EQUION ENERGIA LIMITED

Daily Operations Report (Drilling Onshore)

Operator: EQUION ENERGIA LIMITED
Well/Wellbore No. : Floreña Ip-10/01
Site: Florena I

Event Type: DRILLING ONSHORE
Event Objective: DEVELOPMENT
Well Type : DEVELOPMENT
Job Number :
Rig Name/No.: H&P/152

Report no.: 198
Report date: 25/04/2014

Current Well Status

Depth MD:	17.167,0 (ft)	Casing Size:	7,000(in)	AFE No.:	E.DD1.12/06	Rig Accept:	04:43:00p.m. 10/10/2013
Est TVD:	16.940,3 (ft)	Casing(MD):	15.341,0(ft)	AFE Cost:	51.064.834	Rig Release:	11/05/2014
Progress:		Next Casing Size:	5,000 (in)	Cost in:	USD	Spud Date:	28/09/2013
Auth Depth:	17.272,1 (ft)	Next Casing(MD):	17.126,0 (ft)	Exchange Rate:	1800	Ground Elevation:	2.195,1 (ft)
Hole Size:	6.000 (in)	Next Casing(TVD):		Daily Mud:	0	KB Elev:	2232 (ft)
Elev Ref:	Floreña IP10 @2.231,5ft (above Mean Sea Level)			Cum. Mud:	1.952.129	Wellbore Max Angle:	28,46
Geologist:	Jairo Montaña			Daily Well:	119.881		
Engineer:	Didier Alberto Muñoz Pinzón			Cum. Well:	44.480.493	Est Days:	238,00 days
Day WSL:	Alexander Cuellar					Rig. Days:	361,00 days
Night WSL:	Hernando Abril					Days ahead:	32,90 days
Weather:	Rainy					Cost ahead:	4,647,198.00 USD

Current Status: Recovering tools used to wiper trip L/D 6" Bit Safety and preoperational meeting.
24 Hr Summary: POOH BHA # 43 on elevators from 17,167 ft to 16,934 ft. Experinced pack off event, circulated hole clean, POOH BHA # 43 on elevators from 16,561 ft to 15,323 ft. Circulated high vis pill trend and 100 bls of nanoshield. POOH BHA to 6,903 ft
24 Hr Forecast: POOH BHA # 43 to surface. Run E-logs through 7" liner. RU Weatherford running handling equipment. Start 5" Liner running
Update at 06:00: POOH BHA # 43 from 6,903 ft to surface.
Comments:

Cost and AFE Summary by AFE

Event Type	AGSP	Afe Total	Cum Cost	Difference	Expenditure (%)
MOBILIZATION	E.DD1.12/06	$ 2,700,000.00	$ 3,333,969.38	$-633,969.38	123,48
MOBILIZATION	E.DD1.12/06	$ 1,700,000.00	$ 1,681,228.92	$ 18,771.08	98,90
DRILLING ONSHORE	E.DD1.12/06	$ 51,064,833.64	$ 44,480,492.76	$ 6,584,340.88	87,11
Total		$ 55,464,833.64	$ 49,495,691.06	$ 5,969,142.58	

