

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

Date Report: 24-Jan-13

W.	MGM-Shell East Mackay I-78			Licence #:	1202-002	Date:	23-Feb-13
Dpth (w $\leq$ 4:00)	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

## BIT DATA

## DRILLING PARAMETERS

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BUIMR DATA

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

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2014 RELEASE UNDER E.O. 14176

FROM	TO	24 HOUR SUMMARY		
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
	07:00	Pull up and Correlate 2nd Gun on Depth to Perforate Lower Canol Zone from 1882 - 1884mKB. POOH with Carriers and check, all shots fired.	Pup Joint	3.07
07:00		Held Safety Meeting and JSA Review. Complete Crew Change and Run in with 1 - 2m x 127mm EHRSC loaded with 25gr Connex Charges @ 17SPM and 60 Degree Phasing. At 70m in Hole check switches for dets and continue Run in Hole. Correlate gun on Depth to Perforate Canol Zone from 1869 - 1871mKB. POOH with Carriers and check, all shots fired.	Weatherford KLC Ball Seat	0.24
		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 120 Degree Phasing. At 70m in Hole check switches for dets and switch did not work. POOH with both guns and found the 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	Pup Joint	3.07
11:00		check switch, switch ok, and continue Run in Hole. Log on Depth and Perforate Canol Formation from 1847 - 1849mKB. POOH with Carrier and check, all shots fired.	ZTA Hyd Toe Sleeve 1A	1.06
	16:30	16:30 with Carrier and check, all shots fired.	ZTA Hyd Toe Sleeve 1B	1.06
16:30		Make up and Arm 79mm Perf Gun loaded with 22.7gr Prospector Charges @ 10 SPM and 120 Degree Phasing. Run in with 1 - 2m x 79mm ERHSC and check switch, switch ok, continue Run in Hole.	Otis RN Landing Nipple c/w Hard	3.07
	19:00	19:00 Log on Depth and Perforate the Canol Formation from 1840 - 1842mKB. POOH with Carrier and check, All shots fired.	Kote (id = 65.07mm, No-Go = 59.16mm	0.53
19:00		Hold Safety Meeting and JSA Review. Complete Crew Change	Pup Joint	3.07
	20:45	20:45 Rig out Baker Wireline Equipment.	88.9mm EUE Pin x LT&C Box X/O	0.27
20:45		Rig up Hallmark Power Tongs and Handling Equipment to run 88.9mm and 114.3mm Completion String.		
	21:00	21:00 Lay out Weatherford ZoneSelect Completion String on Catwalk.		
21:00	21:15	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 177.8mm Casing for Wireless EM transmission of gauges)		
21:30	24:00	21:30 24:00 Continue Run in Hole with Completion String (details at right) ----->>>		
		Daily fuel : 8,067 litres Total fuel : 232,559 litres		

Daily fuel : 8,067 litres Total fuel : 232,559 litres

Total: **22.17**

OPERATION NEXT 24 HRS : Finish Running 114.3mm Tubing String.			Total:	22.17
Drilling Rig & Number:	Akita 37	HOLE CONDITION:	Cased & cemented	
Tool Pusher:	Guy Cusitar	Cellular #:	403-648-0842	
Drilling Consultant:	Trevor Mitchell / Jason Duck	Email:	Road / Lease Condition:	Road is holding together very well. Location is in good shape
Temp. (C):	-30	Weather:	8kph W wind & clear	
Date Last BOP Drill:	February 17, 2013	Daily Cost:	\$319,416	Cum Cost:
			\$16,001,587	AFE Remaining:
				\$0

PROGRAMMED FTD :	2020	
DAYS (MI & RU) :	13.60	AFE #: 12D0006
DAYS (FROM SPUD) :	28.41	AFE AMT. :
TOTAL DAYS :	42.00	CO. WI (%):

## DAILY COMPLETIONS REPORT

Date First Report:	24-Jan-13	Well No.:	MGM-Shell East Mackay I-78	Licence #:	1202-002	Date:	24-Feb-13
Dpth @ 24:00	Progress (m)	Operation @ 24:00 Hours	24-Feb-2013	Operation @ 07:00 Hours	25-Feb-2013	Depth @ 07:00 Hr.	
2001		runn frac oil		Nipple DN BOPS		2001	

