

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: -4
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Jun 28, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 0.00
Depth (TVD): 0.00
Depth (SSL): 625.15
Progress:
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Surface

Operational Status: Rigging up rig.

Operational Summary:

Report From:
Report To:
Remarks:

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: -3
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jun 29, 2012	Depth (MD): 0.00
Time: 800 hrs	Depth (TVD): 0.00
Rotating Hours: 0.00 hrs	Depth (SSL): 625.15
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Surface**Operational Status:** Setting up the drilling rig.

Operational Summary: June 28th: 00:00- 00: 24 Hrs:
Install Flow line, tongs, mouse hole, pails, P/U elevators, P/U subs, drill pipe collar slips, rig in diverter hoses, top drive generator, install BOP valves, rig in mud pumps, charge accumulator and precharge bottles and return pump on flare stack.

Report From: Harry Gluth**Report To:** Don Stachiw/ Bari McDowell/ Northern Cross Yukon**Remarks:** Good morning Don,

Things are really pretty busy out here. The above KB of 625.1 is off the well licence. I will have to verify this number once I get a chance to corner the drilling consultant. The guys are still working on the satellite phones. You can contact the rig at 780-229-1180. With regard to the sample bags, vials etc, I am sure they were not loaded onto the twin otter which left Inuvik for the rig site.

Whatever news I get out here I will pass onto you.

Thanks;

Harry

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: -2
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Jun 30, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 0.00
Depth (TVD): 0.00
Depth (SSL): 625.15
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Surface

Operational Status: Setup rig for spud.

Operational Summary: June 29th: 00:00 - 00:24 Hrs:
Rig up diverter, rig up floor, preform accumulator function check, held diverter drill, rig in top drive, replace new regulators on propane bottles for flare stack.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks: Good morning Don,

The phones on the lease are now working. The phone number in the geology shack is 403-290-7518. The KB and GE are 625 meters and 616.8 meters, respectively. We had 0.4 meters of cut. Also, the camp has lots of bags and stuff so we should be OK when we drill out on Monday.

Thanks Don;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: -1
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 1, 2012	Depth (MD): 0.00
Time: 800 hrs	Depth (TVD): 0.00
Rotating Hours: 0.00 hrs	Depth (SSL): 625.15
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Surface**Operational Status:** Repairing electrical cords & waiting for final rig inspectors.

Operational Summary: June 30th: 00:00-24:00 Hrs:
Build Gel Chem mud system, construct enviro barrier for cement, rig in survey line, catch tray, work on top drive generator, calibrate Pason sensors, slip and cut, calibrate and reset tac crown, prepare for spud, hook up choke lines to manifold shack, hook up degasser tank.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

We should be drilling out sometime this afternoon or evening. Don I wanted to make sure that I understand the sampling program. I will be collecting the samples for regular cuttings, biostratigraphy, and geochemistry, Do you also want a mud sample every five meters too?

Cheers;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 0
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 2, 2012	Depth (MD): 0.00
Time: 700 hrs	Depth (TVD): 0.00
Rotating Hours: 2.00 hrs	Depth (SSL): 625.15
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Surface**Operational Status:** Rig up to spud, waiting on orders.

Operational Summary: Jul 1st: 00:00-24:00 Hrs:
Safety meeting with crews use of incinerator, wait on services, mix mud, repair agitator in pre-mix tank, install safety chains on degasser lines, slip and cut drilling line, repair damaged electrical cords, wait on services and orders, held diverter drill, orientate crews on the operation of the top drive, wait on services.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Good morning Don,

We should spud in a few hours.

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 1
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 3, 2012	Depth (MD): 37.00
Time: 700 hrs	Depth (TVD): 37.00
Rotating Hours: 2.00 hrs	Depth (SSL): 588.15
	Progress: 37.00
	Average R.O.P.: 18.50

Daily Costs:**Accumulated Cost:****Formation:** Cody Creek**Operational Status:** Working of Surveying tool.

Operational Summary: Jul 2nd, 00:00-00:24 Hrs:
held diverter drill, wait on services, remove spinning chain, fix lease road, move cement line up on "V" door, service orientation for top drive, P/U landing sub and monel, bit and M/U BHA, held pre spud safety meeting, service flare ignitor, unload casing, held diverter drill, drill out cement in conductor pipe, troubleshoot SCR problems, break off collars, POOH, remove jets from bit, lay down MWD tool.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Good morning Don,

It has been a slow start and the crews here are working to get all the bugs out of the drilling rig. There are some issues with the SDR or computer system associated with the top drive.....it locks up every so often. We stopped drilling at 37 m (MD) because they could not get a downhole survey. We should get back to drilling at around 8 AM.

Thanks;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 2
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 4, 2012	Depth (MD): 118.00
Time: 7 hrs	Depth (TVD): 118.00
Rotating Hours: 9.25 hrs	Depth (SSL): 507.15
	Progress: 81.00
	Average R.O.P.: 8.76

Daily Costs:**Accumulated Cost:****Formation:** Burnthill Creek**Operational Status:** Drilling 444.5 mm hole at 10-11 meters per hour.

Operational Summary: Jul 3rd: 00:00-24:00 Hrs:
RIH, P/U surveying tool, drill out cement from 22-28.2 meters (MD), drill 444.5 mm hole from 28.2-37 meters (MD), spud @ 20:20 hrs, July 2nd, 2012, drill 444.5 mm hole from 37-63 m (MD), POOH, RIH. P/U two collars, drill 444.5 mm hole from 62-74 m (MD).

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

We are slowly getting the crews orientated. The surface samples are pretty gummy and coarse, and the crews here have to take two or three samples in each 5 meter interval.....we are working out the bugs. I will be putting in the manifold for the gas sampler today.

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 3
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 5, 2012	Depth (MD): 179.00
Time: 700 hrs	Depth (TVD): 179.00
Rotating Hours: 12.50 hrs	Depth (SSL): 446.15
	Progress: 61.00
	Average R.O.P.: 4.88

Daily Costs:**Accumulated Cost:****Formation:** Burnthill Creek**Operational Status:** Drilling 444.5 mm hole at 2 meters per hour in medium grained, porous sandstone.**Operational Summary:** Jul 4th 00:00-24:00 Hrs:
Drill 444.5 mm hole from 74-155 m (MD), POOH, L/D mudmotor, clean bit, RIH.**Report From:** Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

We hit a sandstone at around 162 meters (MD), and I still am undecided if this is the top of the Fishing Branch Sandstone or the base of the Cody Creek. I will have to see what is below this sandstone. There is porosity in the last sandstone and it generated a slow gn flash cut floor. Don, I cannot think of anything else.

Thanks;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 4
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 6, 2012	Depth (MD): 253.00
Time: 700 hrs	Depth (TVD): 252.99
Rotating Hours: 19.00 hrs	Depth (SSL): 372.16
	Progress: 74.00
	Average R.O.P.: 3.89

Daily Costs:**Accumulated Cost:****Formation:** Fishing Branch**Operational Status:** Drilling 444.5 mm hole at 3 meters per hour at 139 SPM

Operational Summary: Jul 5th 00:00-00:24 Hrs:
RIH, circ LCM from hole. Drill 444.5 mm hole from 155-237 m (MD).

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

Lots has happened. First of all, you were correct about the gases. Pason for some reason when it exports gas data it generates a column which is a ratio. I went through all the data and contacted the Pason help desk (they were a bit unsure). Anyway this looks right. The methane and ethane curves are very close together. Now the gases are plotted for normal alkanes. I will contact Mike Swain and varify thatthe data for each curve is correct. We checked the lagtimes...they are good. The daytime sample catcher slacked off yesterday and I will have to get the guys on the right track. The chart has been changed so the gases are clear. I can give it any format you want so please let me know what is best. I still want to go through these sandstones a second time and make sure they right too so I will be sending you another chart.. After I checked the lagtime, at around 1 AM, the driller changed the pump strokes and did not let me know...so I have to work on things like this. Anyway Don, thanks and please let me know what you need.

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 5
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 7, 2012	Depth (MD): 340.00
Time: 800 hrs	Depth (TVD): 339.99
Rotating Hours: 17.00 hrs	Depth (SSL): 285.16
	Progress: 87.00
	Average R.O.P.: 5.12

Daily Costs:**Accumulated Cost:****Formation:** Upper Parkin**Operational Status:** Drilling 444.5 mm hole at 5 meters per hour.

Operational Summary: Jul 6th: 00:00-24:00 Hrs:
Drill 444.5 mm hole from 237-277 m (MD), jack and level rig, drill 444.5 mm hole from 277-297 m (MD).

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

I went through the samples again yesterday over the sandstones and the descriptions are the best I can do.. At 210 meters (MD), the sandstones are plugged with kaolinite. There is a great deal of matrix porosity. Some of the sandstones are crushable to a powder and the grains are really diagenetically altered or are feldspathic. Throughout the section there is a great deal of kaolinite. There are also coal laminations in the sandstones. At 300 m (MD), the sandstones here generated a rapid, milky yellow-mainly green flash cut....oil?

I spoke with Mike at pason about the gases and wetness and a balance ratios must be plotted.....so I will make those changes. This powerlog version 11 does not print out the porosity types on the chart too. Bob Sephton is working on that.

We should be logging tonight...it drilled fast through the course of the night. I will send you an e-mail with regard to timing.

Thanks;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 6
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 8, 2012	Depth (MD): 377.00
Time: 800 hrs	Depth (TVD): 376.99
Rotating Hours: 6.50 hrs	Depth (SSL): 248.16
	Progress: 37.00
	Average R.O.P.: 5.69

Daily Costs:**Accumulated Cost:****Formation:** Upper Parkin**Operational Status:** Doing a clean out trip.**Operational Summary:** Jul 7th, 00:00-24:00 Hrs:
Drill 444.5 mm hole from 297-377 m (MD), POOH, safety meeting with Schlumberger, preform logging run #1.**Report From:** Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

I wrote this report at 2:30 this morning. The crews bridged off. The logs to 180 are attached with this report. There is a crossover at 171 meters (MD)...it does not look bad. The satellite connection is now gone too.

