

PROGRAMMED FTD :	2020		
DAYS (MI & RU) :	13.60	AFE # :	12D0006
DAYS (FROM SPUD) :	27.41	AFE AMT. :	
TOTAL DAYS :	41.00	CO. WI (%) :	

## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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Da#	Report: 24-Jan-13						
W.	MGM-Shell East Mackay I-78			Licence # :	1202-002	Date:	23-Feb-13
Dpth @ 24:00	Progress (m)	Operation @ 24:00 Hours	23-Feb-2013	Operation @ 07:00 Hours	24-Feb-2013	Depth @ 07:00 Hr.	
2001		Running 114.3mm Tubing String		Running 114.3mm Tubing String		2001	

## DRILLING FLUID

Type :	Polymer	Mud Engineer: Dave Gibson	Cell # :	Office # :	Mud Co.: Matrix Drilling Fluids
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MUD CHECK			#1	#2	ADDITIVES			SKS		
Time										
Depth										
Density										
Viscosity										
Water Loss										
pH										
Filter Cake										
P.V.										
Y.P.										
Gels 10 sec.										
Gels 10 min.										
Low "N"										
Low "K"										
Brk YP										
Brk 0.5 rpm										
Chloride										
Calcium										
Sand %										
Solids %										
Oil Content %										
MBT										
Mud Gradient										
Last Csg MD:										
Last Csg TVD:										
MACP:										
RSP#: _____										
RSP Strokes: _____										

  

BOTTOM HOLE ASSEMBLY				
Description	OD (mm)	ID (mm)	Length	Thread
Drill Pipe				
HWD P				
Drill Pipe				
Kelly Down				
BHA Length (m) :	Total Length			

  

FLUID VOLUMES			PRE-MIX TANK	
Bottoms Up (min)			Volume (m <sup>3</sup> )	
Mud Cycle (min)			Low "N"	
Main Hole (m <sup>3</sup> )			Low "K"	
Mud Tanks (m <sup>3</sup> )			Brk YP	
Sump Vol. (m <sup>3</sup> )			Brk 0.5 rpm	
Total (m <sup>3</sup> )			Viscosity	
MUD-UP DEPTH:			Density	

  

SURVEYS				
Depth	Degrees	Azi.		

  

HYDRAULICS			
Hole Size		OD (mm)	ID (mm)
Drill Pipe			
Drill Collar			

  

SOLIDS CONTROL			
Item	UF	OF	
Desander			
Desilter			
Centrifuge #1			
Centrifuge #2			
Centrifuge #3			

  

Screen Sz.	#1	#2	#3	#4
Shaker #1				
Shaker #2				
Shaker #3				

## BIT DATA

[illegible]

### DRILLING PARAMETERS

[illegible]

### PUMP DATA

No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

FROM	TO	24 HOUR SUMMARY
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00:00	02:00	Continue Riggingup Lubricator and Arm the 2 Guns for Perforation Run #1	Weatherford Float Shoe			0.34
02:00		Run in with 2 - 2m x 127mm ERHSC loaded with 25gr Connex Charges @ 17 SPM and 60 Degree Phasing. At 70m in Hole	Pup Joint			3.07
		check switches for dets and continue Run in Hole. Correlate gun on Depth to Perforate Bluefish Zone from 1946 - 1948mKB.	Weatherford Float Collar			0.25
		Pull up and Correlate 2nd Gun on Depth to Perforate Lower Canol Zone from 1882 - 1884mKB. POOH with Carriers and check,	Pup Joint			3.07
	07:00	all shots fired.	Weatherford KLC Ball Seat			0.24
07:00		Held Safety Meeting and JSA Review. Complete Crew Change and Run in with 1 - 2m x 127mm EHRSC loaded with 25gr	Pup Joint			3.07
		Connex Charges @ 17SPM and 60 Degree Phasing. At 70m in Hole check switches for dets and continue Run in Hole. Correlate	Pup Joint			3.07
		gun on Depth to Perforate Canol Zone from 1869 - 1871mKB. POOH with Carriers and check, all shots fired.	ZTA Hyd Toe Sleeve 1A			1.06
	11:00	Make up 2 Perf Guns and Arm. Run in with 2 - 2m x 79mm ERHSC loaded with 22.7gr Prospector Charges @ 10 SPM and	ZTA Hyd Toe Sleeve 1B			1.06
11:00		120 Degree Phasing. At 70m in Hole check switches for dets and switch did not work. POOH with both guns and found the	Pup Joint			3.07
		bottom Detonator Cord had been crushed. Decided to run in one 79mm Gun at a time. Run in Hole with 1 - 2m x 79mm ERHSC	Otis RN Landing Nipple c/w Hard			
		check switch, switch ok, and continue Run in Hole. Log on Depth and Perforate Canol Formation from 1847 - 1849mKB. POOH	Kote (Id = 65.07mm, No-Go = 59.16mm			0.53
	16:30	with Carrier and check, all shots fired.	Pup Joint			3.07
16:30		Make up and Arm 79mm Perf Gun loaded with 22.7gr Prospector Charges @ 10 SPM and 120 Degree Phasing.	88.9mm EUE Pin x LT&C Box X/O			0.27
		Run in with 1 - 2m x 79mm ERHSC and check switch, switch ok, continue Run in Hole.				
	19:00	Log on Depth and Perforate the Canol Formation from 1840 - 1842mKB. POOH with Carrier and check, All shots fired.				
19:00		Hold Safety Meeting and JSA Review. Complete Crew Change				
	20:45	Rig out Baker Wireline Equipment.				
20:45		Rig up Hallmark Power Tongs and Handling Equipment to run 88.9mm and 114.3mm Completion String.				
	21:00	Lay out Weatherford ZoneSelect Completion String on Catwalk.				
21:00	21:15	Held Safety Meeting prior to picking up Completion String and Running in Hole.				
21:15		Install 3 Bowspring Centralizers on Pup Joint between Float Shoe and Float Collar as per Expro's request (for contacting				
	21:30	177.8mm Casing for Wireless EM transmission of guages)				
21:30	24:00	Continue Run in Hole with Completion String (details at right) ----->>>>				
		Daily fuel : 8,067 litres Total fuel : 232,559 litres				
OPERATION NEXT 24 HRS : Finish Running 114.3mm Tubing String.			Total:			22.17