#### DRILLING FLUID

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

**MUD CHECK**

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:									
RSPP:									
RSP Strokes:									
		Daily	Cum.						
	Mud (\$)	96	40,840						
	Water (\$)								
	Description	OD (mm)	ID (mm)	Length	Thread		Depth	Degrees	Azi.
Drill Pipe									
HWDP									
Drill Pipe									
Kelly Down									
BHA Length (m) :					Total Length				
	FLUID VOLUMES				PRE-MIX TANK				
Bottoms Up (min)					Volume (m3)				
Mud Cycle (min)					Low "N"				
Main Hole (m3)					Low "K"				
Mud Tanks (m3)					Brk YP				
Sump Vol. (m3)					Brk 0.5 rpm				
Total (m3)					Viscosity				
MUD-UP DEPTH:					Density				

## BIT DATA

## DRILLING PARAMETERS

#### PUMP DATA

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

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2014 RELEASE UNDER E.O. 14176

Daily fuel : 7907 litres Total fuel : 240466 litres

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	

PROGRAMMED FTD :	2020
DAY (MI & RU) :	13.60
DAY (FROM SPUD) :	28.41
TOTAL DAYS :	43.00

### DAILY COMPLETIONS REPORT

Date Last Report:	24-Jan-13
Well Name:	MGM-Shell East Mackay I-78
Dpth @ 24:00 2001	Progress (m) Operation @ 24:00 Hours 25-Feb-2013 Continue to tear out

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

Licence #:	1202-002	Date:	25-Feb-13
Operation @ 07:00 Hours	Continue to tear out for rig move	26-Feb-2013	Depth @ 07:00 Hr. 2001

#### DRILLING FLUID

Type :	Mud Engineer:	Dave Gibson	Cell # :	Office # :	Mud Co.:	Matrix Drilling Fluids
MUD CHECK	#1	#2	ADDITIVES	SKS	BOTTOM HOLE ASSEMBLY	
Time					Description	OD (mm)
Depth					ID (mm)	Length
Density					Thread	
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:						
RSPP:						
RSP Strokes:						
			Daily	Cum.		
			Mud (\$)	Water (\$)		
					MUD-UP DEPTH:	

#### BIT DATA

No.	Size-mm	Type	Serial No.	Jets (mm)	In	Out	Metres	Bit Hrs.	ROP	Cum Hrs	Ti	To	D	Loc	B	G	O	R

#### DRILLING PARAMETERS

No.	WOB	RPM	Str. Wt.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min

#### PUMP DATA

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

#### FROM TO 24 HOUR SUMMARY

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 steel 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		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

Drilling Rig & Number:	Akita 37	HOLE CONDITION:	completion string & dog nut landed & well head installed		Total:	
Tool Pusher :	Guy Cusitar	Cellular #:	403-648-0842	Road / Lease Condition:	Road is holding together very well. Location is in good shape	BOILER HRS: 24.00
Drilling Consultant :	Trevor Mitchell / Jason Duck	Email:	rig_supervisor@mgmenergy.com	Shack Cell #:	(403) 536-9970	TOTAL DAILY HRS: 24.00
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 then 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

PROGRAMMED FTD :	2020	
DAYS (MI & RU) :	13.59	AFE #: 12D0006
DAYS (FROM SPUD) :	30.40	AFE AMT. :
TOTAL DAYS :	44.00	CO. WI (%):

## DAILY COMPLETIONS REPORT

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

Date of First Report: 24-Jan-13

Well No.:	MGM-Shell East Mackay I-78			Licence #:	1202-002	Date:	26-Feb-13
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours wait on daylight	26-Feb-2013	Operation @ 07:00 Hours Wait on daylight to continue rig move	27-Feb-2013	Depth @ 07:00 Hr.	2001