HSE / Performance Measure and Well Control

Days Since Last DAFW:	5,639 (days)							
No. Recordables:	0 / 0 (day/cum)	No. Stop Cards:	108 / 11,899 (day/cum)	No. JSA's :	0 / 0 (day/cum)			
No. First Aid Cases:	0 / 4 (day/cum)	No. Permit to Work:	17 / 3,395 (day/cum)					
Near Misses:	0 / 65 (day/cum)	No. Contacto Cards:	33 / 3,176 (day/cum)	Kick Tolerance (ppg)	9,6			
Last Csg Test Press:	5.200,00 (psi)	Audit to PTW:	0 / 243 (day/cum)	Kick Volume (bbls)	156			
Incident Details:								
Last BOP Pressure Test :	22/04/2013 12:00:00a.m.	Last Rescue in the Pits Drill:		Last Height Rescue D				
Next BOP Pressure Test :	06/05/2013 12:00:00a.m.	Last Safety Tour:	20/04/2014 12:00:00a.m.	Last General Alarm Test:	18/04/2014 12:00:00a.m.			
Last Fire Drill:	05/04/2014 12:00:00a.m.	Last Safety Inspection:	13/04/2014 12:00:00a.m.	Last Trip Drill (D1):	20/04/2014 12:00:00a.m.			
Last Drop Object Inspection	20/04/2014 12:00:00a.m.	Last Safety Meeting:	19/04/2014 12:00:00a.m.	Last Diverter Drill (D3):				
Last Weekly Rig Check:	13/04/2014 12:00:00a.m.	Last Guerrilla Attack Drill:	25/03/2014 12:00:00a.m.	Last Accum. Drill (D4):	08/03/2014 12:00:00a.m.			
Last Spill Drill :	23/04/2014 12:00:00a.m.	Last Emergency Medical Drill:	25/03/2014 12:00:00a.m.	Last H2S Drill:				
Last Table Top:	08/03/2014 12:00:00a.m.	Last Confined Space Rescue Drill:		Evironmental Drill:	05/04/2014 12:00:00a.m.			
Last While Drill (D2):	20/04/2014 12:00:00a.m.	Last Well Kill Drill (D5):	05/03/2014 12:00:00a.m.	Last Stripping Drill (D6):	29/10/2013 12:00:00a.m.			

LOT TVD: BHP: @ MAASSP: 0,00 (psi)
LOT EMW: 0,00 Test Pressure:

No.	Slow Pump Rates (Circ)		Slow Pump Rates (Choke)		Slow Pump Rates (Kill)	
	Stroke Rate	Pressure (psi)	Stroke Rate	Pressure (psi)	Stroke Rate	Pressure (psi)

No Pump Operations with Slow Pump Rates

Hole Section

Section Name	Section type	Effective hole diameter (in)	MD(ft)		Hole section start date/time	Hole section end date/time
			Top	Base		
8 1/2" Hole Section	Open Hole	8,500	13.579	15.345	19/01/2014 12:00a.m.	06/03/2014 05:15p.m.
6" Hole Section	Open Hole	6,000	15.345	17.167	06/03/2014 05:15p.m.	

Operational Parameters

ROP Daily:	0,00 (ft/hr)	Cum Prog :	0,00 (ft)	Daily Bit Hours:	0,00 (hr)
Avg ROP :	0,00 (ft/hr)	Rotating Weight:	385,00 (kip)	Daily Drilling Hrs:	0,00 (hr)
ROP Cum:	0,00 (ft/hr)	Pick Up Wt:	410,00 (kip)	Cum Bit Hrs:	0,00 (hr)
WOB (min):	0 (kip)	Slack Off Wt:	370,00 (kip)		
WOB (max):	0 (kip)				
Min RPM:	40 (rpm)	Circ Rate Hole:	360,00 (gpm)	Ann. Vel. DC:	167,12 (ft/min)
Max RPM:	45 (rpm)	Circ On Bottom:	0 (psi)	Ann. Vel. DP:	140,86 (ft/min)
Torque on Bottom:	0 (ft-lbf)	Torque off Bottom:	9.000 (ft-lbf)	Jar Hrs since Inspect:	60,00 (hr)

Pump Status - Drilling

No.	Operation Type	Efficiency (%)	SPM (spm)	Liner size (in)	Cric. Rate (gpm)
1	D	95,00	80,00	6,000	307

Bit Details

Bit No	Run-No	Size	Manuf.	Model	Type	Serial #	Nozzles	TFA	Depth In(ft)	Depth Out(ft)
33	2	6,000	HALLIBURTON	MM74DH	Polycrystalline Diamond Bit	194709	1X14, 3X12	0.480	17.167,0	

Cum Prog (ft)	RPM Min/Max	WOB Min/Max	Daily Hrs.	Hours Cum	ROP Cum	Condition							
						6	8	BT	S	X	I	PB	TD
0,0	40/45	0/0	0,00	0,00	0,00								