OPERATION NEXT 24 HRS : Finish Running 114.3mm Logging String										Total:						22.17	
Drilling Rig & Number:		Akita 37		HOLE CONDITION : Cased & cemented						BOILER HRS:		24.00		TOTAL DAILY HRS:		24.00	
Tool Pusher :		Guy Cusilar		Cellular # :		403-648-0842		Road / Lease Condition :		Road is holding together very well. Location is in good shape							
Drilling Consultant :				Trevor Mitchell / Jason Duck		Email:		rig_supervisor@mgmenergy.com		Shack Cell # :		(403) 536-9970					
Temp (C) :		-30		Weather :		8kph W wind & clear		Taken By :		John Williams / Dick Heenan							
Date Last BOP Drill :				February 17, 2013		Daily Cost :		\$319,416		Cum Cost :		\$16,001,587		AFE Remaining :		\$0	



## DAILY COMPLETIONS REPORT

Date of Test Report: 24-Jan-13		Well Name: MGM-Shell East Mackay I-78		Licence #: 1202-002		Date: 24-Feb-13	
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours pump frac oil		Operation @ 07:00 Hours Nipple DN BOPS		25-Feb-2013	Depth @ 07:00 Hr. 2001

## DRILLING FLUID

Type :	Polymer	Mud Engineer: Dave Gibson	Cell # :	Office # :	Mud Co.: Matrix Drilling Fluids
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[illegible]

## BIT DATA

[illegible]

### DRILLING PARAMETERS

[illegible]

## PUMP DATA

No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

## FROM TO 24 HOUR SUMMARY

[illegible]

OPERATION NEXT 24 HRS : finish displacing frac oil over completion string, nipple dn BOPs, tear out rig & move rig

OPERATION NEXT 24 HRS : Finish displacing frac on level completion string, nipple on BOP's, tear out rig & move rig		Total:					22.17
Drilling Rig & Number:	Akita 37	HOLE CONDITION :	Cased & cemented	BOILER HRS:	24.00	TOTAL DAILY HRS:	24.00
Tool Pusher :	Guy Cusitar	Cellular # :	403-648-0842	Road / Lease Condition :	Road is holding together very well. Location is in good shape		
Drilling Consultant :	Trevor Mitchell / Jason Duck	Email:	rig_supervisor@mgmenergy.com	Shack Cell # :	(403) 536-9970		
Temp (C) :	-30	Weather :	8kph W wind & clear	Taken By :	John Williams / Dick Heenan		
Date Last BOP Drill :	February 17, 2013	Daily Cost :	\$325,211	Cum Cost :	\$16,327,698	AFE Remaining :	\$0

## DAILY COMPLETIONS REPORT

Date of Test Report: 24-Jan-13					
Well: MGM-Shell East Mackay I-78		Licence #: 1202-002		Date: 25-Feb-13	
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours Continue to tear out	25-Feb-2013	Operation @ 07:00 Hours Continue to tear out for rig move	26-Feb-2013
					Depth @ 07:00 Hr. 2001