#### DRILLING FLUID

## BIT DATA

## DRILLING PARAMETERS

#### PUMP DATA

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

FROM TO

24 HOUR SUMMARY

Daily fuel : 5092 litres Total fuel : 245130 litres

**OPERATION NEXT 24 HRS :** complete rig move & begin to prep & set up location for frac spread

Drilling Rig # & Number: Akita 37	HOLE CONDITION : completion string & dog nut landed & well head installed		BOILER HRS: 20.00	TOTAL DAILY HRS: 24.0
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: rg.supervisor@mgmenergy.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:

PROGRAMMED FTD :	2020	
DAYS (MI & RU) :	13.59	AFE # : 12D0006
DAYS (FROM SPUD) :	31.41	AFE AMT. :
TOTAL DAYS :	45.00	CO. WI (%) :

## DAILY COMPLETIONS REPORT

Date of First Report:	24-Jan-13	Well:	MGM-Shell East Mackay I-78	Licence #:	1202-002	Date:	27-Feb-13
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours wait on daylight	27-Feb-2013	Operation @ 07:00 Hours Wait on daylight to move in & rig up frac spread	28-Feb-2013	Depth @ 07:00 Hr. 2001	

#### DRILLING FLUID

Type :		Mud Engineer:		Cell # :		Office # :		Mud Co.:					
MUD CHECK		#1	#2	ADDITIVES		SKS	BOTTOM HOLE ASSEMBLY				SURVEYS		
Time											Depth		
Depth											Degrees		
Density											Azi.		
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:													
RSPP:													
RSP Strokes:													
				Daily	Cum.								
				Mud (\$)									
				Water (\$)									
							MUD-UP DEPTH:						

## BIT DATA

## DRILLING PARAMETERS

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BUJIMB DATA

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

FROM TO

24 HOUR SUMMARY

**OPERATION NEXT 24 HRS :** Wait on daylights to move in & rig up frac spread

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 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): -24	Weather: 5kph S wind & clear	Taken By: John Williams / Dick Heenan					
Date Last BOP Drill:	Daily Cost: \$109,864	Cum Cost: \$16,836,477	AFE Remaining: \$0				

**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:

PROGRAMMED FTD :	2020	
DAYS (MI & RU) :	13.59	AFE # : 12D0006
DAYS (FROM SPUD) :	32.41	AFE AMT. :
TOTAL DAYS :	46.00	CO. WI (%) :

## DAILY COMPLETIONS REPORT

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

Date of Report:	24-Jan-13			
Well Name:	MGM-Shell East Mackay I-78	Licence #:	1202-002	Date:
Dpth @ 24:00	Progress (m)	Operation @ 24:00 Hours	01-Mar-2013	28-Feb-13

#### DRILLING FLUID

## BIT DATA

## DRILLING PARAMETERS

## PUMP DATA

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

Daily fuel : 2006 litres Total fuel : 249437 litres

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OPERATION NEXT 24 HRS : Wait on Daylight, Finish Rig up of Frac Equipment, Pressure Test, Perform DFIT, Frac the Bluefish and Flow			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 Carmuff	Shack # :	403-648-0847	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) :	-21	Weather :	12kph W wind & clear	Taken By :	John Williams / Dick Heenan
Date Last BOP Drill :		Daily Cost :	\$119,295	Cum Cost :	\$16,965,367
				AFE Remaining :	\$0

# 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
	281	4	15
Total	283	4	15

Environmental: No Environmental Concerns

### Environmental Tracking

	Orientations	Spills	Wildlife
Daily	7	0	2
	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.

PROGRAMMED FTD :	2020	
DAYS (MI & RU) :	13.59	AFE # : 12D0006
DAYS (FROM SPUD) :	33.41	AFE AMT. :
TOTAL DAYS :	47.00	CO. WI (%) :

## DAILY COMPLETIONS REPORT

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

Dpth @ 4:00 2001	Progress (m)	Operation @ 24:00 Hours Recording Pressure Data after DFIT	01-Mar-2013	Operation @ 07:00 Hours Recording Pressure Data and preparing for Frac.	02-Mar-2013	Depth @ 07:00 Hr. 2001
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#### DRILLING FLUID

