | 24.00 | 00:00 | 6 | TRIPS | TRIP OUT FOR BHA CHANGE, FLOW CHECK □ 112 M |

Mud Checks

| | | | | | | |
|----------------------|-----------------------|--------------------------|---------------------------|----------------------|------------------------|------------------|
| Type GEL | Time 22:00 | Depth (mKB) 1080.0 | Density (kg/m³) 1080.0 | Viscosity (cP) 43 | Plastic Visc (cP) | Yield Point (Pa) |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Sta (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | | Active Mud Volume (m³) | |

Drill Strings

BHA #1, Drilling Assembly

| | | | | |
|-----------------|--------------------------------------|-------------------|------------------------|------------------------------|
| Bit R... 1RR | Drill Bit 311.0mm, XR1CPS, PGK175 | Make Smith | IADC Bit D... ----- | TFA (incl No) (mm.) 1,335 |
| No...le (mm) | 23.8/23.8/23.8 | Stri...Length (m) | Stri...Wt (daN) | BHA ROP (m... 12.1 |

| | |
|---|--|
| Cont Object N... US-51822-EX-02-DR-ID | Or... AFE Sp Am 11,529,266.00 |
| Primary ... Type Initial Drillin... | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Stat... Drilled □ Cale... Daily Co... Total 113,417.99 | Sp... Date 2/19/2012 11:30 Com Co... To Date 694,383.49 |
| Daily Mud Co... 5,890.59 | Mud Additive Co... To Date 5,890.59 |
| Depth Start (mKB) 0.00 | Depth End (mKB) 124.00 |
| Last Callin... Stri... | |
| Depth Pro... (m) 124.00 | |
| Depth Start (TVD) (mKB) 0.00 | Depth End (TVD) (mKB) 124.00 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total H... (hr.) 684.00 | Com Per... Tot Hr (hr.) 1,812.00 |
| Time Lo... Total H... (hr.) 24.00 | Prob...lem Time H... (hr.) |
| Prob...lem Time (hr.) | Com Prob...lem Time (hr.) |
| Day...LTI (day.) | Day...RI (day.) |

Personnel Log

| Company | Count | Tot Time (hr.) |
|---|-------|----------------|
| Na...or...Drillin... Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service... 2000 Inc. | 1 | 12.00 |
| ■ NEW VENDOR | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Mc...rath Re...orce Con...ltin... Ltd. | 1 | 12.00 |
| Hori...on North Camp... Cat | 5 | 60.00 |
| ■ NEW VENDOR | 2 | 24.00 |
| ■ NEW VENDOR | 1 | 12.00 |
| ■ NEW VENDOR | 2 | 24.00 |
| ■ NEW VENDOR | 2 | 24.00 |
| Hallmark Technical Service | | 0.00 |
| Mc...len Oilfield | 15 | 180.00 |
| H...ky | 1 | 12.00 |
| Total Oilfield Rental | 3 | 36.00 |
| Continental La...oratorie | 2 | 24.00 |
| He...ntegrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| ■ NEW VENDOR | 1 | 12.00 |
| ■ NEW VENDOR | 1 | 12.00 |

Safety Check Summary

| Type | Last Date | Next Date |
|------------------|-----------|-----------|
| Safety Meetin... | 2/19/2012 | 2/20/2012 |

Rigs

| | |
|------------------------------------|------------------|
| Contractor Na...or...Drillin... | Rig Number 23 |
| Rig Supervisor Troy Pre... | Phone Mobile |
| Rig Release Date | 3/10/2012 23:59 |

Mud Pumps

| | |
|--------------------------|--------------------|
| # 1, GARDNER DENVER, PZ8 | |
| Pwr (kW) | Rod Dia (mm) |
| | 0.0 |
| Liner Siz... (mm) | Vol/Stk OR (m³/ft) |
| 152.0 | 0.011 |
| Pre... (kPa) | Slow Spd |
| | Stroke (in...) |
| | Eff (%) |
| | 95 |

| | |
|------------------------------|--------------------|
| # 2, CONTINENTAL EMSCO, F800 | |
| Pwr (kW) | Rod Dia (mm) |
| | 0.0 |
| Liner Siz... (mm) | Vol/Stk OR (m³/ft) |
| 152.0 | 0.013 |
| Pre... (kPa) | Slow Spd |
| | Stroke (in...) |
| | Eff (%) |
| | 95 |

Mud Additive Amounts

| Description | Co...t (/Unit) | Con...med |
|-------------|----------------|-----------|
| SODA ASH | 15.87 | 2.0 |
| FED ZAN D | 105.76 | 2.0 |
| FEDERAL GEL | 12.43 | 55.0 |
| FED ZAN D | 105.76 | 1.0 |
| SODA ASH | 15.87 | 2.0 |
| FEDERAL GEL | 12.43 | 20.0 |

Well Name: HUSKY LITTLE BEAR H-64

Drill String Components

| Item Description | Length | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|--------|---------|---------|---------|------------|
| Drill pipe - Single | 0 | | | 0.00 | |
| Drill pipe - Stand | 0 | | | 0.00 | |
| HWDP(4.0 IN) | 5 | 101.0 | | 45.71 | |
| X/O | 1 | 165.0 | | 0.71 | |
| DC (6.25 IN) | 2 | 165.0 | | 18.97 | |
| ARS-HYD/MECH | 1 | 163.0 | | 6.97 | |
| DC (6.25 IN) | 2 | 165.0 | | 18.96 | |
| X/O | 1 | 165.0 | | 0.78 | |
| MONEL | 2 | 208.0 | | 18.95 | |
| BIT SUB | 1 | 206.0 | | 0.71 | |

Drilling Parameters

| Well bore Original Hole, 300H6465... | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drill Time (hrs) | Cum Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
|---|-------------|------------------|--------------------|-------------------|----------------------|----------------|---------------------|
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T |
| 4 | 60 | 800 | | | | 1,400.0 | |
| Flow (in³/min) | T (in) (°C) | P (BH Ann) (kPa) | T (ch) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) | Flow (ret) (m³/min) |
| Well bore Original Hole, 300H6465... | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drill Time (hrs) | Cum Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T |
| 5 | 140 | 600 | | | | 1,500.0 | |
| Flow (in³/min) | T (in) (°C) | P (BH Ann) (kPa) | T (ch) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) | Flow (ret) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| Casing Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Cum Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|-------------|-----------|--------------|
| | | | | | | | | |

Mud Additive Amounts

| Description | Conc (l/Unit) | Conc (med) |
|-------------------|---------------|------------|
| FED WATE (BARITE) | 15.57 | 294.0 |

Survey Data

| MD (mKB) | Incl (°) | Azi (°) | TVD (mKB) |
|----------|----------|---------|-----------|
| 42.00 | 0.20 | 69.40 | 42.00 |
| 72.00 | 0.40 | 53.80 | 72.00 |
| 109.52 | 0.50 | 50.50 | 109.52 |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

| Max Nominal OD (mm) |
|---------------------|
| |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|---|---|---|---|
| Licent UWI 300H64650012600 | Surface Level Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Soc Class Sweet | ERP Reliabl No | Lahee Clifification TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flane Distance (m) 5.47 | KB-T Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |
| Primary Wellbore Affected Original Hole, 300H64650012600 | | | |
| Weather Overcast | Temperature (°C) -16 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Drillin from 308m | | Operation Next Report Period Drill f/ 308m to ca in point. | |
| Operation 06:00 Drill from 385m | Operation Summary Continued to pull out of the hole for Bit 2 and directional tool. Serviced the rig. Drained the diverter and functioned the HCR. Held a BOP drill. Held a pre-job safety meeting with the directional driller. Picked up directional tool and bit 2. Thaw mud line from the pump to the top of the stand pipe. Remove the kelly hose and thaw out. Installed the kelly hose, kicker hose. Held a BOP drill and then trip in the hole with the directional tool. Shallow test the MWD and Gamma at 57m and at 87m. Watch 1 in to bottom and then drilled ahead from 124 to 170m. Serviced the rig and functioned the diverter. Drilled from 170m to 225m with directional survey and gamma. Crew change meeting. Drilled from 225m to 308m and MWD survey. Started slide 234m for correction. | | |

Remark
No Accident, 1 -Incident or Environmental Concern. Over flow tank inside tank farm term containment. No spillage outside the tank farm containment. Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the locality. Continue on the Hoky Winter Rd to the Hoky Camp Site. Continue on the Hoky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. Tank Farm delivered for Little Bear N-9 Barle Oil Delivered today 26m3, Total at Tank Farm 26m3. Invert Delivered today 165m3, Total at Tank Farm 165m3 Estimated 8m3 lost in transfer from well to well Daily invert loss 0.0 m3 Cumulative invert loss 0m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidorfer | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|----------------|----------|-------------------|-------------|--|
| 00:00 | 0.75 | 0.75 | 00:45 | 6 | TRIPS | | | | CONT. TRIP OUT OF HOLE □ FLOW CHECK ON BANK |
| 00:45 | 0.25 | 1.00 | 01:00 | 7 | RIG SERVICE | | | | RIG SERVICE □ DRAIN DIVERTER □ FUNCTION HCR |
| 01:00 | 0.25 | 1.25 | 01:15 | 21 | SAFETY MEETING | | | | DRILLS/BOP, ETC. BOP DRILL ON SURFACE W/DIVERTOR OPERATION |
| 01:15 | 0.25 | 1.50 | 01:30 | 21 | SAFETY MEETING | | | | PRE-TOB SAFETY WITH CREW □ PHOENIX DIRECTIONAL HANDS |
| 01:30 | 2.75 | 4.25 | 04:15 | 20 | DIR. WORK | | | | DIRECTIONAL WORK, PICK UP MUD MOTOR, SCRIBE, INSTALL MWD TOOLS AND MAKE UP BIT |
| 04:15 | 2.75 | 7.00 | 07:00 | 8 | REPAIR RIG | | | | DOWNTIME - THAW OUT STANDPIPE, REMOVE KELLY HOSE □ LAY OUT TO THAW |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | PRE TOUR SAFETY MEETING |
| 07:15 | 2.00 | 9.25 | 09:15 | 8 | REPAIR RIG | | | | DOWNTIME - CNT TO THAW OUT STANDPIPE □ HOOK KICKER □ KELLY HOSE BACK UP |
| 09:15 | 0.25 | 9.50 | 09:30 | 21 | SAFETY MEETING | | | | DRILLS/BOP, ETC. BOP DRILL ON SURFACE W/DIVERTOR OPERATION |
| 09:30 | 2.50 | 12.00 | 12:00 | 6 | TRIPS | | | | TRIP IN HOLE W/DIRC TOOLS, TEST TOOL □ 57M, 87M |
| 12:00 | 0.75 | 12.75 | 12:45 | 6 | TRIPS | | | | TRIP IN HOLE PICK UP SINGLE |
| 12:45 | 3.25 | 16.00 | 16:00 | 2 | DRILL | | | | DRILL 311MM HOLE FR 124M TO 170M |
| 16:00 | 0.25 | 16.25 | 16:15 | 7 | RIG SERVICE | | | | RIG SERVICE F/T DIVERTER 6 SECONDS C/O |
| 16:15 | 1.75 | 18.00 | 18:00 | 2 | DRILL | | | | DRILL 311 MM HOLE FR170M TO 225M |
| 18:00 | 1.00 | 19.00 | 19:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS, SYNC GAMMA, CONNECTIONS |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 19:15 | 3.75 | 23.00 | 23:00 | 2 | DRILL | | | | DRILL 311MM SURFACE HOLE 225M - 308M |

| | |
|--|---|
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 |
| Primary Obj Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Status Drilled □ Caled | Spd Date 2/19/2012 11:30 |
| Daily Cnt Total 126,411.80 | Cum Cnt To Date 820,795.29 |
| Daily Mud Cnt 1,692.80 | Mud Additive Cnt To Date 7,583.39 |
| Depth Start (mKB) 124.00 | Depth End (mKB) 308.00 |
| Lat Cntin Strin | |
| Depth Prore (m) 184.00 | |
| Depth Start (TVD) (mKB) 124.00 | Depth End (TVD) (mKB) 307.95 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hr (hr) 528.00 | Cum Per Tot Hr (hr) 2,340.00 |
| Time Log Total Hr (hr) 24.00 | Probem Time Hr (hr) |
| Probem Time (hr) | Cum Probem Time (hr) |
| Day LTI (day) | Day RI (day) |
| Personnel Log | |
| Company | Count |
| Naor Drillin Limited | 15 |
| Mi Swaco | 1 |
| Apex Oilfield Service 2000 Inc. | 1 |
| NEW VENDOR | 1 |
| R G Mallett Oilfield Enterprise | 1 |
| McCrath Reource Conlltint Ltd. | 1 |
| Hori on North Camp Cat | 5 |
| NEW VENDOR | 2 |
| NEW VENDOR | 1 |
| NEW VENDOR | 2 |
| NEW VENDOR | 2 |
| Hallmark Technical Service | 0.00 |
| Hoky | 1 |
| Total Oilfield Rental | 36.00 |
| Continental Laboratorie | 24.00 |
| He Intertated Ltd. | 12.00 |
| Frontier | 12.00 |
| NEW VENDOR | 12.00 |
| NEW VENDOR | 12.00 |
| Hallmark Technical Service | 24.00 |
| Safety Check Summary | |
| Type | Last Date |
| Safety Meetin | 2/20/2012 |
| Rigs | |
| Contractor | Rig Number 23 |
| Naor Drillin | Phone Mobile |
| Rig Supervisor Troy Pre | Rig Release Date 3/10/2012 23:59 |
| Mud Pumps | |
| # 1, GARDNER DENVER, PZ8 | |
| Pwr (kW) | Rod Dia (mm) 0.0 |
| | Stroke (mm) 203.0 |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) 0.011 |
| Pre (kPa) 9,500 | Slow Spd Stroke (ip... Eff (□) 100 95 |
| # 2, CONTINENTAL EMSCO, F800 | |
| Pwr (kW) | Rod Dia (mm) 0.0 |
| | Stroke (mm) 229.0 |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) 0.013 |
| Pre (kPa) 9,500 | Slow Spd Stroke (ip... Eff (□) 100 95 |
| Mud Additive Amounts | |
| Description | Co t (/Unit) |
| FED ZAN D | 105.76 |
| FEDERAL GEL | 12.43 |
| FED WATE (BARITE) | 15.57 |
| | Conmed |
| | 6.0 |
| | 20.0 |
| | 52.0 |

Well Name: HUSKY LITTLE BEAR H-64

Time Log

| Start Time | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|---------------|----------------|----------|-------------------|-------------|---|
| 23:00 | 1.00 | 24.00 00:00 | 20 DIR. WORK | | | | DIRECTIONAL SURVEYS, SYNCH GAMMA, AND CONNECTIONS ACCUMULATED |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|-----------------|-----------------|-----------------|---------------------|------------------|-------------------|------------------|
| Gel Base | 18:30 | 218.00 | 1140.0 | 43 | 8.0 | 3.000 |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (□) |
| 4.000 | 7.000 | 11.000 | 15.0 | 1.0 | 8.5 | |

| MBT (kg/m³) | Percent Oil (□) | Percent Water (□) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Strength (V) |
|-------------|-----------------|-------------------|------------------|-----------------|-------------------|-----------------------|
| 21 | | | 160.000 | 60.000 | | |

| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-----------------------|
| GEL | 22:00 | | 1140.0 | 43 | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (□) |
| | | | | | 8.5 | |
| MBT (kg/m³) | Percent Oil (□) | Percent Water (□) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Strength (V) |
| | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |

Drill Strings

BHA #2, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No.) (mm.) |
|-------------|-------------------------------|-------|-----------------------|----------------------|
| 2 | 311.0mm, M516, Y0376 | Smith | 1-1-CC-H-X-0.00-CC-CP | 583 |
| No. of (mm) | 10.3/10.3/10.3/10.3/10.3/10.3 | | String Length (m) | String Weight (daN) |

| String Length (m) | String Weight (daN) | BHA ROP (m...) |
|-------------------|---------------------|----------------|
| 501.77 | | 18.3 |

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|-----------------------|---------|---------|---------|------------|
| Drill pipe - Single | 0 | | 0.00 | |
| Drill pipe - Standard | 19 | | 353.89 | |
| HWDP(4.0 IN) | 8 | 101.0 | 72.64 | |
| X/O | 1 | 165.0 | 0.71 | |
| DC (6.25 IN) | 3 | 165.0 | 28.45 | |
| CARS-HYD/MECH | 1 | 163.0 | 6.97 | |
| DC (6.25 IN) | 1 | 165.0 | 9.48 | |
| X/O | 1 | 205.0 | 0.78 | |
| MONEL | 2 | 207.0 | 18.92 | |
| UBHO | 1 | 203.0 | 0.98 | |
| MOTOR HS | 1 | 197.0 | 8.60 | |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|-------------|-----------------|--------------------|-----------------|----------------------|------------------|---------------|
| Original Hole, 300H6465... | 124.00 | 308.00 | 184.00 | 8.75 | 8.75 | 21.0 | 2.400 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Str Torque | Off Btm T |
| 2 | 45 | 9,500 | 19,000 | 19,000 | 19,000 | 2,200.0 | |

| | | | | | | | |
|---------------|----------------|-------------------------|----------------|---------------------------|----------------------|-----------------------|-----------------------|
| Flow (m³/min) | Temp (In) (°C) | Pressure (BH Ann) (kPa) | Temp (Eh) (°C) | Pressure (Surf Ann) (kPa) | Temp (Surf Ann) (°C) | Flow (Intrn) (m³/min) | Flow (retrn) (m³/min) |
|---------------|----------------|-------------------------|----------------|---------------------------|----------------------|-----------------------|-----------------------|

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
|------------|-------------------|--------------|---------------------|---------------|

Comment

Casing Strings

| String Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
|--------------------|----------|-----------------|

Comment

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|

Survey Data

| MD (mKB) | Incl (°) | Azim (°) | TVD (mKB) |
|----------|----------|----------|-----------|
| 415.68 | 2.30 | 171.10 | 415.57 |
| 434.02 | 1.60 | 160.70 | 433.90 |
| 452.48 | 1.10 | 135.30 | 452.36 |
| 471.60 | 1.30 | 113.60 | 471.47 |
| 495.00 | 1.20 | 116.50 | 494.87 |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

| Max Nominal OD (mm) |
|---------------------|
| |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|-------------------------------|---|--|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clai Sweet | ERP Reli No | Lahee Clai TH (C) | Boine Unit Canada Frontier - Exploration |
| Initial Groun 178.00 | C. t/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flan 5.47 | KB-T Head Di 5.00 | Total Depth All (TVD) (mKB) Orignal Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Orignal Hole, 300H64650012600

| | | | |
|--|---|------------------------|------------------------|
| Weather Li ht now | Temperatu (C) -18 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Wa h in from 450m. | Operation Next Report Period Wa h to bottom. Drill to 510m CP. Wiper trip. Trip out. Rn cement ca in | | |
| Operation 06:00 Wiper trip 2 start in | Operation Summary Drilled 311mm surface hole from 308m to 346m. Relo ed the gamma from 324m to 346m. Drilled ahead from 346m to 394m. Serviced the rig, drained and functioned the HCR. Held a crew hand over and a safety meetin. Drilled ahead to 476m with directional tool with survey. Drilled ahead from 476m to 503m. Circulate and wait for celeo int to pick c point. Serviced the rig and functioned the diverter. Wiper tripped to surface and then ran back in the hole to 222m. Held a crew hand over and a safety meetin. Continued to run in the hole to 296m. Break circ and wa h through a ridge at 296m. RIH to 323m. Picked up the kelly and wa hed through ridge from 323m to 333m and from 360m to 370m. Rn to 400m then work tight hole to get pipe free and in tall kelly. Circulate and wa h down from 390m to 450m. | | |

Remark
No Accident, 1 -Incident or Enviromental Concern. Vac truck driver overfilled an evaporator and spilt approx 250 liter of dirty water onto the ground. Approx 100 liter of dirty water and ice wa cleaned up. Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the electricity. Continue on the Hoky Winter Rd to the Hoky Camp Site. Continue on the Hoky Winter Rd to km 44. Turn left and continue to km 46. Keep left and go to location at km 47. All road are RADIO CONTROLLED. Tank Farm delivered for Little Bear N-9 Base Oil Delivered today 26m3, Total at Tank Farm 26m3. Invert Delivered today 165m3, Total at Tank Farm 165m3 Estimated 8m3 lost in transfer from well to well Daily invert loss: 0.0 m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|-------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR En | 403-462-8021 |
| Office | Sandeep Randhawa | DR En | 403-519-5660 |
| Office | Darren Brown | Contractor Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidorfer | DR Field Super | 780-446-5160 |
| Ri Manager | Troy Pre | Ri Manager | |

Time Log

| Start Time | Dur (hr) | Com Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Prolem Time (hr) | Prolem Ref | Comment |
|------------|----------|--------------|----------|---------------|----------------|----------|------------------|------------|---|
| 00:00 | 2.50 | 2.50 | 02:30 | 2 | DRILL | | | | DRILL 311MM HOLE 308M - 346M |
| 02:30 | 1.00 | 3.50 | 03:30 | 20 | DIR. WORK | | | | DIRECTIONAL WORK, RE-GAMMA LOG 324M - 346M |
| 03:30 | 2.25 | 5.75 | 05:45 | 2 | DRILL | | | | DRILL 311MM HOLE 346M - 394M |
| 05:45 | 0.25 | 6.00 | 06:00 | 7 | RIG SERVICE | | | | RIG SERVICE, DRAIN DIVERTER AND FUNCTION HCR(2 SEC) |
| 06:00 | 1.00 | 7.00 | 07:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS, GAMMA SYNCNS AND CONNECTIONS ACCUMULATED |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING HELD FOR SHIFT CHANGE W/ BOTH CREWS, R.M. AND OPERATORS REP. |
| 07:15 | 3.75 | 11.00 | 11:00 | 2 | DRILL | | | | DRILL 311MM HOLE 394M - TO 476M |
| 11:00 | 1.00 | 12.00 | 12:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS, SYNC GAMMA, CONNECTIONS |
| 12:00 | 1.50 | 13.50 | 13:30 | 2 | DRILL | | | | DRILL 311MM HOLE FR 476M TO 503M |
| 13:30 | 1.75 | 15.25 | 15:15 | 23 | WAITING ON | | | | W/O ORDERS FROM GEO TO DRILL OR CALL IT TD |
| 15:15 | 0.25 | 15.50 | 15:30 | 7 | RIG SERVICE | | | | RIG SERVICE F/T DIVERTER 6 SECONDS C/O |
| 15:30 | 2.00 | 17.50 | 17:30 | 6 | TRIPS | | | | TRIP OUT OF HOLE , WIPER TRIP , FLOE CHECKS 389M, 149M, OUT OF HOLE CAL 3.18 MESR 4.51 DIFF 1.33 M3 |
| 17:30 | 1.50 | 19.00 | 19:00 | 6 | TRIPS | | | | TRIP IN HOLE |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 19:15 | 2.25 | 21.50 | 21:30 | 6 | TRIPS | | | | CONTINUE TO TRIP IN TO 405M, ENCOUNTER BRIDGE |
| 21:30 | 1.00 | 22.50 | 22:30 | 6 | TRIPS | | | | WORK TIGHT HOLE |
| 22:30 | 1.50 | 24.00 | 00:00 | 6 | TRIPS | | | | TRIP IN HOLE, WASH 395M - 450M |

Report Start Date: 2/21/2012

Report #: 5, DFS: 2.52

Depth Progress: 166.00

| | |
|---|--------------------------------------|
| Cont Object Nomer US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 |
| Primary Dril Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Stat Drilled Ca ed | Sp d Date 2/19/2012 11:30 |
| Daily Com Total 187,912.86 | Com Com To Date 1,008,708.15 |
| Daily Mud Com 763.86 | Mud Additive Com To Date 8,347.25 |
| Depth Start (mKB) 308.00 | Depth End (mKB) 503.00 |
| Last Callin Strin | |
| Depth Pro (m) 166.00 | |
| Depth Start (TVD) (mKB) 307.95 | Depth End (TVD) (mKB) 502.87 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hour (hr) 516.00 | Com Per Tot Hr (hr) 2,856.00 |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 |
| Problem Time (hr) | Com Problem Time (hr) |
| Day LTI (day) | Day RI (day) |
| Personnel Log | |
| Company | Count |
| Na or Dril Limited | 15 |
| Mi Swaco | 1 |
| Apex Oilfield Service 2000 Inc. | 1 |
| NEW VENDOR | 1 |
| R G Mallett Oilfield Enterprise | 1 |
| Mc rath Re o rce Con lti Ltd. | 1 |
| Hori on North Camp Cat | 5 |
| NEW VENDOR | 2 |
| NEW VENDOR | 1 |
| NEW VENDOR | 2 |
| NEW VENDOR | 2 |
| Continental La oratorie | 2 |
| He Int e ated Ltd. | 1 |
| Frontier | 1 |
| NEW VENDOR | 1 |
| NEW VENDOR | 1 |
| Hallmark Technical Service | 2 |
| Phoenix Technolo LP | 3 |
| Safety Check Summary | |
| Type | Last Date |
| Safety Meetin | 2/21/2012 |
| Rigs | |
| Contractor | Ri Nomer 23 |
| Ri S pervisor | Phone Mobile |
| Ri Release Date | 3/10/2012 23:59 |
| Mud Pumps | |
| # 1, GARDNER DENVER, PZ8 | |
| Pwr (kW) | Rod Dia (mm) |
| | Stroke (mm) 0.0 |
| Liner S le (mm) 152.0 | Vol/Stk OR (m/ttk) 0.011 |
| Pre (kPa) | Slow Spd |
| | Stroke (ip...) |
| | Eff () |
| | 105 |
| # 2, CONTINENTAL EMSO, F800 | |
| Pwr (kW) | Rod Dia (mm) |
| | Stroke (mm) 0.0 |
| Liner S le (mm) 152.0 | Vol/Stk OR (m/ttk) 0.013 |
| Pre (kPa) | Slow Spd |
| | Stroke (ip...) |
| | Eff () |
| | 105 |
| Mud Additive Amounts | |
| Description | Co t (/unit) |
| FED ZAN D | 105.76 |
| FEDERAL GEL | 12.43 |
| SAWDUST | 4.12 |
| FED WATE (BARITE) | 15.57 |

Well Name: HUSKY LITTLE BEAR H-64

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Viscosity (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------|------------------------|-----------------------|
| GEL | 14:00 | | 1190.0 | 45 | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mM/L) | Calcium (mM/L) | Potassium (mM/L) | Electric Strength (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | | Active Mud Volume (m³) | |

Drill Strings

BHA #2, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) |
|------------------------------------|----------------------|-------|-----------------------|---------------------|
| 2 | 311.0mm, M516, Y0376 | Smith | 1-1-CC-H-X-0.00-CC-CP | 583 |
| No. of (mm) | String Length (m) | | String Wt (daN) | BHA ROP (m...) |
| 10.3/10.3/10.3/10.3/10.3/10.3/10.3 | 501.77 | | | 18.3 |

Drill String Components

| Item Description | Qty | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|-----|---------|---------|---------|------------|
| Drill pipe - Single | 0 | | | 0.00 | |
| Drill pipe - Stand | 19 | | | 353.89 | |
| HWDP(4.0 IN) | 8 | 101.0 | | 72.64 | |
| X/O | 1 | 165.0 | | 0.71 | |
| DC (6.25 IN) | 3 | 165.0 | | 28.45 | |
| ARS-HYD/MECH | 1 | 163.0 | | 6.97 | |
| DC (6.25 IN) | 1 | 165.0 | | 9.48 | |
| X/O | 1 | 205.0 | | 0.78 | |
| MONEL | 2 | 207.0 | | 18.92 | |
| UBHO | 1 | 203.0 | | 0.98 | |
| MOTOR HS | 1 | 197.0 | | 8.60 | |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Current Depth (m) | Drilling Time (hrs) | Current Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|-------------|------------------|--------------------|---------------------|--------------------------|-------------------------|----------------|
| Original Hole, 300H6465... | 308.00 | 447.00 | 323.00 | 8.50 | 17.25 | 16.4 | 2.400 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque 5,000.0 | Off Btm T |
| 4 | 45 | 12,700 | | | | | |
| (in) (m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (In) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | (lift) (m/L) | (return) (m/L) |
| Well bore | Start (mKB) | Depth End (mKB) | Current Depth (m) | Drilling Time (hrs) | Current Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
| Original Hole, 300H6465... | 476.00 | 503.00 | 350.00 | 1.50 | 18.75 | 18.0 | 2.400 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque 4,500.0 | Off Btm T |
| 4 | 45 | 11,000 | 23,000 | | | | |
| (in) (m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (In) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | (lift) (m/L) | (return) (m/L) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| | | | | |

Comment

Casing Strings

| Casing Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| | | |

Comment

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Current Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|-----------------|-----------|--------------|
| | | | | | | | | |

| Survey Data | | | |
|-------------|----------|---------|-----------|
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| | | | |

| Last 5 Formations | | |
|-------------------|---------------------|--------------------|
| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
| | | |

| Hole Size (mm) | | |
|---------------------|--|--|
| Max Nominal OD (mm) | | |
| | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Soc Clas Sweet | ERP Reli Red No | Lahee Clasification TH (C) | Boine Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Ct/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flane Distance (m) 5.47 | KB-T Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|-------------------------|---|------------------------|------------------------|
| Weather Li ht now | Temperatu re (°C) -18 | Road Condition Fair | Hole Condition Good |
| Operatio at Report Time | Operatio Next Report Period Circulate and condition the mud and hole for cemen | | |

| | |
|-----------------------|--|
| Operatio 06:00 WOC | Operation Summary Trip in the hole. Break down stand and wash to bottom from 450m. Circulated the hole clean. Drilled ahead from 503m to 510m. Circulate and conditioned the hole. Wiper tripped to the conductor hoe. Ran back in the hole and wash 9 m to bottom. Held a crew hand over and a safety meetin. Circulated and conditioned the hole for c. Pilled out of the hole and layed down the directional tool. Held a safety meetin with the power ton. Held a stand down meetin with Mike Mackinnon and Sandeep Rhanwa. Rilled up the power ton. Held a crew hand over and a safety meetin with the power ton operator. Leveled the rig and ran c. Circulated the last 2 ft to bottom. 510m. Circulated ca in and conditioned the mud and wellbore. Held a safety standdown meetin with the rig crew. . Continued to condition the mud. |
|-----------------------|--|