Type :	Mud Engineer: Dave Gibson	Cell # :	Office # :	Mud Co.: Matrix Drilling Fluids
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[illegible][illegible]

No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

Time		Activity		Weatherford Float Shoe		Time	
00:00	01:30	Continue to pump frac oil down tubing with casing returns to surface		Weatherford Float Shoe		0.34	
01:30	01:45	16.6m3 pumped away. Shut down pumper & close valve at top of landing joint, bleed off pressure on pump line & suck out lines		Pup Joint		3.07	
01:45		Break connection & weatherford hands places 20.65mm stainless stell ball on top of valve. Make up connection, pump 5mpa		Weatherford Float Collar		0.25	
		against valve, open valve & launch ball. Close valve and wait for ball to drop to KLC sub. Due to leaks in pump line decision was		Pup Joint		3.07	
	02:00	made to rig out schlumberger pumper and use pressure truck to set packers.		Weatherford KLC Ball Seat		0.24	
02:00	03:15	Rig out schlumberger pump lines, flush pumper & rig out, rig up pressure truck		Pup Joint		3.07	
03:15	04:00	Open valve and pressure up tubing as per weatherford hand to set packers, pick up and push weight to pack off liner top packer		Pup Joint		3.07	
04:00	04:45	Set down 15,00daN compression & land tubing hanger, tighten lag screws, rig up pressure truck to casing valve.		ZTA Hyd Toe Sleeve 1A		1.06	
04:45		Pressure test annulus to 21mpa. Pressure would not go above 15mpa. Inspect for leaks & found BOP stack had filled up with		ZTA Hyd Toe Sleeve 1B		1.06	
	05:00	fluid indicating the hanger seals were leaking		Pup Joint		3.07	
05:00	05:30	Discuss options for installing new seals on hanger. Only option is to remove BOP's, install BPV, pick up hanger & replace seals		Otis RN Landing Nipple c/w Hard			
05:30	07:00	Install BPV into tubing hanger, remove landing joint, remove BOP's		Kote (id = 65.07mm, No-Go = 59.16mm)		0.53	
07:00	07:15	Crew hand over meeting held with crews		Pup Joint		3.07	
07:15	11:00	Continue to nipple dn BOPs		88.9mm EUE Pin x LT&C Box X/O		0.27	
11:00		Install new o-rings on top of dognut, install landing joint into dognut, retract lag bolts, pick up hanger out of bowl, found both o-rings					
		to be cut & replaced, ensure casing valve open, install hanger with new o-rings into bowl. Screw in lag bolts to secure hanger.					
	12:30	Pressure test annulus, upper packer, tubing hanger o-ring seal to 21mpa for 15min, test chart recorded.					
12:30		Remove landing joint, install 11" 5k x 4 1/16" 10k companion flange, torque & then pressure test seals with hand pump to 35mpa					
		for 10 minutes thru test port. Pressure test ring groove with hand pump thru test port to 35mpa for 10min, Install wellhead.					
	15:00	torque wellhead bolts to spec with torque wrenches.					
15:00	24:00	Continue to rig out Akita rig # 37					
		Rig release @ 16:00hrs					
		Daily fuel : 7479 litres Total fuel : 240038 litres					

OPERATION NEXT 24 HRS : Tear out for rig move				Total:							
Drilling Rig & Number: Akita 37		HOLE CONDITION : completion string & dog nut landed & well head installed				BOILER HRS: 24.00		TOTAL DAILY HRS: 24.00			
Tool Pusher : Guy Cusitar		Cellular # : 403-648-0842		Road / Lease Condition : Road is holding together vey well. Location is in good shape							
Drilling Consultant : Trevor Mitchell / Jason Duck		Email: rig_supervisor@mgmenergy.com				Shack Cell # : (403) 536-9970					
Temp (C) : -24		Weather : 4kph E wind & clear		Taken By : John Williams / Dick Heenan							
Date Last BOP Drill : February 17, 2013		Daily Cost : \$212,395		Cum Cost : \$16,546,633		AFE Remaining : \$0					

**East Mackay I-78 - 2013****Daily HSE Report****Location:** East Mackay Project**Date:** Monday, February 25, 2013**Operator:** MGM. Energy Corp.**Supervisors:** Marty Larson - Mike Costello**Weather:** High Temp -22 C**Personnel in Camp:** 65**Regulator Contact:** No regulator contact**Safety:**

Pre Incident Report: Feb 25, 2013 around 2:00 pm, Tyler Lennie (Day-shift motor hand) and the loader operator were putting the bales in C-Can when rigging out. Tyler proceeded to pull the bale off the forks of the loader and it came off the forks quicker than expected and caught his right foot between the bale and a pipe on the floor. The loader was in the parked position when this happened. Tyler went and saw the medic, who inspected his right ankle and said it looks like a bruised ankle with no abrasions. There was no loss time and Tyler went right back to work. Will forward more information once we receive the Akita incident report.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	2	0	1
Previous	279	4	13
Total	281	4	14

