



EQUION ENERGIA LIMITED

Daily Operations Report (Drilling Onshore)

Operator: EQUION ENERGIA LIMITED

Event Type: DRILLING ONSHORE

Report no.: 165

Well/Wellbore No.: Floreña Ip-10/01

Event Objective: DEVELOPMENT

Report date: 23/03/2014

Site: Florena I

Well Type: DEVELOPMENT

Job Number:

Rig Name/No.: H&P/152

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Current Well Status

Depth MD:	16.612,0 (ft)	Casing Size:	7,000(in)	AFE No.:	E.DD1.12/06	Rig Accept:	04:43:00p.m. 10/10/2013
Est TVD:	15.182,5 (ft)	Casing(MD):	15.341,0(ft)	AFE Cost:	51.064.834	Rig Release:	
Progress:	0,0 (ft)	Next Casing Size:	5,000 (in)	Cost in:	USD	Spud Date:	28/09/2013
Auth Depth:	17.272,1 (ft)	Next Casing(MD):	17.242,0 (ft)	Exchange Rate:	1800	Ground Elevation:	2.195,1 (ft)
Hole Size:	6.000 (in)	Next Casing(TVD):		Daily Mud:	8537	KB Elev:	2232 (ft)
Elev Ref:	Floreña IP10 @2.231,5ft (above Mean Sea Level)			Cum. Mud:	1.884.265	Wellbore Max Angle:	23,81
Geologist:	Jairo Montaña			Daily Well:	156.882		
Engineer:	Didier Alberto Muñoz Pinzón			Cum. Well:	38.743.232	Est Days:	238,00 days
Day WSL:	Carlos Andres Sarmiento.					Rig. Days:	328,00 days
Night WSL:	Henry Bastos.					Days ahead:	31,30 days
Weather:	Sunny					Cost ahead:	4,182,101.00 USD

Current Status: Continued replacing drilling line.

24 Hr Summary: Reamed f/ 16,295 ft to 16,6124 ft. Pumped and circulated viscous pill to surface. POOH BHA # 37 pumping out f/ 16,612 to 16,247 ft. On elevators f/ 16,247 ft to 15,720 ft. Worked pack off event at 16,476 ft.

24 Hr Forecast: Changed drilling line. Continue POOH BHA # 37 to surface. LD BHA for inspection. Perform BOP test.

Update at 06:00: POOH on elevators from 15,720 ft to 15,303 ft without restrictions. Flow check. Activated well commander. Circulated B/U. Started to change drilling line by a new one.

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	\$ 38,743,231.72	\$ 12,321,601.92	75,87
Total		\$ 55,464,833.64	\$ 43,758,430.02	\$ 11,706,403.62	

HSE / Performance Measure and Well Control

Days Since Last DAFW:	5,606	(days)					
No. Recordables:	0 / 0	(day/cum)	No. Stop Cards:	48 / 9,887	(day/cum)	No. JSA's :	0 / 0 (day/cum)
No. First Aid Cases:	0 / 3	(day/cum)	No. Permit to Work:	12 / 3,033	(day/cum)		
Near Misses:	0 / 64	(day/cum)	No. Contacto Cards:	18 / 2,646	(day/cum)	Kick Tolerance (ppg)	9,6
Last Csg Test Press:	5.200,00	(psi)	Audit to PTW:	1 / 212	(day/cum)	Kick Volume (bbls)	156
Incident Details:							
Last BOP Pressure Test :	08/03/2014 12:00:00a.m.		Last Rescue in the Pits Drill:			Last Height Rescue D	
Next BOP Pressure Test :	22/03/2014 12:00:00a.m.		Last Safety Tour:	09/03/2014 12:00:00a.m.		Last General Alarm Test:	20/03/2014 12:00:00a.m.
Last Fire Drill:	08/03/2014 12:00:00a.m.		Last Safety Inspection:	09/03/2014 12:00:00a.m.		Last Trip Drill (D1):	09/03/2014 12:00:00a.m.
Last Drop Object Inspection	09/03/2014 12:00:00a.m.		Last Safety Meeting:	22/03/2014 12:00:00a.m.		Last Diverter Drill (D3):	
Last Weekly Rig Check:	09/03/2014 12:00:00a.m.		Last Guerrilla Attack Drill:	18/02/2014 12:00:00a.m.		Last Accum. Drill (D4):	08/03/2014 12:00:00a.m.
Last Spill Drill :	14/03/2014 12:00:00a.m.		Last Emergency Medical Drill:	14/03/2014 12:00:00a.m.		Last H2S Drill:	
Last Table Top:	08/03/2014 12:00:00a.m.		Last Confined Space Rescue Drill:			Environmental Drill:	14/03/2014 12:00:00a.m.
Last While Drill (D2):	09/02/2014 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)
1	10	630				
1	20	910				
1	30	1.300				
1	40	1.720				
1	60	2.680				
1	65	2.850				