**BIT DATA**

## DRILLING PARAMETERS

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#### PUMP DATA

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

FROM

## 24 HOUR SUMMARY

Daily fuel : 7,495 litres Total fuel : 256,932 litres

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: 24.00
Completion Sup :	Clint Murray / Bob Carduff	Shack #:	403-648-0847	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) :	-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
	283	4	15
	<b>Total</b>	<b>284</b>	<b>4</b>

**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
	384	21	44
	<b>Total</b>	<b>387</b>	<b>23</b>

**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.

PROGRAMMED FTD :	2020
DAY (MI & RU) :	13.59
DAY (FROM SPUD) :	34.41
TOTAL DAYS :	48.00

### DAILY COMPLETIONS REPORT

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

Date of Report:	24-Jan-13
Well Name:	MGM-Shell East Mackay I-78
Dpth @ 24:00 2001	Progress (m) Operation @ 24:00 Hours 02-Mar-2013 Flowing Bluefish Formation

Licence # : 1202-002

Date: 2-Mar-13  
Operation @ 07:00 Hours 03-Mar-2013  
Flowing Bluefish Formation

Depth @ 07:00 Hr. 2001

#### DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
MUD CHECK	#1 #2	ADDITIVES	SKS	BOTTOM HOLE ASSEMBLY
Time				Description
Depth				OD (mm)
Density				ID (mm)
Viscosity				Length
Water Loss				Thread
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:				
RSPP:				
RSP Strokes:				
	Daily	Cum.		
	Mud (\$)	Water (\$)		

#### BIT DATA

No.	Size-mm	Type	Serial No.	Jets (mm)		In	Out	Metres	Bit Hrs.	ROP	Cum Hrs	Ti	To	D	Loc	B	G	O	R

#### DRILLING PARAMETERS

No.	WOB	RPM	Str. Wt.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min

#### PUMP DATA

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

#### 24 HOUR SUMMARY

00:00	07:30	Boiler Watch and wait on Daylight. Hot Oiler began heating Frac Oil at 04:00hrs.															
07:30	08:00	Held Safety and Operations Meeting with all Personnel on Location. Reviewed JSA's and Discussed Hazards and Controls.															
08:00	10:00	Started and Warmed up all Equipment. Conducted QA Test on Frac Oil. Oil Temp @ 16 Deg C, tested all 4 Tanks.															
10:00	11:30	Tested N2 and Fluid Lines to 2.0Mpa and 69.0Mpa. All Tests Held.															
11:30	12:30	Bled Line Pressure to 8.0Mpa. Opened Wellhead. SITP 8.9Mpa															
12:30	12:30	Conducted Nitrified Rheo-Gel 6 Frac on Bluefish Formation. Held 10.0Mpa on Annulus During Frac.															
12:30	12:30	Pumped 24.5m3 pad, 3.5m3/min @ 30 - 140kg/m3															
12:30	12:30	Pumped 4.9 Tonne - 50 / 140 Proppant, 3.5m3/min @ 30 - 140kg/m3															
12:30	12:30	Pumped 28 Tonne - PR 6000 30 / 50 Proppant, 3.5m3/min @ 140 - 590 kg/m3															
12:30	12:30	Under Flushed 0.5m3 with 14.7m3															
12:30	16:00	Shut in Well to Frac Equipment. Total Fluid to Recover = 164.8m3															
16:00	16:00	Opened Well to Testers, Flowed Back 7.6m3 @ 0.5m3/min, FTP = 12.8Mpa															
16:00	16:00	Shut in Well and Record Build-ups															
16:00	16:30	SITP = 18.85Mpa, Opened up to Testers on 9.53mm Choke															
16:30	17:30	Recovered 4.56m3, Cumulative Fluid = 12.1m3. Gelled Returns with Trace of Sand. Shut in and allow Gel to Break.															
17:30	18:00	SITP = 14.5Mpa, Opened up on 7.14mm Choke.															
18:00	18:00	Pressure dropped below 5Mpa, Opened up to Gutline to attempt to maintain fluid lift.															
18:00	24:00	Continue to Flow on Frac Cleanup.															
		Daily fuel : 4,980 litres Total fuel : 261,912 litres															