**Environmental:** No environmental issues were noted**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	13	0	2
Previous	327	21	39
Total	340	21	41

**Hazard Identification of the Day:****Unsafe Act:** When loading bales in container when rigging out, rig hand pinched ankle between bale and pipe**Corrective Action:** communication with co-workers, proper foot placement and beware of your surroundings



## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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Type:		mid engineer	senior	chief	chief	
MUD CHECK	#1	#2	ADDITIVES	SKS	BOTTOM HOLE ASSEMBLY	SURVEYS

[illegible][illegible][illegible]

FROM	TO	24 HOUR SUMMARY

[illegible]

OPERATION NEXT 24 HRS : complete rig move & begin to prep & set up location for frac spread				Total:					
Drilling Rig & Number: Akita 37		HOLE CONDITION : completion string & dog nut landed & well head installed			BOILER HRS: 20.00		TOTAL DAILY HRS: 24.00		
Tool Pusher : Guy Cusitar		Cellular # : 403-648-0842		Road / Lease Condition : Road is holding together very well. Location is in good shape					
Drilling Consultant : Trevor Mitchell / Jason Duck		Email: rig_supervisor@mngenergy.com		Shack Cell # : (403) 536-9970					
Temp (C) : -29		Weather : 7kph E wind & clear		Taken By : John Williams / Dick Heenan					
Date Last BOP Drill :		Daily Cost : \$182,405		Cum Cost : \$16,726,613		AFE Remaining :		\$0	

**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Marty Larson - Mike Costello

**Date:** Tuesday, February 26, 2013

**Weather:** High Temp -15 C

**Personnel in Camp:** 65

**Regulator Contact:** NEB Inspection by Rick Turner, Lori Croal & Don Logan.

**Safety:** Incident involving a Mullen's 42 ton picker truck that upset on the MGM access road near km 31. The cause of the incident is under investigation. No injuries occurred, although there was damage to the truck. Mullens will provide an incident report of the accident.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	0	0	1
Previous	281	4	14
Total	281	4	15

**Environmental:** A 2 litre hydraulic oil spill occurred as a result of a oil container being crushed in the toolbox of the Mullen picker truck accident. The contaminated snow was cleaned up and placed into an approved container for disposal. 2 litres of hydraulic fluid and 2 litres of snow was recovered.

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	5	1	0
Previous	340	21	41
Total	345	22	41

**Hazard Identification of the Day:**

**Unsafe Act:**

**Corrective Action:**





**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Larry Blundon - Mike Costello

**Date:** Wednesday, February 27, 2013

**Weather:** High Temp -17 C

**Personnel in Camp:** 76

**Regulator Contact:** No Contact

**Safety:** No Safety Concerns

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	0	0	0
Previous	281	4	15
Total	281	4	15

**Environmental:** No Environmental Concerns

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	32	0	1
Previous	345	21	41
Total	377	21	42

**Hazard Identification of the Day:**

**Unsafe Act:**

**Corrective Action:**



## DAILY COMPLETIONS REPORT

CB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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[illegible][illegible]

DRILLING PARAMETERS											PUMP DATA						
No.	WOB	RPM	Str. Wt.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min	No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.

[illegible]

**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Larry Blundon - Mike Costello

**Date:** Thursday, February 28, 2013

**Weather:** High Temp -15 C

**Personnel in Camp:** 76

**Regulator Contact:** No Contact

**Safety:**

While relocating approximately 23 frac trucks from the main camp to the lease, I observed very good direction and communication by Ron Krinke, MGM Construction Supervisor and all the truckers. They all arrived at the lease in a timely and safe manor.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	2	0	0
Previous	281	4	15
Total	283	4	15

**Environmental:** No Environmental Concerns

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	7	0	2
Previous	377	21	42
Total	384	21	44

**Hazard Identification of the Day:**

**Unsafe Act:** A trucker was trying to back up his truck while another truck enter the lease, they had no one directing them or spotting.