Remark
No Accident, Incident or Environmental Concern. Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the electricity. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. Tank Farm delivered for Little Bear N-9 Bar Oil Delivered today 26m3, Total at Tank Farm 26m3. Invert Delivered today 165m3, Total at Tank Farm 165m3 Estimated 8m3 lost in transfer from well to well Daily invert loss 0.0 m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|-------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Contractor Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidorfer | DR Field Super | 780-446-5160 |
| Ring Manager | Troy Pre | Ring Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Pro lem Time (hr) | Pro lem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------------|----------|-------------------|-------------|---|
| 00:00 | 0.75 | 0.75 | 00:45 | 6 | TRIPS | | | | TRIP IN, BREAK DOWN STANDS AND WASH 450M - BOTTOM |
| 00:45 | 0.50 | 1.25 | 01:15 | 5 | COND MUD □ CIRC | | | | CIRCULATE PRIOR TO DRILL AHEAD |
| 01:15 | 0.75 | 2.00 | 02:00 | 2 | DRILL | | | | DRILL 311MM HOLE 503M - 510M |
| 02:00 | 1.00 | 3.00 | 03:00 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE PRIOR TO TRIP |
| 03:00 | 2.50 | 5.50 | 05:30 | 6 | TRIPS | | | | WIPER TRIP OUT TO 8 |
| 05:30 | 1.25 | 6.75 | 06:45 | 6 | TRIPS | | | | TRIP IN TO 492M, FLOW CHECK, BREAK CIRCULATION |
| 06:45 | 0.25 | 7.00 | 07:00 | 21 | SAFETY MEETING | | | | SAFETY MEETING HELD FOR SHIFT CHANGE W/ BOTH CREWS, R.M. AND OPERATORS REP. |
| 07:00 | 0.25 | 7.25 | 07:15 | 6 | TRIPS | | | | TRIP IN, WASH 492M - 510M |
| 07:15 | 1.50 | 8.75 | 08:45 | 5 | COND MUD □ CIRC | | | | CIRCULATE AND CLEAN HOLE |
| 08:45 | 1.75 | 10.50 | 10:30 | 6 | TRIPS | | | | TRIP OUT OF HOLE , FLOW CHECK □ 500M , 445M, 168M, OUT OF HOLE CAL 3.16M3-MERS 4.26M3 DIFF 1.10M3 |
| 10:30 | 0.25 | 10.75 | 10:45 | 21 | SAFETY MEETING | | | | SAFETY MEETING DIRCTIOANL |
| 10:45 | 1.25 | 12.00 | 12:00 | 20 | DIR. WORK | | | | DIRECTIONAL WORK |
| 12:00 | 0.75 | 12.75 | 12:45 | 20 | DIR. WORK | | | | DIRECTIONAL WORK |
| 12:45 | 0.25 | 13.00 | 13:00 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH POWER TONG GUYS |
| 13:00 | 0.75 | 13.75 | 13:45 | 21 | SAFETY MEETING | | | | SAFETY STAND-DOWN WITH ALL HUSKY REPS □ OPERATORS, RM, □ CREWS |
| 13:45 | 1.25 | 15.00 | 15:00 | 12 | RUN CASING AND CEMENT | | | | RIG UP POWER TONG TO RUN CASING |
| 15:00 | 0.25 | 15.25 | 15:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 15:15 | 0.25 | 15.50 | 15:30 | 21 | SAFETY MEETING | | | | PRE-JOB SAFETY WITH HALLMARK PRIOR TO RUN CASING |

Report Start Date: 2/22/2012

Report #: 6, DFS: 3.52

Depth Progress: 7.00

| | | | |
|--|---------------------------------------|----------------------|-----------|
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | | |
| Primary Obj Type Initial Drillin | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Stat Drilled □ Caled | Spd Date 2/19/2012 11:30 | | |
| Daily Cont Total 109,423.22 | Com Cont To Date 1,118,131.37 | | |
| Daily Mud Cont 379.22 | Mud Additive Cont To Date 8,726.47 | | |
| Depth Start (mKB) 503.00 | Depth End (mKB) 510.00 | | |
| Last Callin Strin Surface, 510.00mKB | | | |
| Depth Pro (m) 7.00 | | | |
| Depth Start (TVD) (mKB) 502.87 | Depth End (TVD) (mKB) 509.86 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 516.00 | Com Per Tot Hr (hr) 3,372.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0.00 | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | | |
| Na or Drillin Limited | 15 | | |
| Mi Swaco | 1 | | |
| Apex Oilfield Service 2000 Inc. | 1 | | |
| NEW VENDOR | 1 | | |
| R G Mallett Oilfield Enterprise | 1 | | |
| Mc rath Re o rce Con lition Ltd. | 1 | | |
| Hori on North Camp Cat | 5 | | |
| NEW VENDOR | 2 | | |
| NEW VENDOR | 1 | | |
| NEW VENDOR | 2 | | |
| NEW VENDOR | 2 | | |
| Continental La oratorie | 2 | | |
| He Int egrated Ltd. | 1 | | |
| Frontier | 1 | | |
| NEW VENDOR | 1 | | |
| NEW VENDOR | 1 | | |
| Hallmark Technical Service | 2 | | |
| Phoenix Technolo y Service LP | 3 | | |
| Safety Check Summary | | | |
| Type | Last Date | | |
| Safety Meetin | 2/22/2012 | | |
| Rigs | | | |
| Contractor | Rig Number | | |
| Na or Drillin | 23 | | |
| Ri S pervisor | Phone Mobile | | |
| Ri Reale Date | 3/10/2012 23:59 | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Siz (mm) | Vol/Stk OR (m/ttk) | | |
| 152.0 | 0.011 | | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (□) | |
| | | 0 | |
| # 2, CONTINENTAL EMSO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Siz (mm) | Vol/Stk OR (m/ttk) | | |
| 152.0 | 0.013 | | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (□) | |
| 11,700 | 105 | 95 | |
| Mud Additive Amounts | | | |
| Description | Cont (Unit) | Con med | |
| FEDERAL GEL | 12.43 | 22.0 | |
| FED ZAN D | 105.76 | 1.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| | | | |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | | Last 5 Formations | |
|--------------------------------------|----------------------------------|--------------------------|-----------------------------------|-------------------------|------------------------|--------------------------|---------------------|----------------|---------------------|--|-------|
| Start Time | End Time | Act. Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) | |
| 15:30 | 0.50 | 16.00 | 16:00 | 1 | RIGUP □ TEARDOWN | | | | | LEVEL RIG | |
| 16:00 | 6.25 | 22.25 | 22:15 | 12 | RUN CASING AND CEMENT | | | | | RUN CASING 9 5/8 □ CIRCULATE LAST 2 FEET TO BOTTOM | |
| 22:15 | 0.50 | 22.75 | 22:45 | 21 | SAFETY MEETING | | | | | SAFETY STAND-DOWN WITH NIGHT CREW □ RM, □ ALL HUSKY REPS | |
| 22:45 | 1.25 | 24.00 | 00:00 | 5 | COND MUD □ CIRC | | | | | CIRCULATE CSG AND CONDITION MUD | |
| Mud Checks | | | | | | | | | | | |
| Type GEL | Time 03:00 | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| Type Gel-Chem | Time 08:00 | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | |
| Gel 10 sec (Pa) 7.500 | Gel 10 min (Pa) 16.500 | Gel 30 min (Pa) 22.500 | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| MBT (kg/m³) 71 | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) 100.000 | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| | | | 0.75 | | | | | | | | 76.90 |
| Drill Strings | | | | | | | | | | | |
| BHA #2, Drilling Assembly | | | | | | | | | | | |
| Bit R... 2 | Drill Bit 311.0mm, M516, □ Y0376 | Make Smith | IADC Bit DI 1-1-CC-H-X-0.00-CC-CP | TFA (incl No.) (mm.) | 583 | | | | | | |
| Nozzle (mm) | 10.3/10.3/10.3/10.3/10.3/10.3 | Strain Length (m) | Strain Wt (daN) | BHA ROP (m...) | 501.77 | | | | | | 18.3 |
| Drill String Components | | | | | | | | | | | |
| Item Description | OD (mm) | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | |
| Drill pipe - Single | 0 | | | 0.00 | | | | | | | |
| Drill pipe - Stand | 19 | | | 353.89 | | | | | | | |
| HWDP(4.0 IN) | 8 | 101.0 | | 72.64 | | | | | | | |
| X/O | 1 | 165.0 | | 0.71 | | | | | | | |
| DC (6.25 IN) | 3 | 165.0 | | 28.45 | | | | | | | |
| ARS-HYD/MECH | 1 | 163.0 | | 6.97 | | | | | | | |
| DC (6.25 IN) | 1 | 165.0 | | 9.48 | | | | | | | |
| X/O | 1 | 205.0 | | 0.78 | | | | | | | |
| MONEL | 2 | 207.0 | | 18.92 | | | | | | | |
| UBHO | 1 | 203.0 | | 0.98 | | | | | | | |
| MOTOR HS | 1 | 197.0 | | 8.60 | | | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore Original Hole, 300H6465... | Start (mKB) 503.00 | Depth End (mKB) 510.00 | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | 2.400 | | | |
| WOB (daN) 4 | RPM (rpm) 45 | SPP (kPa) 11,700 | Drill Str Wt (daN) 23,000 | PU Str Wt (daN) 25,000 | SO Str Wt (daN) 22,000 | Drill Str Torque 4,500.0 | Off Btm T | | | | |
| (in)/(m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Flow (ret) (m³/min) | | | | |
| Kick/Lost Circ | | | | | | | | | | | |
| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type | | | | | | | |
| Comment | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | |
| String Description | Surf | Run Date | Set Depth (mKB) | | | | | | | | |
| Comment | | 2/22/2012 | 510.00 | | | | | | | | |
| Casing Components | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... | | | |
| Cap/In/Coint | | 244.5 | □-55 | 53.574 | 37 | 510.73 | -0.73 | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... | | | |
| Float Collar | | 244.5 | □-55 | 53.574 | 1 | 14.34 | 495.66 | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... | | | |
| Cap/In/Coint | | 244.5 | □-55 | 53.574 | 1 | 13.88 | 496.12 | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... | | | |
| Float Shoe | | 244.5 | □-55 | 53.574 | 1 | 0.43 | 509.57 | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | | |
|---|---|-----------------------------------|---|-----------------------|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T | |
| Soc. Class Sweet | ERP Rel. No No | Lahee Cl. (C) TH (C) | Boring Unit Canada Frontier - Exploration | |
| Initial Ground Elevation (m) 178.00 | Cr. / Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 | KB to Gnd (m) 5.20 |
| KB-Casing Flange Distance (m) 5.47 | | KB-Tool Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | |
| Primary Wellbore Affected Original Hole, 300H64650012600 | | | | |

| | | | | |
|--|--|---|------------------------|--|
| Weather Overcast | Temperature (°C) -17 | Road Condition Fair | Hole Condition Good | |
| Operation at Report Time Nipple □ p BOP | | Operation Next Report Period Nipple □ p. Pre □ re Test. RIH directional tool □ Drill off. Cond □ ct FIT. Drill 222mm | | |
| Operation □ 06:00 Pre □ re te □ t in □ OP | Operation Summary Circulate □ condition mud for cementing □ Held safety meeting with Schlumberger cement crew, and all other □ prior to cementing □ Rig up to cement. Cement Detail □ Pumped 4.0 m3 water, 43.0 tonne □ (40.0 m3) RCF □ lend □ additive □ □ 1,740 kN/m3, Displaced with 20 m3 water. Placed down □ 03:10hr, Fe □ 23/2012. Good return □ through out w/ 20.0 m3 good cement return □ Pre □ re te □ t calcium to 15,000 kPa for 10 minute □ Held good. Release pre □ re, float □ held. WOC, load out □ liquid mud for disposal. Safety meeting □ prior to lay down diverter and □ pool □ Raise diverter, cut off calcium, lay down diverter. Cut off conductor □ calcium to height for calcium head. Weld on calcium head and let cool. Pre □ re te □ t to 7,000 kPa with nitrogen. Held good. Pre □ re safety meeting □ Pick □ p BOP and nipple □ p BOP. Crew change hand over and safety meeting □ Continue nipple □ p. | | | |

| | |
|--|--|
| Remark No Accident □, Incident □ or Environmental Concern □ | |
| Direction □ to the location. From Norman Well □, Take the winter road □ oth for approx 34.4km. Turn right and □ thro □ h the security. Continue on the H□ky Winter Rd to the H□ky Camp Site. Continue on the H□ky Winter Rd to km 44 Turn left and continue to km 46. Keep left and □ to location at km 47. All road □ are RADIO CONTROLLED. | |
| Tank Farm delivered for Little Bear N-9 Bale Oil Delivered today □ 26m3, Total at Tank Farm □ 26m3. Invert Delivered today □ 165m3, Total at Tank Farm □ 165m3 Estimated 8m3 lost in transfer from well to well | |
| Daily invert loss □ 0.0 m3 | |

| Daily Contacts | | | | |
|----------------------|------------------|--------------------|--------------|--|
| Type | Contact Name | Title | Mobile | |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 | |
| Office | Goly Zila | DR En□ | 403-462-8021 | |
| Office | Sandeep Randhawa | DR En□ | 403-519-5660 | |
| Office | Darren Brown | Construction Super | | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 | |
| Well Site Supervisor | Dan Heidendorfer | DR Field Super | 780-446-5160 | |
| Rig Manager | Troy Pre □ | Rig Manager | | |

| Time Log | | | | | | | |
|------------|----------|---------------|----------------|-------------------|-----------------------|---|--|
| Start Time | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref □ | Comment | |
| Start Time | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref □ | Comment | |
| 00:00 | 1:00 | 1:00 | 01:00 | 5 | COND MUD □ CIRC | CIRCULATE CSG AND CONDITION MUD □ | |
| 01:00 | 0.25 | 1.25 | 01:15 | 21 | SAFETY MEETING | SAFETY MEETING WITH CEMENTERS RIG CREW □ RM OPERATORS REP | |
| 01:15 | 2.00 | 3.25 | 03:15 | 12 | RUN CASING AND CEMENT | RIG UP TO □ CEMENT CASING, PLUG DOWN AT 310 AM | |
| 03:15 | 3.75 | 7.00 | 07:00 | 13 | WAIT ON CEMENT | WAIT ON CEMENT | |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW | |
| 07:15 | 2.00 | 9.25 | 09:15 | 13 | WAIT ON CEMENT | WAIT ON CEMENT | |
| 09:15 | 0.25 | 9.50 | 09:30 | 21 | SAFETY MEETING | PRE-□OB SAFETY PRIOR TO LAY DOWN DEVERTER AND SPOOLS | |
| 09:30 | 1.00 | 10.50 | 10:30 | 14 | NIPPLE UP B.O.P. | LAY DOWN DEVERTER FLOW T, LIFT DEVEERTER SYSTEM, CUT CASING | |
| 10:30 | 1.50 | 12.00 | 12:00 | 14 | Nipple Up BOP | CUT CONDUCTOR PREP CASING TO WELD CASING BOWL | |
| 12:00 | 6.00 | 18.00 | 18:00 | 15 | Test BOP | WELD CASING BOWL AND COOL AND PRESSURE TEST HELD 1000 PSI TEN MIN | |
| 18:00 | 0.25 | 18.25 | 18:15 | 21 | SAFETY MEETING | PRE-□OB SAFETY MEETING PRIOR TO PICK UP B.O.P. | |
| 18:15 | 0.75 | 19.00 | 19:00 | 14 | NIPPLE UP B.O.P. | NIPPLE UP BOPS | |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | CREW CHANGE HAND OWNER AND PRE TOUR SAFETY MEETING | |

| Cost Object Number US-51822-EX-02-DR-ID | Orignal AFE Sp Am 11,529,266.00 | |
|--|---------------------------------------|-------------------------|
| Primary Obj Type Initial Drillin□ | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | |
| Final Status Drilled □ Caled | Spd Date 2/19/2012 11:30 | |
| Daily Cost Total 496,014.20 | Com Cost To Date 1,614,145.57 | |
| Daily Mud Cost | Mud Additive Cost To Date 8,726.47 | |
| Depth Start (mKB) 510.00 | Depth End (mKB) 510.00 | |
| Last Call in String Surface, 510.00mKB | | |
| Depth Progess (m) 0.00 | | |
| Depth Start (TVD) (mKB) 509.86 | Depth End (TVD) (mKB) 509.86 | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | |
| Personnel Total Hours (hr.) 600.00 | Com Per □ Tot Hr (hr.) 3,972.00 | |
| Time Log Total Hours (hr.) 24.00 | Problem Time Hours (hr.) | |
| Problem Time (□) | Com Problem Time (□) | |
| Day □ LTI (day) | Day □ RI (day) | |
| Personnel Log | | |
| Company | Count | Tot Time (hr.) |
| Na□or □ Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service □ 2000 Inc. | 1 | 12.00 |
| □ NEW VENDOR □ | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| McCrath Re □ rce Conn □ ltn □ Ltd. | 1 | 12.00 |
| Hori □ on North Camp □ Cat | 5 | 60.00 |
| □ NEW VENDOR □ | 2 | 24.00 |
| □ NEW VENDOR □ | 1 | 12.00 |
| □ NEW VENDOR □ | 2 | 24.00 |
| □ NEW VENDOR □ | 2 | 24.00 |
| Continental Laboratory □ | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| □ NEW VENDOR □ | 1 | 12.00 |
| □ NEW VENDOR □ | 1 | 12.00 |
| Hallmark Technical Service | 2 | 24.00 |
| Phoenix Technolo □ Service □ LP | 3 | 36.00 |
| □ NEW VENDOR □ | 6 | 72.00 |
| Bi □ Eale Limited Partnership | 1 | 12.00 |
| Safety Check Summary | | |
| Type | Last Date | Next Date |
| Safety Meetin□ | 2/23/2012 | 2/24/2012 |
| Rigs | | |
| Contractor Na□or □ Drilling | Rig Number 23 | |
| Rig Supervisor Troy Pre □ | Phone Mobile | |
| Rig Release Date | 3/10/2012 23:59 | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.011 | |
| Pre □ (kPa) | Slow Spd | Stroke □ (ip... Eff (□) |
| | | 0 |
| # 2, CONTINENTAL EMSO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.013 | |
| Pre □ (kPa) | Slow Spd | Stroke □ (ip... Eff (□) |
| | | 0 |
| Mud Additive Amounts | | |
| Description | Cost (Unit) | Con □ med |
| | | |

Well Name: HUSKY LITTLE BEAR H-64

Time Log

| Start Time | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|---------------|----------------|----------|-------------------|-------------|---------------|
| 19:15 | 4.75 | 24.00 | 00:00 | 14 | NIPPLE UP B.O.P. | | NIPPLE UP BOP |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-------------------|
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |

Drill Strings

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) |
|-------------|-----------|------|-------------------|----------------------|
| Nozzle (mm) | | | String Length (m) | String Wt (daN) |

Drill String Components

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|---------|---------|---------|------------|
| | | | | |

Drilling Parameters

| Wellbore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drilling Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) |
|----------------|-------------|------------------|--------------------|--------------------|----------------------|-----------------|------------------------|
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| Flow (in³/min) | T (In) (°C) | P (BH Ann) (kPa) | T (In) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (in³/min) | Flow (return) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| Callin Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| | | | | | | | | |

| Survey Data | | | |
|-------------|----------|----------|-----------|
| MD (mKB) | Incl (°) | Azim (°) | TVD (mKB) |
| | | | |

| Last 5 Formations | | |
|-------------------|---------------------|--------------------|
| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
| | | |

| Hole Size (mm) | | |
|---------------------|-------|--|
| Max Nominal OD (mm) | 244.5 | |
| | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|---------------------------------------|---|---|--|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Rel. Rtd No | Lahee Cl. ification TH (C) | Bo.ine Unit Canada Frontier - Exploration |
| Initial Groud Elevation (m) 178.00 | C. t/Fill (m) 0.0 | Groud Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca. in Flane Distance (m) 5.47 | KB-T. Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|------------------------|--|------------------------|------------------------|
| Weather Overcast | Temperat.ure (°C) -26 | Road Condition Fair | Hole Condition Good |
| Operat. at Report Time | Operat. Next Report Period Perform FIT. Drill 222mm from 513m | | |

| | |
|--|---|
| Operat. 06:00 Drillin. ahead at 609m. | Operat. Summary Pre. re te. the manifold to 1400 kpa low and to 21000 kpa hi. for 10 min. te. each te. All te. were good. Pre. re te. the Blind ram, in. BOP and ta. in. valve to 1400 kpa low and to 21000 kpa hi. for 10 min. te. each te. All te. were good. Pre. re te. the Pipe ram to 1400 kpa low. the te. on the ram door leaked. Chan. o. the te. and te. the pipe ram to 21,000 kpa. Pre. re te. the annular to 1400 kpa low and to 10,500 kpa hi. for 10 min. te. each te. and te. were good. Te. the kill line valve and the HCR valve and the o. valve to 1400 kpa and to 21000 kpa hi. and the te. were good. Clo. the blind ram and pre. re te. the ca. and the ca. to 10,000 kpa for 10 min. te. Te. wa. good. Function te. the Acc. later and the motor kill. Start pre. re on the acc. wa. 20,300 kpa. Pre. re to close the acc. wa. 3,800 kpa, to close the pipe ram wa. 700 kpa and to open the HCR wa. 200 kpa and to open the pipe ram wa. 600 kpa. Total pre. re lo. wa. 5300 kpa with 17,000 kpa remainin. on the acc. Rechar. time wa. 57 sec. Pre. char. on the acc. at 7,000 kpa. Nitrogen pre. re on the bottle were 21000 PSI, 2250PSI, 2400kpa and 2400kpa. All check. were good. Pre. re te. the kelly cock to 1400 kpa low and to 21000 kpa hi. for 10 min. te. each te. and all te. were good. In. the wear on the Katch Kan on the drillin. nipple. Held a pre. o. safety meetin. with the directional driller and then picked up the BHA. Ran in the hole to 491m. Removed the tail and the elevator. Slipped and cut the drill line. RIH ta. cement at 494m. Di. place to invert mud. Drilled cement, float collar. Held BOP drill. Drill good cement from 497m to 510m. Drilled 3m new hole to 513m. Circulate hole clean and rig in Bi. Eagle pre. re te. for FIT. |
|--|---|

Remark: No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the locality. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 26m3, Total at Tank Farm 26m3.
Invert Delivered today 165m3, Total at Tank Farm 165m3

Estimated 8m3 lost in transfer from well to well

Daily invert loss: 0.0 m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|-------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR En. | 403-462-8021 |
| Office | Sandeep Randhawa | DR En. | 403-519-5660 |
| Office | Darren Brown | Contractor Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidorfer | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre. . | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------------|-------------------|-------------|---|
| 00:00 | 7.00 | 7.00 | 07:00 | 12 | RUN CASING AND CEMENT | | | PRESSURE TEST ,MAINAFOLD , BOPS, STABBING VAVVLE, INSIDE BOP, KELLY VAVLE |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 07:15 | 0.25 | 7.50 | 07:30 | 21 | SAFETY MEETING | | | PRE-TOB SAFETY WITH BIG EAGLE PRESURE TESTING |
| 07:30 | 4.50 | 12.00 | 12:00 | 12 | RUN CASING AND CEMENT | | | CONTINUE PRESSURE TEST B.O.P AND ALL RELATED EQUIPMENT ALL TESTS HELD HIGH AND LOW 10 MIN AND RAMS PRESURE TESTED TO 21000KPA HIGH AND1400KPA LOW ANNULAR 1400 KPA LOW 12000 KPA HIGH |
| 12:00 | 1.50 | 13.50 | 13:30 | 15 | TEST B.O.P. | | | PRESSURE TEST BOPS RAMS AND ALL RELATED VALVES 1400 KPA LOW ABND 21000 KPA HIGH ANNULAR 1200 KPA LOW AND 12000 KPA HIGH |
| 13:30 | 0.50 | 14.00 | 14:00 | 25 | | | | INSTALL WEAR BUSING |

| | | | |
|--|---|-----------------------------|-----------|
| Cont Object Number US-51822-EX-02-DR-ID | Or. AFE Sp Am 11,529,266.00 | | |
| Primary Obj Type Initial Drillin. | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Stat Drilled Ca. ed | Spd Date 2/19/2012 11:30 | | |
| Daily Cont Total 225,605.26 | Cont Cont To Date 1,839,750.83 | | |
| Daily Mud Cont 102,576.29 | Mud Additive Cont To Date 111,302.76 | | |
| Depth Start (mKB) 510.00 | Depth End (mKB) 513.00 | | |
| Last Ca. in Strin. Sface, 510.00mKB | | | |
| Depth Pro. (m) 3.00 | | | |
| Depth Start (TVD) (mKB) 509.86 | Depth End (TVD) (mKB) 512.86 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr.) 468.00 | Cont Per. Tot Hr (hr.) 4,440.00 | | |
| Time Lo. Total Hour (hr.) 24.00 | Problem Time Hour (hr.) | | |
| Problem Time (hr.) | Cont Problem Time (hr.) | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr.) | |
| Naor. Drillin. Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise | 1 | 12.00 | |
| McCrath Re. orce Conn. ltn. Ltd. | 1 | 12.00 | |
| Hori. on North Camp Cat | 5 | 60.00 | |
| NEW VENDOR | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| Continental Laboratorie | 2 | 24.00 | |
| He Int. ated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technolo. Service LP | 3 | 36.00 | |
| Bi. Eagle Limited Partnership | 1 | 12.00 | |
| | | 0.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin. | 2/24/2012 | 2/25/2012 | |
| Rigs | | | |
| Contractor | Rig Number 23 | | |
| Rig Supervisor | Phone Mobile | | |
| Troy Pre. . | | | |
| Rig Release Date | 3/10/2012 23:59 | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) 0.0 | Stroke (mm) 203.0 | |
| Liner S. (mm) | Vol/Stk OR (m/itk) 152.0 | 0.011 | |
| Pre. (kPa) | Slow Spd | Stroke (p... Eff () 0 | |
| # 2, CONTINENTAL EMSO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) 0.0 | Stroke (mm) 229.0 | |
| Liner S. (mm) | Vol/Stk OR (m/itk) 152.0 | 0.013 | |
| Pre. (kPa) | Slow Spd | Stroke (p... Eff () 100 | |
| Mud Additive Amounts | | | |
| Description | Cont (Unit) | Con. med | |
| VERSACOAT HF | 900.76 | 1.0 | |
| VERSAMUL | 862.55 | 1.0 | |
| TRUVIS | 162.47 | 5.0 | |
| INVERT | 2,172.51 | 46.03 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| 591.98 | 0.70 | 70.80 | 591.83 |

Well Name: HUSKY LITTLE BEAR H-64

Time Log

| Start Time | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|---------------|----------------|----------|--|-------------|---|
| 14:00 | 0.50 | 14.50 | 14:30 | 14 | NIPPLE UP B.O.P. | | NIPPLE UP BOP (INSTALL CATCH CAN AND KILL LINE HOSE) |
| 14:30 | 0.25 | 14.75 | 14:45 | 21 | SAFETY MEETING | | PRE-TOB SAFETY PRIOR TO PICK UP DIR TOOLS |
| 14:45 | 2.75 | 17.50 | 17:30 | 20 | DIR. WORK | | PICK UP, MAKE UP AND HANDLE DIRECTIONAL TOOLS |
| 17:30 | 1.50 | 19.00 | 19:00 | 6 | TRIPS | | RUN IN HOLE |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | PRE TOUR SAFETY MEETING AND CREW CHANGE HAND OVER |
| 19:15 | 1.00 | 20.25 | 20:15 | 6 | TRIPS | | TRIP IN HOLE REMOVE BAILS AND ELVATORS |
| 20:15 | 0.25 | 20.50 | 20:30 | 21 | SAFETY MEETING | | PRE TOB SAFETY MEETING PRIOR TO SLIP AN CUT DRILL LINE |
| 20:30 | 0.25 | 20.75 | 20:45 | 9 | CUT OFF DRILLING LINE | | SLIP/CUT DRILLING LINE |
| 20:45 | 1.75 | 22.50 | 22:30 | 5 | COND MUD CIRC | | TAG CEMENT 494M, DISPLACE TO OIL BASE |
| 22:30 | 0.25 | 22.75 | 22:45 | 2 | DRILL | | DRILL CEMENT/DRILL OUT CEMENT/DRILL FLOAT SHOE, DRILL GOOD CEMT |
| 22:45 | 0.25 | 23.00 | 23:00 | 21 | SAFETY MEETING | | DRILLS/BOP, ETC. |
| 23:00 | 0.25 | 23.25 | 23:15 | 2C | Drill Cement/Drill Out Cement/Drill Float Shoe | | DRILL CEMENT/DRILL OUT CEMENT/DRILL FLOAT SHOE |
| 23:15 | 0.50 | 23.75 | 23:45 | 2 | DRILL | | DRILL 200MM FR 510M TO 513 M, PRESSER TESTING POINT |
| 23:45 | 0.25 | 24.00 | 00:00 | 21 | SAFETY MEETING | | SAFETY MEETING WITH PRESSER TESTER |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|---------------------|-------------------------|------------------------|------------------|
| Oil Base | 22:00 | | 1200.0 | 49 | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Sta (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | | Reserve Mud Volume (m³) | Active Mud Volume (m³) | |

Drill Strings

BHA #3, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No.) (mm) |
|-------------|----------------------------------|-------|-------------------|---------------------|
| 3 | 222.2mm, Mi516, D1380 | SMITH | ----- | 847 |
| No. of (mm) | 12.7/12.7/12.7/9.5/9.5/12.7/12.7 | | String Length (m) | String Wt (daN) |

