



## EQUION ENERGIA LIMITED

## Daily Operations Report (Drilling Onshore)

Operator: EQUION ENERGIA LIMITED

Event Type: DRILLING ONSHORE

Report no.: 196

Well/Wellbore No.: Floreña Ip-10/01

Event Objective: DEVELOPMENT

Report date: 23/04/2014

Site: Florena I

Well Type: DEVELOPMENT

Job Number:

Rig Name/No.: H&amp;P/152

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## 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:	4329	KB Elev:	2232 (ft)
Elev Ref:	Floreña IP10 @2.231,5ft (above Mean Sea Level)			Cum. Mud:	1.938.430	Wellbore Max Angle:	28,46
Geologist:	Jairo Montaña			Daily Well:	143.181		
Engineer:	Didier Alberto Muñoz Pinzón			Cum. Well:	44.208.936	Est Days:	238,00 days
Day WSL:	Alexander Cuellar					Rig. Days:	359,00 days
Night WSL:	Henry Bastos/Hernando Abril					Days ahead:	34,30 days
Weather:	Sunny					Cost ahead:	4,785,126.00 USD

Current Status: Continue Reaming Down @ 16'905ft

24 Hr Summary: RIH washing and reaming to 16,628 ft. condition after reaming f/ 15,230 ft to 16,084 ft elevators, to 16,182 ft Washed, to 16,246 ft elevators, to 16,334 ft Washed, to 16,389 ft elevators, to 16,434 ft washed, to 16,525 ft elevators, to 16,628 ft reaming

24 Hr Forecast: Continue Reaming down to bottom 17161 ft + Increase mud weight to 9.8ppg + Perform Short trip and POOH to RUN USIT logs  
Trought 7"Liner and 9-5/8" Casing.

Update at 06:00: Continue Reaming Down 16,628ft to 16,905ft

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	\$ 44,208,936.14	\$ 6,855,897.50	86,57
Total		\$ 55,464,833.64	\$ 49,224,134.44	\$ 6,240,699.20	

## HSE / Performance Measure and Well Control

Days Since Last DAFW:	5,637	(days)				
No. Recordables:	0 / 0	(day/cum)	No. Stop Cards:	95 / 11,757	(day/cum)	No. JSA's : 0 / 0 (day/cum)
No. First Aid Cases:	0 / 4	(day/cum)	No. Permit to Work:	15 / 3,364	(day/cum)	
Near Misses:	0 / 65	(day/cum)	No. Contacto Cards:	20 / 3,131	(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:			Environmental 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)
1	5	260				
1	10	410				
1	20	680				
1	30	990				
1	40	1.350				
1	50	1.790				

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)	Pump Status - Drilling					
Avg ROP :	0,00 (ft/hr)	Rotating Weight:	370,00 (kip)	Daily Drilling Hrs:	0,00 (hr)						
ROP Cum:	0,00 (ft/hr)	Pick Up Wt:	380,00 (kip)	Cum Bit Hrs:	0,00 (hr)	No.	Operation Type	Efficiency (%)	SPM (spm)	Liner size (in)	Cric. Rate (gpm)
WOB (min):	0 (kip)	Slack Off Wt:	360,00 (kip)			1	D	95,00	65,00	6,000	249
WOB (max):	0 (kip)										
Min RPM:	120 (rpm)	Circ Rate Hole:	250,00 (gpm)	Ann. Vel. DC:	167,12 (ft/min)						
Max RPM:	150 (rpm)	Circ On Bottom:	2.750 (psi)	Ann. Vel. DP:	140,86 (ft/min)						
Torque on Bottom:	0 (ft-lbf)	Torque off Bottom:	8.000 (ft-lbf)	Jar Hrs since Inspect:	24,00 (hr)						

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							
0,0		120/150		0/0		0,00		0,00		0,00		6	8	BT	S	X	I	PB	TD