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	16.612	06/03/2014 05:15p.m.	

Operational Parameters											
ROP Daily:	0,00 (ft/hr)	Cum Prog :	919,00 (ft)	Daily Bit Hours:	0,00 (hr)	Pump Status - Drilling					
Avg ROP :	0,00 (ft/hr)	Rotating Weight:	390,00 (kip)	Daily Drilling Hrs:	0,00 (hr)						
ROP Cum:	11,21 (ft/hr)	Pick Up Wt:	410,00 (kip)	Cum Bit Hrs:	82,00 (hr)	No.	Operation Type	Efficiency (%)	SPM (spm)	Liner size (in)	Cric. Rate (gpm)
WOB (min):	0 (kip)	Slack Off Wt:	385,00 (kip)			1	D	95,00	65,00	6,000	249
WOB (max):	0 (kip)										
Min RPM:	100 (rpm)	Circ Rate Hole:	250,00 (gpm)	Ann. Vel. DC:	887,00 (ft/min)						
Max RPM:	120 (rpm)	Circ On Bottom:	2.920 (psi)	Ann. Vel. DP:	107,00 (ft/min)						
Torque on Bottom:	0 (ft-lbf)	Torque off Bottom:	8.000 (ft-lbf)	Jar Hrs since Inspect:	156,90 (hr)						

Bit Details										
Bit No	Run-No	Size	Manuf.	Model	Type	Serial #	Nozzles	TFA	Depth In(ft)	Depth Out(ft)
29	1	6,000	HALLIBURTON	MM74DH	Polycrystalline Diamond Bit	12219107	1X14, 3X13	0.540	15.693,0	
Cum Prog (ft)		RPM Min/Max	WOB Min/Max	Daily Hrs.	Hours Cum	ROP Cum	Condition			
919,0		100/120	0/0	0,00	82,00	11,21				

BHA												
BHA No.: 37			Wash Pipe Hrs 121,90		TMD In: 15.693,0 (ft)		BHA Weight:					
Workstring Purpose: DRILLING			Saver Sub Hrs: 302,00		TMD Out:		BHA Hrs: 121,90					
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	1	0,90	0,90	6,000	1,500			3,500	REG	
MWD	Auto Track	4 3/4 AutoTrack 3 1/2" Reg Box x T2 Box	1	10,33	11,23	4,750	1,000			3,500	T2	BB
Stabilizer	Integral Blade Stabilizer	Modular Stab with 5 7/8" blades T2 Pin x Box.	1	3,29	14,52	4,750	1,000	5,875		3,500	T2	PB
MWD	Ontrak	4 3/4 OnTrack T2 Pin x Box.	1	23,47	37,99	4,750	1,312			3,500	T2	PB
Stabilizer	Integral Blade Stabilizer	Modular Stab with 5 7/8" blades T2 Pin x Box.	1	3,30	41,29	4,750	1,500	5,875		3,500	T2	PB
MWD	BCPM	4 3/4 BCPM T2 Pin x NC38 Box.	1	11,09	52,38	4,750	1,375			3,500	T2	PB
Sub	Receiver Sub	4 3/4" Stop Sub NC38 Pin x Box.	1	3,00	55,38	4,750	1,312			3,500	NC38	PB
Sub	Float Sub	4 3/4" Float Sub NC38 Pin x Box.	1	2,65	58,03	4,750	2,250			3,500	NC38	PB
Sub	Filter Sub	4 3/4" Filter Sub NC38 Pin x Box.	1	5,68	63,71	4,750	2,687			3,500	NC38	PB
Port Collar/Diverter Sub/Circulating Sub	Circulating Sub	4 3/4" Ball Catcher NC38 Pin x Box.	1	5,90	69,61	2,250	2,250			3,500	NC38	PB
Port Collar/Diverter Sub/Circulating Sub	Circulating Sub	4 3/4" Well Commander NC38 Pin x Box.	1	5,89	75,50	2,250	2,437			3,500	NC38	PB
Drill Collar	Drill Collar	12 x 4 3/4" Drill Collar Spiral x 20 ft NC38 Pin x Box.	12	362,79	438,29	4,750	2,312			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,87	442,16	4,750	2,250			3,500	XT39	PB