I will send you an e-mail and keep you updated.

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 7
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 9, 2012	Depth (MD): 377.00
Time: 800 hrs	Depth (TVD): 376.99
Rotating Hours: 0.00 hrs	Depth (SSL): 248.16
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Upper Parkin**Operational Status:** Wait on cement

Operational Summary: Jul 8th, 00:00-24:00 Hrs:
 RIH hit filter cake ring at 181 m (MD), POOH, remove bowstring off resistivity tool, RIH, bridge off at 180 m (MD), POOH, pick up drill pipe, RIH, wash and ream to bottom. Circ & cond hole, POOH, log / Schlumberger run 1 and run 2.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

It is now 2:30 AM and I am writing you this report, and like yesterday.....it is hard to keep track of time when it is light all the time. Anyway, I sent the pdf files to you and to Bari..

Take Care;

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 8
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 10, 2012	Depth (MD): 377.00
Time: 800 hrs	Depth (TVD): 376.99
Rotating Hours: 0.00 hrs	Depth (SSL): 248.16
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Upper Parkin**Operational Status:** Wait on cement.

Operational Summary: Jul 9th, 00:00-24:00 Hrs:
Rig out loggers, RIH to bottom, cond & circ mud, POOH, L/D BHA, rig in tongs, run 339.7 mm (OD) surface casing, circ and condition mud, run 37.5 inch drill pipe cement stringer, rig in import tool circulating equipment, circ casing.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don,

The casing is in and cemented. Perhaps we will be drilling out tomorrow. I brought the samples all to the camp. We are short on boxes and I will have to wait for some to accumulate. In the mean time I will check the gas detector.

Thanks;

Harry

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 9
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Jul 11, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 377.00
Depth (TVD): 376.99
Depth (SSL): 248.16
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Upper Parkin

Operational Status: Wait on cement, cement holding at surface.

Operational Summary: Jul 10th, 00:00-24:00 Hrs:
Circ casing, rig in cementers, cement casing, trip stringer from hole, wait on cement, remove landing joint, remove diverter, cut conductor barrel, set up degasser and gut lines, screw in landing joint, set slips and pull with 10,000 tension, P/U 24.5 mm cement stringer, RIH and tag at 27 m (MD), safety meeting with Halliburton cementers, rig in cementers for a top down cement job, pump cement.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Hi Don, Hi Bari,

We are delayed. At around 5 AM the crews finished cementing surface casing. They filled it in twice. It looks stable now. I will keep you posted.

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 10
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 12, 2012	Depth (MD): 377.00
Time: 800 hrs	Depth (TVD): 376.99
Rotating Hours: 0.00 hrs	Depth (SSL): 248.16
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Upper Parkin**Operational Status:** Installing boey lines, flare stack, & manifold shack.

Operational Summary: Jul 11th, 00:00-24:00 Hrs:
Wait on cement, safety meeting with Halliburton, cement casing from top down, wait on cement, pull landing joint, screw on casing bowl, P/U and nipple up BOP, M/U lower spool, lower pipe rams, upper spool, blind rams, and upper pipe rams, nipple up pipe rams, change out short pipe studs on lower pipe rams, P/U annular.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

Good morning Don and Bari,

We may well be drilling out tonight. I am hoping to be in Calgary on Monday to look at the Blackie, Orange Marker, and the Hart River sections in the Chance 8 and Chance 18 offsets. I called the top of the Burnthill Creek 321 based on the gamma.

Take Care;

Harry

Harry

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 11
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 13, 2012	Depth (MD): 377.00
Time: 800 hrs	Depth (TVD): 376.99
Rotating Hours: 0.00 hrs	Depth (SSL): 248.16
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$238,637	Accumulated Cost: \$4,577,122

Formation: Upper Parkin

Operational Status: July 13; 00:00-08:00Hrs:
Pressure test. Remove flowline. Install wear bushing.

Operational Summary: July 12; 00:00-24:00Hrs:
Prepare rig to drill-out: Pick up and install annular, flow nipple, flow line, hole-fill hose, kill valves, choke line & valves, flare lines, degasser and bouey lines. Rig in kill lines. Change lower pipe rams to VBR rams. Hook up BOP lines. Pressure test.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24 hrs:
Drill out. Perform FIT. POOH. P/U directional tools.

Mild (+15). High broken cloud. Light breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 12
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 14, 2012	Depth (MD): 394.00
Time: 800 hrs	Depth (TVD): 393.99
Rotating Hours: 0.50 hrs	Depth (SSL): 231.16
	Progress: 17.00
	Average R.O.P.: 34.00
Daily Costs: \$98,319	Accumulated Cost: \$4,650,646

Formation: Upper Parkin

Operational Status: July 14; 00:00-08:00Hrs:
Install MWD. RIH. Displace hole to new mud. Drill and survey 311mm hole f/379-394mMD

Operational Summary: July 13; 00:00-24:00Hrs:
Pressure test. Remove flowline. Install wear bushing and catch-can. Pre drill-out inspection and safety meeting. RIH with slick BHA. Drill out float, cement and shoe. BOP drill. Drill 311mm hole f/377-379mMD. Perform FIT. Man-down drill. POOH. P/U Directional Tools. M/U Bit.

Report From: Trevor Wall; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Commenced drilling at 05:45hrs. New polymer PHPA mud.

Next 24Hrs:
Drill and survey 311mm directional hole.

Cool (~8-10deg). Heavy Overcast. Rain. Light-Moderate SE wind.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 13
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 15, 2012	Depth (MD): 564.00
Time: 800 hrs	Depth (TVD): 561.69
Rotating Hours: 18.00 hrs	Depth (SSL): 63.46
	Progress: 170.00
	Average R.O.P.: 9.44
Daily Costs: \$67,176	Accumulated Cost: \$4,679,884

Formation: Upper Parkin

Operational Status: July 15; 00:00-08:00Hrs:
Drill and survey 311mm hole f/511-564mMD.

Operational Summary: July 14; 00:00-24:00Hrs:
Install MWD. RIH. Displace hole to new mud. Drill and survey 311mm hole f/379-451mMD. Man-down drill. Drill and survey 311mm hole f/451-511mMD.

Report From: Trevor Wall; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Drilling in predominantly carbonaceous shales. No shows to report.

Next 24Hrs:

Drill and survey 311mm hole

Moderate SE wind. Cloudy. Mild (~+15)

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****377.00 to 564.00
(187.00)

BURNTHILL CREEK

Predominately medium to dark gray or locally brownish gray carbonaceous shale with occasional thin sandstone & siltstone laminations, and occasional coal stringers.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 14
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 16, 2012	Depth (MD): 724.00
Time: 800 hrs	Depth (TVD): 713.89
Rotating Hours: 19.00 hrs	Depth (SSL): -88.74
	Progress: 160.00
	Average R.O.P.: 8.42
Daily Costs: \$101,321	Accumulated Cost: \$4,827,855

Formation: Upper Parkin**Operational Status:** July 16; 00:00-08:00Hrs:
Drill and survey 311mm hole f/668-718mMD.**Operational Summary:** July 15; 00:00-24:00Hrs:
Drill and survey 311mm hole f/511-668mMD.**Report From:** Trevor Wall; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Next 24Hrs:
Drill and survey 311mm directional hole.

Cloudy. 2-4cm rain yesterday. Calm. Mild (~+12).

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****511.00 to 668.00
(157.00)

Predominately dark gray carbonaceous shale with interbedded carbonaceous siltstone and sandstone. Sandstone locally has residual oil staining, but is tightly cemented with poor to very poor porosity. No visible fluorescence, however hydrocarbon stained sandstone gives a slow weak hazy cut. See log for details.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 15
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 17, 2012	Depth (MD): 881.00
Time: 800 hrs	Depth (TVD): 864.76
Rotating Hours: 17.00 hrs	Depth (SSL): -239.61
	Progress: 157.00
	Average R.O.P.: 9.24
Daily Costs: \$253,173	Accumulated Cost: \$5,042,977

Formation: Lower Parkin

Operational Status: July 17; 00:00-08:00Hrs:
Drill and survey 311mm directional hole f/862-881mMD. Circulate and condition hole for trip.

Operational Summary: July 16; 00:00-24:00Hrs:
Drill and survey 311mm directional hole f/668-862mMD.

Report From: Trevor Wall; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Encountered a thick (12-14m) massive chert pebble conglomerate @ ~780mMD. We suspect the bit was damaged (undergauge).

Next 24hrs:

Trip for bit.

RIH. Drill and survey 311mm directional hole.

Partly cloudy. Light breeze. Mild (+14). Light rain most of yesterday

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****668.00 to 780.00
(112.00)

UPPER PARKIN SHALE

SHALE: predominately dark to very dark gray, becoming black, fissile to subfissile, occasional thin medium to dark grayish brown blocky stringers, non calcareous, carbonaceous in part

780.00 to 794.00
(14.00)

MIDDLE PARKIN SANDSTONE:

CHERT PEBBLE CONGLOMERATE: medium to dark gray, patchy greenish yellow & green matrix, predominately black, gray & brown chert with minor quartz & siliceous clasts in a poorly sorted dark siliceous glauconitic & sideritic matrix, coarse granules to pebbles, well rounded & polished clasts, tight to questionable porosity, no visible fluorescence, trace residual hydrocarbon, weak hazy cut, very poor to questionable dead oil show

SANDSTONE: dark gray to black, very fine grained, silty argillaceous matrix, common to abundant glauconite throughout, siliceous, slightly calcareous, well indurated, tight, no visible show

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 15
K.B. Elevation: 625.15
Ground Elevation: 616.80

794.00 to 862.00
(68.00)

LOWER PARKIN SHALE:

SILTSTONE: dark gray to black, sandy in part, grading to very fine grained silty argillaceous sandstone, dark gray argillaceous matrix, locally pyritic, calcareous, slightly bituminous, no visible fluorescence, weak cut, occasional fine grained argillaceous sandy laminations, 5 to 10% conglomeratic debris TO 805mMD.
SHALE: dark gray, subfissile to subblocky, non calcareous, carbonaceous

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 16
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 18, 2012	Depth (MD): 897.00
Time: 800 hrs	Depth (TVD): 880.15
Rotating Hours: 2.00 hrs	Depth (SSL): -255.00
	Progress: 16.00
	Average R.O.P.: 8.00
Daily Costs: \$171,542	Accumulated Cost: \$5,213,960

Formation: Lower Parkin

Operational Status: July 18; 00:00-08:00Hrs:
Slip & cut 11m drill line. Trip in hole - wash down f/ 404-441, 603-608 & 834-881mMD.
Drill and survey 311mm directional hole f/881-897mMD.