**Corrective Action:** Approached him and got eye contact with him and proceeded to guide him back with hand signals.



## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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MUD CHECK	#1	#2	ADDITIVES	SKS	BOTTOM HOLE ASSEMBLY	SURVEYS
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DRILLING PARAMETERS											PUMP DATA						
No.	WOB	RPM	Str. Wt.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min	No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
												#1					
												#2					
												#3					

[illegible]

OPERATION NEXT 24 HRS : Wait on Daylight while Recording Pressures, Frac and Flow the Bluefish.					Total:								
		HOLE CONDITION : completion string & dog nut landed & well head installed					BOILER HRS:		24.00		TOTAL DAILY HRS: 24.		
Completion Sup :		Clint Murray / Bob Camduff		Shack # :		403-648-0847		Road / Lease Condition :		Road is holding together vey well. Location is in good shape			
Drilling Consultant :		Trevor Mitchell / Jason Duck		Email:		rig_supervisor@mgmenergy.com		Shack Cell # :		(403) 536-9970			
Temp (C) :		-18		Weather :		15kph W wind & clear		Taken By :		John Williams / Dick Heenan			
Date Last BOP Drill :				Daily Cost :		\$175,290		Cum Cost :		\$17,140,657		AFE Remaining : \$0	

**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Marty Larson - Larry Blundon

**Date:** Friday, March 01, 2013

**Weather:** High Temp -18 C

**Personnel in Camp:** 78

**Regulator Contact:** No Contact

**Safety:** No safety issues were noted.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	1	0	0
Previous	283	4	15
Total	284	4	15

**Environmental:** 1) Pumper 4 check valve: the top cap O ring let go. Pressure test was stopped as soon as it was noticed & soaker pads were placed over the spray & the ground. Pressure was bled down & the vac truck sucked out the lines to make repairs, then the pressure test was started again. Area was covered with plastic and nothing touched the ground. Released volume was approximately 0.5 litres & pads were placed into lined C-can for disposal

2) The second leak happened after the pressure was much higher at the Frac head and leaked down from the frac head and on to the wellhead. The same procedure was followed to clean up with soaker pads, bleed off the lines and use the vac truck to empty them & make repairs before continuing. Release volume was approximately 0.5 litres & pads were placed into lined C-can for disposal.

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	3	2	0
Previous	384	21	44
Total	387	23	44

**Hazard Identification of the Day:**

**Unsafe Act:** Three small propane tanks and two 6 volt batteries were found laying on a skid in the yard.

**Corrective Action:** They were picked up and placed in the proper C-cans for disposal.



## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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[illegible][illegible]

DRILLING PARAMETERS											PUMP DATA						
No.	WOB	RPM	Str. Wl.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min	No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
													#1				
													#2				
													#3				

[illegible]

**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Marty Larson - Larry Blundon

**Date:** Saturday, March 02, 2013

**Weather:** High Temp -16 C

**Personnel in Camp:** 75

**Regulator Contact:** No Contact

**Safety:** No safety issues were noted.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	4	0	0
Previous	284	4	15
Total	288	4	15

**Environmental:** Approximately 30 litres of a mixture of frac oil and sand overflowed the blender and spilled onto the plastic liner. The spill appears to be a result of too much material backing up behind the impeller and overflowing the blender. All the spilled material was sucked up by the vac truck for disposal.

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	8	1	0
Previous	387	23	44
Total	395	24	44

**Hazard Identification of the Day:**

**Unsafe Act:** Pressure testing flowlines for chance of leaks, and oxygen deficiency areas.

**Corrective Action:** Reminded everyone to stay clear during test and maintain good communication with N2 pumper

## DAILY COMPLETIONS REPORT

Date of last Report: 24-Jan-13DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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[illegible][illegible][illegible][illegible]

PUMP DATA					
No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

FROM		TO		24 HOUR SUMMARY
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24 HOUR SUMMARY									
00:00	01:00	Continued to Flow Test well through Testers Goutline (2" Choke)							
01:00	04:00	Tubing Pressure died, Shut in Well							
04:00	04:00	02:00 SITP = 1381Kpa							
04:00	04:00	04:00 SITP = 3380Kpa							
04:00	04:00	Opened Well to Testers							
04:00	07:30	Time	FTP (Kpa)	CP (Kpa)	Choke (mm)	Fluid Rate (m3/hr)	Gas Rate (e3/m3d)	Sand %	API
07:30	07:30	04:10	204	2592	Gutline	0	0	0	
07:30	07:30	05:00	10	2471	Gutline	2.88	0	0	46.4 (Spec Grav = 0.795)
07:30	07:30	06:00	2	2453	Gutline	0	0	0	
07:30	07:30	07:00	4	2452	Gutline	0	0	0	
07:30	09:00	Held Safety Meeting and JSA Review with all Personnel. Discussed Hazards and Controls.							
09:00	09:00	Discussed Operations and go forward plans with MGM / Shell Management.							
09:00	10:30	Held Tailgate Meeting, Shut in Well							
10:30	10:30	Ensured Wellhead was de-pressurized. Remove Cameron Hydraulic Valves and Buffalo Head from Wellhead.							
10:30	12:00	Rigged up Slickline with full Lubricator and BOP, Pressure Tested Lubricator and Wellhead Connections with N2 to 5.0Mpa.							
12:00	15:30	SITP = 1850Kpa							
15:30	15:30	Bled off Tubing Pressure to Testers, bled to 0 in 10 Minutes, Recovered 1.71m3 before Well died.							
15:30	15:30	Opened up Well and Ran in Hole with Tandem Pressure and Temperature Gauges.							
15:30	15:30	Tagged Sand Fill at 1944mCF (Wireline Depth), Conducted Reverse Gradient with 8 - 5min stops. Shut in Well.							
15:30	17:00	Laid down Gauges, Made up and Ran in Hole with 70mm Nipple Brush							
17:00	17:00	Brushed RN Profile at 1938.50mCF and tagged fill at 1944.0mCF, Pull out of Hole							
17:00	19:00	Run in with 88.9mm "RN" Lock and set in Profile at 1944.0mCF							
19:00	19:00	Run in with Prong and set in Lock, Pull out of Hole and rig out Wireline. BHP = 7965Kpa, BHT = 68.9Deg C							
19:00	24:00	SITP = 1400Kpa. Open up to Testers and let vent overnight.							
		Daily fuel : 8,361 litres Total fuel : 270,273 litres							