Drill String Components

| Item Description | Qty | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|-----|---------|---------|----------|------------|
| Kelly | 1 | 168.0 | 68.0 | 9.56 | |
| Drill pipe - Single | 1 | 101.6 | 70.0 | 9.26 | |
| Drill pipe - Stand | 54 | 101.6 | 70.0 | 1,003.76 | |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 | |
| X/O | 1 | 165.0 | 73.0 | 0.71 | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 | |
| ARS-HYD/MECH | 1 | 158.0 | 71.0 | 6.10 | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 | |
| Pump out | 1 | 157.0 | 58.0 | 1.02 | |
| MONEL | 2 | 167.0 | 73.0 | 18.89 | |
| UBHO | 1 | 164.0 | 73.0 | 0.92 | |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 | |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drill Time (hr) | Cum Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|-------------|------------------|--------------------|-------------------|---------------------|------------------------|---------------------|
| Original Hole, 300H6465... | 510.00 | 513.00 | 3.00 | 0.50 | 0.50 | 6.0 | 1.200 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T |
| 2,000 | 30 | | | | | | |
| (in) (m/min) | T (in) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (in/min) (m³/min) | Flow (ret) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| Callin Description | Ran Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

| Survey Data | | | |
|-------------|----------|---------|-----------|
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| 610.41 | 0.50 | 47.90 | 610.26 |
| 637.80 | 0.70 | 259.70 | 637.65 |
| 666.16 | 0.50 | 307.50 | 666.01 |
| 694.31 | 0.70 | 12.50 | 694.16 |

| Last 5 Formations | | |
|---------------------|---------------------|--------------------|
| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
| | | |
| Hole Size (mm) | | |
| Max Nominal OD (mm) | | |
| 244.5 | | |

Well Name: HUSKY LITTLE BEAR H-64**Casing Components**

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Conn Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|--|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Rel. No | Lahee Cl. (C) TH (C) | Boatline Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Tool Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|--|-------------------------|---|------------------------|
| Weather Clear | Temperature (°C) -31 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Drill 222mm Main Hole w/Directional Tool | | Operation Next Report Period Drill 222mm Main Hole to core point, Circ Btm Up, Wiper trip to core, Circ Btm Up, POOH to/P/U Core Barrel | |
| Operation 06:00 Drill 222mm Main Hole 1029m. | | Operation Summary Performed a FIT test to 21.5 kpa/m. Drilled ahead from 513m to 541m. Serviced the rig and functioned the pipe ram. Continued to drill ahead to 625m. Held a crew hand over and a safety meeting. Drilled ahead from 625m to 678m with the directional tool and gamma. Held a BOP drill and a man down drill. Drilled ahead from 678m to 709m with the directional tool and gamma. Drilled 222mm Hole F/709m to 929m with directional tool and gamma. | |
| Remark No Accident, Incident or Environmental Concern. | | | |

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Hwy Winter Rd to the Hwy Camp Site. Continue on the Hwy Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 26m3.
Invert Delivered today 30m3, Total at Tank Farm 195m3

Daily invert loss: 3.5m3
Total invert loss: 11.5m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidendorfer | DR Field Super | 780-446-5160 |
| Site Manager | Troy Pre | Ri Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------------|----------|-------------------|-------------|--|
| 00:00 | 0.75 | 0.75 | 00:45 | 12 | RUN CASING AND CEMENT | | | | PRESSURE TEST CSG/SHOE |
| 00:45 | 1.50 | 2.25 | 02:15 | 2 | DRILL | | | | DRILL 222MM HOLE FR 513M TO 541M |
| 02:15 | 0.25 | 2.50 | 02:30 | 7 | RIG SERVICE | | | | RIG SERVICE F/T PIPE RAMS 3 SECOND C/O |
| 02:30 | 4.50 | 7.00 | 07:00 | 2 | DRILL | | | | DRILL 222MM FR 541M TO 625M |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 07:15 | 2.75 | 10.00 | 10:00 | 2 | DRILL | | | | DRILL 222MM HOLE FR 625M TO 678M |
| 10:00 | 0.25 | 10.25 | 10:15 | 21 | SAFETY MEETING | | | | DRILLS/BOP, AND MAN DOWN, EXSCAPE ROUTES, BREIFING AREAS |
| 10:15 | 0.75 | 11.00 | 11:00 | 2 | DRILL | | | | DRILL 222MM HOLE FR 678M TO 709M |
| 11:00 | 1.00 | 12.00 | 12:00 | 20 | DIR. WORK | | | | ACCUM DIRECTIONAL SURVEYS AND CONNECTION TIME |
| 12:00 | 6.25 | 18.25 | 18:15 | 2 | DRILL | | | | DRILL 222MM HOLE FR 709M TO 820M |
| 18:15 | 0.25 | 18.50 | 18:30 | 7 | RIG SERVICE | | | | RIG SERVICE |
| 18:30 | 0.50 | 19.00 | 19:00 | 2 | DRILL | | | | DRILL 222MM HOLE FR 820M TO 829M |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING |
| 19:15 | 2.75 | 22.00 | 22:00 | 2 | DRILL | | | | DRILL 222MM HOLE FR 829M TO 929M |
| 22:00 | 2.00 | 24.00 | 00:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS, SYNC GAMMA, CONNECTIONS |

| | |
|--|---|
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 |
| Primary Obj Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Status Drilled Caused | Spd Date 2/19/2012 11:30 |
| Daily Cont Total 118,292.65 | Cont Cont To Date 1,958,043.48 |
| Daily Mod Cont 6,529.65 | Mod Additive Cont To Date 117,832.41 |
| Depth Start (mKB) 513.00 | Depth End (mKB) 929.00 |
| Last Callin Strin Surface, 510.00mKB | |
| Depth Pro (m) 416.00 | |
| Depth Start (TVD) (mKB) 512.86 | Depth End (TVD) (mKB) 928.84 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hour (hr) 504.00 | Cont Per Tot Hr (hr) 4,944.00 |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) |
| Problem Time (hr) | Cont Problem Time (hr) |
| Day LTI (day) | Day RI (day) |

| Personnel Log | | |
|-----------------------------------|-------|---------------|
| Company | Count | Tot Time (hr) |
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Heidendorfer Contractor Ltd. | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| McCrath Resource Contracting Ltd. | 1 | 12.00 |
| Hordon North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| Continental Laboratories | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 3 | 36.00 |
| Blue Eagle Limited Partnership | 1 | 12.00 |
| Baker Hughes | 2 | 24.00 |

| Safety Check Summary | | |
|----------------------|-----------|-----------|
| Type | Last Date | Next Date |
| Safety Meeting | 2/25/2012 | 2/26/2012 |

| Rigs | | |
|-------------------------------------|------------------|--|
| Contractor Naor Drilling | Rig Number 23 | |
| Rig Supervisor Troy Pre | Phone Mobile | |
| Rig Release Date 3/10/2012 23:59 | | |

| Mud Pumps | | |
|--------------------------|--------------------------|-----------------------------|
| # 1, GARDNER DENVER, PZ8 | Pwr (kW) | Rod Dia (mm) |
| | | 0.0 |
| | | 203.0 |
| | Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) 0.011 |
| | Pre (kPa) | Slow Spd |
| | | Stroke (in.) |
| | | Eff (%) 0 |

| | | | |
|------------------------------|--------------------------|-----------------------------|---------------|
| # 2, CONTINENTAL EMSCO, F800 | Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | | | 0.0 |
| | | | 229.0 |
| | Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) 0.013 | |
| | Pre (kPa) | Slow Spd | Stroke (in.) |
| | 1,900 | Yell | Eff (%) 57 |
| | | | 95 |

| Mud Additive Amounts | | |
|----------------------|--------------|------------|
| Description | Cont (/Unit) | Cont (med) |
| VERSAMUL | 862.55 | 1.0 |
| LIME | 12.13 | 10.0 |
| OPTISEAL III | 70.20 | 79.0 |

Well Name: HUSKY LITTLE BEAR H-64

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-----------------------|
| Invert | 12:30 | 713.00 | 1200.0 | 48 | 16.0 | 3.000 |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| 3.000 | 5.500 | 8.500 | | | | 12.7 |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mg/L) | Calcium (mg/L) | Potassium (mg/L) | Electric Strength (V) |
| | 81.0 | 19.0 | 247,112.007 | | | 929.0 |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |
| 10.00 | | 3.50 | 151.50 | 66.20 | | |

Drill Strings

BHA #3, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No.) (mm) |
|-------------|----------------------------------|-------------------|-----------------|---------------------|
| 3 | 222.2mm, Mi516, D1380 | SMITH | ----- | 847 |
| No. of (mm) | 12.7/12.7/12.7/9.5/9.5/12.7/12.7 | String Length (m) | String Wt (daN) | BHA ROP (m...) |
| | | 1,170.00 | | 17.5 |

Drill String Components

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|---------|---------|---------|------------|
| Kelly | 1 | 168.0 | 68.0 | 9.56 |
| Drill pipe - Single | 1 | 101.6 | 70.0 | 9.26 |
| Drill pipe - Stand | 54 | 101.6 | 70.0 | 1,003.76 |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 |
| X/O | 1 | 165.0 | 73.0 | 0.71 |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 |
| ARS-HYD/MECH | 1 | 158.0 | 71.0 | 6.10 |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 |
| Pump out | 1 | 157.0 | 58.0 | 1.02 |
| MONEL | 2 | 167.0 | 73.0 | 18.89 |
| UBHO | 1 | 164.0 | 73.0 | 0.92 |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drilling Time (hr) | Cum Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|----------------|------------------|--------------------|--------------------|---------------------|-----------------------|-----------------------|
| Original Hole, 300H6465... | 513.00 | 929.00 | 419.00 | 19.00 | 19.50 | 21.9 | 1.450 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| 2,000 | 40 | 9,500 | 24,000 | 25,000 | 23,000 | 3,800.0 | 560.0 |
| (lb/in) (m³/min) | T (lb/in) (°C) | P (BH Ann) (kPa) | T (lb/in) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (lb/in) (m³/min) | Flow (lb/in) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| String Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Cum Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|-------------|-----------|--------------|
| | | | | | | | | |

| Survey Data | | | |
|-------------|----------|----------|-----------|
| MD (mKB) | Incl (°) | Azim (°) | TVD (mKB) |
| 805.78 | 0.90 | 39.00 | 805.63 |
| 833.69 | 0.30 | 136.30 | 833.53 |
| 861.30 | 0.50 | 93.40 | 861.14 |
| 889.17 | 0.20 | 220.40 | 889.01 |
| 916.90 | 0.50 | 67.80 | 916.74 |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

| Max Nominal OD (mm) |
|---------------------|
| 244.5 |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Soc Cla Sweet | ERP Reliabl No | Lahee Cla TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | C. t/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flane Distance (m) 5.47 | KB-T in Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Well bore Affected

Original Hole, 300H64650012600

| | | | |
|--|--------------------------|---|------------------------|
| Weather Clear | Temperat ure (°C) -28 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Drill 222mm Main Hole w/Directional Tool | | Operation Next Report Period Drill 222mm Main Hole to core point □ 1170m, Circ □ ttm □ p, Wiper trip to c □ hoe, Circulate □ ttm □ p, POOH to/P/U Core Barrel □ RH and c t core □. | |
| Operation 06:00 Fill pipe and circulate | | Operation Summary Drilled 222mm main hole with directional tool and gamma from 929m to 975m. Serviced the rig and functioned the pipe ram. Drilled ahead to 1051m with survey. Held a crew handover and a safety meeting. Drilled ahead from 1051m to 1090m. Circulated □ a sample and waited on order □ aper □ eo □ t. Drilled ahead from 1090m to 1105m. Circulated □ p □ ottom hole □ ample and waited on order □ aper the □ eo □ t. Drilled ahead from 1105m to 1135m. Circulated □ ottom □ p □ ample and waited on order □ aper the □ eo □ t. Drilled ahead from 1135m to 1150m with no rop restriction. Circulate □ ottom □ hole □ ample for □ eo □ t and waited on order □ from □ eo □ t. Drilled ahead from 1150m to 1154m. Held safety crew change meeting with both crew, Rig Manager □ Husky Rep. | |

| |
|---|
| Remark No Accident, Incident or Environmental Concern |
| Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. |
| Tank Farm delivered for Little Bear H-64 |
| Bale Oil Delivered today □ 0m3, Total at Tank Farm □ 26m3. |
| Invert Delivered today □ 0m3, Total at Tank Farm □ 195m3 |
| Daily invert lo□e: 8.7m3 |
| Total invert lo□e: 20.2m3 |

| Daily Contacts | | | | | |
|----------------|------------------|-------------------|--------------|--|--|
| Type | Contact Name | Title | Mobile | | |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 | | |
| Office | Goly Zila | DR En□ | 403-462-8021 | | |
| Office | Sandeep Randhawa | DR En□ | 403-519-5660 | | |
| Office | Darren Brown | Con truction Sper | | | |
| Well Site Sper | Cal Conklin | DR Field Sper | 403-502-3387 | | |
| Well Site Sper | Woody Periard | DR Field Sper | 403-350-6027 | | |
| Well Site Sper | Dan He□dorfer | DR Field Sper | 780-446-5160 | | |
| Ri□ Manager | Troy Pre□□ | Ri□ Manager | | | |

| Time Log | | | | | | | | |
|------------|----------|---------------|----------|---------------|----------------|----------|-----------------|--|
| Start Time | Dur (hr) | C. m Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Probl Time (hr) | Probl Ref □ |
| 00:00 | 2.75 | 2.75 | 02:45 | 2 | DRILL | | | DRILL 222MM HOLE FR 929M TO 975M |
| 02:45 | 0.25 | 3.00 | 03:00 | 7 | RIG SERVICE | | | RIG SERVICE 3 SECONDS C/O PIPE RAMS |
| 03:00 | 2.75 | 5.75 | 05:45 | 2 | DRILL | | | DRILL 222MM HOLE FR 975M TO 1051M |
| 05:45 | 1.25 | 7.00 | 07:00 | 20 | DIR. WORK | | | DIRECTIONAL SURVEYS, SYNC GAMMA, CONNECTIONS |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 07:15 | 4.00 | 11.25 | 11:15 | 2 | DRILL | | | DRILL 222MM HOLE FR 1051M TO 1083M |
| 11:15 | 0.75 | 12.00 | 12:00 | 20 | DIR. WORK | | | ACCUM DIRECTIONAL SURVEYS AND CONNECTION TIME |
| 12:00 | 0.75 | 12.75 | 12:45 | 2 | DRILL | | | DRILL 222MM HOLE FR 1083M-TO-1090M |
| 12:45 | 1.50 | 14.25 | 14:15 | 23 | WAITING ON | | | WAIT ON ORDERS AS PER GEO |
| 14:15 | 2.00 | 16.25 | 16:15 | 2 | DRILL | | | DRILL 222MM HOLE FR 1090M-TO-1105M |
| 16:15 | 1.25 | 17.50 | 17:30 | 23 | WAITING ON | | | W/O ORDERS AS PER GEO |
| 17:30 | 1.00 | 18.50 | 18:30 | 2 | DRILL | | | DRILL 222MM HOLE FR 1105M-TO- 1116M |
| 18:30 | 0.50 | 19.00 | 19:00 | 20 | DIR. WORK | | | DIRECTIONAL SURVEYS , SYNC GAMMA, CONNECTIONS |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | CREW CHANGE HAND OVER AND PRE TOUR SAFETY MEETING |
| 19:15 | 3.75 | 23.00 | 23:00 | 2 | DRILL | | | DRILL 222MM HOLE FR 1116M TO 1150M |
| 23:00 | 0.75 | 23.75 | 23:45 | 23 | WAITING ON | | | W/O OREDERS AS PER GEO |
| 23:45 | 0.25 | 24.00 | 00:00 | 2 | DRILL | | | DRILL 22MM HOLE FR 1150M TO 1154M |

| Cont Object Number US-51822-EX-02-DR-ID | Orif AFE Sp Am 11,529,266.00 | | |
|--|--------------------------------------|-----------------------|-----------|
| Primary □ Type Initial Drillin□ | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Stat□ | Spd Date 2/19/2012 11:30 | | |
| Driiled □ Caled | Cm Caled To Date 116,013.24 | | |
| Daily Cm Caled | Cm Caled To Date 2,074,056.72 | | |
| Daily Mud Caled | Mud Additive Caled To Date 775.24 | | |
| Depth Start (mKB) 929.00 | Depth End (mKB) 1,154.00 | | |
| Last Caled Strin□ | Surface, 510.00mKB | | |
| Depth Probl (m) 225.00 | | | |
| Depth Start (TVD) (mKB) 928.84 | Depth End (TVD) (mKB) 1,153.80 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 504.00 | Cm Per Tot Hr (hr) 5,448.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0.00 | | |
| Problem Time (□) | Cm Problem Time (□) | | |
| Day □ LTI (day) | Day □ RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr) | |
| Na□or□Drillin□ Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service□ 2000 Inc. | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise□ | 1 | 12.00 | |
| He□dorfer Con□ltin□ Ltd. | 1 | 12.00 | |
| Mc□rath Re□rce Con□ltin□ Ltd. | 1 | 12.00 | |
| Hori□n North Camp□ Cat | 5 | 60.00 | |
| □NEW VENDOR□ | 2 | 24.00 | |
| □NEW VENDOR□ | 1 | 12.00 | |
| □NEW VENDOR□ | 1 | 12.00 | |
| □NEW VENDOR□ | 2 | 24.00 | |
| Continental La□oratorie□ | 2 | 24.00 | |
| He□ Int□rated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technolo□y Service□ LP | 3 | 36.00 | |
| Bi□ Earle Limited Partner□hip | | 0.00 | |
| Baker H□he□ | 2 | 24.00 | |
| Baker Atla□ | 2 | 24.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin□ | 2/26/2012 | 2/27/2012 | |
| Rigs | | | |
| Contractor Na□or□Drillin□ | Rig Number 23 | | |
| Ri□ Sper | Phone Mobile | | |
| Ri□ Release Date | 3/10/2012 23:59 | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Siz□ (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.011 | | |
| Pre□ (kPa) | Slow Spd | Stroke□ (p... Eff (□) | |
| | | 0 | |
| # 2, CONTINENTAL EMSCO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Siz□ (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.013 | | |
| Pre□ (kPa) | Slow Spd | Stroke□ (p... Eff (□) | |
| 1,100 | Ye□ | 57 95 | |
| Mud Additive Amounts | | | |
| Description | Co t (/unit) | Con□med | |
| LIME | 12.13 | 10.0 | |
| FED WATE (BARITE) | 15.57 | 42.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| 1,010.01 | 0.20 | 82.40 | 1,009.83 |

Well Name: HUSKY LITTLE BEAR H-64

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Viscosity (cP) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------|------------------------|-----------------------|
| Invert | 06:15 | | 1205.0 | 48 | 18.0 | 3.500 |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solids (%) |
| 3.500 | 8.000 | 11.000 | | | | 13.2 |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mg/L) | Calcium (mg/L) | Potassium (mg/L) | Electric Strength (V) |
| | 81.0 | 19.0 | 242,164.001 | | | 927.0 |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | | Active Mud Volume (m³) | |
| 10.00 | 1.60 | 2.40 | 129.80 | | 74.70 | |

Drill Strings

BHA #3, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No. (mm)) |
|----------|----------------------------------|-------------------|-----------------|---------------------|
| 3 | 222.2mm, Mi516, D1380 | SMITH | ----- | 847 |
| No. (mm) | 12.7/12.7/12.7/9.5/9.5/12.7/12.7 | String Length (m) | String Wt (daN) | BHA ROP (m...) |
| | | 1,170.00 | | 17.5 |

Drill String Components

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|---------|---------|---------|------------|
| Kelly | 1 | 168.0 | 68.0 | 9.56 |
| Drill pipe - Single | 1 | 101.6 | 70.0 | 9.26 |
| Drill pipe - Stand | 54 | 101.6 | 70.0 | 1,003.76 |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 |
| X/O | 1 | 165.0 | 73.0 | 0.71 |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 |
| ARS-HYD/MECH | 1 | 158.0 | 71.0 | 6.10 |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 |
| Pump out | 1 | 157.0 | 58.0 | 1.02 |
| MONEL | 2 | 167.0 | 73.0 | 18.89 |
| UBHO | 1 | 164.0 | 73.0 | 0.92 |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drilling Time (hr) | Cum Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|----------------|------------------|--------------------|--------------------|---------------------|-----------------|---------------|
| Original Hole, 300H6465... | 929.00 | 1,154.00 | 644.00 | 17.25 | 36.75 | 13.0 | 1.450 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| 1,000 | 45 | 9,500 | 27,000 | 31,000 | 25,000 | 2,000.0 | 580.0 |
| (lb/in) (m³/min) | T (lb/in) (°C) | P (BH Ann) (kPa) | T (lb/in) (°C) | P(Surf Ann) (kPa) | T (lb/in) (°C) | Flow (lb/min) | Flow (lb/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| String Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Cum Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|-------------|-----------|--------------|
| | | | | | | | | |

| Survey Data | | | |
|-------------|----------|----------|-----------|
| MD (mKB) | Incl (°) | Azim (°) | TVD (mKB) |
| 1,037.78 | 0.90 | 62.20 | 1,037.60 |
| 1,065.84 | 0.40 | 61.30 | 1,065.65 |
| 1,093.29 | 0.40 | 102.80 | 1,093.10 |
| 1,120.96 | 1.00 | 99.20 | 1,120.77 |

| Last 5 Formations | | |
|-------------------|---------------------|--------------------|
| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
| | | |

| Hole Size (mm) | | |
|---------------------|-------|--|
| Max Nominal OD (mm) | 244.5 | |
| | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Soc Clas Sweet | ERP Retired No | Lahee Clasification TH (C) | Boine Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Ct/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Cat in Flane Distance (m) 5.47 | KB-T in Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

Weather
Light Snow

Temperature (°C)
-25

Road Condition
Fair

Hole Condition
Good

Operation at Report Time
RIH W/Core barrel on 1.

Operation Next Report Period
RIH W/Core barrel, Wash to bottom, Circulate 10000pp drop ball, Cut 54m of core, Circulate clean hole, POOH Recover core, Make up core barrel run 2.

Operation 06:00

Cut Core 1 1201m.

Operation Summary

Drilled 222mm main hole from 1154m to 1157m with directional tool. Waited on order a per lease. Drilled ahead to 1170m. Circulated sample up a per lease. Circulated and conditioned the hole and mud prior to wiper trip. Installed elevator, bail, pumped a weighted pill and wiper tripped to the bottom 510m. Flow check and ran back in the hole. Conditioned the hole prior to pulling out of the hole for core. Held a crew hand over and a safety meeting. Pulled out of the hole and layed down the MWD tool and the mud motor. Serviced the rig and functioned the mud pump. Held a safety meeting with rig crew core hand. Husky rep prior to make up 54m of core. Held safety crew change meeting with both crew. Rig Manager Husky Rep. Picked up core and ran in the hole.

Remark

No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 26m3.
Invert Delivered today 0m3, Total at Tank Farm 104m3

Daily invert loss: 4.57m3
Total invert loss: 24.77m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Hedder | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|----------|-------------------|-------------|---|
| 00:00 | 0.25 | 0.25 | 00:15 | 2 | DRILL | | | | DRILL 222MM HOLE FR 1154M TO 1157M |
| 00:15 | 0.50 | 0.75 | 00:45 | 23 | WAITING ON | | | | W/O ORDERS PER GEO |
| 00:45 | 0.75 | 1.50 | 01:30 | 2 | DRILL | | | | DRILL 222MM HOLE FR 1157M TO 1170M |
| 01:30 | 0.25 | 1.75 | 01:45 | 23 | WAITING ON | | | | W/O ORDERS PER GEO |
| 01:45 | 1.25 | 3.00 | 03:00 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE |
| 03:00 | 1.75 | 4.75 | 04:45 | 6 | TRIPS | | | | INSTALL BAILS AND ELEVATORS , TRIP OUT OF HOLE , WIPER TRIP , FLOW CHECKS □ 1160M, 1135M, 861M, 503M |
| 04:45 | 1.25 | 6.00 | 06:00 | 6 | TRIPS | | | | TRIP IN HOLE FILL ON BOTTOM OF HOLE |
| 06:00 | 1.00 | 7.00 | 07:00 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE TO PULL OUT TO PICK UP CORE BARRELS |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW □ RM □ HUSKY REP |
| 07:15 | 0.50 | 7.75 | 07:45 | 5 | COND MUD □ CIRC | | | | CIRCULATE AND CONDITION TO PULL OUT LAY DOWN TOOLS , MIX AND PUMP PILL |
| 07:45 | 4.25 | 12.00 | 12:00 | 6 | TRIPS | | | | TRIP OUT OF HOLE, LAY DOWN TOOLS , FLOW CHECKS □ 1160M, 1081M, 528M, 168M, OUT OF HOLE IN TALLY STRAP 1170.44/STEEL LINE STRAP 1170.88 DIFF.44CM HOLE FILL VOLUMES CAL.4.12M3/MEASURED 5.61M3/DIFF 1.49M3 TRIPPED OUT 20M/MIN |

Cont Object Number
US-51822-EX-02-DR-ID

Or AFE Sp Am
11,529,266.00

Primary Obj Type
Initial Drillin

Start Date
2/17/2012

End Date
3/10/2012

Final Stat
Drilled □ Caled

Spd Date
2/19/2012 11:30

Daily Cont Total
230,813.24

Cont Cont To Date
2,304,869.96

Daily Mud Cont
775.24

Mud Additive Cont To Date
119,382.89

Depth Start (mKB)
1,154.00

Depth End (mKB)
1,170.00

Last Casing String
Surface, 510.00mKB

Depth Pro (m)
16.00

Depth Start (TVD) (mKB)
1,153.80

Depth End (TVD) (mKB)
1,169.80

Target Formation
Canol

Ext Total Depth (mKB)
1,412.00

Personnel Total Hour (hr)
496.00

Cont Per Tot Hr (hr)
5,944.00

Time Log Total Hour (hr)
24.00

Problem Time Hour (hr)
0.00

Problem Time (hr)

Cont Problem Time (hr)

Day LTI (day)

Day RI (day)

Personnel Log

| Company | Cont | Tot Time (hr) |
|---------------------------------|------|---------------|
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Heiderer Conlin Ltd. | 1 | 12.00 |
| McRath Resource Conlin Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental Laboratories | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 3 | 36.00 |
| Baker Hughes | 2 | 24.00 |
| Baker Atlas | 2 | 16.00 |

Safety Check Summary

| Type | Last Date | Next Date |
|---------------|-----------|-----------|
| Safety Meetin | 2/27/2012 | 2/28/2012 |

Rigs

| | |
|-------------------------------------|------------------|
| Contractor Naor Drilling | Rig Number 23 |
| Rig Supervisor Troy Pre | Phone Mobile |
| Rig Release Date 3/10/2012 23:59 | |

Mud Pumps

1, GARDNER DENVER, PZ8

| | | |
|----------|--------------|-------------|
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |

| | |
|-----------------|---------------------|
| Liner Size (mm) | Vol/Stk OR (m³/ltk) |
| 152.0 | 0.011 |

| | | | |
|-----------|----------|----------------|---------|
| Pre (kPa) | Slow Spd | Stroke (ip...) | Eff (%) |
| 1,100 | Ye | 57 | 95 |

2, CONTINENTAL EMSCO, F800

| | | |
|----------|--------------|-------------|
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |

| | |
|-----------------|---------------------|
| Liner Size (mm) | Vol/Stk OR (m³/ltk) |
| 152.0 | 0.013 |

| | | | |
|-----------|----------|----------------|---------|
| Pre (kPa) | Slow Spd | Stroke (ip...) | Eff (%) |
| 1,100 | Ye | 57 | 95 |

Mud Additive Amounts

| Description | Cont (Unit) | Con (med) |
|-------------------|-------------|-----------|
| LIME | 12.13 | 10.0 |
| FED WATE (BARITE) | 15.57 | 42.0 |

Survey Data

| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
|----------|----------|---------|-----------|
| 1,148.83 | 1.40 | 89.70 | 1,148.64 |
| 1,155.18 | 1.30 | 91.80 | 1,154.98 |

Well Name: HUSKY LITTLE BEAR H-64

Time Log

| Start Time | Dur (hr) | Cm Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | |
|------------|----------|-------------|----------|---------------|----------------|----------|-------------------|-------------|---|---------|
| | | | | | | | | | Comment | Comment |
| 12:00 | 0.25 | 12.25 | 12:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH DIR PRIOR LAYING DOWN TOOLS | |
| 12:15 | 1.50 | 13.75 | 13:45 | 20 | DIR. WORK | | | | HANDLE DIRECTIONAL TOOLS PULL MWD, RACK MONELS, DRAIN MOTOR AND BREAK BIT | |
| 13:45 | 0.25 | 14.00 | 14:00 | 7 | RIG SERVICE | | | | RIG SERVICE F/T BLIND RAMS OUT OF HOLE 4 SEC C/O | |
| 14:00 | 0.25 | 14.25 | 14:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH BAKER PRIOR TO MAKE UP CORE BARRELS | |
| 14:15 | 4.75 | 19.00 | 19:00 | 4 | CORING | | | | PICK UP AND MAKE UP CORE BARRELS | |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP | |
| 19:15 | 0.25 | 19.50 | 19:30 | 4 | CORING | | | | HANDLE CORE BRLS FINISH PUTTING CORE TOOLS TOGETHER | |
| 19:30 | 4.50 | 24.00 | 00:00 | 6 | TRIPS | | | | TRIP IN HOLE W/CORE BRLS FILL PIPE AT 700M | |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cP) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-------------------|
| INVERT | 06:15 | 1,170.00 | 1205.0 | 48 | 18.0 | 3,500 |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (□) |
| 3,500 | 8,000 | 11,000 | | | | 13.2 |
| MBT (kg/m³) | Percent Oil (□) | Percent Water (□) | Chloride (m□/L) | Calcium (m□/L) | Potassium (m□/L) | Electric Stab (V) |
| | 81.0 | 19.0 | 242,164.001 | | | 927.0 |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |
| | 2.30 | 2.00 | 129.80 | 74.70 | | |

Drill Strings

BHA #3, Drilling Assembly

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) |
|-------------|----------------------------------|-------|-------------------|---------------------|
| 3 | 222.2mm, Mi516, D1380 | SMITH | ----- | 847 |
| No. of (mm) | 12.7/12.7/12.7/9.5/9.5/12.7/12.7 | | String Length (m) | String Wt (daN) |
| | | | 1,170.00 | 17.5 |