BHA No.: 37		Wash Pipe Hrs	121,90	TMD In:		15.693,0 (ft)		BHA Weight:				
Workstring Purpose: DRILLING		Saver Sub Hrs:	302,00	TMD Out:						BHA Hrs: 121,90		
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	
Heavy Weight	Heavy Weight Drill Pipe	17 x 4" HWDP XT39 Pin x Box.	17	517,14	959,30	4,750	2,562			3,500	XT39	PB
Sub	Cross Over	Crossover XT39 Pin x NC38 Box.	1	3,33	962,63	4,750	2,625			3,500	NC38	PB
Jar	Hydraulic Jar	4 3/4" Hydraulic Jar NC38 Pin x Box	1	29,68	992,31	4,750	3,000			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,68	995,99	4,750	2,250			3,500	XT39	PB
Heavy Weight	Heavy Weight Drill Pipe	18 x 4" HWDP XT39 Pin x Box.	18	551,17	1.547,16	4,750	2,625			3,500	XT39	PB
Sub	Cross Over	Crossover XT39 Pin x NC38 Box.	1	3,63	1.550,79	4,750	2,625			3,500	NC38	PB
Accelerator	Accelerator	4 3/4" Accelerator NC38 Pin x Box	1	31,50	1.582,29	4,750	2,187			3,500	NC38	PB
Sub	Cross Over	Crossover NC38 Pin x XT39 Box.	1	3,60	1.585,89	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	1.595,13	4,000	2,250			3,500	XT39	PB
Drill Pipe	Drill Pipe	4" DP XT39 Pin x Box.	139	5.035,30	6.630,43	4,000	2,812			3,500	XT39	PB
Sub	Cross Over	Crossover XT39 Pin x NC50 Box.	1	4,00	6.634,43	5,875	2,812			4,500	NC50	PB
Drill Pipe	Drill Pipe	5" DP NC50 Pin x Box.	186	5.767,13	12.401,56	5,000	2,750			4,500	NC50	PB
Sub	Cross Over	Crossover NC50 Pin x XT57 Box.	1	3,75	12.405,31	5,000	2,750			5,875	XT57	PB
Drill Pipe	Drill Pipe	5 7/8" DP XT57 Pin x Box.	186	4.206,69	16.612,00	5,875	4,230			5,875	XT57	PB