Operational Summary: July 17; 00:00-24:00Hrs:
Drill and survey 311mm directional hole f/862-881mMD. Circulate and condition hole for trip. Back ream out of hole f/881-120mMD. Pull free from mudring @ 120mMD. POOH. Handle directional tools. Break bit. M/U new bit RIH. Test tool. RIH to 355mMD. Slip & cut.

Report From: Trevor Wall; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** On the trip, the hole became unstable and caved significantly. On examining the cavings, they were predominantly very dark gray to black shale and silty shale. Shales show jointing @ ~ 45 degrees to bedding.

Next 24Hrs:
Drill and survey 311mm directional hole.

Cloudy. Patchy light misty rain. Cool (~10-12deg). Light NW wind.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

868.00 to 881.00 (13.00)	LOWER PARKIN SHALE Predominantly very dark argillaceous siltstone & silty carbonaceous shale, with occasional thin argillaceous & silty very fine grained sandstone. Sandstone is locally cemented with pyrite + glauconite.
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 17
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 19, 2012	Depth (MD): 1,023.00
Time: 800 hrs	Depth (TVD): 1,001.00
Rotating Hours: 18.50 hrs	Depth (SSL): -375.85
	Progress: 126.00
	Average R.O.P.: 6.81
Daily Costs: \$184,287	Accumulated Cost: \$5,396,381

Formation: Whitestone River

Operational Status: July 19; 00:00-08:00Hrs:
Drill and survey 311mm directional hole f/983-1023mMD.

Operational Summary: July 18; 00:00-24:00Hrs:
Slip & cut 11m drill line. Trip in hole - wash down f/ 404-441, 603-608 & 834-881mMD.
Drill and survey 311mm directional hole f/881-983mMD.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: NEXT 24 Hrs:

Drill and survey 311mm directional hole.

Anticipate reaching ICP sometime tomorrow afternoon or evening.

Cool (8-10deg). Overcast. Light rain

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

881.00 to 900.00 (19.00)	Whitestone River: Dark gray siltstone and interbedded silty shale
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900.00 to 983.00 (83.00)	Whitestone River: SHALE: dark gray, fissile to subfissile, silty in part, non calcareous, rare silty glauconitic stringer, occasional pelecypod fragments, occasional light to medium yellowish brown slightly calcareous blocky stringers
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 18
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 20, 2012	Depth (MD): 1,135.00
Time: 800 hrs	Depth (TVD): 1,108.33
Rotating Hours: 18.50 hrs	Depth (SSL): -483.18
	Progress: 112.00
	Average R.O.P.: 6.05

Daily Costs: \$182,734	Accumulated Cost: \$5,579,116
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Formation: Permian - Jungle Creek

Operational Status: July 20; 00:00-08:00Hrs:
Drill and survey 311mm directional hole f/1111-1135mMD.

Operational Summary: July 19; 00:00-24:00Hrs:
Drill and survey 311mm directional hole f/983-1111mMD.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Facies change at ~1081mMD where section has a predominance of fine and coarse grained clastics showing some porosity and residual hydrocarbons (bitumen) beginning at 1087mMD.

Next 24hrs:
Drill and survey 311mm directional hole to ICP.

Mostly cloudy. Mild (~10-12deg). Moderate SE wind.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

983.00 to 1,009.50 (26.50)	WHITESTONE RIVER: SHALE: dark gray, fissile to subfissile, slightly calcareous, occasional silty laminations with trace glauconite, small trace pyrite, carbonaceous, plant remains, minor interbedded siltstone
1,009.50 to 1,087.00 (77.50)	MIDDLE JURASSIC (Kingak Fm?): Predominately dark gray slightly calcareous shale with occasional thin fossiliferous & argillaceous limestone stringers
1,087.00 to 1,111.00 (24.00)	Permian; JUNGLE CREEK: Interbedded quartzose porous sandstone, conglomeratic or pebbly sandstone, and dark gray non calcareous silty shale

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 19
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 21, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 12.00 hrs	Depth (SSL): -543.13
	Progress: 62.00
	Average R.O.P.: 5.17
Daily Costs: \$151,664	Accumulated Cost: \$5,730,780

Formation: Carboniferous

Operational Status: July 21; 00:00-08:00Hrs:
Circulate and condition hole. Trip out of hole f/1197-669mMD (pump and back ream out stands).

Operational Summary: July 20; 00:00-24:00Hrs:
Drill and survey 311mm directional hole f/1111-1176mMD. Rig repair (change gasket on standpipe). Drill and survey ahead f/1176-1197mMD.

Report From: Trevor Wall; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Next 24Hrs:

Back ream out of hole. Lay down directional tools Condition hole for logging (Reamer run).

Partly cloudy. Moderate SE wind. Mild (10-12). Rain showers all day yesterday.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

1,111.00 to 1,182.00
(71.00) **JUNGLE CREEK:**
Interbedded chert pebble conglomerate, chert pebble to granule sandstone, argillaceous sandstone, calcareous siltstone & shale.
Conglomerates show minor porosity in some intervals, and have trace bitumen cement, but do not contain significant hydrocarbons.

1,182.00 to 1,197.00
(15.00) **CARBONIFEROUS:**
Limestone: predominately dark grayish brown to dark brownish gray, light yellowish brown to yellowish white in part, cryptocrystalline, argillaceous, fossiliferous (brachiopod shells and spines, occasional crinoid fragments), dense, tight, minor interbedded calcareous shale.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 20
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 22, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$137,727	Accumulated Cost: \$5,650,420

Formation: Carboniferous - Ettrain

Operational Status: July 22; 00:00-08:00Hrs:
Condition hole for logging - Continue to POOH f/456-371mMD. Trip in hole f/371-712mMD. Ream and wash f/712-772mMD.

Operational Summary: July 21; 00:00-24:00Hrs:
Circulate and condition hole. POOH - pump and back ream out f/1197-477mMD. Purge and clean mud ring from hole - pump water & TKPP sweep. Finish out of hole. Lay down directional tools. Break bit. P/U & M/U reamer assembly. RIH. Ream and wash f/377-712mMD. POOH f/712-456mMD.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Cretaceous section is very unstable. Abundant shale and minor coal cavings while conditioning the hole for logs.

MUD:

Den 1200Kg/m3
Vis 48s/l
FL 8.0ml/30min
pH 8.5

Cloud and fog to ground level. Light rain. Calm. Cool (11deg).

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 21
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 23, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$146,667	Accumulated Cost: \$5,795,786

Formation: Carboniferous - Ettrain

Operational Status: July 23; 00:00-08:00Hrs:
Continue to backream out of hole f/597-374mMD. POOH. L/D reamer & M/U bit & RIH slick.

Operational Summary: July 22; 00:00-24:00Hrs:
Condition hole for logging - Continue to POOH f/456-371mMD. Trip in hole f/371-712mMD. Ream and wash f/712-1197mMD. Trip out of hole - backream f/1197-597mMD.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Cretaceous section continues to slough. Plan is to make another full trip to bottom, running in slick. If trip goes well we would commence logging soon after.

Moderate SE wind. Cloud and fog to ground level. Light rain. ~10-11deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 22
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 24, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$167,473	Accumulated Cost: \$6,002,637
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Formation: Carboniferous - Ettrain

Operational Status: July 24; 00:00-08:00Hrs:
Trip out of hole f/801-733mMD. Circulate and clean hole. Trip out of hole f/733-450mMD. Circulate and clean hole. Trip out of hole f/450-404mMD. Circulate and clean hole. Trip out of hole f/404-365mMD. RIH - ream bridges @ 450-452, & 518-520mMD.

Operational Summary: July 23; 00:00-24:00Hrs:
Continue to backream out of hole f/597-374mMD. POOH. L/D reamer & M/U bit & RIH slick. Slip & cut 21 m drill line. Trip in hole f/347-1198mMD. Attempt to POOH - pull 25DaN over. Work hole. Circulate and work pipe on bottom. Pump high vis sweeps and condition mud and hole. Trip out of hole.f/1198-801mMD.

Report From: Trevor Wall; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24hrs:
Condition hole for logging. Run wireline logs.

MUD:
Den 1230
Vis 69
FL 7.0
pH 9.0

60% cloud cover. Light SW breeze. Mild (10deg). Plenty of rain yesterday.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 23
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 25, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$128,648	Accumulated Cost: \$6,131,286
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Formation: Carboniferous - Ettrain

Operational Status: July 25; 00:00-08:00Hrs:
Circulate hole, condition & work pipe f/543-800mMD. RIH - ream through bridge @ 1081-1085.7mMD. Wash to bottom - 8m fill. Circulate and clean hole.

Operational Summary: July 24; 00:00-24:00Hrs:
Trip out of hole f/801-733mMD. Circulate and clean hole. Trip out of hole f/733-450mMD. Circulate and clean hole. Trip out of hole f/450-404mMD. Circulate and clean hole. Trip out of hole f/404-375mMD. Circulate and clean hole. Trip out of hole f/375-365mMD. Flow check. RIH - ream bridges @ 450-452, & 518-520mMD. Trip in - ream and clean to bottom. Circulate and condition mud. POOH - Back ream out f/1197-403mMD. Circulate hole, condition & work pipe f/377-543mMD.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: We are on bottom now and circulating to clean and condition the hole. Hole condition seems to be improving. We will be coming out to log this morning, and if all goes well we could be running in with logging tools by ~3-4PM.