Drill String Components

| Item Description | □ | OD (mm) | ID (mm) | Len (m) | Top Thread |
|---------------------|----|---------|---------|----------|------------|
| Kelly | 1 | 168.0 | 68.0 | 9.56 | |
| Drill pipe - Single | 1 | 101.6 | 70.0 | 9.26 | |
| Drill pipe - Stand | 54 | 101.6 | 70.0 | 1,003.76 | |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 | |
| X/O | 1 | 165.0 | 73.0 | 0.71 | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 | |
| ARS-HYD/MECH | 1 | 158.0 | 71.0 | 6.10 | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 | |
| Pump Out | 1 | 157.0 | 58.0 | 1.02 | |
| MONEL | 2 | 167.0 | 73.0 | 18.89 | |
| UBHO | 1 | 164.0 | 73.0 | 0.92 | |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 | |

Drilling Parameters

| | | | | | | | |
|----------------|-------------|------------------|--------------------|--------------------|--------------------|------------------|-------------------|
| Well bore | Start (mKB) | Depth End (mKB) | Cm Depth (m) | Drill Time (hr) | Cm Drill Time (hr) | Int ROP (m/hr) | □ (flow) (m³/min) |
| Original Hole, | 1,154.00 | 1,170.00 | 660.00 | 1.00 | 37.75 | 16.0 | 1.450 |
| 300H6465... | | | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drillin Torque | Off Btm T |
| 2,000 | 45 | 9,500 | 27,000 | 31,000 | 25,000 | 3,800.0 | 580.0 |
| □ (in) (m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | □ (liqtrn) (m/L) | □ (retrn) (m/L) |

BHA #4, Coring Assembly

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) |
|-------------|------------------------|------|---------------------|---------------------|
| 4 | 222.2mm, 406C, 7136984 | H○he | 1-1-WT-A-X-0-NO-BHA | |
| No. of (mm) | | | String Length (m) | String Wt (daN) |
| | | | 1,204.00 | 5.4 |

Drill String Components

| Item Description | □ | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|----|---------|---------|----------|------------|
| Kelly | 1 | 168.0 | 68.0 | 8.71 | |
| Drill Pipe Stand | 55 | 101.6 | 70.0 | 1,022.20 | |
| HWDP | 8 | 101.6 | 68.0 | 72.64 | |
| XO S | 1 | 165.0 | 49.0 | 0.71 | |
| Drill Collar | 4 | 165.0 | 49.0 | 37.93 | |
| Pump Out S | 1 | 157.0 | 58.0 | 1.02 | |
| Float S | 1 | 157.0 | 58.0 | 0.46 | |
| Lee Car | 1 | 171.0 | 72.0 | 2.15 | |
| Core Barrel | 6 | 171.0 | 89.0 | 57.74 | |

Drilling Parameters

| | | | | | | | |
|----------------|-------------|------------------|--------------------|--------------------|--------------------|------------------|-------------------|
| Well bore | Start (mKB) | Depth End (mKB) | Cm Depth (m) | Drill Time (hr) | Cm Drill Time (hr) | Int ROP (m/hr) | □ (flow) (m³/min) |
| Original Hole, | 1,170.00 | 1,170.00 | | 0.00 | | | |
| 300H6465... | | | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drillin Torque | Off Btm T |
| 0 | 0 | 37,000 | | | | | |
| □ (in) (m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | □ (liqtrn) (m/L) | □ (retrn) (m/L) |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

Max Nominal OD (mm)

244.5

Well Name: HUSKY LITTLE BEAR H-64

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| Casing Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Conn Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| Comment | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Soc Clas Sweet | ERP Retired No | Lahee Clasification TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Cut/Flane Distance (m) 5.47 | KB-T-Hd Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|--|--|------------------------|------------------------|
| Weather Light Snow | Temperature (°C) -31 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time RIH W/Core Barrel run 2. | Operation Next Report Period RIH W/Core Barre run 2, Circ Bttm op, Cut core, Circ bttm op, Pooh w/Core run 2, Retrieve core, Service Core Barre, Run in w/Core Barre Run 3. | | |

| | |
|--|---|
| Operation 06:00 Circulate bttm op clean hole prior to trip out. | Operation Summary Tripped in the hole with core Lln 1. Wash in from 1150m to 1170m. Circulated bttm op and then dropped the core all. Cut core 1 from 1170m to 1194m. Serviced the rig and functioned the pipe ram. And held a crew hand over and a safety meeting. Cut Core from 1194m to 1204m. Circulated bttm op and pumped a weighted pill. Pulled out of the hole due to a jammed core. Held a safety meeting with the core hand and then recovered 28.5m of core. (cut core 1 from 1170m to 1204m. Recovered 28.5m.). Serviced the core LL and then ran back in the hole with the core Lln 2. Held safety crew change meeting with both crew, RI Manager, Husky Rep. |
|--|---|

Remark
No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64
Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.
Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert loss: 1.00m3
Total invert loss: 25.77m3

| Daily Contacts | | | |
|----------------------|------------------|--------------------|--------------|
| Type | Contact Name | Title | Mobile |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidendorfer | DR Field Super | 780-446-5160 |
| RI Manager | Troy Pre | RI Manager | |

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Prod/U... | Prob lem Time (hr) | Prob lem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|-----------|--------------------|--------------|---|
| 00:00 | 0.75 | 0.75 | 00:45 | 6 | TRIPS | | | | TRIP IN HOLE FILL WASH TO BOTTOM 1170M F/1150M |
| 00:45 | 0.50 | 1.25 | 01:15 | 5 | COND MUD □ CIRC | | | | CIRCULATE BOTTOMS UP, DROP BALL |
| 01:15 | 3.75 | 5.00 | 05:00 | 4 | CORING | | | | CUT CORE 222MM FR 1170M TO 1194M |
| 05:00 | 0.25 | 5.25 | 05:15 | 7 | RIG SERVICE | | | | RIG SERVICE F/T PIPE RAMS 3 SECONDS C/O |
| 05:15 | 1.75 | 7.00 | 07:00 | 4 | CORING | | | | CUT CORE 222MM FR 1194M TO |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |
| 07:15 | 0.75 | 8.00 | 08:00 | 4 | CORING | | | | CUT CORE FR/1194M TO 1204M |
| 08:00 | 1.00 | 9.00 | 09:00 | 5 | COND MUD □ CIRC | | | | CIRCULATE MIX PILL, PREP FLOOR TO TRIP, |
| 09:00 | 3.00 | 12.00 | 12:00 | 6 | TRIPS | | | | PULL OUT OF HOLE TO RECOVER CORE □ FLOW CHECKS AS RE. 1193M, 1114M, 618M, 139M,... |
| 12:00 | 1.00 | 13.00 | 13:00 | 6 | TRIPS | | | | CONTINUE TO P.O.O.H FLOW CHECKS AS RE. 1193M, 1114M, 618M, 139M, OF HOLE /HOLE FILL VOLUMES MESURED 8.44M3/CAL 4.72M3/DIFF 3.72M3 |
| 13:00 | 0.25 | 13.25 | 13:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH BAKR CORE HA NDS PRIO TO CORE, RE, COVER □ |
| 13:15 | 4.75 | 18.00 | 18:00 | 4 | CORING | | | | CORING RECOVER CORE □ TOTAL RECOVER 28 METERS |
| 18:00 | 1.00 | 19.00 | 19:00 | 4 | CORING | | | | CORING CHECK BIT MAKE UP CORE BARREL □ |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW |

| Cont Object Number US-51822-EX-02-DR-ID | Ordr AFE Sp Am 11,529,266.00 | | |
|--|---|----------------------|-----------|
| Primary Obj Type Initial Drillin | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Status Drilled □ Caled | Spd Date 2/19/2012 11:30 | | |
| Daily Cont Total 118,468.24 | Cont Cont To Date 2,423,338.20 | | |
| Daily Mod Cont 775.24 | Mod Additive Cont To Date 120,158.13 | | |
| Depth Start (mKB) 1,170.00 | Depth End (mKB) 1,204.00 | | |
| Last Callin Strin Sface, 510.00mKB | | | |
| Depth Pro (m) 34.00 | | | |
| Depth Start (TVD) (mKB) 1,169.80 | Depth End (TVD) (mKB) 1,203.80 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 504.00 | Cont Per Tot Hr (hr) 6,448.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr) | |
| Naor Drillin Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise | 1 | 12.00 | |
| Heidendorfer Conllt Ltd. | 1 | 12.00 | |
| McCrath Reource Conllt Ltd. | 1 | 12.00 | |
| Hori on North Camp Cat | 5 | 60.00 | |
| NEW VENDOR | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 2 | 24.00 | |
| Continental Laboratorie | 2 | 24.00 | |
| He Inte ated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technolo y Service LP | 2 | 24.00 | |
| Baker He | 2 | 24.00 | |
| Husky | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin | 2/28/2012 | 2/29/2012 | |
| Rigs | | | |
| Contractor | Rig Number 23 | | |
| Rig Supervisor | Phone Mobile | | |
| Rig Release Date | 3/10/2012 23:59 | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.011 | | |
| Pre (kPa) | Slow Spd | Stroke (ip.) Eff (%) | |
| | | 0 | |
| # 2, CONTINENTAL EMSO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.013 | | |
| Pre (kPa) | Slow Spd | Stroke (ip.) Eff (%) | |
| 1,100 | Ye | 57 95 | |
| Mud Additive Amounts | | | |
| Description | Cont (Unit) | Cont med | |
| LIME | 12.13 | 10.0 | |
| FED WATE (BARITE) | 15.57 | 42.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| | | | |

Well Name: HUSKY LITTLE BEAR H-64

Time Log

| Start Time | End Time | Actvity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------------|----------|-------------------|-------------|---|
| 19:15 | 21:25 | 21:15 | CORING | | | | HANDLE CORE BRLS , □ MAKE UP CORE BARRELS |
| 21:15 | 24.00 | 00:00 | TRIPS | | | | TRIP IN HOLE FILL HALF WAY □ CONTINUE TO R.I.H. |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-------------------|
| Invert | 07:00 | 1,202.00 | 1280.0 | 48 | 18.0 | 3,500 |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (□) |
| 3.000 | 7.500 | 11.000 | | | | 15.3 |
| MBT (kg/m³) | Percent Oil (□) | Percent Water (□) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) |
| | 81.0 | 19.0 | 237,186.000 | | | 891.0 |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |
| | 0.50 | | 129.10 | 74.80 | | |

Drill Strings

BHA #4, Coring Assembly

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) |
|-------------|------------------------|-------|---------------------|----------------------|
| 4 | 222.2mm, 406C, 7136984 | H○he○ | 1-1-WT-A-X-0-NO-BHA | |
| No. of (mm) | | | String Length (m) | String Wt (daN) |
| | | | 1,204.00 | 5.4 |

Drill String Components

| Item Description | □ | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|---|---------|---------|---------|------------|
| Kelly | | 1 | 168.0 | 68.0 | 8.71 |
| Drill Pipe Stand | | 55 | 101.6 | 70.0 | 1,022.20 |
| HWDP | | 8 | 101.6 | 68.0 | 72.64 |
| XO S | | 1 | 165.0 | 49.0 | 0.71 |
| Drill Collar | | 4 | 165.0 | 49.0 | 37.93 |
| Pump Out Sub | | 1 | 157.0 | 58.0 | 1.02 |
| Float Sub | | 1 | 157.0 | 58.0 | 0.46 |
| Lee Bar | | 1 | 171.0 | 72.0 | 2.15 |
| Core Barrel | | 6 | 171.0 | 89.0 | 57.74 |

Drilling Parameters

| | | | | | | | |
|----------------------------|-------------|-----------------|--------------------|--------------------|----------------------|-----------------|-------------------|
| Wellbore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drilling Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | □ (flow) (m³/min) |
| Original Hole, 300H6465... | 1,170.00 | 1,204.00 | 34.00 | 6.25 | 6.25 | 5.4 | 1.200 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Strg Torq | Off Btm T |
| 3 | 55 | 7,500 | 37,000 | 38,000 | 36,000 | 3,850.0 | 275.0 |

| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) |
|-------------|------------------------|-------|---------------------|----------------------|
| 5RR | 222.2mm, 406C, 7136984 | H○he○ | 1-1-WT-A-X-0-NO-BHA | |
| No. of (mm) | | | String Length (m) | String Wt (daN) |
| | | | 1,222.00 | 6.0 |

Drill String Components

| Item Description | □ | OD (mm) | ID (mm) | Len (m) | Top Thread |
|--------------------|---|---------|---------|---------|------------|
| Kelly | | 1 | 170.0 | 68.0 | 8.24 |
| Drill pipe - Stand | | 56 | 101.6 | 70.0 | 1,040.67 |
| 8-HWDP | | 1 | 101.6 | 68.0 | 72.64 |
| X/O | | 1 | 165.0 | 49.0 | 0.71 |
| 4-DRILL COLLARS | | 1 | 165.0 | 49.0 | 37.93 |
| PUMP OUT SUB | | 1 | 157.0 | 58.0 | 1.02 |
| FLOAT X/O | | 1 | 157.0 | 58.0 | 0.46 |
| 1-LEEARS | | 1 | 171.0 | 72.0 | 2.15 |
| 6- CORE BARRELS | | 1 | 171.0 | 137.0 | 57.74 |

Drilling Parameters

| | | | | | | | |
|----------------------------|-------------|-----------------|--------------------|--------------------|----------------------|-----------------|-------------------|
| Wellbore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drilling Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | □ (flow) (m³/min) |
| Original Hole, 300H6465... | 1,204.00 | 1,204.00 | | 0.00 | | | 0.000 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Strg Torq | Off Btm T |
| 0 | 0 | 37,000 | 37,000 | | | | |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| Casing Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| | | | | | | | | |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|---------------------|---------------------|--------------------|
| Max Nominal OD (mm) | 244.5 | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Retired No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Cat in Flane Distance (m) 5.47 | KB-T in Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected

Original Hole, 300H64650012600

| | | | |
|---|---|------------------------|------------------------|
| Weather Clear | Temperature (°C) -34 | Road Condition Fair | Hole Condition Good |
| Circ Bottoms up Prior to entering core. | Operation Next Report Period RIH W/Core Barrel run 2, Circ Btm up, Cut core, Circ up, Pooh w/Core run 3, Retrieve core, Service Core barrel, Run in w/Core barrel Run 4. | | |

| | |
|--|--|
| Operation 06:00 Circ Btm up prior to trip out w/core 3. | Operation Summary Tripped in the hole W/core barrel run 2, Broke circulation and washed 2 in hole to bottom. Circulated bottom up. Cut core 2 from 1204m to 1222.0m. Circulated bottom up. Pumped a waited pill and pulled out of the hole with a jammed core. Serviced the rig and functioned the pipe ram. Continued to pull out of the hole to the core. Held a crew hand over and a safety meeting. Finished pulling out of the hole. Layed out the inner barrel of the core barrel and then recovered 16m of core 2. Held a crew hand over and a safety meeting. Serviced the core barrel. Serviced the rig and functioned the blind ram. Run back in the hole with the core 3. Wash in F/1206m TO/1222m bottom. |
|--|--|

| | |
|--|--|
| Remark No Accident, Incident or Environmental Concern | |
|--|--|

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64
Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.
Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert loss: 0.00m3
Total invert loss: 25.77m3

At the Slater River Bale Camp there was a release of 2m3 of contaminated water (partially treated grey water / sewage) due to an equipment failure (valve freezing and cracking). Due to the nature of the release and the cold temperature the release immediately froze on the ice pad. Remedial measures to scrape up the ice and disposal of the snow will be taken once the equipment and camp are moved off the location.

| Daily Contacts | | | |
|----------------------|------------------|--------------------|--------------|
| Type | Contact Name | Title | Mobile |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heedorfer | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

| Time Log | | | | | | | | | |
|------------|----------|--------------|----------|---------------|----------------|-----------|-------------------|-------------|--|
| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Prob/U... | Problem Time (hr) | Problem Ref | Comment |
| 00:00 | 1.75 | 1.75 | 01:45 | 6 | TRIPS | | | | TRIP IN HOLE FILL TWO SINGLES FROM BOTTOM , WASH DOWN TWO SINGLES , WAIT FOR BOTTOMS UP |
| 01:45 | 3.00 | 4.75 | 04:45 | 4 | CORING | | | | CUT CORE FR 1204M TO 1222M |
| 04:45 | 1.50 | 6.25 | 06:15 | 5 | COND MUD | | | | CIRC BOTTOMS UP TO TRIP OUT OF HOLE |
| 06:15 | 0.25 | 6.50 | 06:30 | 7 | RIG SERVICE | | | | RIG SERVICE F/T PIPE RAMS 3 SECOND C/O |
| 06:30 | 0.50 | 7.00 | 07:00 | 6 | TRIPS | | | | TRIP OUT OF HOLE FLOW CHECKS 1211M , 1133M |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |
| 07:15 | 3.50 | 10.75 | 10:45 | 6 | TRIPS | | | | TRIP OUT OF HOLE FLOW CHECKS 139M,79M OUT OF HOLE HOLE FILL VOLUMES,MEASURED 6.86 CAL 4.44M3 DIFF 2.42M3 |
| 10:45 | 0.25 | 11.00 | 11:00 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH BAKER CORE HANDS PRIOR TO RECOVER CORE 12 |
| 11:00 | 1.00 | 12.00 | 12:00 | 4 | CORING | | | | RECOVER CORE 12 |
| 12:00 | 4.00 | 16.00 | 16:00 | 4 | CORING | | | | RECOVER CORE 12 16 METERS RECOVERY |
| 16:00 | 0.25 | 16.25 | 16:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |

| | |
|--|------------------------------------|
| Cont Object Number US-51822-EX-02-DR-ID | Obj AFE Sp Am 11,529,266.00 |
| Primary Obj Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Statu | Spd Date 2/19/2012 11:30 |
| Drilled Ca | Com Ca To Date 118,406.94 |
| Daily Com C | Mod Additive Com To Date 653.94 |
| Depth Start (mKB) 1,204.00 | Depth End (mKB) 1,222.00 |
| Last Callin Strin | Surface, 510.00mKB |
| Depth Pro | 18.00 |
| Depth Start (TVD) (mKB) 1,203.80 | Depth End (TVD) (mKB) 1,221.79 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hour (hr) 504.00 | Com Per Tot Hr (hr) 6,952.00 |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 |
| Problem Time (hr) | Com Problem Time (hr) |
| Day LTI (day) | Day RI (day) |
| Personnel Log | |
| Company | Count |
| Naor Drillin Limited | 15 |
| Mi Swaco | 1 |
| Apex Oilfield Service 2000 Inc. | 1 |
| R G Mallett Oilfield Enterprise | 1 |
| Heedorfer Conlltin Ltd. | 1 |
| Mcgrath Reource Conlltin Ltd. | 1 |
| Hori on North Camp Cat | 5 |
| NEW VENDOR | 2 |
| NEW VENDOR | 1 |
| NEW VENDOR | 1 |
| NEW VENDOR | 2 |
| Continental Laoratorie | 2 |
| He Inte ated Ltd. | 1 |
| Frontier | 1 |
| Phoenix Technolo y Service LP | 2 |
| Baker H he | 2 |
| H | 2 |
| NEW VENDOR | 1 |
| Safety Check Summary | |
| Type | Last Date |
| Safety Meetin | 3/1/2012 |
| Rigs | |
| Contractor | Rig Number 23 |
| Ri Supervisor | Phone Mobile |
| Troy Pre | |
| Rig Release Date | 3/10/2012 23:59 |
| Mud Pumps | |
| # 1, GARDNER DENVER, PZ8 | |
| Pwr (kW) | Rod Dia (mm) |
| | Stroke (mm) 0.0 |
| Liner Siz (mm) 152.0 | Vol/Stk OR (m/ttk) 0.011 |
| Pre (kPa) | Slow Spd |
| | Stroke (ip..) Eff () |
| | 0 |
| # 2, CONTINENTAL EMSO, F800 | |
| Pwr (kW) | Rod Dia (mm) |
| | Stroke (mm) 0.0 |
| Liner Siz (mm) 152.0 | Vol/Stk OR (m/ttk) 0.013 |
| Pre (kPa) | Slow Spd |
| 1,380 | Stroke (ip..) Eff () 46 95 |
| Mud Additive Amounts | |
| Description | Com (Unit) |
| FED WATE (BARITE) | 15.57 |
| Conmed | 42.0 |
| Survey Data | |
| MD (mKB) | Incl (°) |
| | A.m (°) |
| | TVD (mKB) |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | |
|----------------------------|------------------------|--------------------------|-------------------------|------------------------|----------------------|-------------------|----------------|--|----------------------|--------------------|--|
| Start Time | End Time | Act. Code | Activity Desc. | Prod/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Prod Top (TVD) (mKB) | Drill Top MD (mKB) | |
| 16:15 | 2.75 | 19.00 | 19:00 | 4 | Coring | | | Coring, Change Bit and Make Up Core Barrels for Run 3, Functioned Blind Rams on Bank(4 SEC) | | | |
| 19:00 | 0.25 | 19.25 | 19:15 | 7 | Rig Service | | | Rig Service | | | |
| 19:15 | 3.75 | 23.00 | 23:00 | 6 | Trips | | | Trip in, 61M - 710M, Flow Check, Break Circulation, Cont. in 710M - 1206M, Flow Check, Break Circulation | | | |
| 23:00 | 0.25 | 23.25 | 23:15 | 21 | Safety Meeting | | | Safety Meeting Crew Change Meeting w/ Rig Crew RM HUSKY REP | | | |
| 23:15 | 0.75 | 24.00 | 00:00 | 6 | Trips | | | Wash in F/1206M - 1222M | | | |
| Mud Checks | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cP) | Yield Point (Pa) | | | | | |
| Invert | 05:30 | 1,222.00 | 1290.0 | 50 | 19.0 | 4.000 | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| 4.000 | 8.500 | 13.500 | | | | 15.8 | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| | 81.0 | 19.0 | 237,186.000 | | | 816.0 | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| 0.00 | 0.00 | 1.00 | 128.20 | 75.00 | | | | | | | |
| Drill Strings | | | | | | | | | | | |
| BHA #5, Coring Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 5RR | 222.2mm, 406C, 7136984 | Hughes | 1-1-WT-A-X-0-NO-BHA | | | | | | | | |
| No. of (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,222.00 | | 6.0 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | ID | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | |
| Kelly | | | 1 | 170.0 | 68.0 | 8.24 | | | | | |
| Drill pipe - Stand | | | 56 | 101.6 | 70.0 | 1,040.67 | | | | | |
| 8-HWDP | | | 1 | 101.6 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drilling Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,204.00 | 1,222.00 | 18.00 | 3.00 | 3.00 | 6.0 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T | | | | |
| 3 | 55 | 8,050 | 28,000 | 29,000 | 27,000 | 3,850.0 | 550.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | (liq) (m³/...) | (ret) (m³/...) | | | | |
| BHA #6, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 6 | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | |
| No. of (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,241.00 | | 4.5 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | ID | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | |
| Kelly | | | 1 | 168.0 | 68.0 | 8.77 | | | | | |
| Drill pipe - Stand | | | 57 | 101.6 | 70.0 | 1,059.14 | | | | | |
| 8-HWDP | | | 1 | 102.0 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drilling Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,222.00 | 1,222.00 | | 0.00 | | | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T | | | | |
| 0 | 0 | 7,500 | 31,000 | 32,000 | 30,000 | | 450.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | (liq) (m³/...) | (ret) (m³/...) | | | | |
| Kick/Lost Circ | | | | | | | | | | | |
| Occur Date | | Occur Depth (mKB) | Control Date | | Control Depth (mKB) | Incident Type | | | | | |
| Comment | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | |
| Callin Description | | | | Ran Date | | Set Depth (mKB) | | | | | |
| Comment | | | | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64**Casing Components**

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Comp Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clas Sweet | ERP Reliabl No | Lahee Clasification TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cult/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Cult Flane Distance (m) 5.47 | KB-T Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected

Original Hole, 300H64650012600

| | | | |
|--|---|------------------------|------------------------|
| Weather Clear | Temperatue (°C) -31 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Cult Core 4 1248m. | Operation Next Report Period Cult Core 4, circ cult, POOH W/Core 4, Retrieve core 4, Service core barrel, RIH, Circ Bottom 4, Cult core 5. | | |
| Operation 06:00 Trippin Cult with core 4. | Operation Summary Circulated bottom 4 and then dropped the ball. Cult core 3 from 1,222m to 1241m. Circulated bottom 4 down to jammed core. Pumped a weighted pill and pulled out of the hole and recovered 18m of core 3. Serviced the rig and functioned the annular. Held a crew hand over and a safety meeting. Finished pulling out of the hole. Retrieved core 3 and serviced the core 4. Held a BOP drill and functioned the blind ram. Run back in the hole with core 4. Held a crew hand over and a safety meeting. Continued to run in the hole with core 4. Circulated bottom 4 and then dropped the ball. Cult core 4 from 1,241m to 1248m. Core 3 1222.4m to 1241.2m 18.8m. Recovered 18.10m | | |

| | |
|---|--|
| Remark No Accident, Incident or Environmental Concern | |
| Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. | |
| Tank Farm delivered for Little Bear H-64 | |
| Bale Oil Delivered today 0m3, Total at Tank Farm 27m3. | |
| Invert Delivered today 0m3, Total at Tank Farm 176.8m3 | |
| Daily invert loss: 0.00m3 | |
| Total invert loss: 25.77m3 | |

| Daily Contacts | | | | | |
|----------------------|------------------|--------------------|--------------|--|--|
| Type | Contact Name | Title | Mobile | | |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 | | |
| Office | Goly Zila | DR Enr | 403-462-8021 | | |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 | | |
| Office | Darren Brown | Construction Super | | | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 | | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 | | |
| Well Site Supervisor | Dan Heidendorfer | DR Field Super | 780-446-5160 | | |
| Rig Manager | Troy Pre | Rig Manager | | | |

| Time Log | | | | | | | |
|------------|----------|---------------|------------------|-------------------|-------------|---|--|
| Start Time | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref | Comment | |
| Start Time | End Time | Activity Code | Activity Desc. | Problem Time (hr) | Problem Ref | Comment | |
| 00:00 | 0.75 | 0.75 | COND MUD CIRC | | | CIRCULATE PRIOR TO DROP BALL | |
| 00:45 | 4.25 | 5.00 | CORING | | | DROP BALL AND CUT CORE 3 222MM FR/1222M-TO- 1241M | |
| 05:00 | 1.00 | 6.00 | COND MUD CIRC | | | CONDITION MUD CIRCULATE | |
| 06:00 | 0.75 | 6.75 | 06:45 | 6 | | TRIPS PULL OUT OF HOLE WITH CORE 3 TO 1097M | |
| 06:45 | 0.25 | 7.00 | 07:00 | 7 | | RIG SERVICE F/T ANNULAR 6 SEC C/O | |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | | PRE TOUR SAFETY MEETING AND CREW CHANGE HAND OVER | |
| 07:15 | 3.75 | 11.00 | 11:00 | 6 | | TRIP OUT W/ CORE 3 1097M - 57M, FLOW CHECKS 1097M, 785M, 344M, | |
| 11:00 | 1.00 | 12.00 | 12:00 | 4 | | CORING, RETRIEVE CORE 3, HELD SAFETY MEETING W/ CREW AND BAKER HUGHES PRIOR TO, MONITOR WELL DURING | |
| 12:00 | 2.50 | 14.50 | 14:30 | 4 | | CORING, RETRIEVE CORE 3, MONITOR WELL THROUGHOUT | |
| 14:30 | 0.25 | 14.75 | 14:45 | 6 | | TRIP OUT, 58M - 0M, FLOW CHECK AND FUNCTION BLIND RAM(4 SEC) ON BANK | |
| 14:45 | 0.25 | 15.00 | 15:00 | 21 | | DRILLS, SOUR BOP DRILL HELD ON BANK, WELL SECURED IN 3.5 MIN | |
| 15:00 | 0.25 | 15.25 | 15:15 | 6 | | TRIP IN 0M - 58M | |
| 15:15 | 1.75 | 17.00 | 17:00 | 4 | | CORING, MAKE UP CORE BARRELS FOR RUN 4 | |

| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | | |
|--|---|---------------------|-----------|
| Primary Obj Type Initial Drillin | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Stat Drilled Caed | Spd Date 2/19/2012 11:30 | | |
| Daily Cont Total 118,406.94 | Com Cont To Date 2,660,152.08 | | |
| Daily Mud Cont 653.94 | Mud Additive Cont To Date 121,466.01 | | |
| Depth Start (mKB) 1,222.00 | Depth End (mKB) 1,248.00 | | |
| Last Callin Strin Surface, 510.00mKB | | | |
| Depth Pro (m) 26.00 | | | |
| Depth Start (TVD) (mKB) 1,221.79 | Depth End (TVD) (mKB) 1,247.79 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 504.00 | Com Per Tot Hr (hr) 7,456.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 | | |
| Problem Time (hr) | Com Problem Time (hr) | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr) | |
| Naor Drillin Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise | 1 | 12.00 | |
| Heidendorfer Conlin Ltd. | 1 | 12.00 | |
| McRath Reource Conlin Ltd. | 1 | 12.00 | |
| Hori North Camp Cat | 5 | 60.00 | |
| NEW VENDOR | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 2 | 24.00 | |
| Continental Laboratorie | 2 | 24.00 | |
| He Integrated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technolo LP | 2 | 24.00 | |
| Baker He | 2 | 24.00 | |
| He | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin | 3/1/2012 | 3/2/2012 | |
| Rigs | | | |
| Contractor Naor Drillin | Rig Number 23 | | |
| Rig Supervisor Troy Pre | Phone Mobile | | |
| Rig Release Date | 3/10/2012 23:59 | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) | 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (ip... Eff (| |
| | | 0 | |
| # 2, CONTINENTAL EMSO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) | 0.013 | |
| Pre (kPa) 1,233 | Slow Spd Ye | Stroke (ip... Eff (| |
| | | 50 95 | |
| Mud Additive Amounts | | | |
| Description | Cont (Unit) | Cont (med) | |
| FED WATE (BARITE) | 15.57 | 42.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | A.m (°) | TVD (mKB) |
| | | | |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | |
|----------------------------|------------------------|--------------------------|-------------------------|------------------------|----------------------|-------------------|--|----------------|---------------------|--------------------|--|
| Start Time | End Time | Act. Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) | |
| 17:00 | 2.00 | 19.00 | 19:00 | 6 | TRIPS | | TRIP IN W/CORE BBLS RUN 4 F/58M - 597M, FLOW CHECK, BREAK CIRCULATION | | | | |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | SAFETY MEETING HELD FOR SHIFT CHANGE W/ BOTH CREWS, R.M. AND OPERATORS REP. | | | | |
| 19:15 | 2.00 | 21.25 | 21:15 | 6 | TRIPS | | RUN IN HOLE WITH CORE 4 | | | | |
| 21:15 | 1.00 | 22.25 | 22:15 | 5 | COND MUD CIRC | | CONDITION MUD CIRCULATE PRIOR TO DROP BALL | | | | |
| 22:15 | 1.50 | 23.75 | 23:45 | 4 | CORING | | CORING 222MM HOLE FR /1241M-TO - 1248M | | | | |
| 23:45 | 0.25 | 24.00 | 00:00 | 7 | RIG SERVICE | | RIG SERVICE F/T PIPE RAMS 4 SEC C/O | | | | |
| Mud Checks | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | |
| INVERT | 23:45 | 1,248.00 | 1250.0 | 86 | 19.0 | 4.000 | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| 4.000 | 8.500 | 13.500 | | | | 15.8 | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| 0.00 | 0.00 | 0.00 | 128.10 | 75.00 | | | | | | | |
| Drill Strings | | | | | | | | | | | |
| BHA #6, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 6 | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | |
| No. of (mm) | | | Strin Length (m) | Strin Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,241.00 | | 4.5 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | |
| Kelly | | | 1 | 168.0 | 68.0 | 8.77 | | | | | |
| Drill pipe - Stand | | | 57 | 101.6 | 70.0 | 1,059.14 | | | | | |
| 8-HWDP | | | 1 | 102.0 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,222.00 | 1,241.00 | 19.00 | 4.25 | 4.25 | 4.5 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drillin Torqe | Off Btm T | | | | |
| 3 | 45 | 7,500 | 31,000 | 32,000 | 30,000 | 2,750.0 | 450.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | (liq) (m³/...) | (ret) (m³/...) | | | | |
| BHA #7, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 7RR | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | |
| No. of (mm) | | | Strin Length (m) | Strin Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,256.00 | | 4.3 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | |
| Kelly | | | 0 | 170.0 | 68.0 | 5.31 | | | | | |
| Drill pipe - Stand | | | 58 | 101.6 | 70.0 | 1,077.60 | | | | | |
| 8-HWDP | | | 1 | 101.6 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,241.00 | 1,248.00 | 7.00 | 1.50 | 1.50 | 4.7 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drillin Torqe | Off Btm T | | | | |
| 3 | 45 | 7,600 | 32,000 | 34,000 | 30,000 | 3,500.0 | 550.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | (liq) (m³/...) | (ret) (m³/...) | | | | |
| Kick/Lost Circ | | | | | | | | | | | |
| Occur Date | | Occur Depth (mKB) | Control Date | | Control Depth (mKB) | Incident Type | | | | | |
| Comment | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | |
| Callin Description | | | | Ran Date | | Set Depth (mKB) | | | | | |
| Comment | | | | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64**Casing Components**

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Comp Len (m) | Top (mKB) | TopConn T... |
|------------------|------|---------|-------|-----------|-------|--------------|-----------|--------------|
| | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|---|---|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clai Sweet | ERP Reli No | Lahee Clai TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Groun 178.00 | C. t/Fill (m) 0.0 | Groun Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flan 5.47 | KB-T in Head Di 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |
| Primary Well or Affecte Original Hole, 300H64650012600 | | | |

| | | | |
|--|--|------------------------|------------------------|
| Weather Clear | Temperatu -30 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time POOH W/Core ron 5. | Operation Next Report Period Recover core 5, Service Core Barrel, RIH W/Ron 6, Circ ttm op, Cut core 6, Circ ttm op, Pooh w/core 6, Recover core 6. | | |

| | |
|-----------------|--|
| Operation 06:00 | Operation Summary Trippin in the hole with Core barrel ron 6. |
| | Cut Core 4 from 1248m to 1256.8m. (Core jammed off) Circulated bottom op. Pumped a weighted pill and then pulled out of the hole. Held a crew hand over and a safety meeting. Continued to pull out of the hole. Retrieved core 4. Cut 15.6m and retrieved 15.0m. Serviced the core and checked the bit. Ran back in the hole with core 15.0m. Waited 21m to bottom. Circulated bottom op and then dropped the ball. Cut core 5 from 1256.8m to 1258.50m. (core jammed off). Circulated bottom op. Held a crew hand over and a safety meeting. Pumped a weighted pill and then pulled out of the hole with core run 5. |

| |
|--|
| Remark No Accident, Incident or Environmental Concern |
|--|

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Hoky Winter Rd to the Hoky Camp Site. Continue on the Hoky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.

Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert loe: 2.30m3

Total invert loe: 28.1m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR En | 403-462-8021 |
| Office | Sandeep Randhawa | DR En | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heedorfer | DR Field Super | 780-446-5160 |
| Ring Manager | Troy Pre | Ring Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Prolem Time (hr) | Prolem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|----------|------------------|------------|--|
| 00:00 | 2.00 | 2.00 | 02:00 | 4 | CORING | | | | CORING 222MM HOLE FR 1248M -TO- 1256M |
| 02:00 | 1.00 | 3.00 | 03:00 | 5 | COND MUD □ CIRC | | | | CIRCULATE PRIOR TO PULL CORE 4 |
| 03:00 | 4.00 | 7.00 | 07:00 | 6 | TRIPS | | | | P.O.O.H WITH CORE 4 FLOW CHECKS AS RE |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW/RM/HUSKY REP |
| 07:15 | 0.50 | 7.75 | 07:45 | 6 | TRIPS | | | | TRIP OUT CORE 4 TO 57M |
| 07:45 | 0.25 | 8.00 | 08:00 | 4 | CORING | | | | CORING, RETRIEVE BALL |
| 08:00 | 2.00 | 10.00 | 10:00 | 4 | CORING | | | | CORING, RETRIEVE CORE 4, SAFETY MEETING HELD W/ CREW AND BAKER HUGHES PRIOR TO, MONITOR WELL THROUGHOUT |
| 10:00 | 0.50 | 10.50 | 10:30 | 6 | TRIPS | | | | TRIP OUT 58M - 0M, FLOW CHECK AND FUNCTION BLIND RAM ON BANK(4 SEC) |
| 10:30 | 0.25 | 10.75 | 10:45 | 6 | TRIPS | | | | TRIP IN W/CORE BARREL RUN 5 F/ 0M - 57M |
| 10:45 | 1.25 | 12.00 | 12:00 | 4 | CORING | | | | CORING, MAKE UP BARRELS FOR RUN 5, MONITOR WELL THROUGHOUT |
| 12:00 | 0.25 | 12.25 | 12:15 | 4 | CORING | | | | CORING, MAKE UP CORE BARRELS FOR RUN 5, MONITOR WELL |
| 12:15 | 0.25 | 12.50 | 12:30 | 7 | RIG SERVICE | | | | RIG SERVICE, FUNCTIONED HCR(2 SEC) |
| 12:30 | 4.50 | 17.00 | 17:00 | 6 | TRIPS | | | | TRIP IN HOLE W/RUN 5 F/57M - 620M, FLOW CHECK, BREAK CIRCULATION, CONT. IN 620M - 1232M, FLOW CHECK, BREAK CIRCULATION, WASH 1232M - 1256M |

| | | | |
|--|---|-----------------------|-----------|
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | | |
| Primary Obj Type Initial Drillin | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Stat Drilled □ Caled | Spd Date 2/19/2012 11:30 | | |
| Daily Cont Total 118,107.67 | Cum Cont To Date 2,778,259.75 | | |
| Daily Mud Cont 1,554.67 | Mud Additive Cont To Date 123,020.68 | | |
| Depth Start (mKB) 1,248.00 | Depth End (mKB) 1,258.00 | | |
| Last Callin Strin Surface, 510.00mKB | | | |
| Depth Pro (m) 10.00 | | | |
| Depth Start (TVD) (mKB) 1,247.79 | Depth End (TVD) (mKB) 1,257.79 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 540.00 | Cum Per Tot Hr (hr) 7,996.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) | | |
| Problem Time (hr) | Cum Problem Time (hr) | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr) | |
| Naor Drillin Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise | 1 | 12.00 | |
| Heedorfer Conlin Ltd. | 1 | 12.00 | |
| McCrath Reource Conlin Ltd. | 1 | 12.00 | |
| Huron North Camp Cat | 5 | 60.00 | |
| NEW VENDOR | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 2 | 24.00 | |
| Continental Laboratorie | 2 | 24.00 | |
| He Integrated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technolo Service LP | 2 | 24.00 | |
| Baker He | 2 | 24.00 | |
| Hoky | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 3 | 36.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin | 3/2/2012 | 3/3/2012 | |
| Rigs | | | |
| Contractor Naor Drillin | Ring Number 23 | | |
| Ring Supervisor Troy Pre | Phone Mobile | | |
| Ring Release Date 3/10/2012 23:59 | | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Siz (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.011 | | |
| Pre (kPa) | Slow Spd | Stroke (ip... Eff (□) | |
| | | 0 | |
| # 2, CONTINENTAL EMSCO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Siz (mm) | Vol/Stk OR (m³/tk) | | |
| 152.0 | 0.013 | | |
| Pre (kPa) | Slow Spd | Stroke (ip... Eff (□) | |
| 3,470 | Ye | 66 95 | |
| Mud Additive Amounts | | | |
| Description | Cont (/Unit) | Conmed | |
| VERSAMOD | 900.73 | 1.0 | |
| FED WATE (BARITE) | 15.57 | 42.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| | | | 0.00 |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | |
|----------------------------|------------------------|--------------------------|-------------------------|------------------------|----------------------|--|-------------------|---------------------|--------------------|--|--|
| Start Time | End Time | Act. Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) | | |
| 17:00 | 0.50 | COND MUD □ CIRC | | | | CIRCULATE BOTTOMS UP, DROP BALL | | | | | |
| 17:30 | 1.50 | CORING | | | | CUT CORE □ 5 F/ 1256M - 1258M, □ AMMED OFF | | | | | |
| 19:00 | 0.25 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW □ RM □ HUSKY REP | | | | | |
| 19:15 | 0.75 | COND MUD □ CIRC | | | | MIX PILL □ CIRCULATE BOTTOMS UP PRIOR TO TRIP OUT | | | | | |
| 20:00 | 4.00 | TRIPS | | | | P.O.O.H WITH CORE □ 5 FLOW CHECKS AS RE□. 1249M, 1206M, 141M OUT OF HOLE | | | | | |
| Mud Checks | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cP) | Yield Point (Pa) | | | | | |
| Invert | 13:00 | 1,257.00 | 1250.0 | 0 | 13.0 | 3,500 | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| 3.000 | 7.500 | 12.500 | | | | 14.2 | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| | 82.0 | 18.0 | 261,449.010 | | | 732.0 | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| | 0.50 | | 126.00 | 71.00 | | | | | | | |
| Drill Strings | | | | | | | | | | | |
| BHA #7, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 7RR | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | |
| No. of (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,256.00 | 4.3 | | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | |
| Kelly | | | 0 | 170.0 | 68.0 | 5.31 | | | | | |
| Drill pipe - Stand | | | 58 | 101.6 | 70.0 | 1,077.60 | | | | | |
| 8-HWDP | | | 1 | 101.6 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,248.00 | 1,256.00 | 15.00 | 2.00 | 3.50 | 4.0 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T | | | | |
| 3 | 45 | 7,800 | 32,000 | 33,000 | 31,000 | 3,500.0 | 550.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (ft) (°C) | P (Sof Ann) (kPa) | T (Bf ann) (°C) | (liq) (m³/...) | (return) (m³/...) | | | | |
| BHA #8, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | |
| 8RR | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | |
| No. of (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | |
| | | | 1,258.00 | 1.3 | | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | |
| Kelly | | | 0 | 170.0 | 68.0 | 7.31 | | | | | |
| Drill pipe - Stand | | | 58 | 101.6 | 70.0 | 1,077.60 | | | | | |
| 8-HWDP | | | 1 | 101.6 | 68.0 | 72.64 | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,256.00 | 1,258.00 | 2.00 | 1.50 | 1.50 | 1.3 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T | | | | |
| 2,000 | 40 | 7,950 | 32,000 | 33,000 | 31,000 | 2,550.0 | 450.0 | | | | |
| (in/min) | T (In) (°C) | P (BH Ann) (kPa) | T (ft) (°C) | P (Sof Ann) (kPa) | T (Bf ann) (°C) | (liq) (m³/...) | (return) (m³/...) | | | | |
| Kick/Lost Circ | | | | | | | | | | | |
| Occur Date | | Occur Depth (mKB) | Control Date | | Control Depth (mKB) | Incident Type | | | | | |
| Comment | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | |
| String Description | | | | Rin Date | | Set Depth (mKB) | | | | | |
| Comment | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Core Len (m) | Top (mKB) | TopConn T... | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Rel. No No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Top Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|--|--|------------------------|------------------------|
| Weather Light Snow | Temperature (°C) -28 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Tripping in the hole with directional tool | Operation Next Report Period Watch in lo Gamma, Drill F/1259 - 1269m, Circ bottom, Pooh w/Dir Tool Laydown, Pick up Core barrel Rih w/Ron 7. | | |
| Operation 06:00 Watch in Lo Gamma 1153m. | Operation Summary Finned piling out of the hole w/core run 5. Held a pre-job safety meeting with the core hand. Recovered 1.7m of core 5. Serviced the core and the bit. Serviced the rig and functioned the blind ram. Ran back in the hole with the core 1153m to the core shoe 510m. Slipped and cut the drill line. Finned running in the hole w/core run 6. Broke circ and washed 15m to bottom. Circulated bottom up and dropped the core all. Cut core 6 from 1258.4m to 1259.4m. Core damaged off. Circulated bottom up and pumped a weighted pill. Pulled out of the hole to recover core 6. At surface recovered 0.70m of core. Laydown core inner tube and rack outer tube in the derrick. Function blind ram and flow check out of the hole. Held safety meeting with Directional Rig Crew Husky rep prior to pick up directional tool. Pick up Phoenix Directional Tool 7/8 Hole 3 Stage motor set at 1.50 deg Bent Hook with MWD Gamma. | | |

| | |
|--|---|
| Remark No Accident, Incident or Environmental Concern | Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Hwy Winter Rd to the Hwy Camp Site. Continue on the Hwy Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. |
| Tank Farm delivered for Little Bear H-64 | |
| Bale Oil Delivered today 0m3, Total at Tank Farm 27m3. | |
| Invert Delivered today 0m3, Total at Tank Farm 176.8m3 | |
| Daily invert lost: 2.30m3 | |
| Total invert lost: 28.1m3 | |

| Daily Contacts | | | | |
|----------------------|------------------|--------------------|--------------|--|
| Type | Contact Name | Title | Mobile | |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 | |
| Office | Goly Zila | DR Enr | 403-462-8021 | |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 | |
| Office | Darren Brown | Construction Super | | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 | |
| Well Site Supervisor | Dan Heidder | DR Field Super | 780-446-5160 | |
| Rig Manager | Troy Pre | Rig Manager | | |

| Time Log | | | | | | | | |
|------------|----------|--------------|----------|---------------|-----------------------|-----------|----------------|---|
| Start Time | Dur (hr) | Com Dur (hr) | End Time | Activity Code | Activity Desc. | Prod/U... | Prob/Time (hr) | Prob/Ref |
| 00:00 | 0.50 | 0.50 | 00:30 | 6 | TRIPS | | | Comment CONTINUE TO P.O.O.H FLOW CHECKS AS RE 1249M, 1206M, 141M, OUT OF HOLE /HOLE FOLL VOLUMES CAL 4.91M3/MEAS 6.92M3/ DIFF 2.01M3 |
| 00:30 | 0.25 | 0.75 | 00:45 | 21 | SAFETY MEETING | | | PRE-JOB SAFETY WITH BAKER CORE PRIOR TO PULLING BALL WITH HSE, AND PULL CORE BARRELS |
| 00:45 | 5.50 | 6.25 | 06:15 | 4 | CORING | | | RECOVER CORE 5 RACK BARRELS, CHECK BIT RUN BARRELS, MAKE UP BARRELS |
| 06:15 | 0.25 | 6.50 | 06:30 | 7 | RIG SERVICE | | | RIG SERVICE F/T BLIND RAMS OUT OF HOLE C/O 4 SEC |
| 06:30 | 0.50 | 7.00 | 07:00 | 6 | TRIPS | | | RUN IN HOLE W/ CORE RUN 6 TO 320M |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |
| 07:15 | 0.50 | 7.75 | 07:45 | 6 | TRIPS | | | TRIP IN W/ CORE RUN 6 F/320M - 512M, FLOW CHECK, BREAK CIRCULATION |
| 07:45 | 0.25 | 8.00 | 08:00 | 21 | SAFETY MEETING | | | PRE-JOB SAFETY MEETING REVIEWED SA B-40(SLIP AND CUT DRILL LINE) |
| 08:00 | 0.75 | 8.75 | 08:45 | 9 | CUT OFF DRILLING LINE | | | SLIP/CUT DRILLING LINE (15.08M), RESET AND FUNCTION CROWN SAVER FOLLOWING |

| | |
|--|--|
| Cont Object Number US-51822-EX-02-DR-ID | Obj AFE Sp Am 11,529,266.00 |
| Primary Obj Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Status Drilled / Caled | Spd Date 2/19/2012 11:30 |
| Daily Com Total 118,107.67 | Com Com To Date 2,896,367.42 |
| Daily Mid Com | Mid Additive Com To Date 123,020.68 |
| Depth Start (mKB) 1,258.00 | Depth End (mKB) 1,259.00 |
| Last Callin String Surface, 510.00mKB | |
| Depth Pro (m) 1.00 | |
| Depth Start (TVD) (mKB) 1,257.79 | Depth End (TVD) (mKB) 1,258.79 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hour (hr) 516.00 | Com Per Tot Hr (hr) 8,512.00 |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 |
| Problem Time (hr) | Com Problem Time (hr) |
| Day LTI (day) | Day RI (day) |

| Personnel Log | | |
|---------------------------------|-------|---------------|
| Company | Count | Tot Time (hr) |
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Heidder Conlltin Ltd. | 1 | 12.00 |
| McCrath Resource Conlltin Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental Laboratories | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 2 | 24.00 |
| Baker Hughes | 2 | 24.00 |
| HOKY | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atlantic | 1 | 12.00 |

| Safety Check Summary | | |
|------------------------------|--------------------|---------------------|
| Type | Last Date | Next Date |
| Safety Meetin | 3/3/2012 | 3/4/2012 |
| Rigs | | |
| Contractor | Rig Number 23 | |
| Rig Supervisor | Phone Mobile | |
| Rig Release Date | 3/10/2012 23:59 | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (ip... Eff (|
| 1,500 | Yel | 0 95 |
| # 2, CONTINENTAL EMSCO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.013 | |
| Pre (kPa) | Slow Spd | Stroke (ip... Eff (|
| 1,500 | Yel | 50 95 |
| Mud Additive Amounts | | |
| Description | Com Unit | Commed |
| | | |
| Survey Data | | |
| MD (mKB) | Incl (°) | Aim (°) |
| | | TVD (mKB) |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | |
|----------------------------|------------------------|--------------------------|-------------------------|------------------------|---------------------|-----------------------|---|----------------|---------------------|--------------------|--|
| Start Time | End Time | Act. Code | Act. Desc. | Pro/U... | Prob. Time (hr) | Prob. Ref | Comment | Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) | |
| 08:45 | 2.50 | 11.25 | 11:15 | 6 | TRIPS | | TRIP IN W/ CORE RUN 6 F/ 512M - 1244M, FLOW CHECK, BREAK CIRCULATION, WASH 1244M - 1259M | | | | |
| 11:15 | 0.75 | 12.00 | 12:00 | 5 | COND MUD □ CIRC | | CIRCULATE BOTTOMS UP, DROP BALL | | | | |
| 12:00 | 1.00 | 13.00 | 13:00 | 4 | CORING | | CUT CORE, RUN 6, F/1258M - 1259M, □MMED OFF. | | | | |
| 13:00 | 0.75 | 13.75 | 13:45 | 5 | COND MUD □ CIRC | | MIX PILL □ CIRCULATE BOTTOMS UP | | | | |
| 13:45 | 5.00 | 18.75 | 18:45 | 6 | TRIPS | | TRIP OUT TO 57M TO RETRIEVE CORE 6 AND L/D CORE TOOLS, FLOW CHECK □ 1249M, PUMP WEIGHTED PILL, FLOW CHECKS □ 1159M, 698M, 328M 149M OUT OF HOLE, HOLE FILL VOLUMES, ACT 7.47M3, CALC 4.91M3 DIFF 2.56M3 | | | | |
| 18:45 | 0.25 | 19.00 | 19:00 | 21 | SAFETY MEETING | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM □ HUSKY REP | | | | |
| 19:00 | 2.50 | 21.50 | 21:30 | 4 | CORING | | CORING, RETRIEVE BALL, RETRIEVE CORE 6 AND LAY DOWN CORE TOOLS, SAFETY MEETING HELD W/ CREW, HSE AND BAKER HUGHES BREAK BOW INNER BARRELS, RECOVER .60CM, RACK OUTER BARRELS IN DERRICK | | | | |
| 21:30 | 0.25 | 21.75 | 21:45 | 21 | SAFETY MEETING | | PRE-TOB SAFETY | | | | |
| 21:45 | 0.25 | 22.00 | 22:00 | 7 | RIG SERVICE | | RIG SERVICE F/T BLIND RAMS OUT OF HOLE | | | | |
| 22:00 | 1.50 | 23.50 | 23:30 | 20 | DIR. WORK | | HANDLE DIRECTIONAL TOOLS. SCRIBE, INSERT MWD, | | | | |
| 23:30 | 0.50 | 24.00 | 00:00 | 6 | TRIPS | | TRIP IN THE HOLE W/ PHOENIX DIRECTIONAL TOOLS | | | | |
| Mud Checks | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cP) | Yield Point (Pa) | | | | | |
| Invert | 12:00 | 1,257.00 | 1250.0 | 0 | 13.0 | 3.500 | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | |
| 3.000 | 7.500 | 12.500 | | | | 14.2 | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | |
| | 82.0 | 18.0 | 261,449.010 | | | 732.0 | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | |
| | 0.00 | 0.00 | 126.00 | 71.00 | | | | | | | |
| Drill Strings | | | | | | | | | | | |
| BHA #9, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) | | | | | | | |
| 9RR | 222.0mm, 406C, 7135973 | HUGHES | 1-1-WT-A-X-0-NO-BHA | | | | | | | | |
| No. of Joints (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m/min) | | | | | | |
| | | | | 1,259.00 | 1.0 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | |
| Kelly | 1 | 170.0 | 68.0 | 8.31 | | | | | | | |
| Drill pipe - Stand | 58 | 101.6 | 70.0 | 1,077.60 | | | | | | | |
| 8-HWDP | 1 | 101.6 | 68.0 | 72.64 | | | | | | | |
| X/O | 1 | 165.0 | 49.0 | 0.71 | | | | | | | |
| 4-DRILL COLLARS | 1 | 165.0 | 49.0 | 37.93 | | | | | | | |
| PUMP OUT SUB | 1 | 157.0 | 58.0 | 1.02 | | | | | | | |
| FLOAT X/O | 1 | 157.0 | 58.0 | 0.46 | | | | | | | |
| 1-LEE ARS | 1 | 171.0 | 72.0 | 2.15 | | | | | | | |
| 6- CORE BARRELS | 1 | 171.0 | 137.0 | 57.74 | | | | | | | |
| Drilling Parameters | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Cum Depth (m) | Drill Time (hr) | Cum Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | |
| Original Hole, 300H6465... | 1,258.00 | 1,259.00 | 1.00 | 1.00 | 1.00 | 1.0 | 1.200 | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T | | | | |
| 3,000 | 40 | 8,700 | 32,000 | 33,000 | 31,000 | 2,750.0 | 450.0 | | | | |
| Flow (m³/min) | T (In) (°C) | P (BH Ann) (kPa) | T (In) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Flow (return) (m³/min) | | | | |
| BHA #10, Drilling Assembly | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) | | | | | | | |
| RR3 | 222.0mm, Mi516, D1380 | SMITH | 1-1-WT-A-X-0-NO-BHA | | | | | | | | |
| No. of Joints (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m/min) | | | | | | |
| | | | | 1,270.00 | 8.8 | | | | | | |
| Drill String Components | | | | | | | | | | | |
| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | |
| Kelly | 0 | 170.0 | 68.0 | 6.66 | | | | | | | |
| Drill pipe - Stand | 60 | 101.6 | 70.0 | 1,115.05 | | | | | | | |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 | | | | | | | |
| X/O | 1 | 165.0 | 73.0 | 0.71 | | | | | | | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

Drill String Components

| Item Description | Item | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|------|---------|---------|---------|------------|
| ARS-HYD/MECH | 1 | 163.0 | 71.0 | 6.97 | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 | |
| PUMPOUT SUB | 1 | 157.0 | 58.0 | 1.02 | |
| MONEL | 2 | 167.0 | 73.0 | 18.89 | |
| UBHO | 1 | 164.0 | 73.0 | 0.92 | |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 | |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Current Depth (m) | Drilling Time (hrs) | Current Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
|----------------------------|----------------|------------------|--------------------|---------------------|--------------------------|-----------------------|------------------------|
| Original Hole, 300H6465... | 1,259.00 | 1,259.00 | | 0.00 | | | 0.000 |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| 0 | 0 | 0 | | | | | |
| (lb/in) (m/min) | T (lb/in) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Flow (retorn) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| String Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Current Len (m) | Top (mKB) | TopConn T |
|------------------|------|---------|-------|-----------|-------|-----------------|-----------|-----------|
| | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---------------------------------------|---|---|
| Licent UWI 300H64650012600 | Surf Leve Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clai Sweet | ERP Retired No | Lahee Claiification TH (C) | Boine Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Ct/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Ca in Flane Distance (m) 5.47 | KB-T in Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Well Affecte

Original Hole, 300H64650012600

| | | | |
|-----------------------|-----------------------|------------------------|------------------------|
| Weather Li ht Snow | Temperatu (°C) -30 | Road Condition Fair | Hole Condition Good |
|-----------------------|-----------------------|------------------------|------------------------|

| | |
|--|--|
| Operation at Report Time Pickin up and makin up Core Barrel | Operation Next Report Period RIH W/core barrel, Circ uttm op, Cut core 7, Circ uttm op, Pooh w/Core r n 7, Retrieve core, Handle core barrel. |
|--|--|

| | |
|---|---|
| Operation 06:00 Drop all to cut core 7 | Operation Summary Tripped in the hole with the directional tool (Shallow test the MWD at 450m). Fill pipe and circulated bottom. Layed down 11 in de. Held a BOP drill. Wash back to bottom from 1136 and log well with gamma. Held a crew hand over and a safety meeting. Continue to log with gamma to 1257m. Serviced the rig and functioned the pipe ram. Logged with gamma to 1259m. Drilled ahead from 1259m to 1265m. Circulated bottom hole sample up for the geologist. Drilled ahead to 1270m. Circulated up a bottom hole sample for the geologist and wait on order. Pumped up a bottom hole survey. Pumped a weighted pill and pulled out of the hole for core log. Held a crew hand over and a safety meeting. Continued to pull out of the hole. At surface held a safety meeting with Rig Crew. Directional Hoky rep prior to laydown directional tool. Once out of the hole function bind ram and flow check well. Held safety meeting with Rig Crew. Core Hand Hoky rep prior to pick up and make up core barrel, run 7. |
|---|---|

Remark: No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road left for approx 34.4km. Turn right and go through the security. Continue on the Hoky Winter Rd to the Hoky Camp Site. Continue on the Hoky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.

Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert log: 1.0m3
Total invert log: 29.1m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|-------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR En | 403-462-8021 |
| Office | Sandeep Randhawa | DR En | 403-519-5660 |
| Office | Darren Brown | Contractor Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidder | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Prolem Time (hr) | Prolem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|----------|------------------|------------|--|
| 00:00 | 3.00 | 3.00 | 03:00 | 6 | TRIPS | | | | TRIPS IN HOLE W/DIRECTIONAL TOOLS FLOW CHECK AND SHALLOW TEST 450M |
| 03:00 | 0.50 | 3.50 | 03:30 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE UP BOTTOM UP,CHECK WITH HSE |
| 03:30 | 1.00 | 4.50 | 04:30 | 6 | TRIPS | | | | LAY DOWN 11 SINGLES TO RELOG GAMMA |
| 04:30 | 0.25 | 4.75 | 04:45 | 21 | SAFETY MEETING | | | | DRILLS/BOP, USED MAN DOWN DRILL ,AND WALKED AROUND WITH HAND, |
| 04:45 | 2.25 | 7.00 | 07:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS RELOG GAMMA FR/1136M - 1173M |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | CREW CHANGE HAND OVER AND PRE TOUR SAFETY MEETING |
| 07:15 | 4.50 | 11.75 | 11:45 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS RELOG GAMMA F/ 1173M - 1257M |
| 11:45 | 0.25 | 12.00 | 12:00 | 7 | RIG SERVICE | | | | RIG SERVICE FCT PIPE RAMS 3 SECS C/O |
| 12:00 | 1.00 | 13.00 | 13:00 | 20 | DIR. WORK | | | | DIRECTIONAL SURVEYS RELOG GAMMA F/ 1257M - 1259.5M |
| 13:00 | 0.50 | 13.50 | 13:30 | 2 | DRILL | | | | DRILL 222MM HOLE F/ 1259.5M - 1265M |
| 13:30 | 1.00 | 14.50 | 14:30 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE BOTTOMS UP |
| 14:30 | 0.75 | 15.25 | 15:15 | 2 | DRILL | | | | DRILL 222MM HOLE F/ 1265M - 1270M |
| 15:15 | 1.00 | 16.25 | 16:15 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE BOTTOMS UP |
| 16:15 | 0.50 | 16.75 | 16:45 | 23 | WAITING ON | | | | W/O ORDERS FROM GEOLOGY |

Cost Object Number: US-AFE Sp Am
Object Number: 11,529,266.00

Primary Type: Initial Drillin

Start Date: 2/17/2012 End Date: 3/10/2012

Final Status: Drilled □ Caled Spd Date: 2/19/2012 11:30

Daily Cost Total: 122,918.43 Cum Cost To Date: 3,019,285.85

Daily Mod Cost: 2,170.43 Mod Additive Cost To Date: 125,191.11

Depth Start (mKB): 1,259.00 Depth End (mKB): 1,270.00

Last Callin Strin Surface, 510.00mKB Depth Pro (m): 11.00

Depth Start (TVD) (mKB): 1,258.79 Depth End (TVD) (mKB): 1,269.79

Target Formation: Canol Ext Total Depth (mKB): 1,412.00

Personnel Total Hour (hr): 528.00 Cum Per Tot Hr (hr): 9,040.00

Time Log Total Hour (hr): 24.00 Problem Time Hour (hr):

Problem Time (hr): Cum Problem Time (hr):

Day LTI (day): Day RI (day):

Personnel Log

| Company | Count | Tot Time (hr) |
|---------------------------------|-------|---------------|
| Naor Drillin Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Heidder Conitin Ltd. | 1 | 12.00 |
| McCrath Reource Connitin Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental Laboratorie | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technolo Service LP | 2 | 24.00 |
| Baker He | 2 | 24.00 |
| Hoky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atla | 2 | 24.00 |

Safety Check Summary

Type: Safety Meetin Date: 3/4/2012 Next Date: 3/5/2012

Rigs

Contractor: Naor Drillin Number: 23 Supervisor: Troy Pre Mobile: Rig Release Date: 3/10/2012 23:59

Mud Pumps

| # 1, GARDNER DENVER, PZ8 | Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
|--------------------------|----------|----------------|-------------|
| | | 0.0 | 203.0 |
| Liner Size (mm) | | 152.0 | 0.011 |
| Pre (kPa) | Slow Spd | Stroke (ip...) | Eff (%) |

| # 2, CONTINENTAL EMSCO, F800 | Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
|------------------------------|----------|----------------|-------------|
| | | 0.0 | 229.0 |
| Liner Size (mm) | | 152.0 | 0.013 |
| Pre (kPa) | Slow Spd | Stroke (ip...) | Eff (%) |

Mud Additive Amounts

Description: VERSAMUL Cost (/Unit): 862.55 1.0
FED WATE (BARITE) Cost (/Unit): 15.57 84.0

Survey Data

MD (mKB): 1,186.56 Incl (°): 1.00 Azi (°): 73.30 TVD (mKB): 1,186.36

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | | Survey Data | | | |
|-------------------------------|-----------------------|--------------------------|-------------------------|------------------------|----------------------|-----------------------|---|-----------|----------|-------------|-----------|--|--|
| Start Time | End Time | Act. Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | MD (mKB) | Incl (°) | Alt (°) | TVD (mKB) | | |
| 16:45 | 0.25 | 17:00 | DIR. WORK | | | | DIRECTIONAL SURVEY ON BTM | 1,214.26 | 0.60 | 86.80 | 1,214.06 | | |
| 17:00 | 2.00 | 19:00 | TRIPS | | | | TRIP OUT OF HOLE W/DIRECTIONAL TOOLS (STRAP OUT) FL CK 1263,1218,629m | 1,242.52 | 0.30 | 107.90 | 1,242.31 | | |
| 19:00 | 0.25 | 19:25 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP | 1,255.00 | 0.20 | 120.70 | 1,254.79 | | |
| 19:15 | 0.75 | 20:00 | TRIPS | | | | CNT TO TRIP OUT OF HOLE W/DIRECTIONAL TOOLS (STRAP OUT) FL CK 389, OUT OF HOLE STEEL LINE STAP DIFF .86CM/HOLE FILL VOLUMES, MEAS 6.66M3,CALC 4.64M3,2.02M3 | | | | | | |
| 20:00 | 0.25 | 20:25 | SAFETY MEETING | | | | PRE-TOB SAFETY WITH DIR HANDS PRIOR TO DIR TOOLS | | | | | | |
| 20:15 | 1.75 | 22:00 | DIR. WORK | | | | DIRECTIONAL WORK LAY OUT MWD,RACK MONELS | | | | | | |
| 22:00 | 0.25 | 22:25 | SAFETY MEETING | | | | PRE-TOB SAFETY PRIOR TO PICK UP AND MAKE UP CORE TOOLS | | | | | | |
| 22:15 | 1.50 | 23:75 | CORING | | | | PICK UP AND MAKE UP CORE BARRELS, RUN | | | | | | |
| 23:45 | 0.25 | 24:00 | RIG SERVICE | | | | RIG SERVICE F/T BLIND RAMS OUT OF HOLE | | | | | | |
| Mud Checks | | | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | | | |
| Invert | 12:30 | 1,264.00 | 1230.0 | 46 | 13.0 | 3.500 | | | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (□) | | | | | | | |
| 3.000 | 7.000 | 11.500 | | | | 13.1 | | | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Sta (V) | | | | | | | |
| | 82.0 | 18.0 | 266,256.989 | | | 1113.0 | | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | | | |
| 10.00 | | 1.00 | 120.90 | 79.10 | | | | | | | | | |
| Drill Strings | | | | | | | | | | | | | |
| BHA #10, Drilling Assembly | | | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No) (mm) | | | | | | | | | |
| RR3 | 22.0mm, Mi516, D1380 | SMITH | 1-1-WT-A-X-0-NO-BHA | | | | | | | | | | |
| Nozzle (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | | | |
| | | | 1,270.00 | | 8.8 | | | | | | | | |
| Drill String Components | | | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | |
| Kelly | | | 0 | 170.0 | 68.0 | 6.66 | | | | | | | |
| Drill pipe - Stand | | | 60 | 101.6 | 70.0 | 1,115.05 | | | | | | | |
| HWDP(4.0 IN) | | | 8 | 101.6 | 68.0 | 72.64 | | | | | | | |
| X/O | | | 1 | 165.0 | 73.0 | 0.71 | | | | | | | |
| DC (6.25 IN) | | | 2 | 165.0 | 58.0 | 18.97 | | | | | | | |
| ARS-HYD/MECH | | | 1 | 163.0 | 71.0 | 6.97 | | | | | | | |
| DC (6.25 IN) | | | 2 | 165.0 | 58.0 | 18.96 | | | | | | | |
| PUMPOUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | | | |
| MONEL | | | 2 | 167.0 | 73.0 | 18.89 | | | | | | | |
| UBHO | | | 1 | 164.0 | 73.0 | 0.92 | | | | | | | |
| MOTOR HS | | | 1 | 166.0 | 58.0 | 8.97 | | | | | | | |
| Drilling Parameters | | | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | | | |
| Original Hole, 300H6465... | 1,259.00 | 1,270.00 | 11.00 | 1.25 | 1.25 | 8.8 | 1.450 | | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T | | | | | | |
| 4 | 40 | 9,280 | 34,000 | 35,000 | 33,000 | 2,792.0 | 573.0 | | | | | | |
| (in) (m/min) | T (in) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Return (m³/min) | | | | | | |
| Kick/Lost Circ | | | | | | | | | | | | | |
| Occur Date | | Occur Depth (mKB) | Control Date | | Control Depth (mKB) | Incident Type | | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | | | |
| Carin Description | | | | Run Date | | Set Depth (mKB) | | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Rel. No No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Top Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|--|---|------------------------|------------------------|
| Weather Clear | Temperature (°C) -33 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time RIH W/Directional Tool | Operation Next Report Period RIH W/Directional tool, Circ at 1270m to 1302m Bottom, Drill F/1302m to 1341m, Circ, Wiper trip 10 ft, circ, Pooh trap out to 1000ft | | |
| Operation 06:00 Drilling ahead at 1303m. | Operation Summary Finished making up the core 1270m. Ran the hole with core 1270m to 489m. Serviced the rig and functioned the annular. Ran to bottom with the core 1270m to 1245m. Washed 2 inches to bottom and circulated bottom 1245m. Dropped the ball and cut core 1270m to 1302m. (Banded Off). Break core and circulate on top of the core 1270m. Attempted to core ahead. Circulated bottom 1245m and then pumped a weighted pill. Pulled out of the hole to recover core. At surface recovered 32m of core from core barrel. Held safety meeting prior to Laydown core barrel. Function bind ram and flow check out of the hole. Held safety meeting with Directional Rig Crew Husky rep prior to pickup directional tool. Pickup Phoenix Directional Tool 7/8 Hole 3 Stage motor set at 1.50 deg. Bent hole in with MWD Gamma and RIH W/Directional Tool. | | |

Remark
No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Hwy Winter Rd to the Hwy Camp Site. Continue on the Hwy Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.
Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert lost: 0.0m3
Total invert lost: 29.1m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidder | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Prod/U... | Probem Time (hr) | Probem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|-----------|------------------|------------|--|
| 00:00 | 1.75 | 1.75 | 01:45 | 4 | CORING | | | | CONTINUE TO MAKE UP BARRELS |
| 01:45 | 3.00 | 4.75 | 04:45 | 6 | TRIPS | | | | RUN IN WITH CORE 1270M PER /MIN FLOW CHECK AT 489M FILL PIPE |
| 04:45 | 0.25 | 5.00 | 05:00 | 7 | RIG SERVICE | | | | RIG SERVICE F/T ANNULAR 6 SEC C/O |
| 05:00 | 1.25 | 6.25 | 06:15 | 5 | COND MUD □ CIRC | | | | WASH IN FR 1245M-TO-1270M CIRCULATE BOTTOMS UP, WITH HSE AT SHAKER |
| 06:15 | 5.75 | 12.00 | 12:00 | 4 | CORING | | | | CUT CORE F/ 1270M - 1302.85M |
| 12:00 | 0.25 | 12.25 | 12:15 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE |
| 12:15 | 0.50 | 12.75 | 12:45 | 4 | CORING | | | | CUT CORE F/ 1302.85 - 1302.95M |
| 12:45 | 1.00 | 13.75 | 13:45 | 5 | COND MUD □ CIRC | | | | CONDITION MUD □ CIRCULATE |
| 13:45 | 3.25 | 17.00 | 17:00 | 6 | TRIPS | | | | TRIPS POOH FLOW CHECK □ 1297M, 1242M, 650M, 182M, 71M |
| 17:00 | 0.25 | 17.25 | 17:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH CORE HANDS ON HANDLING CORE |
| 17:15 | 1.75 | 19.00 | 19:00 | 4 | CORING | | | | HANDLE CORE BRLS, CORE BARRELS LAY DOWN CORE □ 7 |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |
| 19:15 | 0.25 | 19.50 | 19:30 | 21 | SAFETY MEETING | | | | PRE-JOB SAFETY WITH BAKER |
| 19:30 | 1.75 | 21.25 | 21:15 | 4 | CORING | | | | HANDLE CORE BRLS CNT TO RECOVER AND LAY DOWN CORE BARRELS |

| | | | |
|--|--|----------------|-----------|
| Cont Object Number US-51822-EX-02-DR-ID | Obj AFE Sp Am 11,529,266.00 | | |
| Primary Obj Type Initial Drillin | | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | | |
| Final Status Drilled □ Caled | Spd Date 2/19/2012 11:30 | | |
| Daily Cnt Total 1,379,044.44 | Cm Cnt To Date 4,398,330.29 | | |
| Daily Mod Cnt 653.94 | Mod Additive Cnt To Date 125,845.05 | | |
| Depth Start (mKB) 1,270.00 | Depth End (mKB) 1,302.00 | | |
| Last Cntin Strin Surface, 510.00mKB | | | |
| Depth Prog (m) 32.00 | | | |
| Depth Start (TVD) (mKB) 1,269.79 | Depth End (TVD) (mKB) 1,301.79 | | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | | |
| Personnel Total Hour (hr) 540.00 | Cm Per Tot Hr (hr) 9,580.00 | | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) 0 | | |
| Problem Time (hr) | Cm Problem Time (hr) | | |
| Day LTI (day) | Day RI (day) | | |
| Personnel Log | | | |
| Company | Count | Tot Time (hr) | |
| Naor Drilling Limited | 15 | 180.00 | |
| Mi Swaco | 1 | 12.00 | |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 | |
| R G Mallett Oilfield Enterprise | 1 | 12.00 | |
| Heidder Conlin Ltd. | 1 | 12.00 | |
| McCrath Resource Conlin Ltd. | 1 | 12.00 | |
| Huron North Camp Cat | 5 | 60.00 | |
| NEW VENDOR | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 1 | 12.00 | |
| NEW VENDOR | 2 | 24.00 | |
| Continental Laboratories | 2 | 24.00 | |
| He Integrated Ltd. | 1 | 12.00 | |
| Frontier | 1 | 12.00 | |
| Phoenix Technology Service LP | 2 | 24.00 | |
| Baker Hole | 2 | 24.00 | |
| Hole | 2 | 24.00 | |
| NEW VENDOR | 1 | 12.00 | |
| Baker Atla | 3 | 36.00 | |
| Safety Check Summary | | | |
| Type | Last Date | Next Date | |
| Safety Meetin | 3/5/2012 | 3/6/2012 | |
| Rigs | | | |
| Contractor Naor Drilling | Rig Number 23 | | |
| Rig Supervisor Troy Pre | Phone Mobile | | |
| Rig Release Date 3/10/2012 23:59 | | | |
| Mud Pumps | | | |
| # 1, GARDNER DENVER, PZ8 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 203.0 | |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) | 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (ip...) | |
| | | Eff (%) 0 | |
| # 2, CONTINENTAL EMSCO, F800 | | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) | |
| | 0.0 | 229.0 | |
| Liner Size (mm) 152.0 | Vol/Stk OR (m³/tk) | 0.013 | |
| Pre (kPa) 2,200 | Slow Spd Ye | Stroke (ip...) | |
| | | Eff (%) 59 | |
| Mud Additive Amounts | | | |
| Description | Cont (/Unit) | Conmed | |
| FED WATE (BARITE) | 15.57 | 42.0 | |
| Survey Data | | | |
| MD (mKB) | Incl (°) | Aim (°) | TVD (mKB) |
| | | | |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | | | |
|----------------------------|------------------------|--------------------------|-------------------------|------------------------|--|------------------|---------------|----------------|----------------------|--------------------|--|--|--|
| Start Time | End Time | Activity Code | Activity Desc. | Prod/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Prod Top (TVD) (mKB) | Drill Top MD (mKB) | | | |
| 21:15 | 0.25 | 21.50 | 21:30 | 21 | SAFETY MEETING | | | | | | | | |
| 21:30 | 1.25 | 22.75 | 22:45 | 20 | DIR. WORK | | | | | | | | |
| 22:45 | 0.25 | 23.00 | 23:00 | 7 | RIG SERVICE F/T BLIND RAMS OUT OF HOLE 4 SEC C/O | | | | | | | | |
| 23:00 | 1.00 | 24.00 | 00:00 | 6 | TRIPS | | | | | | | | |
| Mud Checks | | | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | | | |
| Invert | 13:30 | 1,302.00 | 1225.0 | 48 | 13.0 | 4.000 | | | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | | | |
| 3.500 | 7.500 | 12.000 | | | | 13.1 | | | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Sta (V) | | | | | | | |
| | 82.0 | 18.0 | 266,597.003 | | | 1092.0 | | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | | | |
| | 0.00 | 0.00 | 119.90 | 80.10 | | | | | | | | | |
| Drill Strings | | | | | | | | | | | | | |
| BHA #11, Drilling Assembly | | | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm.) | | | | | | | | | |
| 11 | 222.0mm, 406C, 7134558 | HUGHES | 1-1-WT-A-X-0.00-NO-BHA | | | | | | | | | | |
| Nozzle (mm) | | | String Length (m) | String Wt (daN) | | | | | | | | | |
| | | | 1,302.00 | 5.6 | | | | | | | | | |
| Drill String Components | | | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | |
| Kelly | | | 1 | 170.0 | 68.0 | 4.57 | | | | | | | |
| Drill Pipe | | | 1 | 101.6 | 70.0 | 9.29 | | | | | | | |
| Drill pipe - Stand | | | 60 | 101.6 | 70.0 | 1,115.05 | | | | | | | |
| 8-HWDP | | | 1 | 101.6 | 68.0 | 72.64 | | | | | | | |
| X/O | | | 1 | 165.0 | 49.0 | 0.71 | | | | | | | |
| 4-DRILL COLLARS | | | 1 | 165.0 | 49.0 | 37.93 | | | | | | | |
| PUMP OUT SUB | | | 1 | 157.0 | 58.0 | 1.02 | | | | | | | |
| FLOAT X/O | | | 1 | 157.0 | 58.0 | 0.46 | | | | | | | |
| 1-LEE ARS | | | 1 | 171.0 | 72.0 | 2.15 | | | | | | | |
| 6- CORE BARRELS | | | 1 | 171.0 | 137.0 | 57.74 | | | | | | | |
| Drilling Parameters | | | | | | | | | | | | | |
| Well bore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | | | |
| Original Hole, 300H6465... | 1,270.00 | 1,302.00 | 32.00 | 5.75 | 5.75 | 5.6 | 1.200 | | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Str Torque | Off Btm T | | | | | | |
| 4,000 | 55 | 7,080 | 32,000 | 33,000 | 31,000 | 3,600.0 | 648.0 | | | | | | |
| (in)/(m/min) | (In)/(m/min) | (°C) | (BH Ann) (kPa) | (Srf Ann) (kPa) | (Surf Ann) (°C) | (liq) (m³) | (return) (m³) | | | | | | |
| Kick/Lost Circ | | | | | | | | | | | | | |
| Occur Date | | Occur Depth (mKB) | Control Date | | Control Depth (mKB) | | Incident Type | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | | | |
| Callin Description | | | | Run Date | | Set Depth (mKB) | | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Retired No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Top Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected

Original Hole, 300H64650012600

| | | | |
|---|---|------------------------|------------------------|
| Weather Overcast | Temperature (°C) -25 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Log with Baker Atla | Operation Next Report Period Log with Baker Atla, Run in the hole with pipe etc. | | |

| | |
|--|---|
| Operation 06:00 Log with Baker Atla | Operation Summary RIH W/Phoenix Directional Tool 7/8 Hole 3 Stage motor set at 1.50 deg Bent Hole in with MWD Gamma to 1267m, Circulate bottom up and then run to wall in F/1267m to 1302m and log in Gamma at the same time. Drill ahead 222mm Hole F/1302m to 1341m TD. Circulate two bottom up, circulate hole clean. Wiper trip 10 stands and once back on bottom circulate work pipe condition hole prior to Trip out with directional tool and trap out of the hole (tally 1341.00m, trap 1340.20m, Diff 0.80m). Held safety meeting w/Directional Rig Crew Hoky Rep prior to laydown directional tool. Function Blind ram and flow check. Held safety meeting with Baker Atla Log crew Rig Crew Hoky Rep prior to rig up to log. Run 1 (HDIL, XMAC, ZDL, CN) Logger bottom hole depth 1340.56m. Monitor well all the time while logging. Held all safety crew change meeting with both crew, Rig Manager Hoky Rep. |
|--|---|

Remark: No Accident, Incident or Environmental Concern.

Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Hoky Winter Rd to the Hoky Camp Site. Continue on the Hoky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED.

Tank Farm delivered for Little Bear H-64

Bale Oil Delivered today 0m3, Total at Tank Farm 27m3.
Invert Delivered today 0m3, Total at Tank Farm 176.8m3

Daily invert log: 1.4m3
Total invert log: 30.5m3

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Cal Conklin | DR Field Super | 403-502-3387 |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Hedder | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|-----------------|----------|-------------------|-------------|---|
| 00:00 | 2.25 | 2.25 | 02:15 | 6 | TRIPS | | | | CONTINUE TO RUN IN HOLE W/DIRECTIONAL TOOLS |
| 02:15 | 0.75 | 3.00 | 03:00 | 5 | COND MUD □ CIRC | | | | CIRCULATE A BOTTOMS UP WITH HSE PRESENT |
| 03:00 | 2.50 | 5.50 | 05:30 | 20 | DIR. WORK | | | | DIRECTIONAL WORK ,LOG GAMMA WASH TO BOTTOM, F/1267M-TO-1302M |
| 05:30 | 0.25 | 5.75 | 05:45 | 7 | RIG SERVICE | | | | RIG SERVICE F/T ANNULAR 6 SEC C/O |
| 05:45 | 1.25 | 7.00 | 07:00 | 2 | DRILL | | | | DRILL 222MM HOLE FR 1302M-TO- 1314M |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW/RM/HUSKY REP |
| 07:15 | 3.50 | 10.75 | 10:45 | 2 | DRILL | | | | DRILL 222MM HOLE FR 1314M TO 1341M |
| 10:45 | 1.00 | 11.75 | 11:45 | 5 | COND MUD □ CIRC | | | | CIRCULATE CLEAN HOLE PRIOR TO WIPER TRIP |
| 11:45 | 0.25 | 12.00 | 12:00 | 6 | TRIPS | | | | WIPER TRIP 10 STANDS FLOW CHECKS □ 1328M |
| 12:00 | 0.50 | 12.50 | 12:30 | 6 | TRIPS | | | | TRIP OUT OF HOLE WIPER TRIP 10 STANDS , FLOW CHECKS □ 1144M CAL .50 M3 MERS .97 M3 □ DIFF .47 M3 |
| 12:30 | 0.50 | 13.00 | 13:00 | 6 | TRIPS | | | | TRIP IN HOLE RUN 10 STANDS TO BOTTOM |
| 13:00 | 1.50 | 14.50 | 14:30 | 5 | COND MUD □ CIRC | | | | CIRC COND HOLE PRIOR TO PULL OUT TO LOG |
| 14:30 | 3.00 | 17.50 | 17:30 | 6 | TRIPS | | | | TRIP OUT OF HOLE TO LOG WELL ,PUMP PILL , FLOW CHECKS □ 1328M, 1264M, 674M, 159M OUT OF HOLE .. CAL 4.62 M3 - MERS 6.81 M3 □ DIFF 2.19 M3 |

Cost Object Number: Ori AFE Sp Am
US-51822-EX-02-DR-ID 11,529,266.00

Primary Drilling Type: Initial Drillin

Start Date: 2/17/2012 End Date: 3/10/2012

Final Status: Drilled □ Caled Drilled 2/19/2012 11:30

Daily Cost Total: 122,713.94 Cum Cost To Date: 4,521,044.23

Daily Mod Cost: 653.94 Mod Additive Cost To Date: 126,498.99

Depth Start (mKB): 1,302.00 Depth End (mKB): 1,341.00

Last Call String Surface, 510.00mKB

Depth Progress (m): 39.00

Depth Start (TVD) (mKB): 1,301.79 Depth End (TVD) (mKB): 1,340.79

Target Formation: Canol

Personnel Total Hours (hr): 564.00 Cum Personnel Total Hours (hr): 10,144.00

Time Log Total Hours (hr): 24.00 Problem Time Hours (hr):

Problem Time (□): Cum Problem Time (□):

Day LTI (day): Day RI (day):

Personnel Log

| Company | Count | Tot Time (hr) |
|---------------------------------|-------|---------------|
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 12.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Heider Conlltin Ltd. | 1 | 12.00 |
| McRath Resource Conlltin Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental Laboratories | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 2 | 24.00 |
| Baker Hhe | 2 | 24.00 |
| Hoky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atla | 5 | 60.00 |

Safety Check Summary

Type: Last Date: Next Date: Safety Meetin 3/6/2012 3/7/2012

Rigs

Contractor: Naor Drilling Number: 23 Supervisor: Troy Pre Mobile: Rig Release Date: 3/10/2012 23:59

Mud Pumps

| # 1, GARDNER DENVER, PZ8 | Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
|--------------------------|----------|--------------------|-------------|
| | | 0.0 | 203.0 |
| Liner Size (mm): | | Vol/Stk OR (m³/ft) | |
| 152.0 | | 0.011 | |

| Pre (kPa) | Slow Spd | Stroke (ipm) | Eff (%) |
|-----------|----------|--------------|---------|
| 2,000 | Ye | 55 | 95 |

2, CONTINENTAL EMSCO, F800

| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
|------------------|--------------------|-------------|
| | 0.0 | 229.0 |
| Liner Size (mm): | Vol/Stk OR (m³/ft) | |
| 152.0 | 0.013 | |

Pre (kPa): Slow Spd: Stroke (ipm): Eff (%):

0

Mud Additive Amounts

Description: Cont (Unit): Conmed

FED WATE (BARITE): 15.57 42.0

Survey Data

MD (mKB): Incl (°): Azi (°): TVD (mKB):

1,289.96 0.50 114.50 1,289.75

1,326.83 0.40 129.70 1,326.62

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Last 5 Formations | | | | |
|-----------------------------------|-----------------------|--------------------------|-------------------------|------------------------|---|-------------------|---------------|----------------|---------------------|--------------------|--|--|--|
| Start Time | End Time | Act. Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) | | | |
| 17:30 | 0.25 | 17.75 | 17:45 | 21 | SAFETY MEETING WITH DIRECTIONAL HANDS ON WORKING WITH THERE TOOLS | | | | | | | | |
| 17:45 | 0.75 | 18.50 | 18:30 | 6 | TRIPS | | | | | | | | |
| 18:30 | 0.25 | 18.75 | 18:45 | 21 | SAFETY MEETING | | | | | | | | |
| 18:45 | 0.25 | 19.00 | 19:00 | 21 | SAFETY MEETING | | | | | | | | |
| 19:00 | 5.00 | 24.00 | 00:00 | 11 | WIRELINE LOGS | | | | | | | | |
| Mud Checks | | | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Den. (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | | | |
| Invert | 13:30 | 1,341.00 | 1240.0 | 46 | 14.0 | 3.500 | | | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | | | |
| 3.500 | 7.500 | 12.500 | | | | 14.2 | | | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | | | |
| | 82.0 | 18.0 | 261,449.010 | | | 1097.0 | | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | | | |
| 10.00 | 1.10 | 0.60 | 119.20 | 79.50 | | | | | | | | | |
| Drill Strings | | | | | | | | | | | | | |
| BHA #13, Drilling Assembly | | | | | | | | | | | | | |
| Bit ... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) | | | | | | | | | |
| 12 RR | 222.0mm, Mi516, D1380 | SMITH | 1-1-WT-A-X-0.00-NO-LOG | | | | | | | | | | |
| No. of (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | | | |
| | | | 1,341.00 | | 8.2 | | | | | | | | |
| Drill String Components | | | | | | | | | | | | | |
| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | | | |
| Kelly | | 170.0 | 68.0 | 11.77 | | | | | | | | | |
| Drill pipe - Single | 1 | 101.6 | 70.0 | 9.22 | | | | | | | | | |
| Drill pipe - Stand | 63 | 101.6 | 70.0 | 1,171.72 | | | | | | | | | |
| HWDP(4.0 IN) | 8 | 101.6 | 68.0 | 72.64 | | | | | | | | | |
| X/O | 1 | 165.0 | 73.0 | 0.71 | | | | | | | | | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.97 | | | | | | | | | |
| ARS-HYD/MECH | 1 | 163.0 | 71.0 | 6.97 | | | | | | | | | |
| DC (6.25 IN) | 2 | 165.0 | 58.0 | 18.96 | | | | | | | | | |
| PUMPOUT SUB | 1 | 157.0 | 58.0 | 1.02 | | | | | | | | | |
| MONEL | 2 | 167.0 | 73.0 | 18.89 | | | | | | | | | |
| UBHO | 1 | 164.0 | 73.0 | 0.92 | | | | | | | | | |
| MOTOR HS | 1 | 166.0 | 58.0 | 8.97 | | | | | | | | | |
| Drilling Parameters | | | | | | | | | | | | | |
| Wellbore | Start (mKB) | Depth End (mKB) | Core Depth (m) | Drill Time (hr) | Core Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | | | |
| Original Hole, | 1,302.00 | 1,341.00 | 39.00 | 4.75 | 4.75 | 8.2 | 1.450 | | | | | | |
| 300H6465... | | | | | | | | | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Str Torque | Off Btm T | | | | | | |
| 6,000 | 35 | 9,700 | 37,000 | 39,000 | 35,000 | 4,200.0 | 650.0 | | | | | | |
| (in)/(m/min) | T (in) (°C) | P (BH Ann) (kPa) | T (in) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | (liq) (mL...) | (gas) (mL...) | | | | | | |
| Kick/Lost Circ | | | | | | | | | | | | | |
| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type | | | | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | | | |
| String Description | Run Date | Set Depth (mKB) | | | | | | | | | | | |
| Comment | | | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Core Len (m) | Top (mKB) | TopConn T... | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | | |
|--|---|-----------------------------------|---|-----------------------|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T | |
| Soc. Class Sweet | ERP Retired No | Lahee Classification TH (C) | Boring Unit Canada Frontier - Exploration | |
| Initial Ground Elevation (m) 178.00 | Crat/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 | KB to Gnd (m) 5.20 |
| KB-Cat in Flane Distance (m) 5.47 | | KB-T in Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | |

Primary Wellbore Affected

Original Hole, 300H64650012600

| | | | |
|---|---|---|------------------------|
| Weather Overcast | Temperature (°C) -25 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Logging with Baker Atla | | Operation Next Report Period Log/Baker Atla, RIH W/222mm Bit, Circ hole clean, Pooh laydown DP keep 500m in derrick, RI to run c | |
| Operation 06:00 RIH W/222mm Bit | Operation Summary Log in w/Baker Atla, Laydown Run 2 tool and Make up Run 3 (Flex, Mrex, DSL) Third run was at surface at 23:30 hrs. Had to make up run 4 for a repeat (Flex, DSL). Held all safety crew change meeting with both crew, RI Manager, Husky Rep. | | |

| | | | |
|--|---|--|--|
| Remark No Accident, Incident or Environmental Concern | Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the locality. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. | | |
| Tank Farm delivered for Little Bear H-64 | | Bale Oil Delivered today 0m3, Total at Tank Farm 27m3. | |
| Invert Delivered today 0m3, Total at Tank Farm 176.8m3 | | | |
| Daily invert log: 0m3 | Total invert log: 30.5m3 | | |
| | | | |

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Hedorfer | DR Field Super | 780-446-5160 |
| Ri Manager | Troy Pre | Ri Manager | |