#### OPERATION NEXT 24 HRS : Continue Flowing Bluefish Formation

Completion Sup :	Clint Murray / Bob Canduff	Shack # :	403-648-0847	Road / Lease Condition :	Road is holding together very well. Location is in good shape			Total:	24.00	TOTAL DAILY HRS:	24.00
Drilling Consultant :	Trevor Mitchell / Jason Duck	Email:	rig_supervisor@mgmenergy.com	Shack Cell # :	(403) 536-9970						
Temp (C) :	-16	Weather :	15kph W wind & clear	Taken By :							
Date Last BOP Drill :		Daily Cost :	\$885,713	Cum Cost :	\$18,026,370	AFE Remaining :					

## 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 Previous	4	0	0
	284	4	15
	<b>288</b>	<b>4</b>	<b>15</b>

**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 Previous	8	1	0
	387	23	44
	<b>395</b>	<b>24</b>	<b>44</b>

#### 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

PROGRAMMED FTD :	2020
DAY (MI & RIU) :	13.59
DAY (FROM SPUD) :	35.41
TOTAL DAYS :	49.00

### DAILY COMPLETIONS REPORT

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

Date of Last Report: 24-Jan-13

Well : MGM-Shell East Mackay I-78				Licence # : 1202-002	Date: 3-Mar-13
Dpth @ 24:00 2001	Progress (m)	Operation @ 24:00 Hours 03-Mar-2013	Testers Monitoring Well	Operation @ 07:00 Hours Crews arriving at Location	04-Mar-2013 Depth @ 07:00 Hr. 2001

#### DRILLING FLUID

Type :	Mud Engineer:	Cell # :	Office # :	Mud Co.:
MUD CHECK #1 #2 ADDITIVES SKS				
Time		Description	OD (mm)	ID (mm)
Depth			Length	Thread
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		Drill Pipe		
Calcium		HWDP		
Sand %		Drill Pipe		
Solids %		Kelly Down		
Oil Content %		BHA Length (m) :	Total Length	
MBT		FLUID VOLUMES		
Mud Gradient		Bottoms Up (min)	PRE-MIX TANK	
Last Csg MD:		Mud Cycle (min)	Volume (m3)	
Last Csg TVD:		Main Hole (m3)	Low "N"	
MACP:		Mud Tanks (m3)	Low "K"	
RSPP:		Sump Vol. (m3)	Brk YP	
RSP Strokes:		Total (m3)	Brk 0.5 rpm	
		MUD-UP DEPTH:	Viscosity	
			Density	

#### BIT DATA

No.	Size-mm	Type	Serial No.	Jets (mm)	In	Out	Metres	Bit Hrs.	ROP	Cum Hrs	Ti	To	D	Loc	B	G	O	R

#### DRILLING PARAMETERS

No.	WOB	RPM	Str. Wt.	Pressure	SPM #1	SPM #2	SPM #3	DP Vel	DC Vel	Noz Vel	m3 / Min

#### PUMP DATA

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

FROM TO

#### 24 HOUR SUMMARY

00:00	01:00	Continued to Flow Test well through Testers Gutline (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	17:00	Tagged Sand Fill at 1944mCF (Wireline Depth), Conducted Reverse Gradient with 8 - 5min stops. Shut in Well.															
17:00	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: BOILER HRS: 24.00 TOTAL DAILY HRS: 24.00

Completion Sup :	Clint Murray / Bob Candum	Shack # :	403-648-9064	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) :	-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
	288	4	15
	<b>Total</b>	<b>288</b>	<b>4</b>

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 received March 2/13 card for three wolves.

### Environmental Tracking

	Orientations	Spills	Wildlife
Daily	13	4	2
	395	24	44
	<b>Total</b>	<b>408</b>	<b>46</b>

### Hazard Identification of the Day:

Unsafe Act: N/A

Corrective Action: N/A



# PEPPRD 2013

## East Mackay I-78 - 2013

### Daily HSE Report

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

**Date:** Monday, March 04, 2013

**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



## 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.