65% high cloud cover. Light SW breeze. Mild (11deg). No rain yesterday.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 24
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 26, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$151,482	Accumulated Cost: \$6,289,495
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Formation: Carboniferous - Ettrain

Operational Status: July 26; 00:00-08:00Hrs:
Continue to log with Schlumberger. Rig down Loggers. RIH - L/D 8" DCs. Make up bit and RIH for clean-out and condition hole for casing.

Operational Summary: July 25; 00:00-24:00Hrs:
Circulate hole, condition & work pipe f/543-800mMD. RIH - ream through bridge @ 1081-1085.7mMD. Wash to bottom - 8m fill. Circulate and clean hole. POOH. Rig in Schlumberger and run open hole logs.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Run #1 completed without incident. Encountered a bridge @ 713mMD on running in for logging Run #2. Pulled tight @1145mMD on logging up. Did not chance performing the repeat on the bottom section of the hole, and instead performed the repeat for Run # 2 at 590-660mMD.

Mostly sunny - scattered cloud. Mild (11deg). Light SW breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 25
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 27, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$104,642	Accumulated Cost: \$6,394,137
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Formation: Carboniferous - Ettrain

Operational Status: July 27; 00:00-08:00Hrs:
POOH. Break bit. Remove flow T. Remove and clean wear bushing. Install flow-T and flowline. P/U & rig in power tong equipment.

Operational Summary: July 26; 00:00-24:00Hrs:
Continue to log with Schlumberger. Rig down Loggers. RIH - L/D 8" DCs. Make up bit and RIH to 1082mMD. Ream 3 stands, & P/U 3 singles and ream and wash to bottom. Condition mud and circulate. Back ream out of hole f/1197-367mMD. Circulate bottoms up and work pipe. RIH.

Report From: Trevor Wall; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24Hrs:
Run and cement 244.5mm casing. WOC.

Clear. Mild (13deg). Moderate SE wind.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 26
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 28, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$110,912	Accumulated Cost: \$6,505,050

Formation: Carboniferous - Ettrain

Operational Status: July 28; 00:00-08:00Hrs:
Cement casing. Rig out cementers. Back off and L/D landing joint. Remove flow-T and flowline, and run pack-off assembly. Seat tool and shear off. Remove lower casing bowl valves & install blind and vent. P/T.

Operational Summary: July 27; 00:00-24:00Hrs:
POOH. Break bit. Remove flow-T. Remove and clean wear bushing. Install flow-T and flowline. P/U & rig in power tong equipment. Run 244.5mm casing. Casing landed @ 1193.82mMD @18:30hrs. Condition mud and circulate casing. Cement casing.

Report From: Trevor Wall; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24hrs:
P/T. Prepare mud for drill out. Make up new BHA. RIH.

Partly cloudy overhead. Clear to the south with light south breeze. 15deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 27
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 29, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$215,794	Accumulated Cost: \$6,720,844
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Formation: Carboniferous - Ettrain

Operational Status: July 29; 00:00-08:00Hrs:
Clean mud tanks.Strip & mix mud.

Operational Summary: July 28; 00:00-24:00Hrs:
Cement casing. Rig out cementers. Back off and L/D landing joint. Remove flow-T and flowline, and run pack-off assembly. Seat tool and shear off. Remove lower casing bowl valves & install blind and vent. P/T. L/D DP & continue to P/T. Clean mud tanks. Strip & mix mud.

Report From: Trevor Wall/Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24Hrs:

Clean mud tanks. Strip mud system. Purge surface lines and skimmers. Adjust mud properties. RIH & displace casing. P/T casing. Drill 3-5m new hole. Perform FIT.

Scattered cloud. Light SE breeze. 15 degrees.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 28
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Jul 30, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$130,347	Accumulated Cost: \$6,851,192
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Formation: Carboniferous - Ettrain

Operational Status: July 30; 00:00-08:00Hrs:
Clean pre-mix tanks. Strip volume in active system.

Operational Summary: July 29; 00:00-24:00Hrs:
Clean mud system. Strip back mud.

Report From: Trevor Wall/Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24Hrs:

Continue to clean mud system. Pre-mix mud for 222mm hole. M/U slick BHA & RIH. Displace old mud from casing. Drill float, cement and shoe. Drill ~5m new hole. Perform LOT. Drill ahead ~10mMD. POOH for reamer assembly, MWD gamma and directional tools.

16deg. Moderate SSE wind. 70% broken cloud cover.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 29
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Jul 31, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Carboniferous - Ettrain

Operational Status: July 31; 00:00-08:00Hrs:
Continue cleaning pre-mix tanks, clean rig, organize and prepare for pressure test of landing joint.

Operational Summary: July 30; 00:00-24:00Hrs:
Clean mud system. Strip back mud.

Report From: Harry Gluth; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Next 24Hrs:

Pressure test landing joint, preform accumulator function test, M/U slick BHA & RIH, displace mud from casing, Drill float, cement and shoe. Drill ~5m new hole. Perform LOT. Drill ahead ~10mMD. POOH for reamer assembly, MWD gamma and directional tools.

14deg. Overcast with gentle rain.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 30
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 1, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$369,141	Accumulated Cost: \$7,606,527

Formation: Carboniferous - Ettrain

Operational Status: August 01; 00:00-08:00Hrs:
Drill out cement within intermediate from 146 - approximately 420 meters (MD).

Operational Summary: July 31; 00:00-24:00Hrs:
Clean pre-mix tanks. Strip back mud. Clean rig of mixing solids from tanks and centrifuge underflow, pressure test top of casing and landing hanger to 21000 KPa. Perform accumulator function test, P/U BHA and drill out cement from 30-146 meters (MD).

Report From: Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Nexr 24 hrs: Drill out remaining cement within intermediate casing down to the float collar, condition mud, POOH, rig in loggers, log casing to evaluate cement casing bond.

9 degrees Celcius Gentle Breeze from the southeast, Sunny, partly cloudy.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 31
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Aug 2, 2012	Depth (MD): 1,197.00
Time: 800 hrs	Depth (TVD): 1,168.28
Rotating Hours: 0.00 hrs	Depth (SSL): -543.13
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$91,052	Accumulated Cost: \$7,782,788
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Formation: Carboniferous - Ettrain

Operational Status: August 02; 00:00-08:00Hrs:
POOH, slip and cut drill line, P/U casing scaper, RIH, circulate

Operational Summary: Aug 1st; 00:00-24:00 hrs:
Drill out cement from 324 - 600 meters (MD), drill out softer cement and wash to bottom of casing from 600 meters (MD) to the float collar at 1180.27 meters (MD), circ & cond mud, POOH for casing scraper.

Report From: Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Nexr 24 hrs: Scape and clean casing, POOH to log cement.

11.6 degrees Celcius Cloudy, Overcast, moderate breeze from the southwest.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 32
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 3, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 1,197.00
Depth (TVD): 1,168.28
Depth (SSL): -543.13
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Carboniferous - Ettrain

Operational Status: Aug 3rd, 00:00-08:00Hrs:
 Cond mud in active system for a 45 vis, and a density of 1120 kg/m3 with Kelza, Pac, bentonite and barite. Install MWD tool, P/U slant roller reamer, shallow test MWD, RIH, drill out cement and float.

Operational Summary: August 2; 00:00-24:00Hrs: POOH, Cut drill line, P/U casing scraper assembly, RIH & clean casing, cond & circ bottoms up, POOH, rig in loggers, preform two casing log runs, P test casing, fill casing with water, close blind rams, test casing to 25MPa, hold for 15 minutes, condition mud and premix to polymer, function blind rams.

Report From: Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Nexr 24 hrs: Preform a leak off test, find core point, POOH.

Weather: 9.1 degrees C Gentle Breeze, 100 % cloud cover.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 33
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 4, 2012	Depth (MD): 1,281.00
Time: 730 hrs	Depth (TVD): 1,249.91
Rotating Hours: 12.75 hrs	Depth (SSL): -624.76
	Progress: 84.00
	Average R.O.P.: 6.59
Daily Costs: \$95,798	Accumulated Cost: \$8,223,244

Formation: Blackie-Carboniferous

Operational Status: August 04; 00:00-08:00Hrs:
Drill 222 mm hole from 1233-1281 m (MD).

Operational Summary: Aug 3rd, 00:00-24:00 Hrs
RIH / 222 mm bit and reamer assembly, drill out cement and shoe, drill 222 mm hole from 1197 to 1201 meters (MD), circ hole clean. Preform leak off test. Displace water with polymer mud, Drill 222 mm hole from 1201 - 1225 meters (MD), troubleshoot gamma tool. Drill 222 mm hole from 1225-1233 meters (MD).

Report From: Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: Find core point and core Blackie, retrieve core.

Weather 6 .7 degrees C. Overcast, lght rain

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

1,213.00 to 1,280.00 (67.00)	The Blackie consists of medium brown, sub platy to blocky, calcareous, pyritic, locally glauconitic, silty or sandy shale interbedded with minor brachiopod, crinoid, primarily mudstone to wackestone limestone. The shale generates a milky, yellow green slow flash cut fluorescence below 1215 meters (MD).
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 34
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 5, 2012	Depth (MD): 1,385.00
Time: 800 hrs	Depth (TVD): 1,350.90
Rotating Hours: 25.00 hrs	Depth (SSL): -725.75
	Progress: 104.00
	Average R.O.P.: 4.16
Daily Costs: \$141,350	Accumulated Cost: \$8,395,940

Formation: Hart River

Operational Status: August 04; 00:00-08:00Hrs:
Drill 222 mm hole from 1360-1385 m (MD).

Operational Summary: Aug 4th; 00:00-24:00 Hrs:
Drill 222 mm hole from 1233-1290 m (MD), circ bottoms up & check for corepoint, drill 222 mm hole from 1290-1360 m (MD).

Report From: Harry Gluth; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Nexr 24 hrs: Drill 222 mm hole from 1385 - 1412 m (MD), POOH for mudmotor, RIH, drill ahead.