BHA

BHA No.: 43 | Wash Pipe Hrs 449,50 | TMD In: 17.167,0 (ft) | BHA Weight: 19 / 28

Workstring Purpose: WIPER/CHECK | Saver Sub Hrs: 93,30 | TMD Out: 17.167,0 (ft) | BHA Hrs: 63,30

Component	Component Type	Component Detail	Jts	Length (ft)	Cum Length (ft)	OD (in)	ID (in)	Blade OD (in)	Bend Angle (°)	Connection		P/B
										Size (in)	Type	
Bit	Polycrystalline Diamond Bit	6" PDC Bit Halliurton Model MM74DH (Nozzles: 3 X 12 ; 1 X 14 Fixed; TFA : 0.481)	1	0,57	0,57	6,000	1,500			3,500	REG	
Stabilizer	Near Bit Stabilizer	5 3/4Near bit stab 3 1/2" Reg Box x NC 38 Box	1	6,13	6,70	4,750	1,188	5,750		3,500	NC38	BB
Drill Collar	Pony Drill Collar	4 3/4" spiral Short drill collar NC38 pin X box.	1	20,01	26,71	4,750	1,500			3,500	NC38	PB
Stabilizer	Roller Reamer	5 7/8" String Roller Reamer NC38 pin X box	1	5,66	32,37	4,750	1,312	5,875		3,500	NC38	PB
Drill Collar	Drill Collar	4 3/4" Drill collar NC38 pin X box	1	29,59	61,96	4,750	1,500			3,500	NC38	PB
Stabilizer	Roller Reamer	5 7/8" String Roller Reamer NC38 pin X box	1	5,95	67,91	4,750	1,375	5,875		3,500	NC38	PB
Drill Collar	Drill Collar	12 x 4 3/4" Drill Collar Spiral x 20 ft NC38 Pin x Box.	12	365,26	433,17	4,750	2,312			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,91	437,08	4,750	2,250			3,500	XT39	PB
Heavy Weight	Heavy Weight Drill Pipe	17 x 4" HWDP XT39 Pin x Box.	17	517,03	954,11	4,750	2,562			3,500	XT39	PB
Sub	Cross Over	Crossover XT39 Pin x NC38 Box.	1	3,63	957,74	4,750	2,625			3,500	NC38	PB
Jar	Hydraulic Jar	4 3/4" Hydraulic Jar NC38 Pin x Box	1	30,45	988,19	4,750	3,000			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,68	991,87	4,750	2,250			3,500	XT39	PB
Heavy Weight	Heavy Weight Drill Pipe	18 x 4" HWDP XT39 Pin x Box.	18	555,96	1.547,83	4,750	2,625			3,500	XT39	PB
Sub	Cross Over	Crossover XT39 Pin x NC38 Box.	1	3,33	1.551,16	4,750	2,625			3,500	NC38	PB
Accelerator	Accelerator	4 3/4" Accelerator NC38 Pin x Box	1	31,45	1.582,61	4,750	2,188			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,60	1.586,21	4,750	2,312			3,500	XT39	PB
Heavy Weight	Heavy Weight Drill Pipe	3 x 4" HWDP XT39 Pin x Box	3	9,24	1.595,45	4,000	2,250			3,500	XT39	PB
Drill Pipe	Drill Pipe	4" DP XT39 Pin x Box.	207	6.555,39	8.150,84	4,000	2,812			3,500	XT39	PB

BHA No.: 43	Wash Pipe Hrs 449,50	TMD In:	17.167,0 (ft)	BHA Weight:	19 / 28
Workstring Purpose: WIPER/CHECK	Saver Sub Hrs: 93,30	TMD Out:	17.167,0 (ft)	BHA Hrs:	63,30