Time Log

| Start Time | End Time | Activity Code | Activity Desc. | Prod/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|---------------|----------------|-----------|-------------------|-------------|---|
| 00:00 | 3.25 | 3.25 | 03:15 | 11 | WIRELINE LOGS | | LOGGING W/BAKER ATLAS, RUN 1 (HDIL, XMAC, ZDL, CN, GR) |
| 03:15 | 3.75 | 7.00 | 07:00 | 11 | WIRELINE LOGS | | LOGGING W/BAKER ATLAS, RUN 2 (CBIL, EI, ORIT) |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |
| 07:15 | 4.75 | 12.00 | 12:00 | 11 | WIRELINE LOGS | | LOGGING W/BAKER ATLAS, RUN 2 (CBIL, EI, ORIT) |
| 12:00 | 6.75 | 18.75 | 18:45 | 11 | WIRELINE LOGS | | LOGGING W/BAKER ATLAS, RUN 3 (FLEX, MREX, DSL) |
| 18:45 | 0.25 | 19.00 | 19:00 | 7 | RIG SERVICE | | RIG SERVES CHECK DRIVE TRAN AND GREASE |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP |
| 19:15 | 4.25 | 23.50 | 23:30 | 11 | WIRELINE LOGS | | WIRELINE LOGS W/BAKER ATLAS 3 (FLEX, MREX, DSL) |
| 23:30 | 0.50 | 24.00 | 00:00 | 11 | WIRELINE LOGS | | WIRELINE LOGS MAKE UP RUN 4 (FLEX, DSL) |

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cP) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------------|-------------------|-------------------|
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | |

Drill Strings

| | | | | |
|------------|-----------|------|------------------|---------------------|
| Bit R... | Drill Bit | Make | IADC Bit D... | TFA (incl No.) (mm) |
| Noole (mm) | | | Strin Length (m) | Strin Wt (daN) |

Drill String Components

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|---------|---------|---------|------------|
| | | | | |

| | | |
|--|---|--------------------|
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | |
| Primary Obj Type Initial Drillin | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | |
| Final Status Drilled Caed | Spd Date 2/19/2012 11:30 | |
| Daily Cont Total 1,178,240.00 | Com Cont To Date 5,699,284.23 | |
| Daily Mud Cont | Mud Additive Cont To Date 126,498.99 | |
| Depth Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 | |
| Last Callin Strin Surface, 510.00mKB | | |
| Depth Prove (m) 0.00 | | |
| Depth Start (TVD) (mKB) 1,340.79 | Depth End (TVD) (mKB) 1,340.79 | |
| Tar et Formation Canol | Ext Total Depth (mKB) 1,412.00 | |
| Per sonnel Total Hr (hr.) 552.00 | Com Per Tot Hr (hr.) 10,696.00 | |
| Time Log Total Hr (hr.) 24.00 | Prob lem Time Hr (hr.) | |
| Prob lem Time (hr.) | Com Problem Time (hr.) | |
| Day LT (day) | Day RI (day) | |
| | | |
| Personnel Log | | |
| Company | Count | Tot Time (hr.) |
| Na or Drillin Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 4.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Sor Con Itin (1995) L | 1 | 12.00 |
| He dorfer Con Itin Ltd. | 1 | 12.00 |
| Mc rath Re o rce Con Itin Ltd. | 1 | 12.00 |
| Hori on North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental La oratorie | 2 | 24.00 |
| He Int e ated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technolo y Service LP | 2 | 24.00 |
| Baker H he | 2 | 8.00 |
| H oky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atla | 5 | 60.00 |
| | | |
| Safety Check Summary | | |
| Type | Last Date | Next Date |
| Safety Meetin | 3/7/2012 | 3/8/2012 |
| | | |
| Rigs | | |
| Contractor | Ri Number 23 | |
| Na or Drillin | Phone Mobile | |
| Troy Pre | Ri Release Date 3/10/2012 23:59 | |
| | | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner S le (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (|
| | | 0 |
| | | |
| # 2, CONTINENTAL EMSO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner S le (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.013 | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (|
| | | 0 |
| | | |
| Mud Additive Amounts | | |
| Description | Cont /Unit | Con med |
| | | |
| | | |
| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | |
| Primary Obj Type Initial Drillin | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | |
| Final Status Drilled Caed | Spd Date 2/19/2012 11:30 | |
| Daily Cont Total 1,178,240.00 | Com Cont To Date 5,699,284.23 | |
| Daily Mud Cont | Mud Additive Cont To Date 126,498.99 | |
| Depth Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 | |
| Last Callin Strin Surface, 510.00mKB | | |
| Depth Prove (m) 0.00 | | |
| Depth Start (TVD) (mKB) 1,340.79 | Depth End (TVD) (mKB) 1,340.79 | |
| Tar et Formation Canol | Ext Total Depth (mKB) 1,412.00 | |
| Per sonnel Total Hr (hr.) 552.00 | Com Per Tot Hr (hr.) 10,696.00 | |
| Time Log Total Hr (hr.) 24.00 | Prob lem Time Hr (hr.) | |
| Prob lem Time (hr.) | Com Problem Time (hr.) | |
| Day LT (day) | Day RI (day) | |
| | | |
| Personnel Log | | |
| Company | Count | Tot Time (hr.) |
| Na or Drillin Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Apex Oilfield Service 2000 Inc. | 1 | 4.00 |
| R G Mallett Oilfield Enterprise | 1 | 12.00 |
| Enterpris | | |
| Sor Con Itin (1995) L | 1 | 12.00 |
| He dorfer Con Itin Ltd. | 1 | 12.00 |
| Mc rath Re o rce Con Itin Ltd. | 1 | 12.00 |
| Hori on North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental La oratorie | 2 | 24.00 |
| He Int e ated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technolo y Service LP | 2 | 24.00 |
| Baker H he | 2 | 8.00 |
| H oky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atla | 5 | 60.00 |
| | | |
| Safety Check Summary | | |
| Type | Last Date | Next Date |
| Safety Meetin | 3/7/2012 | 3/8/2012 |
| | | |
| Rigs | | |
| Contractor | Ri Number 23 | |
| Na or Drillin | Phone Mobile | |
| Troy Pre | Ri Release Date 3/10/2012 23:59 | |
| | | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner S le (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (|
| | | 0 |
| | | |
| # 2, CONTINENTAL EMSO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner S le (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.013 | |
| Pre (kPa) | Slow Spd | Stroke (p... Eff (|
| | | 0 |
| | | |
| Mud Additive Amounts | | |
| Description | Cont /Unit | Con med |
| | | |
| | | |

Well Name: HUSKY LITTLE BEAR H-64

Drilling Parameters

| | | | | | | | |
|---------------|-------------|------------------|--------------------|---------------------|--------------------------|-----------------|---------------|
| Wellbore | Start (mKB) | Depth End (mKB) | Current Depth (m) | Drilling Time (hrs) | Current Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| Flow (m³/min) | T (In) (°C) | P (BH Ann) (kPa) | T (In) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (m³/min) | Flow (m³/min) |

Kick/Lost Circ

| | | | | |
|------------|-------------------|--------------|---------------------|---------------|
| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
| Comment | | | | |

Casing Strings

| | | |
|--------------------|----------|-----------------|
| Callin Description | Run Date | Set Depth (mKB) |
| Comment | | |

Casing Components

| | | | | | | | | |
|------------------|------|---------|-------|-----------|-------|-----------------|-----------|-----------|
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Current Len (m) | Top (mKB) | TopConn T |
| | | | | | | | | |

Survey Data

| | | | |
|----------|----------|----------|-----------|
| MD (mKB) | Incl (°) | Azim (°) | TVD (mKB) |
| | | | |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

| | |
|---------------------|-------|
| Max Nominal OD (mm) | 244.5 |
| | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|---|--|---|---|
| Licent UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licent No. 462 | State/Province N.W.T |
| Sour Clas Sweet | ERP Reliabl No | Lahee Clasification TH (C) | Bothe Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cat/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Cat in Flane Distance (m) 5.47 | KB-T-Hd Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |
| Primary Wellbore Affected Original Hole, 300H64650012600 | | | |
| Weather Snowin | Temperatu (°C) -18 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Ran 177.8mm Casing | | Operation Next Report Period Ran 177.8mm c, Circ c, Cement c, Wait on cement 6 hr, Set c clip in tension, Cat c, Lay off Bop, Install well head, Ran ridge plow set. | |
| Operation 06:00 Cement 177.8mm Casing | Operation Summary Lo in w/Baker Atla, Had to make up ran 4 for a repeat (Flex, DSL). Laydown looer, Function blind ram and flow check. Make up 222mm Bit and trip in the hole, wash 2 in to bottom. Circulate work pipe clean the hole. POOH keep 500m drill pipe in the derrick and laydown drill pipe. At surface pull wear thin, Safety meeting with Hallmark Power ton operator. Ran : Float shoe, 2-joint c, Float collar, 116 joint of 177.8mm / 34.23 k/m / L-80 / LT-C / New final cal, Total Length 1342.13m, Shoe set 1341m/KB. Float 1317.75m. ID 161.7mm. | | |

| | |
|--|--|
| Remark No Accident, Incident or Environmental Concern | |
| Direction to the location. From Norman Well, Take the winter road both for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. | |
| Tank Farm delivered for Little Bear H-64 | |
| Bale Oil Delivered today 0m3, Total at Tank Farm 22m3. | |
| Invert Delivered today 0m3, Total at Tank Farm 35.8m3 | |
| Sent oil today 60.0m3, with Pro North to FT.Nelson, B.C. | |
| Daily invert loe: 0.5m3 | |
| Total invert loe: 31.0m3 | |

| Daily Contacts | | | |
|----------------------|------------------|--------------------|--------------|
| Type | Contact Name | Title | Mobile |
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR En | 403-462-8021 |
| Office | Sandeep Randhawa | DR En | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heidder | DR Field Super | 780-446-5160 |
| Ring Manager | Troy Pre | Ring Manager | |

| Time Log | | | | | | | | |
|------------|----------|--------------|----------|---------------|----------------|----------|--------------------|--|
| Start Time | Dur (hr) | Cum Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Prob lem Time (hr) | Prob lem Ref |
| 00:00 | 5.25 | 5.25 | 05:15 | 11 | WIRELINE LOGS | | | WIRELINE LOGS / BAKER ATLAS RUN 4 (FLEX, DSL) |
| 05:15 | 0.25 | 5.50 | 05:30 | 7 | RIG SERVICE | | | RIG SERVICE F/T BLIND RAMS OUT OF HOLE |
| 05:30 | 1.50 | 7.00 | 07:00 | 6 | TRIPS | | | RUN IN HOLE FLOW CHECK AND FILL PIPE AT CASING SHOE TRIP SPEED 30-35 METERS PER MIN AS PER HUSKY CONSULTANTS |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW/RM/HUSKY REP |
| 07:15 | 1.75 | 9.00 | 09:00 | 6 | TRIPS | | | TRIP IN HOLE PICK UP SINGLES TO MAKE UP FOR TOOLS WASH 2 SINGLES TO BOTTOM |
| 09:00 | 1.50 | 10.50 | 10:30 | 5 | COND MUD CIRC | | | CIRCULATE AND CONDITION TO COME OUT SIDEWAYS |
| 10:30 | 1.50 | 12.00 | 12:00 | 6 | TRIPS | | | TRIP OUT OF HOLE PULL 27 STANDS FOR BRIDGE PLUG FLOW CHECKS 1336M, 1281M, 857M |
| 12:00 | 0.25 | 12.25 | 12:15 | 21 | SAFETY MEETING | | | SAFETY MEETING ON LAYING DOWN STRING |
| 12:15 | 1.25 | 13.50 | 13:30 | 6 | TRIPS | | | LAY DOWN DRILL PIPE AND COLLARS FLOW CHECKS 691M, 491M |
| 13:30 | 0.25 | 13.75 | 13:45 | 21 | SAFETY MEETING | | | SAFETY MEETING ON BRAKING KELLY DOWN AND FLUSHING |
| 13:45 | 0.75 | 14.50 | 14:30 | 25 | | | | FLUSH AND BRAKE KELLY DOWN |
| 14:30 | 1.75 | 16.25 | 16:15 | 6 | TRIPS | | | LAY DOWN DRILL PIPE AND COLLARS FLOW CHECKS 120M, OUT OF HOLE, CAL 4.33 M3 - MESR 6.50 M3 DIFF 2.17 M3 |

| Cont Object Number US-51822-EX-02-DR-ID | Or AFE Sp Am 11,529,266.00 | |
|--|---|----------------|
| Primary Obj Type Initial Drillin | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | |
| Final Stat Drilled Caed | Spd Date 2/19/2012 11:30 | |
| Daily Cont Total 272,647.51 | Com Cont To Date 5,971,931.74 | |
| Daily Mud Cont 4,636.51 | Mud Additive Cont To Date 131,135.50 | |
| Depth Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 | |
| Last Casing String Surface, 510.00mKB | | |
| Depth Pro (m) 0.00 | | |
| Depth Start (TVD) (mKB) 1,340.79 | Depth End (TVD) (mKB) 1,340.79 | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | |
| Personnel Total Hour (hr) 576.00 | Com Per Tot Hr (hr) 11,272.00 | |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) | |
| Problem Time (hr) | Com Problem Time (hr) | |
| Day LTI (day) | Day RI (day) | |
| Personnel Log | | |
| Company | Count | Tot Time (hr) |
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Sor Con Itin (1995) L | 1 | 12.00 |
| Heidder Con Itin Ltd. | 1 | 12.00 |
| McCrath Resource Con Itin Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| Continental Laboratories | 2 | 12.00 |
| Hole Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 2 | 24.00 |
| Husky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Baker Atla | 5 | 60.00 |
| Hallmark Technical Service | 2 | 24.00 |
| Nor-Chief Con Itin Service Ltd. | 1 | 12.00 |
| Stream-Flo Industries Ltd. | 1 | 12.00 |
| Weatherford Completion System | 1 | 12.00 |
| Safety Check Summary | | |
| Type | Last Date | Next Date |
| Safety Meetin | 3/8/2012 | 3/9/2012 |
| Rigs | | |
| Contractor Naor Drilling | Rig Number 23 | |
| Rig Supervisor Troy Pre | Phone Mobile | |
| Rig Release Date | 3/10/2012 23:59 | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner Size (mm) 152.0 | Vol/Stk OR (ml/itk) 0.011 | |
| Pre (kPa) | Slow Spd | Stroke (ip...) |
| 1,225 | Yel | 0 |
| Pre (kPa) | Slow Spd | Stroke (ip...) |
| 1,225 | Yel | 50 |
| # 2, CONTINENTAL EMSO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner Size (mm) 152.0 | Vol/Stk OR (ml/itk) 0.013 | |
| Pre (kPa) | Slow Spd | Stroke (ip...) |
| 1,225 | Yel | 95 |
| Mud Additive Amounts | | |
| Description | Cont (Unit) | Conmed |
| VERSACOAT HF | 900.76 | 1.0 |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | Mud Additive Amounts | | | | | | | | | | | | | | |
|---|----------------------------|-----------------------------------|--------------------------------|------------------------------|------------------------------|-------------------------|---|---------------|----------------------|----------|------|--|--|--|--|--|--|--|--|--|--|--|--|
| Start Time | End Time | Actvity Code | Actvity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Description | Cost (/Unit) | Consumed | | | | | | | | | | | | | |
| 16:15 | 0.75 | 17.00 | 17:00 | 25 | | | PULL WEAR BUSHING LAY STUFF DOWN FROM FLOOR WHILE WAITING ON POWER TONG GUYS TO GET HERE | VERSAMUL | 862.55 | 1.0 | | | | | | | | | | | | | |
| 17:00 | 1.50 | 18.50 | 18:30 | 12 | RUN CASING AND CEMENT | | RIG UP TO RUN CASING | | 83.25 | 8.0 | | | | | | | | | | | | | |
| 18:30 | 0.25 | 18.75 | 18:45 | 21 | SAFETY MEETING | | SAFETY MEETING WITH POWER TONG GUYS ON RUNNING THERE POWER TONGS | | LIME | 12.13 | 10.0 | | | | | | | | | | | | |
| 18:45 | 0.25 | 19.00 | 19:00 | 12 | RUN CASING AND CEMENT | | RUN CASING MAKE UP SHOE AND FLOAT | | D-D (W/SPOUT) | 46.12 | 10.0 | | | | | | | | | | | | |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | SAFETY MEETING CREW CHANGE MEETING WITH OTHER CREW | | TRUVIS | 162.47 | 10.0 | | | | | | | | | | | | |
| 19:15 | 4.75 | 24.00 | 00:00 | 12 | RUN CASING AND CEMENT | | RUN FLOAT SHOE, 2 TS CSG, FLOAT COLLAR, 116 TS OF 177.8mm / 34.23k/m / L-80 / LT C / NEW INDAL CASING, TOTAL LENGTH: 1342.13m, SET 1341m, FLOAT 1317.75m. | | | | | | | | | | | | | | | | |
| Mud Checks | | | | | | | | | | | | | | | | | | | | | | | |
| Type Invert | Time 09:30 | Depth (mKB) 1,341.00 | Density (kg/m³) 1260.0 | Viscosity (cP) 56 | Plastic Visc (cp) 14.0 | Yield Point (Pa) 4.000 | | | | | | | | | | | | | | | | | |
| Gel 10 sec (Pa) 3.500 | Gel 10 min (Pa) 8.500 | Gel 30 min (Pa) 13.500 | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) 15.2 | | | | | | | | | | | | | | | | | |
| MBT (kg/m³) | Percent Oil (%) 81.0 | Percent Water (%) 19.0 | Chloride (mEq/L) 242,164.001 | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) 917.0 | | | | | | | | | | | | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) 0.50 | Mud Lost to Surface (m³) 0.00 | Reserve Mud Volume (m³) 118.80 | Active Mud Volume (m³) 79.20 | | | | | | | | | | | | | | | | | | | |
| Drill Strings | | | | | | | | | | | | | | | | | | | | | | | |
| BHA #13, Drilling Assembly | | | | | | | | | | | | | | | | | | | | | | | |
| Bit R... Drill Bit 13RR 222.0mm, EHT11, R7647 | Make L | IADC Bit Drill 2-2-WT-A-X-0-NO-TD | TFA (incl No.) (mm) 380 | | | | | | | | | | | | | | | | | | | | |
| No. of (mm) | 12.7/12.7/12.7 | | | String Length (m) 1,341.00 | String Wt (daN) | BHA ROP (m...) | | | | | | | | | | | | | | | | | |
| Drill String Components | | | | | | | | | | | | | | | | | | | | | | | |
| Item Description | | | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | | | | | | | | | | | |
| Kelly | | 1 | 170.0 | 68.0 | 7.68 | | | | | | | | | | | | | | | | | | |
| Drill pipe - Stand | | 65 | 101.6 | 70.0 | 1,214.20 | | | | | | | | | | | | | | | | | | |
| HWDP(4.0 IN) | | 8 | 101.0 | 68.0 | 72.64 | | | | | | | | | | | | | | | | | | |
| X/O | | 1 | 165.0 | 73.0 | 0.71 | | | | | | | | | | | | | | | | | | |
| DC (6.25 IN) | | 2 | 165.0 | 58.0 | 18.97 | | | | | | | | | | | | | | | | | | |
| ARS-HYD/MECH | | 1 | 163.0 | 71.0 | 6.97 | | | | | | | | | | | | | | | | | | |
| DC (6.25 IN) | | 2 | 165.0 | 58.0 | 18.96 | | | | | | | | | | | | | | | | | | |
| BIT SUB | | 1 | 157.0 | 58.0 | 0.62 | | | | | | | | | | | | | | | | | | |
| Drilling Parameters | | | | | | | | | | | | | | | | | | | | | | | |
| Wellbore Original Hole, 300H6465... | Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 | Current Depth (m) 0.00 | Drill Time (hr) 0.00 | Current Drill Time (hr) 0.00 | Int ROP (m/hr) | Flow (m³/min) 1.450 | | | | | | | | | | | | | | | | |
| WOB (daN) 0 | RPM (rpm) 8,775 | SPP (kPa) 33,000 | Drill Str Wt (daN) 34,000 | PU Str Wt (daN) 32,000 | SO Str Wt (daN) 0.0 | Drillin... Tor... 0.0 | Off Btm T... 598.0 | | | | | | | | | | | | | | | | |
| (in) (m/min) | T (In) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P (Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Return (m³/min) | | | | | | | | | | | | | | | | |
| Kick/Lost Circ | | | | | | | | | | | | | | | | | | | | | | | |
| Occur Date | Occur Depth (mKB) | | Control Date | | Control Depth (mKB) | | Incident Type | | | | | | | | | | | | | | | | |
| Comment | | | | | | | | | | | | | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | | | | | | | | | | | | | |
| Carin... Description | | | | Run Date | Set Depth (mKB) | | | | | | | | | | | | | | | | | | |
| Comment | | | | | | | | | | | | | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | | | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Current Len (m) | Top (mKB) | Top Conn T... | | | | | | | | | | | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Sour Class Sweet | ERP Required No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cut/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Top Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|---|-------------------------|---|------------------------|
| Weather Snowin | Temperature (°C) -23 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time Laying down Drill Pipe. | | Operation Next Report Period Put Cap on Well Head, Prepare Test Bridge pipe to 21,000 kPa for 10 min, Right out for move South. | |
| Operation 06:00 Right out for move. | | Operation Summary Finichin running 177.8mm casing, wash last two trip in and take bottom 1341m. Circulated casing to condition mud and hole for cementing. Right in Schlumberger cementer. Safety meeting with Schlumberger Cementer. Cement 177.8mm casing. Pump 3 m3/Md. Pump pressure, 1 m3 water to pre-test. Lead: 14.8 tonne (19.6 m3) HiLite 1400 additive. Tail: 15.2 tonne (11.2 m3) G additive. Displaced w/ 27.8 m3 water with 0.8% (200 liters or 10 pail) K13908 inhibitor. Pump down at 07:00 hr, Mar 9, 2012. 7.0 m3 of good cement returned, and had good return through hole cement. Bump pressure 3,500 kPa over to 13966 kPa, increased after 3 min to 21,000 kPa held 10 minutes for pre-test on casing. Bleed off, float held. Wait on cement for 6 hours. Pick up top and set casing clip in tension with 32,000 dan with Streamflo tech, cut casing and nipple down top. Drill casing and install trip in pool. Pre-test seal to 14,000 kPa, (2,000 PSI). held good. Safety meeting with Weatherford tool tech. Make up bridge pipe and run in hole on Drill pipe. Tie in Schlumberger and set bridge pipe at 475m KB. Lay down drill pipe. Held all safety crew change meeting with both crews, Right Manager Husky Rep. | |

| |
|---|
| Remark No Accident, Incident or Environmental Concern. |
| Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. |
| Tank Farm delivered for Little Bear H-64 Bale Oil Delivered today 0m3, Total at Tank Farm 22m3. Invert Delivered today 0m3, Total at Tank Farm 0m3. |
| Sent out today 120.0m3, with Pro-North to FT.Nelson, B.C. Total Invert sent out 180m3. |
| Daily invert lost: 0.0m3 Total invert lost: 31.0m3 |

| Daily Contacts | | | | | |
|----------------------|------------------|--|--------------------|--------------|--|
| Type | Contact Name | | Title | Mobile | |
| Office | Kim Richardson | | DR Superintendent | 403-542-1059 | |
| Office | Goly Zila | | DR Enr | 403-462-8021 | |
| Office | Sandeep Randhawa | | DR Enr | 403-519-5660 | |
| Office | Darren Brown | | Construction Super | | |
| Well Site Supervisor | Woody Periard | | DR Field Super | 403-350-6027 | |
| Well Site Supervisor | Dan Heidder | | DR Field Super | 780-446-5160 | |
| Right Manager | Troy Pre | | Right Manager | | |

| Time Log | | | | | | | | | |
|------------|----------|---------------|-----------------------|----------|-------------------|-------------|--|--|--|
| Start Time | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | | |
| 00:00 | 02:15 | 12 | RUN CASING AND CEMENT | | | | RUN FLOAT SHOE, 2 1/2" CSG, FLOAT COLLAR, 116 1/2" OF 177.8mm / 34.23kN/m / L-80 / LTC / NEW INDAL CASING, TOTAL LENGTH 1342.13m, SET 1341m, FLOAT 1317.75m. | | |
| 02:15 | 04:15 | 5 | COND MUD CIRC | | | | CONDITION MUD CIRCULATE | | |
| 04:15 | 04:30 | 21 | SAFETY MEETING | | | | SAFETY MEETING WITH SCHLUMBERGER PRIOR TO CEMENT JOB | | |
| 04:30 | 07:00 | 12 | RUN CASING AND CEMENT | | | | CEMENT 177.8mm CASING W/ SCHLUMBERGER, PLUG DOWN 7:00HRS, 7m3 OF GOOD CEMENT RETURNS | | |
| 07:00 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP | | |
| 07:15 | 08:15 | 12 | RUN CASING AND CEMENT | | | | PRESS TEST CSG TO 21,000 KPA FOR 10 MINS, OKEY, CLEAN AND RIG OUT CEMENTERS | | |
| 08:15 | 12:00 | 23 | WAITING ON | | | | W/O CEMENT | | |
| 12:00 | 14:00 | 23 | WAITING ON | | | | W/O CEMENT, SET CASING SLIPS IN TENSION W/32,000 dan | | |
| 14:00 | 14:15 | 25 | | | | | CUT CASING, CLEAN UP RUFF CUT | | |

| Cont Object Number US-51822-EX-02-DR-ID | Obj AFE Sp Am 11,529,266.00 | |
|--|---------------------------------------|----------------|
| Primary Obj Type Initial Drillin | | |
| Start Date 2/17/2012 | End Date 3/10/2012 | |
| Final Status Drilled / Caled | Spd Date 2/19/2012 11:30 | |
| Daily Cnt Total 3,071,916.20 | Com Cnt To Date 9,043,847.94 | |
| Daily Mod Cnt -76,344.21 | Mod Additive Cnt To Date 54,791.29 | |
| Depth Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 | |
| Last Cntin Strin | | |
| Production, 1,341.00mKB | | |
| Depth Prove (m) 0.00 | | |
| Depth Start (TVD) (mKB) 1,340.79 | Depth End (TVD) (mKB) 1,340.79 | |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 | |
| Personnel Total Hour (hr.) 600.00 | Com Per Tot Hr (hr.) 11,872.00 | |
| Time Log Total Hour (hr.) 24.00 | Problem Time Hour (hr.) | |
| Day LTI (day) | Day RI (day) | |
| Personnel Log | | |
| Company | Count | Tot Time (hr.) |
| Naor Drilling Limited | 15 | 180.00 |
| Mi Swaco | 1 | 12.00 |
| Sor Con Itin (1995) L | 1 | 12.00 |
| Heidder Con Itin Ltd. | 1 | 12.00 |
| McCrath Resource Con Itin Ltd. | 1 | 6.00 |
| Nor-Chief Con Itin Service Ltd. | 1 | 12.00 |
| Huron North Camp Cat | 5 | 60.00 |
| NEW VENDOR | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 1 | 12.00 |
| NEW VENDOR | 2 | 24.00 |
| He Integrated Ltd. | 1 | 12.00 |
| Frontier | 1 | 12.00 |
| Phoenix Technology Service LP | 1 | 6.00 |
| Husky | 2 | 24.00 |
| NEW VENDOR | 1 | 12.00 |
| Hallmark Technical Service | 2 | 12.00 |
| Stream-Flo Industries Ltd. | 1 | 12.00 |
| Weatherford Completion System | 1 | 12.00 |
| NEW VENDOR | 4 | 48.00 |
| NEW VENDOR | 6 | 72.00 |
| NEW VENDOR | 1 | 12.00 |
| Safety Check Summary | | |
| Type | Last Date | Next Date |
| Safety Meetin | 3/9/2012 | 3/10/2012 |
| Rigs | | |
| Contractor Naor Drilling | Obj Number 23 | |
| Rig Supervisor Troy Pre | Phone Mobile | |
| Rig Release Date | 3/10/2012 23:59 | |
| Mud Pumps | | |
| # 1, GARDNER DENVER, PZ8 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 203.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.011 | |
| Pre(kPa) | Slow Spd | Stroke (ip...) |
| | | Eff (%) |
| 0 | | |
| # 2, CONTINENTAL EMSO, F800 | | |
| Pwr (kW) | Rod Dia (mm) | Stroke (mm) |
| | 0.0 | 229.0 |
| Liner Size (mm) | Vol/Stk OR (m³/tk) | |
| 152.0 | 0.013 | |
| Pre(kPa) | Slow Spd | Stroke (ip...) |
| | | Eff (%) |
| 0 | | |