Weather: 11 Degrees C. Partly cloudy, gentle wind from the southwest.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

1,360.00 to 1,365.00 (5.00)	1360m to 1365m: LIMESTONE: light to medium brown, cryptocrystalline to occasionally microcrystalline, as crinoid, brc mudstone, commonly argillaceous & marly, grading in part to mrslt, occasional fragments with 9% visible vug porosity with bright rapid yellow green flash cut fluorescence.
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Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 35
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 6, 2012
Time: 800 hrs
Rotating Hours: 14.00 hrs

Depth (MD): 1,405.00
Depth (TVD): 1,370.21
Depth (SSL): -745.06
Progress: 20.00
Average R.O.P.: 1.43

Daily Costs: \$136,161

Accumulated Cost: \$8,532,101

Formation: Blackie/Hart River

Operational Status: August 04; 00:00-08:00 Hrs
 POOH for dir tools, P/U dir tools, handle tools, RIH, check shot, circ out trip gas.

Operational Summary: Aug 5th, 00:00-24:00 Hrs:
 Drill 222 mm hole from 1360-1364 m (MD), circ bottoms up, drill 222 mm hole from 1364-1402 m (MD), circ bottoms up, drill 222 mm hole from 1402 - 1405 m (MD), POOH for dir tools.

Report From: Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: Drill ahead.

Weather: 7.6 degrees C. Clear

Lithology Summary

Kelly Bushing Elevation: 625.15 **Ground Elevation:** 616.80

**** All Depths measured from Kelly Bushing Elevation ****

1,360.00 to 1,365.00 (5.00)	1360m to 1365m: LIMESTONE: light to medium brown, cryptocrystalline to occasionally microcrystalline, as crinoid, brachiopod mudstone, commonly argillaceous & marly, grading in part to mrslt, occasional fragments with 9% visible vug porosity with bright rapid yellow green flash cut fluorescence. Gas: 397 u / 50 u bkgrd
1,400.00 to 1,402.50 (2.50)	1400m to 1402.5m: LIMESTONE: 30% off white, predominately medium brown, mottled in part, as crinoid, brachiopod mudstone, commonly chert replaced, locally argillaceous. 1-2% of fragments as clear or amber colored calcite sparite, locally euhedral and as vug fill, rare calcite lined fractures, 10-15% vug porosity?, most fragments give a bright yellow green flash cut fluorescence, petroleum odor. Gas: 3050 u / 50 u bkgrd

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 36
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 7, 2012
Time: 800 hrs
Rotating Hours: 13.00 hrs

Depth (MD): 1,447.00
Depth (TVD): 1,410.89
Depth (SSL): -785.74
Progress: 42.00
Average R.O.P.: 3.23

Daily Costs: \$144,099

Accumulated Cost: \$8,676,200

Formation: Hart River

Operational Status: August 07; 00:00-08:00 Hrs:
POOH for bit

Operational Summary: Aug 6th, 00:00-24:00 Hrs:
POOH, L/D bit reamer, P/U Smith bit, build BHA, RIH, pulse test, preform check shots, RIH, pattern bit, drill 222 mm hole from 1405-1447 m (MD), circ bottoms up, POOH for bit.

Report From: Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Operations next 24 hours: RIH, dir drill 222 mm hole.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 37
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 8, 2012	Depth (MD): 1,508.00
Time: 800 hrs	Depth (TVD): 1,470.81
Rotating Hours: 20.00 hrs	Depth (SSL): -845.66
	Progress: 61.00
	Average R.O.P.: 3.05
Daily Costs: \$159,404	Accumulated Cost: \$8,855,144

Formation: Hart River

Operational Status: August 08; 00:00-08:00 Hrs:
Dir drill 222 mm hole from 1486--1505 m (MD).

Operational Summary: Aug 7th, 00:00-24:00 Hrs:
POOH, change out bit, RIH, pattern bit, dir drill 222 mm hole from 1447-1486 m (MD).

Report From: Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Nexrt 24 hrs: Drill ahead.

Weather: 8.7 degrees misty, cloudy, calm

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 38
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Aug 9, 2012	Depth (MD): 1,592.00
Time: 800 hrs	Depth (TVD): 1,554.16
Rotating Hours: 20.25 hrs	Depth (SSL): -929.01
	Progress: 84.00
	Average R.O.P.: 4.15

Daily Costs: \$119,937	Accumulated Cost: \$9,306,711
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Formation: Hart River

Operational Status: August 09; 00:00-08:00 Hrs:
Dir drill 222 mm hole from 1564-1578 m (MD), circ bottom hole spl. Dir drill 222 mm hole from 1578-1592 m (MD).

Operational Summary: Aug 8th, 00:00-24:00 Hrs:
Dir drill 222 mm hole from 1486--1508 m (MD), circ bottom hole spl, dir drill 222 mm hole from 1508-1564 m (MD).

Report From: Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24 hrs: Drill ahead and find core point.
Weather 7:15 AM 9.8 degress C, overcast, calm with light rain.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 39
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 10, 2012	Depth (MD): 1,606.00
Time: 800 hrs	Depth (TVD): 1,568.10
Rotating Hours: 5.75 hrs	Depth (SSL): -942.95
	Progress: 14.00
	Average R.O.P.: 2.43

Daily Costs: \$96,613	Accumulated Cost: \$9,264,126
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Formation: Hart River

Operational Status: Aug 10; 00:00-08:00Hrs:
M/U Bit #6. Switch out 1 DC P/U new jars and pony HWDP. Shallow test MWD. Slip & cut 16m drill line. RIH. Wash last stand to btm. Circulate btms up - 924u Trip Gas (TG). Pump pill. POOH.

Operational Summary: Aug 9th; 00:00-24:00Hrs:
Drill & survey 222mm directional hole f/1564-1578m MD. Circulate bottom hole sample. Drill and survey ahead f/1578-1603.9mMD - high torque. P/U and circulate GTS in 30min. Shut in well. Monitor and circulate through degasser - 1.5m flare. Circulate 1.5 btms up. Open annular. Flow check. Circulate and raise mud density - produced gas dropping from max 7530u to ~250u. Drill ahead f/1603.9-1606mMD. Circulate btms up. POOH w/ flow checks. Lay down jars and pony DC. Handle directional tools - switch out MWD.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** We encountered a gas-charged fracture at 1603.9mMD. Gas was circulated to surface and flared off. Mud density was raised from 1105 to 1125Kg/m3.

Partly cloudy. Calm. Mild (10deg).

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

1,600.00 to 1,606.00 (6.00)	Massive Brachiopod Wackestone with occasional thin calcareous shale partings. Limestone has a cherty siliceous framework, and occasional calcite + pyrobitumen filled open gas-charged fracture.
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Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 40
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 11, 2012
Time: 800 hrs
Rotating Hours: 9.25 hrs

Depth (MD): 1,659.00
Depth (TVD): 1,620.91
Depth (SSL): -995.76
Progress: 53.00
Average R.O.P.: 5.73

Daily Costs: \$158,813

Accumulated Cost: \$9,544,254

Formation: Hart River

Operational Status: Aug 11; 00:00-08:00Hrs:
 Drill 222mm hole f/1658-1659.mMD. Circulate bottoms up. Pump pill. POOH. Change out MWD tools. M/U Bit #7. RIH.

Operational Summary: Aug 10; 00:00-24:00Hrs:
 M/U Bit #6. Switch out 1 DC P/U new jars and pony HWDP. Shallow test MWD. Slip & cut 16m drill line. RIH. Wash last stand to btm. Circulate btms up - 924u Trip Gas (TG). Pump pill. POOH to csg. Work on and blow out lower kill line. RIH. Drill and survey 222mm hole f/1606-1658mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Bit #6 came out badly worn. Limestone has chert nodules.

Mild (9deg). Calm. Scattered high cloud.

Lithology Summary

Kelly Bushing Elevation: 625.15

Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

1,606.00 to 1,659.00
 (53.00)

LIMESTONE: light to medium yellowish brown, to grayish brown nodules in dark grayish brown muddy matrix, cryptocrystalline, argillaceous in part, common calcareous shale partings, cherty, 3-5% dark grayish brown chert nodules, scattered brachiopods, dense, tight, occasional calcite cemented fracture, Cherty Nodular Brachiopod Wackestone, minor interbedded dark gray to black calcareous shale

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 41
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 12, 2012
Time: 800 hrs
Rotating Hours: 17.50 hrs

Depth (MD): 1,735.00
Depth (TVD): 1,696.77
Depth (SSL): -1,071.62
Progress: 76.00
Average R.O.P.: 4.34

Daily Costs: \$140,354

Accumulated Cost: \$9,762,183

Formation: Hart River Shale

Operational Status: Aug 12; 00:00-08:00Hrs:
Drill and survey 222mm hole f/1704-1735mMD.

Operational Summary: Aug 11; 00:00-24:00Hrs:
Drill 222mm hole f/1658-1659mMD. Circulate bottoms up. Pump pill. POOH. Change out MWD tools. M/U Bit #7. RIH.Wash from 1636-1659mMD - flush junk. Pattern bit. Drill and survey 222mm hole f/1659-1704mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Encountered anomalous high gamma lithologies beginning @ 1687mMD (Shale and Limestone). No cuttings gas associated with this high gamma. Collected Rock Eval and gas samples @ 2.5m intervals.

Mostly cloudy. Cool (7deg). Moderate East wind.

Lithology Summary

Kelly Bushing Elevation: 625.15

Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

1,659.00 to 1,670.00 (11.00)	LIMESTONE: light to medium grayish brown, cryptocrystalline, cherty, 15-20% cherty framework & occasional dark chert nodules, fragmental, locally sandy, sandy stringers, dense, tight, occasional calcite cemented microfracture, trace pyrite, Cherty Sandy Fragmental Limestone
1,670.00 to 1,687.00 (17.00)	LIMESTONE: medium brownish gray nodules in dark grayish brown muddy matrix, common brachiopods, argillaceous, occasional dark gray to black argillaceous parting, dense, tight, minor finely disseminated pyrite, silty in part, Nodular Brachiopod Wackestone
1,687.00 to 1,696.00 (9.00)	SHALE: dark gray to black, subfissile to subblocky, extremely calcareous, occasional calcite rods, abundant white specks throughout, phosphatic, locally silty, carbonaceous in part, no visible show

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 42
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 13, 2012	Depth (MD): 1,823.00
Time: 800 hrs	Depth (TVD): 1,784.46
Rotating Hours: 20.75 hrs	Depth (SSL): -1,159.31
	Progress: 88.00
	Average R.O.P.: 4.24
Daily Costs: \$102,146	Accumulated Cost: \$9,864,330

Formation: Hart River A/B Sands

Operational Status: Aug 13th; 00:00-08:00Hrs:
Drill and survey 222mm hole f/1795-1823mMD.