Component	Component Type	Component Detail	Jts	Length (ft)	Cum Length (ft)	OD (in)	ID (in)	Blade OD (in)	Bend Angle (°)	Connection Size (in)	Connection Type	P/B
Sub	Cross Over	Crossover XT39 Pin x NC50 Box.	1	4,00	8.154,84	5,875	2,812			4,500	NC50	PB
Drill Pipe	Drill Pipe	5" DP NC50 Pin x Box.	183	5.770,99	13.925,83	5,000	2,750			4,500	NC50	PB
Sub	Cross Over	Crossover NC50 Pin x XT57 Box.	1	4,00	13.929,83	5,000	2,750			5,875	XT57	PB
Drill Pipe	Drill Pipe	5 7/8" DP XT57 Pin x Box.	135	3.237,17	17.167,00	5,875	4,230			5,875	XT57	PB

Drilling Fluid

Mud Type:	**Oil**	10 sec Gels:	9,00	Ca:	0,00	ES:	1.750,0 (Volts)
Time:	25/04/2014 01:00:00p.m.	10 min Gels:	19,00	K+:	0,00	Solids :	19,80 (%)
Depth:	17.167,00 (ft)	Fluid Loss:	0,0 (cc/30min)	CaCl2:	9,20	Oil :	73,00 (%)
FL Temp:	150,00 (°F)	HTHP Temp:	250,00 (°F)	NaCl:	0,00	Water :	8,00 (%)
Density:	9,60 (ppg)	HTHP WL:	3,60 (cc/30mins)	Cl-:	0,00	Oil/Water:	90,00/10,00
Funnel Visc:	81,00 (s/qt)	Cake:	0,00	Sand :	0,10	Lost Downhole (bbl):	
ECD:	0,00	MBT:	0,00	HGS:	0,00	Lost Surface (bbl):	12,00
PV:	23,00 (cp)	Lime:	4,30	LGS:	208,17 (lbm/bbl)		
YP:	28,00 (Lbf/100ft2)	PM :	0,00	Pf/Mf :	0,00 / 0,00		
WB Daily Cuttings:		OB Daily Cuttings:					
Cum:	0,0 (bbl)	Cum:	0,0 (bbl)				

Operation Summary

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
0:00 — 1:00	17,167.00 — 17,167.00	1.0	RPR2	CIRC	PL	** Finished Circulating bottoms up with 70 SPM, 270 GPM, 2960 psi.Total strokes: 17,122. Reciprocated string . *****Sample at bottoms up: 0.02 bbls/hr cavings, no increase in amount. At 17,100 ft took parameters as follows: SPM GPM Pressure (psi) 5 18 320 10 40 540 20 78 920 30 117 1,200 40 156 1,520 50 198 1,890 60 230 2,420 65 250 2,800 70 270 2,900 Took weight parameters with 270 gpm - 2900 psi. as follows: PUW :400 Klbs, SOW:370 Klbs, RW: 390KLb. RPM 30 40 50 60 70 80 100 TQ 5.0 5-6 5.0 6.0 5.5 5.5 6.0 klbs-ft **Took parameters without pump: P/U = 430 Klbs. S/O = 360 Klbs.
1:00 — 2:45	17,167.00 — 16,934.00	1.8	RPR2	POOH	PL	POOH on elevators from 17,167 ft to 16,934 ft. Observed resistance at 17,053 ft, 17,023ft, 16993 ft, 16,987 ft, 16,971 ft, 16,968 ft, 16,954 ft, with Max. 20 klbs O/P and 16,934ft with 50 klbs O/P. no succes.
2:45 — 4:30	16,934.00 — 16,934.00	1.8	RPR2	WSPI	D	Move string downwards (10 ft) confirm string free, started mud pumps with 5 spm, observed pressure increased to 870 psi, no returns, shutdown mud pumps and working pack off between P/U and 30 Klbs S/O. Restablish circulation slowly in steps to 250 gpm - 2,860 psi.
4:30 — 6:00	16,934.00 — 17,000.00	1.5	RPR2	CIRC	D	Decided circulate bottoms up with 250 gpm - 2,860 psi, 100 / 140 rpm - 7 / 11 klbs ft TQ, reciprocating string from 16,908 ft to 17,000 ft. Once with bottoms up was recorded 0.01 bph cavings.