Well Name: HUSKY LITTLE BEAR H-64

| Time Log | | | | | | | | | | Mud Additive Amounts | | |
|--|-----------------------|--------------------------|-------------------------|------------------------|---------------------|---|----------------------|--------------|----------|----------------------|--|--|
| Start Time | End Time | Act. Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment | Description | Cost (/Unit) | Consumed | | | |
| 14:15 | 0.75 | 15.00 | 15:00 | 14 | NIPPLE UP B.O.P. | NIPPLE DOWN BOPS LAY OUT BOPS | INVERT | 2,172.51 | -37.0 | | | |
| 15:00 | 0.25 | 15.25 | 15:15 | 7 | RIG SERVICE | RIG SERVICE GREASE DRIVE TRAIN | FED ZAN D | 105.76 | 1.0 | | | |
| 15:15 | 3.75 | 19.00 | 19:00 | 14 | NIPPLE UP B.O.P. | CLEAN UP RUFF CUT ON CASING AND PUT PART OF TREE ON | OPTISEAL III | 70.20 | 2.0 | | | |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | SAFETY MEETING CREW CHANGE MEETING W/ RIG CREW RM HUSKY REP | FED RHEOSMART | 42.76 | 2.0 | | | |
| 19:15 | 0.25 | 19.50 | 19:30 | 21 | SAFETY MEETING | PRE-TOB SAFETY WITH WEATHER FORD PRIOR TO RUN BRIDGE PLUG | FEDERAL GEL | 12.43 | 21.0 | | | |
| 19:30 | 2.25 | 21.75 | 21:45 | 6 | TRIPS | TRIPS WITH BRIDGE PLUG/FILL PIPE WITH WATER AND INHIBITOR | SAWDUST | 4.12 | 39.0 | | | |
| 21:45 | 0.25 | 22.00 | 22:00 | 21 | SAFETY MEETING | PRE-TOB SAFETY TOOL HAND AND CEMENTERS ON SETTING BRIDGE PLUG | FED WATE (BARITE) | 15.57 | 211.0 | | | |
| 22:00 | 0.25 | 22.25 | 22:15 | 25 | | OTHER CEMENTERS TO SET BRIDGE PLUG /SET BRIDGE PLUG SET AT 475M,18,500KPA | | | | | | |
| 22:15 | 1.75 | 24.00 | 00:00 | 6 | TRIPS | TRIPS LAY DOWN DRILL PIPE | | | | | | |
| Mud Checks | | | | | | | | | | | | |
| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) | | | | | | |
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) | | | | | | |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mEq/L) | Calcium (mEq/L) | Potassium (mEq/L) | Electric Stab (V) | | | | | | |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | Active Mud Volume (m³) | | | | | | | | |
| Drill Strings | | | | | | | | | | | | |
| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No.) (mm) | | | | | | | | |
| Nozzle (mm) | | | String Length (m) | String Wt (daN) | BHA ROP (m...) | | | | | | | |
| Drill String Components | | | | | | | | | | | | |
| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread | | | | | | | | |
| | | | | | | | | | | | | |
| Drilling Parameters | | | | | | | | | | | | |
| Wellbore | Start (mKB) | Depth End (mKB) | Cur Depth (m) | Drill Time (hr) | Cur Drill Time (hr) | Int ROP (m/hr) | Flow (m³/min) | | | | | |
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drill Torque | Off Btm T | | | | | |
| Flow (in³/min) | T (In) (°C) | P (BH Ann) (kPa) | T (Eh) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (in³/min) | Flow (ret) (in³/min) | | | | | |
| Kick/Lost Circ | | | | | | | | | | | | |
| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type | | | | | | | | |
| Comment | | | | | | | | | | | | |
| Casing Strings | | | | | | | | | | | | |
| Capin Description | Ran Date | Set Depth (mKB) | | | | | | | | | | |
| Production | 3/9/2012 | 1,341.00 | | | | | | | | | | |
| Comment | | | | | | | | | | | | |
| Ran : Float Shoe, 2 Joint Casing, Float collar 116 Joint of 177.8mm / 34.23 kN/m / L-80 / LT-C / New Casing, Total Length 1342.13m, Shoe Set 1341m/KB. Float 1317.75m. ID 161.7mm. | | | | | | | | | | | | |
| Casing Components | | | | | | | | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Cur Len (m) | Top (mKB) | TopConn T... | | | | |
| Capin Joint | | 177.8 | L-80 | 34.228 | 116 | 1,342.13 | -1.13 | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Cur Len (m) | Top (mKB) | TopConn T... | | | | |
| Float Collar | | 177.8 | L-80 | 34.228 | 1 | 23.60 | 1,317.40 | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Cur Len (m) | Top (mKB) | TopConn T... | | | | |
| Capin Joint | | 177.8 | L-80 | 34.228 | 2 | 23.25 | 1,317.75 | | | | | |
| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Joint | Cur Len (m) | Top (mKB) | TopConn T... | | | | |
| Float Shoe | | 177.8 | L-80 | 34.228 | 1 | 0.44 | 1,340.56 | | | | | |

Well Name: HUSKY LITTLE BEAR H-64

| | | | |
|--|---|---|---|
| Licenced UWI 300H64650012600 | Surface Legal Location 300H64650012600 | Licence No. 462 | State/Province N.W.T |
| Soc. Class Sweet | ERP Retired No | Lahee Classification TH (C) | Bottoms Unit Canada Frontier - Exploration |
| Initial Ground Elevation (m) 178.00 | Cr. t/Fill (m) 0.0 | Ground Elv. (m) 178.00 | KB Elevation (m) 183.20 |
| KB-Casing Flange Distance (m) 5.47 | KB-Top Head Distance (m) 5.00 | Total Depth All (TVD) (mKB) Original Hole - 1340.8 | KB to Gnd (m) 5.20 |

Primary Wellbore Affected
Original Hole, 300H64650012600

| | | | |
|--|--|------------------------|------------------------|
| Weather Overcast | Temperature (°C) -29 | Road Condition Fair | Hole Condition Good |
| Operation at Report Time | Operation Next Report Period Tear off load out rental etc. | | |
| Wait on Daylight. | | | |
| Operation 06:00 Wait on Daylight to continue load out rig | <p>Operation Summary Install wellhead top section, Held pre-off safety meeting prior to pre-test rig up plan to 21,000 kpa hold for 10 min, okay. Rig down rig floor team clean. Tear off rig lower derrick for move, Held safety meeting prior to tear off rig with truck, Hold heavy load to campsite by led truck to be loaded for transport out. Wait on daylight to continue move. Held all safety crew change meeting with both crews, Rig Manager H. Husky Rep.</p> <p>Rig Release Saturday March 10th/2012 23:59 hrs</p> <p>Combination Lock for wellhead in 5182.</p> | | |

| | |
|---|---|
| Remark o Accident, Incident or Environmental Concern | Direction to the location. From Norman Well, Take the winter road south for approx 34.4km. Turn right and go through the security. Continue on the Husky Winter Rd to the Husky Camp Site. Continue on the Husky Winter Rd to km 44 Turn left and continue to km 46. Keep left and go to location at km 47. All roads are RADIO CONTROLLED. |
| Tank Farm delivered for Little Bear H-64 | |
| Bale Oil Delivered today 0m3, Total at Tank Farm 22m3. | |
| Invert Delivered today 0m3, Total at Tank Farm 0m3. | |
| Total Invert Lent out 180m3 | |

Daily Contacts

| Type | Contact Name | Title | Mobile |
|----------------------|------------------|--------------------|--------------|
| Office | Kim Richardson | DR Superintendent | 403-542-1059 |
| Office | Goly Zila | DR Enr | 403-462-8021 |
| Office | Sandeep Randhawa | DR Enr | 403-519-5660 |
| Office | Darren Brown | Construction Super | |
| Well Site Supervisor | Woody Periard | DR Field Super | 403-350-6027 |
| Well Site Supervisor | Dan Heldorfer | DR Field Super | 780-446-5160 |
| Rig Manager | Troy Pre | Rig Manager | |

Time Log

| Start Time | Dur (hr) | Com Dur (hr) | End Time | Activity Code | Activity Desc. | Pro/U... | Problem Time (hr) | Problem Ref | Comment |
|------------|----------|--------------|----------|---------------|------------------|----------|-------------------|-------------|--|
| 00:00 | 1.50 | 1.50 | 01:30 | 14 | NIPPLE UP B.O.P. | | | | PUT WELLHEAD CAP ON |
| 01:30 | 0.25 | 1.75 | 01:45 | 21 | SAFETY MEETING | | | | PRE-TOB SAFETY WITH CEMENTERS ON PRESSURE TESTING CSG |
| 01:45 | 0.25 | 2.00 | 02:00 | 15 | TEST B.O.P. | | | | PRESS TEST BRIDGE PLUG W/ CEMENT TRUCK TO 21,000 KPA F/ 10 MINS, OKAY. |
| 02:00 | 5.00 | 7.00 | 07:00 | 22 | TEAR DOWN | | | | TEAR DOWN FLOOR STEAM AND CLEAN EQUIPMENT FOR TRANSPORT |
| 07:00 | 0.25 | 7.25 | 07:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING FOR SHIFT CHANGE HELD W/ BOTH CREWS, R.M. AND OPERATORS REP |
| 07:15 | 0.25 | 7.50 | 07:30 | 21 | SAFETY MEETING | | | | SAFETY MEETING W/MULLEN TRUCKING COMPANY |
| 07:30 | 4.50 | 12.00 | 12:00 | 22 | TEAR DOWN | | | | RIG OUT RIG TOP MOVE BACK TO EDSON TO RACK / TRUCKS ON LOCATION 7:00/ MOVE RENTAL EQUIPMENT OFF LOCATION |
| 12:00 | 1.00 | 13.00 | 13:00 | 22 | TEAR DOWN | | | | RIG OUT TO RACK IN EDSON |
| 13:00 | 6.00 | 19.00 | 19:00 | 1 | RIGUP TEARDOWN | | | | MOVE RIG OFF LOCATION AND HAUL TO CAMP SITE LOCATION TO LOAD UP FOR MOVE BACK TO EDSON |
| 19:00 | 0.25 | 19.25 | 19:15 | 21 | SAFETY MEETING | | | | SAFETY MEETING W/BOTH CREWS, R.M. AND OPERATORS REP |
| 19:15 | 1.75 | 21.00 | 21:00 | 1 | RIGUP TEARDOWN | | | | MOVE MATS OFF OF HOLE CENTER STACK UP TO GET READY TO LOAD UP |
| 21:00 | 3.00 | 24.00 | 00:00 | 25 | Other | | | | CLEAN UP AROUND LOCATION |

| | |
|--|--|
| Cost Object Number US-51822-EX-02-DR-ID | Origen AFE Sp Am 11,529,266.00 |
| Primary Obj Type Initial Drillin | |
| Start Date 2/17/2012 | End Date 3/10/2012 |
| Final Status Drilled Caled | Spd Date 2/19/2012 11:30 |
| Daily Cost Total 515,592.00 | Com Cost To Date 9,559,439.94 |
| Daily Mud Cost | Mud Additive Cost To Date 54,791.29 |
| Depth Start (mKB) 1,341.00 | Depth End (mKB) 1,341.00 |
| Last Callin Strin | |
| Production, 1,341.00mKB | |
| Depth Pro (m) 0.00 | |
| Depth Start (TVD) (mKB) 1,340.79 | Depth End (TVD) (mKB) 1,340.79 |
| Target Formation Canol | Ext Total Depth (mKB) 1,412.00 |
| Personnel Total Hour (hr) 704.00 | Com Per Tot Hr (hr) 12,576.00 |
| Time Log Total Hour (hr) 24.00 | Problem Time Hour (hr) |
| Problem Time (hr) | Com Problem Time (hr) |
| Day LTI (day) | Day RI (day) |
| Personnel Log | |
| Company | Count |
| Naor Drillin Limited | 15 |
| Sor Con Itin (1995) L | 1 |
| He dorfer Con Itin Ltd. | 1 |
| Nor-Chief Con Itin Service Ltd. | 1 |
| Hori on North Camp Cat | 5 |
| NEW VENDOR | 2 |
| NEW VENDOR | 1 |
| NEW VENDOR | 1 |
| NEW VENDOR | 2 |
| He Inte rated Ltd. | 1 |
| Frontier | 1 |
| Husky | 2 |
| NEW VENDOR | 1 |
| Stream-Flo Ind strie Ltd. | 1 |
| Weatherford Completion Sytem | 1 |
| NEW VENDOR | 4 |
| NEW VENDOR | 3 |
| NEW VENDOR | 1 |
| Mullen Trckin Inc. | 20 |
| Safety Check Summary | |
| Type | Last Date |
| Safety Meetin | 3/10/2012 |
| Rigs | |
| Contractor | Rig Number |
| Naor Drillin | 23 |
| Rig Supervisor | Phone Mobile |
| Rig Release Date | 3/10/2012 23:59 |
| Mud Pumps | |
| # 1, GARDNER DENVER, PZ8 | |
| Pwr (kW) | Rod Dia (mm) |
| | 0.0 |
| Liner Size (mm) | Vol/Stk OR (m³/itk) |
| 152.0 | 0.011 |
| Pre (kPa) | Slow Spd |
| | Stroke (in.) |
| | Eff (%) |
| # 2, CONTINENTAL EMSCO, F800 | |
| Pwr (kW) | Rod Dia (mm) |
| | 0.0 |
| Liner Size (mm) | Vol/Stk OR (m³/itk) |
| 152.0 | 0.013 |
| Pre (kPa) | Slow Spd |
| | Stroke (in.) |
| | Eff (%) |
| Mud Additive Amounts | |
| Description | Cost (/unit) |
| | Con med |
| Survey Data | |
| MD (mKB) | Incl (°) |
| 1,341.00 | 0.40 |
| Aim (°) | TVD (mKB) |
| 129.70 | 1,340.79 |

Well Name: HUSKY LITTLE BEAR H-64

Mud Checks

| Type | Time | Depth (mKB) | Density (kg/m³) | Viscosity (cP) | Plastic Visc (cp) | Yield Point (Pa) |
|----------------------|-----------------------|--------------------------|-------------------------|------------------|------------------------|-------------------|
| Gel 10 sec (Pa) | Gel 10 min (Pa) | Gel 30 min (Pa) | Filtrate (mL/30min) | Filter Cake (mm) | pH | Solid (%) |
| MBT (kg/m³) | Percent Oil (%) | Percent Water (%) | Chloride (mM/L) | Calcium (mM/L) | Potassium (mM/L) | Electric Stab (V) |
| Whole Mud Added (m³) | Mud Lost to Hole (m³) | Mud Lost to Surface (m³) | Reserve Mud Volume (m³) | | Active Mud Volume (m³) | |

Drill Strings

| Bit R... | Drill Bit | Make | IADC Bit Drill | TFA (incl No.) (mm) |
|------------------|-----------|------|-------------------|---------------------|
| No. of hole (mm) | | | String Length (m) | String Wt (daN) |

Drill String Components

| Item Description | OD (mm) | ID (mm) | Len (m) | Top Thread |
|------------------|---------|---------|---------|------------|
| | | | | |

Drilling Parameters

| Well bore | Start (mKB) | Depth End (mKB) | Current Depth (m) | Drilling Time (hrs) | Current Drill Time (hrs) | Int ROP (m/hr) | Flow (m³/min) |
|--------------|-------------|------------------|--------------------|---------------------|--------------------------|-----------------------|---------------------|
| WOB (daN) | RPM (rpm) | SPP (kPa) | Drill Str Wt (daN) | PU Str Wt (daN) | SO Str Wt (daN) | Drilling Torque | Off Btm T |
| (in) (m/min) | T (in) (°C) | P (BH Ann) (kPa) | T (h) (°C) | P(Surf Ann) (kPa) | T (Surf Ann) (°C) | Flow (l/min) (m³/min) | Flow (ret) (m³/min) |

Kick/Lost Circ

| Occur Date | Occur Depth (mKB) | Control Date | Control Depth (mKB) | Incident Type |
|------------|-------------------|--------------|---------------------|---------------|
| Comment | | | | |

Casing Strings

| String Description | Run Date | Set Depth (mKB) |
|--------------------|----------|-----------------|
| Comment | | |

Casing Components

| Item Description | Make | OD (mm) | Grade | Wt (kg/m) | Point | Current Len (m) | Top (mKB) | TopConn T |
|------------------|------|---------|-------|-----------|-------|-----------------|-----------|-----------|
| | | | | | | | | |

Last 5 Formations

| Formation Name | Pro Top (TVD) (mKB) | Drill Top MD (mKB) |
|----------------|---------------------|--------------------|
| | | |

Hole Size (mm)

| Max Nominal OD (mm) | 177.8 |
|---------------------|-------|
| | |

E.10 DAILY DRILLING FLUID REPORTS

DRILLING FLUIDS DAILY SUMMARY

| Date | WBM Properties | | | | | | | | | | | | | | | | | | Alkalinites | | | Cl- | Ca++ |
|-------------|----------------|-------------|---------|------------|-----|--------|--------|--------|-----|------------|------------|--------|-------|-----|-------|------|-----|-------------|-------------|------|------|------|------|
| | Depth (MD) | Depth (TVD) | Density | Funnel Vis | PV | YP | Gels | | | Fluid Loss | Fluid Loss | Solids | Water | Oil | Sand | MBT | pH | Alkalinites | | | Cl- | Ca++ | |
| m | m | kg/m³ | s/L | mPa·s | Pa | 10 sec | 10 min | 30 min | API | HTHP | % | % | % | % | kg/m³ | | Pm | Pt | Mf | mg/l | mg/l | | |
| 17-Feb-2012 | | | | | | | | | | | | | | | | | | | | | | | |
| 18-Feb-2012 | | | | | | | | | | | | | | | | | | | | | | | |
| 19-Feb-2012 | | 1010 | 43 | 7 | 3.5 | 4.5 | 9 | 9 | 15 | na | na | na | na | na | 6 | 9 | | 0.15 | 0.05 | 100 | 60 | | |
| 20-Feb-2012 | 218 | 218 | 1140 | 43 | 8 | 3 | 4 | 7 | 7 | 15 | | | 100 | | trace | 21 | 8.5 | | 0.15 | 0.06 | 160 | 60 | |
| 21-Feb-2012 | 503 | 503 | 1190 | 45 | 18 | 8 | 4.5 | 8.5 | 8.5 | 8.5 | n/a | n/a | n/a | n/a | Trace | 28.5 | 8.5 | | 0.16 | 0.07 | 160 | 100 | |
| 22-Feb-2012 | 510 | 510 | 1110 | 51 | 23 | 8.5 | 4 | 7 | 7 | 6 | n/a | n/a | n/a | n/a | Trace | 28.5 | 8.5 | | 0.16 | 0.07 | 160 | 100 | |

| Date | Depth (MD) | Depth (TVD) | Density | Funnel Vis | PV | YP | Gels | | | Fluid Loss | Fluid Loss | Solids | Correct solids | Oil | Uncorrect Water | OBM Properties | | Cl Whole Mud | Salt | Lime | E Stability |
|-------------|------------|-------------|---------|------------|----|-----|--------|--------|--------|------------|------------|--------|----------------|------|-----------------|----------------|------|--------------|-------|-------|-------------|
| | | | | | | | 10 sec | 10 min | 30 min | | | | | | | %Vol | %Vol | %Vol | Oil | Water | mg/l |
| 24-Feb-2012 | 510 | 510 | 1200 | 49 | 15 | 3 | 2.5 | 5 | 5 | n/a | 4 | 14 | 12.23 | 70 | 16 | 81 | 19 | 43,000 | 29.61 | 22.57 | 1012 |
| 25-Feb-2012 | 713 | 713 | 1200 | 48 | 16 | 3 | 3 | 5.5 | 5.5 | n/a | 3 | 14.5 | 12.68 | 69.5 | 16 | 81 | 19 | 44,000 | 30.09 | 21.09 | 929 |
| 26-Feb-2012 | 1090 | 1090 | 1205 | 49 | 17 | 3.5 | 3.5 | 6.5 | 6.5 | n/a | 3 | 14.5 | 12.69 | 69 | 16.5 | 81 | 19 | 44,000 | 29.44 | 19.61 | 916 |
| 27-Feb-2012 | 1170 | 1170 | 1205 | 48 | 18 | 3.5 | 3.5 | 8 | 8 | n/a | 3 | 15 | 13.23 | 69 | 16 | 81 | 19 | 43,000 | 29.61 | 19.24 | 927 |
| 28-Feb-2012 | 1202 | 1202 | 1280 | 48 | 18 | 3.5 | 3 | 7.5 | 7.5 | n/a | 3 | 17 | 15.28 | 67 | 16 | 81 | 19 | 42,000 | 29.12 | 17.76 | 891 |
| 29-Feb-2012 | 1222 | 1222 | 1290 | 50 | 19 | 4 | 4 | 8.5 | 8.5 | n/a | 3 | 17.5 | 15.78 | 66.5 | 16 | 81 | 19 | 42,000 | 29.12 | 17.02 | 816 |
| 1-Mar-2012 | 1234 | 1234 | 1260 | 47 | 19 | 3.5 | 3.5 | 8 | 8 | n/a | | 15.5 | 13.68 | 68.5 | 16 | 81 | 19 | 44,000 | 30.09 | 17.39 | 792 |
| 2-Mar-2012 | 1261 | 1261 | 1250 | n/a | 13 | 3.5 | 3 | 7.5 | 7.5 | n/a | | 16 | 14.16 | 69 | 15 | 82 | 18 | 44,000 | 31.46 | 17.02 | 732 |
| 3-Mar-2012 | 1261 | 1261 | 1250 | n/a | 13 | 3.5 | 3 | 7.5 | 7.5 | n/a | 3 | 16 | 14.16 | 69 | 15 | 82 | 18 | 44,000 | 31.46 | 17.02 | 897 |
| 4-Mar-2012 | 1264 | 1264 | 1230 | 46 | 13 | 3.5 | 3 | 7 | 7 | n/a | 3 | 15 | 13.11 | 70 | 15 | 82 | 18 | 45,000 | 31.95 | 17.76 | 1113 |
| 5-Mar-2012 | 1302 | 1302 | 1225 | 48 | 13 | 4 | 3.5 | 7.5 | 7.5 | n/a | 3 | 15 | 13.11 | 70 | 15 | 82 | 18 | 45,000 | 31.95 | 17.02 | 1092 |
| 6-Mar-2012 | 1341 | 1341 | 1240 | 46 | 14 | 3.5 | 3.5 | 7.5 | 7.5 | n/a | 3 | 16 | 14.16 | 69 | 15 | 82 | 18 | 44,000 | 31.46 | 17.76 | 1097 |
| 7-Mar-2012 | 1341 | 1341 | 1240 | 46 | 14 | 3.5 | 3.5 | 7.5 | 7.5 | n/a | 3 | 16 | 14.16 | 69 | 15 | 82 | 18 | 44,000 | 31.46 | 17.76 | 1097 |
| 8-Mar-2012 | 1341 | 1341 | 1260 | 56 | 14 | 4 | 3.5 | 8.5 | 8.5 | n/a | 3 | 17 | 15.23 | 67 | 16 | 81 | 19 | 43,000 | 29.61 | 15.91 | 917 |
| 9-Mar-2012 | 1341 | 1341 | 1260 | 57 | 14 | 4 | 3.5 | 8.5 | 8.5 | n/a | 3 | 17 | 15.23 | 67 | 16 | 81 | 19 | 43,000 | 29.61 | 15.91 | 917 |



Input Data

Mar 5, 2012

Cutting Retention

| | | |
|--------------------------------------|------|-------------------|
| Mud Weight | 1225 | kg/m ³ |
| % Base Fluid From Retort | 70 | % |
| Drilling Solids SG | 2.6 | |
| Base Fluid SG | 0.76 | |
| Retort Cell Weight | 316 | gm |
| Cell + Wet Cutting Weight | 369 | gm |
| Cell + Dry Cutting Weight | 361 | gm |
| Graduated Cylinder Weight | 71 | gm |
| Water Volume in Cylinder | 3 | gm |
| Cylinder + Water + Base Fluid Weight | 78 | gm |

Results

| | | |
|--------------------------------------|-------|---|
| Mass of Wet Cuttings | 53.00 | gm |
| Mass of Dry Cuttings | 45.00 | gm |
| Mass of Base Fluid | 4.00 | gm |
| Mass Balance Factor | 0.981 | - |
| Mass of Base Fluid / kg Wet Cuttings | 75.47 | gm/kg |
| Mass of Base Fluid / kg Dry Cuttings | 88.89 | gm/kg |
| Cuttings Retention Factor | 0.447 | m ³ Mud / m ³ Cutting |

E.11 WELL TERMINATION REPORT

**WELL TERMINATION RECORD**

| | | | | | |
|---------------------|--------------------------|---|---------|-------------------------|-------------------------|
| Well Name | Husky Little Bear H-64 | | | Well ID | 2077 |
| Operator | Husky Oil Operations Ltd | | | Current Well Status | Suspended |
| Total Depth | 1341m KB | | | Licence No. | Exploration Licence 462 |
| Location | Unit | H | Section | 64 | Grid |
| Coordinates (NAD27) | Surface | | Lat | 64 ° 53 ' 28.5 " | Long 126 ° 11 ' 20.3 " |
| | Bottom Hole | | Lat | 64 ° 53 ' 28.5 " | Long 126 ° 11 ' 19.8 " |
| Region | NWT Mainland | | | | |
| Target Formation | Canol / Hume | | | Field/Pool | Slater River / |
| Elevation KB/RT | 183.2 m | | | Ground Level / Seafloor | 178.5 m |
| Spud/Re-Entry Date | 19 Feb 2012 | | | Rig Release Date | 10 Mar 2012 |

CASING AND CEMENTING PROGRAM

| O.D. (mm) | Weight (kg/m) | Grade | Setting Depth (m KB) | Cementing (m³) |
|-----------|----------------|-----------|----------------------|----------------|
| 508 | Conductor pipe | ASTM A 53 | 23 | 15 |
| 244.5 | 53.6 | J-55 | 510 | 40 |
| 177.8 | 34.2 | L-80 | 1341 | 30 |
| | | | | |

PLUGGING PROGRAM

| Type of Plug | Interval (m KB) | Felt | Depth (m KB) | Cement (m³) |
|--------------|-----------------|--------|--------------|--------------|
| Other | 1340.5-1341 | Yes | 1340.5 | Float Shoe |
| Cement | 1318-1340.5 | No | 1318 | 23 |
| Other | 1317.5-1318 | Yes | 1317.5 | Float Collar |
| Bridge | 475-476 | Yes | 475 | Bridge plug |
| Select | - | Select | | |

PERFORATION

| Interval (m KB) | Comments |
|-----------------|--|
| - | Cased and cemented. No perforation was done on this well |
| - | |
| - | |
| - | |

| | |
|---|---|
| Lost Circulation/Overpressure Zones | No Loss / No Gain & Flow. |
| Equipment Left on Seafloor (Describe) | N/A |
| Provision for Re-entry (Describe and attach sketch) | |
| Other Downhole Completion/Suspension | Retrievable Bridge plug at 475m, wellhead and valves are installed-see attached |

"I certify that the information provided on this form is true and correct"

| | | | |
|-----------------|--------------------------|-----------|--------------------------------|
| Name | Kim Richardson | Telephone | (403) 298-7273 Ext |
| Job Designation | Drilling Superintendent | E-Mail | kim.richardson@huskyenergy.com |
| Operator | Husky Oil Operations Ltd | | |

| | | |
|--------------------------------|--|------|
| Signature | | Date |
| Responsible Officer of Company | | |

NATIONAL ENERGY BOARD USE ONLY

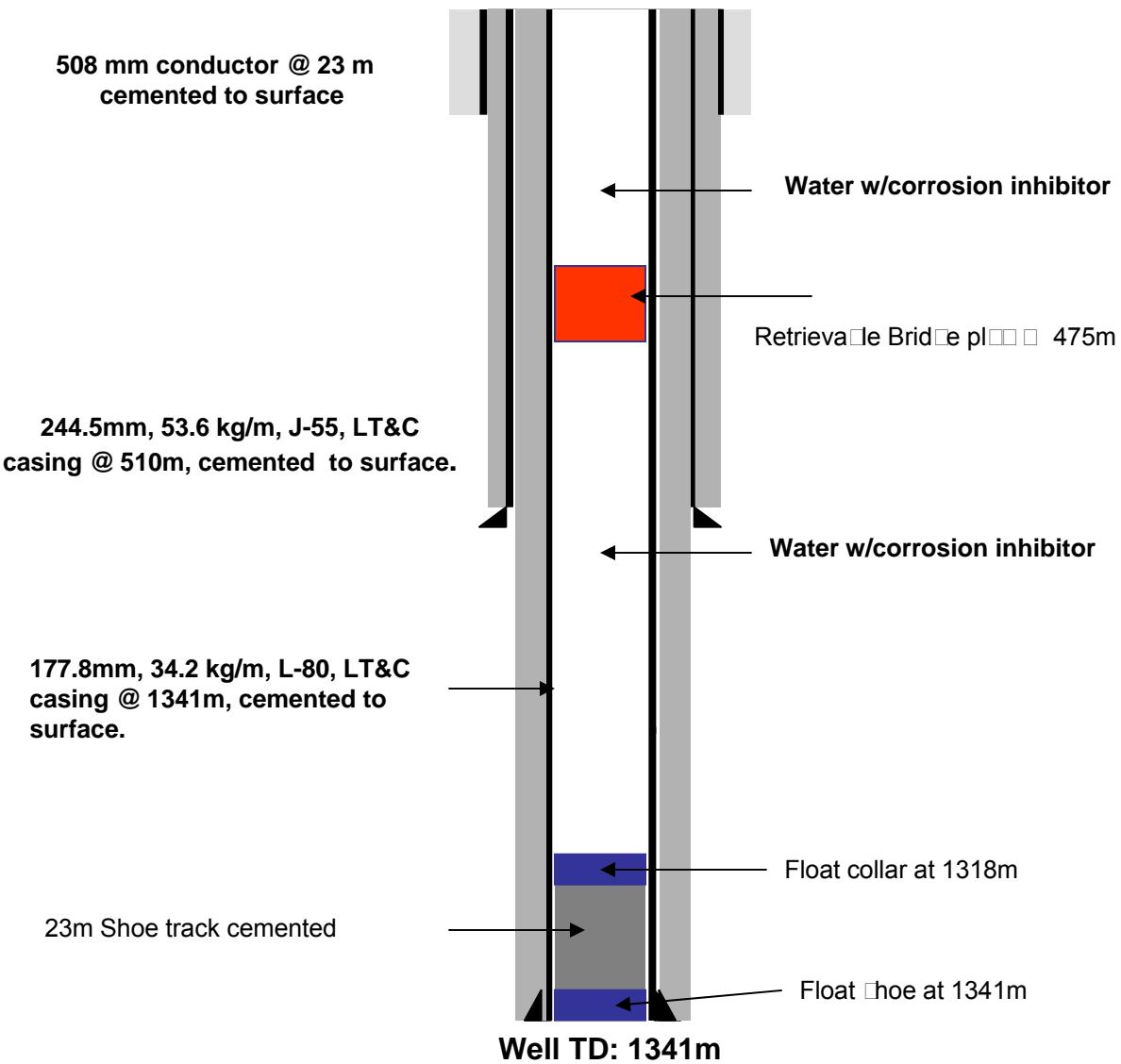
The details of this document have been examined and verified by

| | | |
|-----------------|-----------------|------------------------|
| Job Designation | Well Identifier | Unique Well Identifier |
| | | |

| | |
|---------------|------|
| Signature | Date |
| NEB Authority | |

Husky Little Bear H-64 (suspended status)

Depths in MD RKB (not to scale)



▪Primary Barrier

- 177.8mm casing cemented to surface and not perforated.
- 177.8mm casing pressure tested to 21,000Kpa at the plug bump.
- 23m cemented shoe track consists of float shoe and float collar.
- Cement was displaced with water, after bumping the plug, increased the pressure and tested the casing to 21000 KPa. Released the pressure, no back flow. Note: this is inflow test of shoe track against differential pressure of cement slurry (annulus) and water (inside the casing).

▪Secondary Barrier

- Retrievable Bridge plug set at 475m.
- Tubing head spool and suspension valve tested against Bridge plug to 21000 KPa