Operational Summary: Aug 12th; 00:00-24:00Hrs:
Drill and survey 222mm hole f/1704-1795mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: No porosity or shows in the Hart River Sands to this point.

Clear. Cool (5deg). Light SE wind.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

1,704.00 to 1,772.00 (68.00)	HART RIVER SHALE Intbedded dark gray to black phosphatic shale and dark grayish brown cherty fossiliferous limestone. Section becomes sandy in the lower 10 metres.
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1,772.00 to 1,785.00 (13.00)	HART RIVER A/B SANDS Fine to very coarse grained salt and pepper sandstone consisting of equal parts of quartz and variously gray chert. Sandstone is well indurated, and tightly cemented with calcite. No visible porosity or show.
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Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 43
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 14, 2012
Time: 800 hrs
Rotating Hours: 17.50 hrs

Depth (MD): 1,905.00
Depth (TVD): 1,866.16
Depth (SSL): -1,241.01
Progress: 82.00
Average R.O.P.: 4.69

Daily Costs: \$150,198
Accumulated Cost: \$10,016,264

Formation: HART RIVER; A-B Sands

Operational Status: Aug 14th; 00:00-08:00Hrs:
Drill 222mm hole f/1877-1880mMD. Circulate btms up after drilling break. Drill and survey ahead f/1880-1905mMD.

Operational Summary: Aug 13th; 00:00-24:00Hrs:
Drill and survey 222mm hole f/1795-1840mMD. PVT gain. P/U off bottom - shut in and circulate through manifold. Open annular and resume conventional circulation - gas peaked @ 268u. Drill ahead f/1840-1842mMD. Circulate btms up - no appreciable gas. Drill and survey ahead f/1842-1877mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Have a look at my formation top picks. The gas show at 1603.9 may also be the top of the Hart River if it has a limestone overlying the first high gamma shale.

Mostly clear. Mild (10deg). Calm.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 44
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 15, 2012
Time: 800 hrs
Rotating Hours: 15.50 hrs

Depth (MD): 1,962.00
Depth (TVD): 1,922.91
Depth (SSL): -1,297.76
Progress: 57.00
Average R.O.P.: 3.68

Daily Costs: \$122,036

Accumulated Cost: \$10,137,604

Formation: Hart River

Operational Status: Aug 15th; 00:00-08:00Hrs:
 Drill and survey 222mm hole f/1946-1962mMD. Pump pill. POOH.

Operational Summary: Aug 14th; 00:00-24:00Hrs:
 Drill 222mm hole f/1877-1880mMD. Circulate btms up after drilling break. Drill and survey ahead f/1880-1925mMD. Circulate btm hole sample. Drill ahead to 1927.8mMD. Circulate sample. Drill and survey 222mm hole f/1927.8-1946mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: We had several interesting gas shows across the A Sand See log for details.

Mostly clear. Light south wind. Mild (11deg).

Lithology Summary

Kelly Bushing Elevation: 625.15 **Ground Elevation:** 616.80

**** All Depths measured from Kelly Bushing Elevation ****

1,905.00 to 1,946.00 HART RIVER A SANDS
 (41.00) See log for details

1,946.00 to 1,955.00 Complex sequence of interbedded coarse grained sandstone, limestone and black
 (9.00) shale.

1,955.00 to 1,962.00 Interbedded light yellowish brown limestone and & 30% light to dark brown chert
 (7.00)

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 45
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 16, 2012	Depth (MD): 1,985.00
Time: 800 hrs	Depth (TVD): 1,945.79
Rotating Hours: 7.00 hrs	Depth (SSL): -1,320.64
	Progress: 23.00
	Average R.O.P.: 3.29
Daily Costs: \$102,877	Accumulated Cost: \$10,271,796

Formation: Hart River

Operational Status: Aug 16th; 00:00-08:00Hrs:
Drill and survey 222mm hole f/1962-1985mMD.

Operational Summary: Aug 15th; 00:00-24:00Hrs:
Drill and survey 222mm hole f/1946-1962mMD. Circulate btms up. Pump pill. POOH.
P/U mud motor. M/U Bit #8. RIH to 1112mMD. Slip & cut 15m drill line. RIH - wash and
ream in last 2 stands. Circulate 2 btms up (TG = 424u).

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Drilling in interbedded limestones, bedded radiolarian chert and minor dark grayish
brown to black calcareous shale.

75-80% high cloud cover. Light SE wind. Mild (12deg).

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 46
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 17, 2012	Depth (MD): 2,034.00
Time: 800 hrs	Depth (TVD): 1,994.63
Rotating Hours: 19.50 hrs	Depth (SSL): -1,369.48
	Progress: 49.00
	Average R.O.P.: 2.51
Daily Costs: \$112,851	Accumulated Cost: \$10,382,661

Formation: Hart River

Operational Status: Aug 17th; 00:00-08:00Hrs:
Drill and survey 222mm hole f/2019-2034mMD.

Operational Summary: Aug 16th; 00:00-24:00Hrs:
Drill and survey 222mm hole f/1962-2015mMD. Circulate btm hole sample. Drill ahead f/2015-2019mMD.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Last few samples show increasing amounts of massive radiolarian chert. (50% in 2030m).

40-50% cloud cover. Scattered light showers. SW breeze. Mild (12deg)

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****1,985.00 to 2,034.00
(49.00)**BASAL HART RIVER:**

A complex sequence of interbedded sandstone, limestone, bedded chert and black phosphatic shale.

Sandstones are typically fine to coarse grained, poorly sorted, well indurated and tightly cemented with primary silica and secondary calcite. One sandstone at 2013-2016mMD is predominately medium to lower coarse grained, rounded, friable, and has fair to good intergranular porosity, but no visible fluorescence.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 47
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 18, 2012
Time: 800 hrs
Rotating Hours: 7.00 hrs

Depth (MD): 2,050.00
Depth (TVD): 2,010.60
Depth (SSL): -1,385.45
Progress: 16.00
Average R.O.P.: 2.29

Daily Costs: \$129,518

Accumulated Cost: \$10,519,129

Formation: Hart River

Operational Status: Aug 18th; 00:00-08:00Hrs:
Continue to M/U coring BHA. RIH. P/U 3 singles. Wash in f/2022-2050mMD. Circulate bottoms up. Drop ball.

Operational Summary: Aug 17th; 00:00-24:00Hrs:
Drill and survey 222mm hole f/2019-2050mMD. Circulate bottoms up. POOH. L/D directional tools. P/U and M/U coring BHA.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Mostly cloudy. Calm. 10deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 48
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 19, 2012	Depth (MD): 2,060.00
Time: 800 hrs	Depth (TVD): 2,020.58
Rotating Hours: 7.00 hrs	Depth (SSL): -1,395.43
	Progress: 10.00
	Average R.O.P.: 1.43
Daily Costs: \$135,477	Accumulated Cost: \$10,655,093

Formation: Hart River

Operational Status: Aug 19th; 00:00-08:00Hrs:
Finish in hole. Circulate bottoms up (TG = 879u). Drill 222mm hole f/2051.5-2060mMD.

Operational Summary: Aug 18th; 00:00-24:00Hrs:
Continue to M/U coring BHA. RIH. P/U 3 singles. Wash in f/2022-2050mMD. Circulate bottoms up. Drop ball. Cut core #1 f/2050.0-2051.5mMD. POOH and recover core (Rec 1.08m). L/D coring BHA. M/U Bit #9 and RIH.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell

Remarks: Cut ~1.5m core and recovered 1.08m (72%). Two rubblized intervals in the middle section of the core is likely where core was lost. No shale or sign of hydrocarbons present. Revised this current lithology back to Basal Hart River. TG lags back to gas show @ 1604mMD.

Partly cloudy. Moderate south wind.. Mild (10deg).

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,051.50 to 2,060.00 (8.50)	Interbedded limestone, poorly sorted tightly cemented calcareous sandstone, chert & minor dark gray to black shale.
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 49
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 20, 2012	Depth (MD): 2,070.00
Time: 800 hrs	Depth (TVD): 2,030.57
Rotating Hours: 4.75 hrs	Depth (SSL): -1,405.42
	Progress: 10.00
	Average R.O.P.: 2.11
Daily Costs: \$170,504	Accumulated Cost: \$10,837,598

Formation: Hart River

Operational Status: Aug 20th; 00:00-08:00Hrs:
RIH w/ Magnet. L/D 28 singles "E" DP. RIH. L/D 6 singles "GG" DP. RIH to 2040mMD.

Operational Summary: Aug 19th; 00:00-24:00Hrs:
Finish in hole. Wash in f/2029-2051mMD Circulate bottoms up (TG = 879u). Drill and survey 222mm hole f/2051.5-2060mMD. Shut in and monitor well. Drill ahead f/2060-2070mMD. Work stuck pipe. Jars fired - Pull free. POOH. L/D directional tools. M/U magnet sub and assembly. P/U 10 stands DP & RIH.

Report From: Trevor Wall Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: We are fishing for 3 drill cones.

MUD:
Den 1130Kg/m3
Vis 40

Partly cloudy. Calm. Mild (11deg)

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,051.50 to 2,070.00 (18.50)	BASAL HART RIVER: Interbedded Limestone, Sandstone & massive Chert. Chert becomes more prominent f/2060-2070mMD.
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 50
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 21, 2012	Depth (MD): 2,070.00
Time: 800 hrs	Depth (TVD): 2,030.57
Rotating Hours: 0.00 hrs	Depth (SSL): -1,405.42
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$106,684	Accumulated Cost: \$10,944,283

Formation: Hart River

Operational Status: Aug 21st; 00:00-08:00Hrs:
Circulate 2 btms up. Pump pill. POOH.