Drilling Fluid

Mud Type: Oil	10 sec Gels: 17,00	Ca: 80,00	ES: 1.351,0 (Volts)
Time: 23/03/2014 11:59:00p.m.	10 min Gels: 22,00	K+: 0,00	Solids : 18,79 (%)
Depth: 16.612,00 (ft)	Fluid Loss: 0,0 (cc/30min)	CaCl2: 9,70	Oil : 73,00 (%)
FL Temp: 156,00 (°F)	HTHP Temp: 250,00 (°F)	NaCl: 0,00	Water : 8,00 (%)
Density: 9,60 (ppg)	HTHP WL: 3,00 (cc/30mins)	Cl-: 250,00	Oil/Water: 90,00/10,00
Funnel Visc: 105,00 (s/qt)	Cake: 0,00	Sand : 0,10	Lost Downhole (bbl):
ECD: 10,67	MBT: 25,00	HGS: 0,00	Lost Surface (bbl): 28,00
PV: 22,00 (cp)	Lime: 3,10	LGS: 197,54(lbm/bbl)	
YP: 27,00 (Lbf/100ft2)	PM : 0,70	Pf/Mf : 0,20 / 0,90	
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 — 4:45	16,295.00 — 16,454.00	4.8	DPR2	REAM	PL	Reamed 16,295 ft to 16,454 ft with 250 gpm - 2,920 psi, 100 / 120 rpm - 6 / 8 klbs ft TQ. Cavings rate increased to 0.68 bph, average size 10 mm. Circulated bottoms up.
4:45 — 6:00	16,454.00 — 16,454.00	1.3	DPR2	CIRC	PL	* After reaming from 16,312 ft to 16,400 ft pumped out stand and washed down, did not observed restriction. Circulated with 250 gpm - 2,820 psi reciprocating string. Cavings rate 0.47 bph avg size 8 mm.
6:00 — 12:45	16,454.00 — 16,612.00	6.8	DPR2	REAM	PL	Reamed 16,454 ft to 16,612 ft with 250 gpm - 2,920 psi, 100 / 120 rpm - 6 / 7 klbs ft TQ. Max. Cavings rate 0.35 bph (ECD 10.57ppg), Max Size: 20 mm and average size 10 mm.
12:45 — 15:45	16,612.00 — 16,612.00	3.0	DPR2	CIRC	PL	*Observed hard and slow reaming from 16,410ft to 16,612 ft marked with several points of high torque up to 10K ft-lbs and pressure increase event up to 100 psi above normal pressure. Pumped 45 bls high viscous pill (210sec) on the fly and circulated to surface with 250 gpm - 2,830 psi, reciprocating string. Meanwhile held safety and preoperational meeting prior to POOH BHA # 37 to liner shoe. Max. Cavings rate 0.51 bph (ECD 10.53ppg), Max Size: 27

Operation Summary

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
15:45 — 16:00	16,612.00 — 16,612.00	0.3	DPR2	PUMP	PL	mm and average size 12 mm. At 16,612 ft Took slow circulating rates and parameters .
16:00 — 17:00	16,612.00 — 16,476.00	1.0	DPR2	POOH	PL	POOH BHA # 37 as follows: * Pumped out from 16,612 ft to 16,526 ft with 250 gpm - 2,850 psi. * On elevators from 16,526 ft to 16,476 ft. At 16,476 ft observed 20 klbs OP, observed no free movement downwards, start pumps observe no returns at surface and pressure trapped up to 700 psi, bleed off pressure to 500 psi and start to work string between PUW / SOW, no progress. Decided to move string downwards and gain progress applying up to 30K Lbs WOB, with this operation was able to move string from 16,476 ft to 16,515 ft place where was observed returns at surface again and string recover normal weight.
17:00 — 19:15	16,476.00 — 16,476.00	2.3	DPR2	CIRC	PL	Recovered circulation by stages from 42 gpm with 500 psi to 250 gpm with 2880 psi. Max. Cavings rate 0.03 bph (ECD 10.69 ppg), Max Size: 14 mm and average size 8 mm.
19:15 — 0:00	16,476.00 — 15,720.00	4.8	DPR2	POOH	PL	Continued POOH BHA # 37 from 16,476 ft to 15,720 ft as follows: * Pumped out from 16,476 ft to 16,247 ft with 250 gpm - 2,820 psi. * On elevators from 16,247 ft to 15,856 ft. * Pumped out from 15,856 ft to 15,775 ft with 250 gpm - 2,820 psi. * On elevators from 15,775 ft to 15,720 ft. * At 16,136 ft & 16,096 ft observed 10K lbs of SO but get access. * At 15,856 ft observed 10K lbs, pumped out restriction. Daily Metal Shavings: 746 gr.