Operation Summary

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
6:00 — 8:15	17,000.00 — 16,600.00	2.3	RPR2	POOH	PL	POOH BHA # 43 on elevators from 17,000 ft to 16,600 ft with 250 gpm - 2,680 psi. experienced restriction with max. 15 Klbs overpull.
8:15 — 13:45	16,600.00 — 16,600.00	5.5	RPR2	CIRC	PL	At 16,600 ft Attempted to start circulating in order to pump 100 Bbls Nanoshield pill, observed pressure increasing from 2,480 psi to 3,300 psi. Shut down pumps, PU string to PUW. Observed pressure decrease. Started mud pumps slowly and re-stablished circulation with normal pressure 270 gpm - 2,800 psi. Pumped 45 bls high viscous pill 9.8 ppg - 200 sec. Space with 100 bls of OBM, pumped 45 bls of second slugged / viscous pill (10.8 ppg) - 200 sec. and displace to surface with 300 gpm - 3,350 psi. Cavings before pill 0.03 bph, during pill 0.8 bph, after pill 0.03 bph. * Meanwhile displaced pills to surface attempted get access through Mirador top (16601 ft) discharging max. 20 klbs SO. Started 50 rpm - 6 klbs TQ, get access sucessfully 2 times.
13:45 — 14:45	16,600.00 — 16,561.00	1.0	RPR2	CIRC	PL	Pumped 100 bls of nanoshield pill with 206 gpm - 1,960 psi. with pill at the bit spotted pill moving string upwards from 16,625 ft to 16,561 ft.
14:45 — 16:15	16,561.00 — 16,323.00	1.5	RPR2	POOH	PL	POOH BHA # 43 on elevators from 16,561 ft to 15,323 ft, did not observed restriction.
16:15 — 16:30	16,323.00 — 15,323.00	0.3	RPR2	FCHE	PL	At 15,323 ft performed flow check, observed well static and drop drift of 2 3/8"
16:30 — 16:45	15,323.00 — 15,136.00	0.3	RPR2	POOH	PL	POOH BHA # 43 on elevators through cased hole from 15,323 ft to 15,136 ft with wet pipe. Used mud bucket all time. Measure stands set on back derrick.
16:45 — 18:15	15,137.00 — 15,137.00	1.5	RPR2	CIRC	PL	Circulating bottoms up @ 15,137 ft with 360 GPM, 3969 psi.Total strokes:7,785 . During bottom up: 2.33 bls/hr. after bottom up : 0,006 bls/hr, confirm hole cleaned.
18:15 — 0:00	15,137.00 — 6,500.00	5.8	RPR2	POOH	PL	POOH BHA # 43 through cased hole on elevators from 15,137 ft to 6,903 ft.

06:00 Update

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
00:00 - 03:15	3,746.00 — 1,675.00	3.3	RPR2	POOH	PL	POOH BHA # 43 through cased hole on elevators from 3,750 ft to 1,675 ft. **Recovered 2 3/8 drif in the last 4.0" HWDP stand.
03:15 - 03:30	1,675.00 — 1,675.00	0.3	RPR2	FCHE	PL	Flow checked well for 15 minutes, well static.
03:30 - 06:00	1,675.00 — 0.00	2.5	RPR2	POOH	PL	POOH BHA # 43 from 1,675 ft to surface, set back on derrick. Recovered tools and bit. * Bit Dull grading: 6 / 8 / BT / S / X / I / LM / TD. * 5 3/4" Near Bit: In gauge * 5 7/8" String Roller Reamer @ 29,85, came out in 1 / 16 undergauge. * 5 7/8" String Roller Reamer @ 65,36, came out in gauge. Note: Observeda small piece of tha main matrix from bit lost of 5 cm * 2 cm.