Operational Summary: Aug 20th; 00:00-24:00Hrs:
RIH w/ Magnet. L/D 28 singles "E" DP. RIH. L/D 6 singles "GG" DP. RIH. Circ btms up (TG = 1221u). Work magnet. POOH. Recover junk (2 cones + several inserts). L/D magnet. M/U mill. RIH. Circulate btms up (TG =161u). Mill junk on bottom.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: The unrecovered cone and any remaining junk was thoroughly milled. Hole is thought to be clear of most junk.

Next 24Hrs:

Make up bit #10 and directional BHA and RIH. Drill and survey 222mm hole.

Mostly cloudy. Scattered light showers. 9deg. Calm.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 51
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 22, 2012
Time: 800 hrs
Rotating Hours: 10.50 hrs

Depth (MD): 2,111.00
Depth (TVD): 2,071.51
Depth (SSL): -1,446.36
Progress: 41.00
Average R.O.P.: 3.90

Daily Costs: \$133,264

Accumulated Cost: \$11,075,403

Formation: Ford Lake

Operational Status: Aug 22nd; 00:00-08:00Hrs:
Drill and survey 222mm hole f/2094-2099.6mMD. Circulate btms up. Drill ahead to 2100.0mMD. Circulate btms up. Drill and survey ahead f/2100-2111mMD.

Operational Summary: Aug 21st; 00:00-24:00Hrs:
Circulate 2 btms up. Pump pill. POOH. L/D mill and junk sub. Make up Bit #10 and directional BHA & RIH to 1093mMD. Slip & cut 17m drill line. Man down drill. RIH f/1093-2040mMD. Ream and clean to btm. Drill and survey 222mm hole f/2070-2098mMD

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: We stopped for a rig service and survey @ 2098mMD, and ~30min after beginning to pump, we had a significant influx of gas (1234u). Circulated this up to see ~90% black bituminous shale, but suspected gas was coming in from either a drilling break @ 2098.2-2098.8mMD, or possibly from the zone @ 1604mMD, and not the shales themselves. Drilled ahead to 2100.0mMD and circulated that up to see if it would liberate the same gas, but it remained at background, confirming this suspicion. Gas lags to the drilling break @ 2098.2-2098.8mMD

Mostly cloudy. Scattered showers. Cool (8deg). Calm.

Lithology Summary

Kelly Bushing Elevation: 625.15 Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

2,070.00 to 2,077.40 (7.40) BASAL HART RIVER:
Predominately massive bedded chert, with minor interbedded sandy Limestone.

2,077.40 to 2,100.00 (22.60) FORD LAKE:
Predominately very dark grayish brown to black slightly bituminous shale with minor interbedded Limestone, Sandstone and Chert.
SHALE: very dark grayish brown to black, subfissile to subblocky, calcareous, silty in part, occasional very fine to lower fine grained sandy laminae, slightly bituminous, greasy lustre, no visible fluorescence, slow streaming cut, occasional Sandstone, Limestone and Chert partings.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 52
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 23, 2012	Depth (MD): 2,173.00
Time: 800 hrs	Depth (TVD): 2,133.46
Rotating Hours: 19.25 hrs	Depth (SSL): -1,508.31
	Progress: 62.00
	Average R.O.P.: 3.22
Daily Costs: \$106,497	Accumulated Cost: \$11,175,553

Formation: Ford Lake

Operational Status: Aug 23rd; 00:00-08:00Hrs:
Drill and survey 222mm hole f/2152-2173mMD.

Operational Summary: Aug 22nd; 00:00-24:00Hrs:
Drill and survey 222mm hole f/2094-2099.6mMD. Circulate btms up. Drill ahead to 2100.0mMD. Circulate btms up. Drill and survey ahead f/2100-2152mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24Hrs:
Drill 222mm hole. POOH. P/U DST tools. Test with Delta P.

Mostly clear. Moderate SE wind. Cool (7deg)

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 53
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 24, 2012
Time: 800 hrs
Rotating Hours: 7.00 hrs

Depth (MD): 2,201.00
Depth (TVD): 2,161.38
Depth (SSL): -1,536.23
Progress: 28.00
Average R.O.P.: 4.00

Daily Costs: \$115,001

Accumulated Cost: \$11,307,607

Formation: Ford Lake/Imperial

Operational Status: Aug 24th 00:00 -08:00 Hrs:
RIH / drill stem testing tool.

Operational Summary: Aug 23rd, 00:00-24:00 Hrs:
Dir drill 222 mm hole from 2152-2201 m (MD), circulate and condition mud, POOH, lay down mudmotor, held safety meeting prior to picking up DST.

Report From: Harry Gluth; Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24 hrs: drill stem test interval at 1604 m (MD), POOH, pick up PDC bit, RIH.

Weather: 10 degrees Celcius, moderate breeze from the southwest, cloudy.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 54
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 25, 2012	Depth (MD): 2,207.00
Time: 800 hrs	Depth (TVD): 2,167.37
Rotating Hours: 3.00 hrs	Depth (SSL): -1,542.22
	Progress: 6.00
	Average R.O.P.: 2.00

Daily Costs:**Accumulated Cost:****Formation:** Ford Lake / Imperial**Operational Status:** Aug 25 00:00-08:00 Hrs:
RIH, wash from 2160 m (MD) to bottom, dir drill 222 mm hole from 2101-2207 m (MD).**Operational Summary:** August 24th: 00:24:00 Hrs:
Pick up DST tools, RIH to 1600 m (MD), drill stem test 1604 m (MD) interval, POOH and lay down DST tools, P/U bit, dir tools, RIH.**Report From:** Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 Hrs: drill ahead, possible bit trip
Weather: 8.5 degrees C. Cloudy with light rain.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 55
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 26, 2012
Time: 800 hrs
Rotating Hours: 19.75 hrs

Depth (MD): 2,401.00
Depth (TVD): 2,360.97
Depth (SSL): -1,735.82
Progress: 194.00
Average R.O.P.: 9.82

Daily Costs:

Accumulated Cost:

Formation: Imperial

Operational Status: Aug 26th 00:00-08:00 Hrs:
Dir drill 222 mm hole from 2348 - 2401 m (MD).

Operational Summary: Aug 25th 00:00-24:00 Hrs:
RIH, wash from 2160 to bottom, dir drill 222 mm hole from 2401-2348 m (MD).

Report From: Harry Gluth; Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: Drill ahead.

Weather: 6.6 degrees C. Partly Cloudy, gentle breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 56
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Aug 27, 2012	Depth (MD): 2,435.00
Time: 800 hrs	Depth (TVD): 2,394.90
Rotating Hours: 4.50 hrs	Depth (SSL): -1,769.75
	Progress: 34.00
	Average R.O.P.: 7.56
Daily Costs: \$119,806	Accumulated Cost: \$11,655,428

Formation: Imperial

Operational Status: Aug 27 00:00-08:00 Hrs:
POOH, lay down slant roller reamer, make up bit, P/U vertical roller reamer, RIH.

Operational Summary: Aug 26 00:00-24:00 Hrs:
Drill 222 mm hole from 2348-2435 m (MD). POOH due to excessive torque. Circ, POOH to 2267 m (MD) and backream out to 2050 m (MD).

Report From: Harry Gluth; Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:**

Next 24 hrs: Drill ahead
Weather: overcast, light rain, 7 degrees C

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,225.00 to 2,230.00 (5.00)	2225m to 2230m: SANDSTONE: consolidated, off white, light brown, angular to subrounded, very fine lower to upper medium, occasionally coarse grained, rare chert granules & locally conglomeratic, poor to moderately sorted, abundant white, gray, brown, dark gray chert grains, calcareous, dolomitic, siliceous, pyritic, occasional fragments with brown argillaceous cement, spotty 1-13% black dead bitumen plugged intergranular porosity, no cut fluorescence.
2,235.00 to 2,240.00 (5.00)	2235m to 2240m: SANDSTONE: consolidated, salt and pepper, off white, light brown, commonly black & bitumen stained, fine to lower medium grained, occasionally with floating coarse quartz & chert grains, abundant white, occasionally gray, chert grains, poor to moderately sorted, siliceous, calcareous, dolomitic, pyritic, with 10-18% black bitumen in part dead plugged intergranular porosity & rare bitumen fracture fill, trace 9% visible intergranular porosity, weak milky white flash cut fluorescence.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 57
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 28, 2012
Time: 800 hrs
Rotating Hours: 3.75 hrs

Depth (MD): 2,442.00
Depth (TVD): 2,401.89
Depth (SSL): -1,776.74
Progress: 7.00
Average R.O.P.: 1.87

Daily Costs: \$153,198

Accumulated Cost: \$11,808,626

Formation: Imperial

Operational Status: Aug 28th 00:00-08:00 Hrs:
RIH / bit 13.

Operational Summary: Aug 27th 00:00-00:24 Hrs:
POOH, L/D slant roller reamer, P/U vertical roller reamer and bit #12, RIH, wash from 2425 to bottom. Dir drill 222 mm hole from 2435-2442 m (MD), POOH, backream from 2432-1200 m (MD), L/D roller reamer and make up bit 13.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks:

We are drilling in medium to dark gray, mainly platy, pyritic shales with very little silt or sand.

Harry

Weather: 5 degrees Celcius Foggy and overcast with gentle rain.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 58
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Aug 29, 2012	Depth (MD): 2,552.00
Time: 800 hrs	Depth (TVD): 2,511.35
Rotating Hours: 19.50 hrs	Depth (SSL): -1,886.20
	Progress: 110.00
	Average R.O.P.: 5.64

Daily Costs: \$153,253	Accumulated Cost: \$11,961,534
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Formation: Imperial

Operational Status: Aug 29th 00:00-08:00 Hrs:
Dir drill 222 mm hole from 2527-2552 m (MD).

Operational Summary: Aug 28th: 00:00-24:00 Hrs:
RIH, wash through bridges at 2222, 2230, 2237, 2427, 2430 and 2434 m (MD). Dir drill 222 mm hole from 2442-2527 m (MD).

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks: Next 24 hrs: drill ahead.