06:00 Update

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
00:00 - 01:45	15,720.00 — 15,303.00	1.8	DPR2	POOH	PL	Continued POOH BHA # 37 on elevators through open hole from 15,720 ft to 15,303 ft (Liner shoe 15,341 ft). Did not observe restrictions. Max Caving rate 0.01 bph, Performed flow check, observed well static.
01:45 - 04:30	15,303.00 — 15,303.00	2.8		CIRC	PL	Circulated with 250 gpm - 2,730 psi. Dropped and displace 1 3/4" well comander activation ball. Activated well commander with 1960 psi. Continued circulating B/U through well comander with 250 gpm - 1,800 psi. Increased flow rate in 10 gpm stpes to 290 gpm - 2,300 psi. Monitored B/U flow returns: Cavings before 0.01 bph, during 0.02 bph, after B/U 0.01 bph. Meanwhile held safety and preoperational meeting with all personal prior to change drilling line reel.
04:30 - 06:00	15,303.00 — 15,303.00	1.5		RSER	PL	Slipped and replace all the drilling line by a new one.

Mud Logging

Formation: MIRADOR	Formation top @: 16.601,0 (ft)	Max Background Gas (ppg):	Max Trip Gas (ppg): 0,00
Lithology: MUDSTONE		Max Connection Gas (ppg): 0,00	Pore Press: 7,40 (ppg)
Gas		Volumes	
Avg Conn Gas (%):	0.000	Total String Vol (bbl):	250,0
Max Connection Gas (%):	0.000	Total Annular Vol (bbl):	598,0
Avg Trip Gas (%):	0.000	Total Pit Vol (bbl):	1.742,0
Max Trip Gas (%):	0.000	Lines (bbl):	0,0
Avg Background Gas (%):	0.010	Active volume (bbl):	842,00
Max Background Gas (%):		Reserve volume (bbl):	
Pore Press (ppg):	7,40	Total System Vol (bbl):	1.690,0

Materials/Consumption

Item	Unit	Usage	On Hand	Item	Unit	Usage	On Hand
DIESEL-RIG	Gal	1.885,00	42.622,00	DIESEL-CAMP	Gal	250,00	3.320,00

Personnel

Total No. of People: 95

Company	No. People	Hours	Company	No. People	Hours
EQUION	3	36	COLVISEG	3	36
PARKO SERVICES	1	12	NATIONAL OILWELL VARCO	1	12
H&P	40	480	SERVICIOS GEOLOGICOS DE P	1	12
SERDAN	1	12	SCHLUMBERGER	1	12
COLTANQUES	1	12	SUPERIOR	4	48
TECNIAMBIENTE	1	12	G4S	1	12
HALLIBURTON	6	72	UVC AMBULANCIA	1	12
SAS	2	24	COMPASS	11	132
BAKER	13	61	TELEMATICA	1	12
FMC	2	24	SIMA	1	12

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	370.75	89.28	0	0.00	0	0.00	44.50	10.72	415.25	974.25	\$ 2,897,939.81
RPR2	349.44	0	0.00	0	0.00	0	0.00	0.25	100.00	0.25	349.19	\$ 21,096.86
Grant Total	8,261.13	1,979.50	77.19	0	0.00	0	0.00	585.00	22.81	2,564.50	5,696.63	\$ 38,743,231.72

Remarks

CONTACTO BY COMPANY: Equion 6, Colvisseg 12.

- Contacto Card: Was Observed lock of the room in the camp is not functioning correctly, in case of emergency this could cause an incident. Talked with the person in charge in order to correct this unsafe condition.

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

Daily metal shavings: 746 gr.

Total 6" Hole Section Metal Shavings 3,218 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: 08/03/2014.