BHA												
BHA No.: 43			Wash Pipe Hrs 425,40		TMD In: 17.167,0 (ft)		BHA Weight:		19 / 28			
Workstring Purpose: WIPER/CHECK			Saver Sub Hrs: 69,20		TMD Out: 17.167,0 (ft)				BHA Hrs: 39,20			
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 3/4" Near 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

BHA No.: 43		Wash Pipe Hrs	425,40	TMD In:		17.167,0 (ft)		BHA Weight:		19 / 28		
Workstring Purpose: WIPER/CHECK		Saver Sub Hrs:	69,20	TMD Out:		17.167,0 (ft)				BHA Hrs: 39,20		
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	
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
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

<b>Mud Type:</b>	<b>Oil</b>	10 sec Gels:	9,00	Ca:	0,00	ES:	1.729,0 (Volts)
Time:	24/04/2014 03:23:00a.m.	10 min Gels:	19,00	K+:	0,00	Solids :	18,80 (%)
Depth:	17.167,00 (ft)	Fluid Loss:	0,0 (cc/30min)	CaCl2:	9,20	Oil :	73,00 (%)
FL Temp:	0,00 (°F)	HTHP Temp:	250,00 (°F)	NaCl:	0,00	Water :	8,00 (%)
Density:	9,60 (ppg)	HTHP WL:	3,40 (cc/30mins)	Cl-:	0,00	Oil/Water:	90,00/10,00
Funnel Visc:	92,00 (s/qt)	Cake:	0,00	Sand :	0,10	Lost Downhole (bbl):	
ECD:	10,46	MBT:	0,00	HGS:	0,00	Lost Surface (bbl):	15,00
PV:	22,00 (cp)	Lime:	4,70	LGS:	197,73(lbm/bbl)		
YP:	27,00 (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 — 0:15	15,230.00 — 15,230.00	0.3	RPR2	PUMP	PL	Took Slow pump rates and weight parameters.
0:15 — 1:30	15,230.00 — 16,237.00	1.3	RPR2	RTIH	PL	RIH BHA # 43 in elevators from 15,230 ft to 16,273 ft, filled string every 1,000 ft. At 16,273 ft with out restrictions. At 16,273 ft experienced restriction, worked string 3 tiems discharging max. 20 Klbs attempting gain progress w/o success.
1:30 — 3:00	16,237.00 — 16,337.00	1.5	RPR2	REAM	PL	P/U string broke circulation and rotate string with 250 gpm - 2720 psi; 100 RPM's - 6.0 Klftlb and reamed from 16,273 ft to 16,340 ft with 250 gpm - 2,650 / 2,700 psi, 100 rpm - 6 klbs ft TQ.
3:00 — 5:15	16,337.00 — 16,337.00	2.3	RPR2	WSPI	D	Meanwhile reamed at 16,340 while reamed down observed high torque from 6.0 to 12.0 Klft- (Torque Limit setting:12.0 Klft) and stalled out the string at the same time observed pressure increased from 2700 to 2900 psi, released flowrate to 20 gpm and pressure dropped to 1300 psi attempted increase flowrate but pressure incresed to 1700 psi again. Continued moving string upwards and pressure dropped to 700 psi. restablish circulation in steps to 250 gpm - 2500 psi.
5:15 — 6:00	16,337.00 — 16,337.00	0.8	RPR2	CIRC	D	Circulated with 250 gpm - 2500 psi. after 45 min with pressure totally normalized rotate string started to ream again with 250 gpm - 2700 psi.
6:00 — 16:00	16,337.00 — 16,574.00	10.0	RPR2	REAM	PL	Once with caving of partial pack off event, Observed returns of the 0.6 bph.
16:00 — 17:45	16,574.00 — 16,574.00	1.8	RPR2	CIRC	D	Reamed from 16,340 ft to 16,574 ft with 250 - 2,470 / 2,500 psi, 120 / 150 rpm - 7 / 12 klbs ft TQ.
17:45 — 23:15	16,574.00 — 16,621.00	5.5	RPR2	REAM	PL	AT 16,574 ft observed pressure increased from 2,500 to 2,600 psi. Reduced flow rate to 150 gpm - 1,800 psi, pressure increased to 1,950 psi and turn off pumps. Performed 3 times to reestablish normal circulation slowly. Increased flow rate by steps of 5 stks to 62 stks - 235 gpm - 2,420 psi.
						Reamed from 16,573 ft to 16,621 ft with 250 gpm - 2,550 / 2,750 psi, 130 / 150 rpm - 7 / 12 klbs ft TQ. from 16,594 ft