OPERATION NEXT 24 HRS : Vent Well to Testers overnight, Run Tubing Punch, Rig up Frac Head, Pressure Test and Perform DFIT				Total:							
HOLE CONDITION : completion string & dog nut landed & well head installed				BOILER HRS:		24.00		TOTAL DAILY HRS: 24.00			
Completion Sup : Clint Murray / Bob Camduff		Shack # : 403-648-9064		Road / Lease Condition : Road is holding together vey well. Location is in good shape							
Drilling Consultant : Trevor Mitchell / Jason Duck		Email: rig_supervisor@mgmenergy.com		Shack Cell # : (403) 536-9970							
Temp (C) : -15		Weather : 9kph W wind & clear		Taken By : John Williams / Dick Heenan							
Date Last BOP Drill :		Daily Cost : \$1,100,422		Cum Cost : \$19,126,792				AFE Remaining : \$0			



**East Mackay I-78 - 2013****Daily HSE Report**

**Location:** East Mackay Project  
**Operator:** MGM. Energy Corp.  
**Supervisors:** Marty Larson - Larry Blundon

**Date:** Sunday, March 03, 2013

**Weather:** High Temp -11 C

**Personnel in Camp:** 75

**Regulator Contact:** NEB inspectors (Rick Turner, Lori Croal & Don Logan) visited the project.

**Safety:** No safety issues were noted.

**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	0	0	0
Previous	288	4	15
Total	288	4	15

**Environmental:** Four small spills were noted on the wellsite today.

- 1) One litre anti-freeze spill in the area was Clean Harbours was parking. 5 litres of snow & ice was recovered for disposal.
- 2) One litre anti-freeze in the same area as Spill #1. 5 litres of snow & ice was recovered for disposal.
- 3) Three litre anti-freeze spill, believed to be associated with an Mullen truck. Appeared to be down to the ground. 20 litres of snow & ice was recovered.

All the spills were not on plastic or lined areas, but were in ice-covered areas of the site. All the spills were scrapped up and the recovered material was placed into a lined C-can for disposal. The timing of the spills associated with the Mullen trucks is uncertain, but is believed to have occurred within the few days of activity.

Wildlife - Fox reported on March 3/13 and recieved March 2/13 card for three wolves.

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	13	4	2
Previous	395	24	44
Total	408	28	46

**Hazard Identification of the Day:**

Unsafe Act: N/A

Corrective Action: N/A



PROGRAMMED FTD :	2020		
DAYS (MI & RU) :	13.59	AFE # :	12D0006
DAYS (FROM SPUD) :	36.41	AFE AMT. :	
TOTAL DAYS :	50.00	CO. WI (%) :	

## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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Date of Last Report: 24-Jan-13

Well #	MGM-Shell East Mackay I-78			Licence # :	1202-002	Date:	4-Mar-13
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours Recording Data from DFIT on Canol Formation	04-Mar-2013	Operation @ 07:00 Hours Recording Data from DFIT, Crews arriving at Location	05-Mar-2013		Depth @ 07:00 Hr. 2001

## DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
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[illegible]

## BIT DATA

[illegible]

### DRILLING PARAMETERS

[illegible]

## PUMP DATA

No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

FROM	TO	24 HOUR SUMMARY

[illegible]

OPERATION NEXT 24 HRS :	Frac the Canol Formation, Flow and Test the Canol Formation.
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Total:

24.00	TOTAL DAILY HRS:	24.00
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	HOLE CONDITION : completion string & dog nut landed & well head installed	BOILER HRS:	24.00	TOTAL DAILY HRS:	24.00
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Completion Sur :	Clint Murray / Bob Camduff	Shack # :	403-648-9064	Road / Lease Condition :	Road is holding together vey well. Location is in good shape
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<b>Completion cap :</b>	Grimm / D&B Canadian	<b>Shack # :</b>	(403) 536-9970
<b>Drilling Consultant :</b>	Trevor Mitchell / Jason Duck	<b>Email:</b>	rig_supervisor@mamenergy.com
		<b>Shack Cell # :</b>	(403) 536-9970

Drilling Consultant :	Novel Wiltshire / Jason Cook	Drill Team :	Mr. Supermarket / Mr. Mennings / Mrs. Green	Drill Log Ref. :	100 / 200 / 300
Temp. (C) :	-16	Weather :	5kph W Wind & Overcast	Taken By :	John Williams / Dick Heenan

Date Last BOP Drill :	Daily Cost :	\$435,762	Cum Cost :	\$19,561,403	A/E Remaining :	\$0
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**East Mackay I-78 - 2013****Daily HSE Report****Location:** East Mackay Project**Date:** Monday, March 04, 2013**Operator:** MGM. Energy Corp.**Supervisors:** Marty Larson - Larry Blundon**Weather:** High Temp -14 C**Personnel in Camp:** 73**Regulator Contact:** No regulator contact**Safety:** No safety issues were noted.**Safety Tracking**

	Hazard ID	Near Miss	Incidents
Daily	10	0	0
Previous	288	4	15
Total	298	4	15

**Environmental:** 1.5 litre anti-freeze spill from a cracked line running to the sleeper on a tractor trailer. The truck was using a drip tray but the position of the crack missed the drip tray. The driver of the truck was able to locate the cracked line and stop any further leakage. The 1.5 litres of anti-freeze plus 15 litres of snow & ice was scrapped up and placed into a lined C-can for disposal.

**Environmental Tracking**

	Orientations	Spills	Wildlife
Daily	6	1	0
Previous	408	28	46
Total	414	29	46

**Hazard Identification of the Day:****Unsafe Act:** Black plastic spill tarp in walking areas with snow coverage very slippery**Corrective Action:** Cut away area were walking to reduce chances of slipping



PROGRAMMED FTD :	2020		
DAYS (MI & RU) :	13.59	AFE # :	12D0006
DAYS (FROM SPUD) :	37.41	AFE AMT. :	
TOTAL DAYS :	51.00	CO. WI (%) :	

## DAILY COMPLETIONS REPORT

KB ELEVATION:	161.24	GROUND ELEVATION:	155.39	CBF ELEVATION :	155.89
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Date of Last Report: 24-Jan-13					
Well Name : MGM-Shell East Mackay I-78		Licence # : 1202-002		Date: 5-Mar-13	
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours Flowing Canol Formation	05-Mar-2013	Operation @ 07:00 Hours Flowing Canol Formation	06-Mar-2013
					Depth @ 07:00 Hr. 2001

## DRILLING FLUID

[illegible]

## BIT DATA

[illegible]

### DRILLING PARAMETERS

[illegible]