Mud Logging

Formation:	LOS CUERVOS	Formation top @:	17.060,0 (ft)	Max Background Gas (ppg):	0,06	Max Trip Gas (ppg):	0,00
Lithology:	Mudstone			Max Connection Gas (ppg):	0,00	Pore Press:	7,70 (ppg)

Gas		Volumes	
Avg Conn Gas (%):	0.000	Total String Vol (bbl):	67,4
Max Connection Gas (%):	0.000	Total Annular Vol (bbl):	953,9
Avg Trip Gas (%):	0.000	Total Pit Vol (bbl):	1.784,0
Max Trip Gas (%):	0.000	Lines (bbl):	0,0
Avg Background Gas (%):	0.000	Active volume (bbl):	730,00
Max Background Gas (%):	0.064	Reserve volume (bbl):	
Pore Press (ppg):	7,70	Total System Vol (bbl):	1.751,3

Materials/Consumption

Item	Unit	Usage	On Hand	Item	Unit	Usage	On Hand
DIESEL-RIG	Gal	1.722,00	49.341,00	DIESEL-CAMP	Gal	200,00	1.990,00

Personnel

Total No. of People: 104

Company	No. People	Hours	Company	No. People	Hours
EQUION	3	36	SCHLUMBERGER	4	48
COLTANQUES	3	36	UVC AMBULANCIA	1	12
WEATHERFORD	11	132	SAS	2	24
TECNIAMBIENTE	1	12	TRANS JOVALCO	1	12
PARKO SERVICES	1	12	SIMA	1	12
TELEMATICA	2	24	G4S	1	12
COMPASS	13	156	COLVISEG	3	36
SERDAN	1	12	HALLIBURTON	5	60
SUPERIOR	4	48	BAKER	8	96
H&P	39	468			

Cumulative Phase Breakdown

Phase	Time											Total Cost
	Estim.	Actual PL	%	Real UI	%	Real UE	%	Real NPT	%	Total	Varia.	
DSUR	88.51	88.00	97.78	0	0.00	0	0.00	2.00	2.22	90.00	-1.49	$ 1,276,245.64
RSCA	132.72	89.50	89.95	0	0.00	0	0.00	10.00	10.05	99.50	33.22	$ 1,781,442.84
DIN1	141.28	49.50	41.08	0	0.00	0	0.00	71.00	58.92	120.50	20.78	$ 1,032,135.27
RIN1	182.98	176.75	88.82	0	0.00	0	0.00	22.25	11.18	199.00	-16.02	$ 3,150,345.01
DIN2	246.59	290.75	100.00	0	0.00	0	0.00	0	0.00	290.75	-44.16	$ 3,117,538.30
RIN2	267.85	150.00	72.38	0	0.00	0	0.00	57.25	27.62	207.25	60.60	$ 3,063,610.64
DPR1	5,078.14	1,102.50	78.88	0	0.00	0	0.00	295.25	21.12	1,397.75	3,680.39	$ 20,973,812.88
RPR1	384.12	241.50	99.18	0	0.00	0	0.00	2.00	0.82	243.50	140.62	$ 1,429,064.47
DPR2	1,389.50	950.75	86.29	0	0.00	0	0.00	151.00	13.71	1,101.75	287.75	$ 6,410,554.35
RPR2	349.44	89.00	86.41	0	0.00	0	0.00	14.00	13.59	103.00	246.44	$ 461,878.07
Grant Total	8,261.13	2,648.50	78.97	0	0.00	0	0.00	705.25	21.03	3,353.75	4,907.38	$ 42,696,627.47

Remarks

CONTACTO BY COMPANY: Equion 4, Baker fluids 5, H&P 2, Baker Geologia 8, Halliburton 14.

- Contacto Card: A special recognition to the track hoe personnel due to the help during ground sliding in the camp generators area .

********** WELL INTEGRITY **********

Daily metal shavings: 543 gr.
Total 6" Hole Section Metal Shavings 17,037 grs.
Daily mud losses: 0 bls.
Total 6" mud losses: 0 bls.

- Floreña I-9 Section "A" Pressure: 0 psi.
- Floreña I-9 Section "B" Pressure: 0 psi.
- Floreña I-9 Section "C" Pressure: 0 psi.
- Floreña I-10 Section "A" Pressure: 0 psi.
- Floreña I-10 Section "B" Pressure: 0 psi.

********** DRILLS **********

Last Evacuation Drill: 22/04/2014.