## Operation Summary

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
23:15 — 23:45	16,621.00 — 16,621.00	0.5	RPR2	PUMP	PL	to 16,610 ft worked several times until observed hole in good shape. At 16,621 ft took Slow circulating rates and parameters. With pump 250 gpm - 2,490 psi PUW; 405, RTW; 380, SOW; 380 klbs. W/O pumps. PUW; 420, SOW; 380 klbs. RPM / TQ; 60 / 4 , 80 / 5 , 100 / 5 klbs ft.
23:45 — 0:00	16,621.00 — 16,628.00	0.3	RPR2	REAM	PL	Continued ream down from 16,621 ft to 16,628 ft with 250 gpm - 2,550 / 2,750 psi, 130 / 150 rpm - 7 / 11 klbs ft TQ.

## 06:00 Update

From - To	Md From / Md To(ft)	Dur. (hr)	Phase	Activity	Code	Operation
00:00 - 06:00	16,628.00 — 16,905.00	6.0	RPR2	REAM	PL	Reamed from 16,628 ft to 16,905 ft with 250 gpm - 2,550 / 2,750 psi, 130 / 150 rpm - 7 / 12 klbs ft TQ.  * At 16,660 ft & 16,716 attempted Wash down with 250 gpm - 2,560 psi. Observed 20 klbs of SO, Performed 3 attempts W/O succes. * From 16,812 ft to 16,905 after reaming washed down with 250 gpm - 2,600 psi.

## 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):	223,8
Max Connection Gas (%):	0.000	Total Annular Vol (bbl):	687,7
Avg Trip Gas (%):	0.000	Total Pit Vol (bbl):	1.867,0
Max Trip Gas (%):	0.000	Lines (bbl):	0,0
Avg Background Gas (%):	0.000	Active volume (bbl):	814,00
Max Background Gas (%):	0.064	Reserve volume (bbl):	
Pore Press (ppg):	7,70	Total System Vol (bbl):	1.725,5

## Materials/Consumption

Item	Unit	Usage	On Hand	Item	Unit	Usage	On Hand
DIESEL-RIG	Gal	1.620,00	51.988,00	DIESEL-CAMP	Gal	250,00	2.390,00

## Personnel

Total No. of People: 77

Company	No. People	Hours	Company	No. People	Hours
TECNIAMBIENTE	1	12	COMPASS	12	144
EQUION	3	36	BAKER	8	96
HALLIBURTON	5	60	SIMA	1	12
SERDAN	1	12	TELEMATICA	2	24
H&P	33	396	COLVISEG	3	36
SAS	2	24	PARKO SERVICES	1	12
UVC AMBULANCIA	1	12	G4S	1	12
COLTANQUES	1	12	SCHLUMBERGER	2	24

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	44.25	80.45	0	0.00	0	0.00	10.75	19.55	55.00	294.44	\$ 190,321.45
Grant Total	8,261.13	2,603.75	78.76	0	0.00	0	0.00	702.00	21.24	3,305.75	4,955.38	\$ 42,425,070.85
Remarks												
CONTACTO BY COMPANY: Equion 4, Parko 3, Halliburton 13.												
- Contacto Card: Was observed personnel cleaning connexion with fluid in a bottle without label.												
***** WELL INTEGRITY *****												
Daily metal shavings: 1,353 gr.												
Total 6" Hole Section Metal Shavings 14,829 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.												