## PUMP DATA

No.	Type	m3 / Stk	Eff (%)	Liner Sz.	Stk.Lgth.
#1					
#2					
#3					

## FROM TO

## 24 HOUR SUMMARY

24 HOUR SUMMARY									
00:00	07:30	Testers Monitored Well and Surface Lines overnight.							
07:30	08:30	Held Safety and Operations Meeting with All Personnel. Reviewed JSA's, discussed Hazards and Controls.							
08:30	11:00	Shut in Well, Tubing Pressure 17.2Mpa							
11:00	11:30	Held Pre-Job Safety Meeting with all Personnel (44 on Location)							
11:30	12:00	Pressure Tested Surface Lines to 69Mpa with Frac Oil. Pressure Tested N2 Lines to 69Mpa.							
12:00	13:15	Opened Well to Conduct Rheo-Gel 6 Frac on Upper and Lower Canol Formation (3 Intervals)							
13:15	13:15	Interval #1 - Pumped 45.3m3 Pad. Pumped 3.1 Tonne 50 / 140 and 20.4 Tonne PR 6000 30 / 50 Proppant at 3.5m3/min, 50 - 400kg/m3							
13:15	13:15	Total Fluid Pumped = 122.8m3, Total N2 = 10695scm.							
13:15	13:15	Flushed with 14.7m3 Frac Oil. AP = 25.6Mpa, AR = 3.5m3, Proppant Places = 23.5 Tonne. ISIP = 21.3Mpa							
13:15	14:00	Interval #2 - Shut in Well, Bleed off Top Section of Wellhead and Drop 85.85mm Ball into Hydraulic Actuated Valve.							
14:00	14:00	Equalized Pressure above and below Valve. Opened Top Valve and allowed Ball to drop. Tubing Pressure = 17.2Mpa.							
14:00	14:00	Seated Ball and Shifted Frac Sleeve with 37.3Mpa at 2.5m3/min. Breakdown at 26.3Mpa							
14:00	16:00	Pumped 52.2m3 Pad including Fluid to Seat Ball.							
16:00	16:00	Pumped 2.8 Tonne - 50 / 140 and 32 Tonne - PR 6000 30 / 50 Proppant at 3.5m3/min, 50 - 400kg/m3. Total Fluid Pumped = 162.3m3							
16:00	16:00	Total N2 = 11,109scm. Flushed with 14.6m3 Frac Oil. AP = 25.1Mpa, AR = 3.5m3, Proppant Placed = 34.8 Tonne. ISIP = 21.8Mpa.							
16:00	17:30	Interval #3 - Shut in Well, Bleed off Top Section of Wellhead and Drop 89.03mm Ball into Hydraulic Actuated Valve.							
17:30	17:30	Equalized Pressure above and below Valve. Opened Top Valve and allowed Ball to drop. Tubing Pressure = 18.4Mpa.							
17:30	17:30	Seated Ball and Shifted Frac Sleeve with 38.3Mpa at 2.5m3/min. Breakdown at 29.6Mpa							
17:30	17:30	Pumped 42.0m3 Pad including Fluid to Seat Ball.							
17:30	17:30	Pumped 4.1 Tonne - 50 / 140 and 20.4 Tonne - PR 6000 30 / 50 Proppant at 3.5m3/min, 70 - 600kg/m3, Total Fluid Pumped = 103.9m3							
17:30	17:30	Total N2 = 6,954scm. Flushed with 14.3m3 Frac Oil. AP = 24.3Mpa, AR = 3.5m3, Proppant Placed = 24.5 Tonne. ISIP = 23.0Mpa.							
17:30	17:30	15 Min Shut in = 21.3Mpa							
17:30	19:30	Rigged out Standing Iron, Removed Frac Head with Buffalo Head, Installed Flanged Cap above Flow Cross.							
19:30	24:00	SITP = 18.47Mpa. Opened up to Testers to Flow back on Cleanup							
24:00	24:00	Time	FTP (Kpa)	CP (Kpa)	Choke (mm)	Fluid Rate (m3/hr)	N2 Rate (g3/m3d)	Sand %	API
		20:30	16296	4195	7.14		9.90	0	
		21:00	16359	4931	5.56	6.40	19.41	0.1	47
		22:00	14228	7343	7.94	14.90	12.00	1.0	47
		Daily fuel : 19,016 litres Total fuel : 295,873 litres							
OPERATION NEXT 24 HRS : Continue Flowing the Canol									
		HOLE CONDITION : completion string & dog nut landed & well head installed					Total:		
		BOILER HRS:					24.00	TOTAL DAILY HRS: 24.00	
Completion Sup :		Clint Murray / Bob Carnduff	Shack # :		403-648-9064	Road / Lease Condition :		Road is holding together very well. Location is in good shape	
Drilling Consultant :		Trevor Mitchell / Jason Duce	Email:		rig_supervisor@mgmenergy.com	Shack Cell # :		(403) 536-9970	
Temp (C) :		-16	Weather :		5kph W Wind & Overcast	Taken By :		John Williams / Dick Heenan	
Date Last BOP Drill :			Daily Cost :		\$2,630,758	Cum Cost :		\$22,192,162	AFE Remaining : \$0



# East Mackay I-78 - 2013

## Daily HSE Report

Location: East Mackay Project  
 Operator: MGM. Energy Corp.  
 Supervisors: Marty Larson - Larry Blundon

Date: Tuesday, March 05, 2013

Weather: High Temp -15 C

Personnel in Camp: 70

Regulator Contact: No regulator contact

Safety: No safety issues were noted.

### Safety Tracking

	Hazard ID	Near Miss	Incidents
Daily	5	0	0
Previous	298	4	15
Total	303	4	15

Environmental: No environmental issues were noted

### Environmental Tracking

	Orientations	Spills	Wildlife
Daily	11	0	0
Previous	414	29	46
Total	425	29	46

### Hazard Identification of the Day:

Unsafe Act: Worker attempted to bleed off surface equipment before insuring wellhead was shut in

Corrective Action: Stopped worker and talked to him about the importance of checking equipment first and then the wellhead was shut in.