In the 2525 m (MD) sample I started seeing about 10-15% tight siltstones and silty sandstones in the samples.

Weather: 1.7 degrees, Partly cloudy, slight breeze.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 59
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Aug 30, 2012
Time: 800 hrs
Rotating Hours: 7.00 hrs

Depth (MD): 2,582.00
Depth (TVD): 2,541.12
Depth (SSL): -1,915.97
Progress: 30.00
Average R.O.P.: 4.29

Daily Costs: \$170,790

Accumulated Cost: \$12,126,072

Formation: Imperial

Operational Status: Aug 30th, 00:00-08:00 Hrs:
Backream from 2582-2179 m (MD), POOH.

Operational Summary: Aug 30th 00:00-24:00 Hrs:
Dir drill 222 mm hole from 2527-2572 m (MD), circ & cond mud, Dir drill 222 mm hole from 2572-2582 m (MD), backream out of hole.

Report From: Harry Gluth 403-290-7518
Report To: Don Stachiw/ Bari McDowell/ Northern Cross Yukon
Remarks: Next 24 hrs: P/U bit, RIH, drill ahead.
Weathr: 9.5 degrees C, cloudy & overcast, moderate wind from the southwest.

Gases: significant: 1) 2547 m (MD): 222 u / 30 u bkgrd; 2) 2551 m (MD): 166 u / 40 u bkgrd, 3) 2567 m (MD): 310 u / 50 u bkgrd; 4) 2569 m (MD): 232 u / 50 u bkgrd; 5) 2582 m (MD): 162 u / 40 u bkgrd.

Lithology Summary

Kelly Bushing Elevation: 625.15 Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

2,550.00 to 2,555.00 (5.00)	2550m to 2555m: SANDSTONE: consolidated, quartzose to salt and pepper, with < 25% light chert grains, light brown, sideritic brown, light gray, off white, silty to fine grained, subangular to subrounded, angular in part, poor to moderately sorted, quartzose to salt and pepper, slightly calcareous, dolomitic, sideritic, commonly siliceous or with medium brown argillaceous cement, carbonaceous, pyritic, tight, slightly bituminous, no cut fluorescence.
2,565.00 to 2,570.00 (5.00)	2565m to 2570m: CHET PEBBLE SANDSTONE: consolidated, salt and pepper, very hard, light gray, light to medium brown, fine to upper medium grained, rare coarse grained fragments or chert granules & in part as matrix supported conglomeratic sandstone, angular to subrounded, poor to moderately sorted, siliceous & commonly with silica overgrowths, patchy medium brown argillaceous cement, slightly calcareous, dolomitic or sideritic, with 30-50% chert grains, slightly pyritic, rare fragments with 6-8% black dead intergranular bitumen, predominately tight, very poor reservoir, no cut fluorescence.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 60
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Aug 31, 2012	Depth (MD): 2,582.00
Time: 800 hrs	Depth (TVD): 2,541.12
Rotating Hours: 0.00 hrs	Depth (SSL): -1,915.97
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$123,598	Accumulated Cost: \$12,201,583
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Formation: Imperial

Operational Status: Aug 31st, 00:00-08:00 Hrs:
Ream and work tight hole, loss of 2000 KPa pressure occurred, POOH from 2530 m (MD) to check tools.

Operational Summary: Aug 30th, 00:00-24:00 Hrs:
Backream out of hole to 2179 m (MD), POOH, change out bit, dial up motor to 1.5 degrees, RIH, slip and cut, check torque and drag every 250 meters, Hit bridges @ 2432, 2460 and 2472 m (MD), ream bridges and work tight hole.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: POOH, and check out mud motor, RIH, drill ahead.

Weather: 10.6 degrees. Overcast, moderate breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 61
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 1, 2012	Depth (MD): 2,582.00
Time: 800 hrs	Depth (TVD): 2,541.12
Rotating Hours: 0.00 hrs	Depth (SSL): -1,915.97
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Imperial**Operational Status:** Sep 1st: 00:00-08:00 Hrs:
RIH, slip and cut drilling line, RIH, wash and ream bridge at 2480 m (MD).**Operational Summary:** Aug 31st: 00:00-24:00 Hrs:
Ream and work tight hole, POOH from 2530 m (MD), lay down mudmotor, safety meeting with Schlumberger, log casing, safety meeting with pressure tester, pull wear bushing, rig in pressure tester, pressure test BOP, set wear bushing and install flow T, P/U dir tools, M/U bit and scribe motor.**Report From:** Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: wash and ream to bottom, drill ahead.

Weather: 6 degrees. Overcast / moderate winds from the southwest.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 62
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 2, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 2,582.00
Depth (TVD): 2,541.12
Depth (SSL): -1,915.97
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Imperial

Operational Status: Sep 2nd, 00:00-08:00 Hrs:
Wash and ream from 2556 to 2582 m (MD), circulate bottoms up, wiper trip & back ream from 2582-2325 m (MD).

Operational Summary: Sep 1, 00:00-24:00 Hrs:
RIH, slip and cut drill line (14 meters of line), RIH, wash and ream from 2474-2556 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Next 24 hrs: finish wiper trip and drill ahead.
Weather: 8.3 degrees. Cloudy, overcast, gentle rain.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 63
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 3, 2012
Time: 800 hrs
Rotating Hours: 5.00 hrs

Depth (MD): 2,596.00
Depth (TVD): 2,555.01
Depth (SSL): -1,929.86
Progress: 14.00
Average R.O.P.: 2.80

Daily Costs: \$105,815

Accumulated Cost: \$12,577,622

Formation: Imperial

Operational Status: Sep 3, 00:00-08:00 Hrs:
 Ream from 2567-2582 m (MD), dir drill 222 mm hole from 2582-2596 m (MD).

Operational Summary: Sep 2, 00:00-24:00 Hrs:
 Ream 222 mm hole from 2556-2582 m (MD), Wiper and back ream from 2582-2067 m (MD) with tight spots at 2565, 2562, 2546, 2528.5, 2483-2481, and 2308 m (MD), RIH and ream from 2067-2567 m (MD) with bridges at 2308, 2215, 2385, 2479, 2482 and 2537.5 m (MD).

Report From: Harry Gluth Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks:

Shale cavings up to 2-3 cm in length are still coming over the shakers periodically. Connections are somewhat tight. Shale cavings are both rounded or fresh and fairly angular. Next 24 hrs: Drill ahead.
 Weather: 4.7 degrees. Rare clouds, moderate breeze from the south east.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 64
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 4, 2012
Time: 800 hrs
Rotating Hours: 10.25 hrs

Depth (MD): 2,632.00
Depth (TVD): 2,590.62
Depth (SSL): -1,965.47
Progress: 36.00
Average R.O.P.: 3.51

Daily Costs: \$113,965
Accumulated Cost: \$12,689,984

Formation: Imperial

Operational Status: Sep 4th, 00:00-00:80 Hrs:
Backream from 2632-2000 m (MD).

Operational Summary: Sep 3rd, 00:00-24:00 Hrs:
Ream from 2567-2582 m (MD). Dir drill 222 mm hole from 2582-2632 m (MD), circ bottoms up, backream from 2632-2000 m (MD).

Report From: Harry Gluth Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Background gases generally ranged between 50 and 110 units. The mud weight is 1280 kg/m³. Shales at 2603 m (MD) are very carbonaceous. Lithologically, shales contain little silt or sand. Swelling shales were encountered between 2600 and approximately 2605 m (MD). Swelling shales have been rarely observed in the Imperial. Thin sandstone stringers and minor conglomerates occur in the shales and commonly comprise less than 3-4% of the volume of the sample.

Weather: 5 degrees C. Gentle rain, cloudy, light wind from the south west.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 65
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Sep 5, 2012	Depth (MD): 2,632.00
Time: 800 hrs	Depth (TVD): 2,590.62
Rotating Hours: 0.00 hrs	Depth (SSL): -1,965.47
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$122,808	Accumulated Cost: \$12,812,792
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Formation: Imperial

Operational Status: Sep 5th, 00:00-08:00 Hrs:
RIH from 1950 m (MD) to 2063 m (MD), wash & ream to 2520 m (MD).

Operational Summary: Sep 4th, 00:00-24:00 Hrs:
Backream from 2632-2010 m (MD), pump pill, POOH and L/D dir BHA, P/U mill tooth bit, near bit reamer, slant roller reamers,, RIH, slip and cut drill line, install non rotating casing protectors from 913-1190 m (MD) and two per single between 567 - 904 m (MD), RIH to 1950 m (MD).

Report From: Harry Gluth Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24 hrs: Clean and ream to bottom, circulate and condition hole, backream out of the hole, P/U directional BHA, RIH.

Weather: 8.3 degrees. Cloudy, moderate wind from the south west.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 66
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Sep 6, 2012	Depth (MD): 2,632.00
Time: 800 hrs	Depth (TVD): 2,590.62
Rotating Hours: 0.00 hrs	Depth (SSL): -1,965.47
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$99,091	Accumulated Cost: \$12,918,733
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Formation: Imperial

Operational Status: Sep 6th 00:00-08:00 Hrs:
Ream from 2605-2632 m (MD), circ hole clean, POOH.

Operational Summary: Sep 5th, 00:00-24:00 Hrs:
Ream from 2065-2578 m (MD), wiper to 1425 m (MD), move pipe, swap non rotating sleeves, RIH & ream from 2470-2605 m (MD).

Report From: Harry Gluth Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24 hrs: POOH, change out BHA, P/U Smith insert bit, RIH, pattern bit, drill ahead.

Weather: 6.7 degrees C. Cloudy, mederate wind from the south west, light rain.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 67
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 7, 2012
Time: 800 hrs
Rotating Hours: 6.00 hrs

Depth (MD): 2,645.00
Depth (TVD): 2,603.45
Depth (SSL): -1,978.30
Progress: 13.00
Average R.O.P.: 2.17

Daily Costs:

Accumulated Cost:

Formation: Imperial

Operational Status: Sep 7th, 00:00-08:00 Hrs:
Ream and clean hole from 2600-2632 m (MD), drill 222 mm hole from 2632-2645 m (MD).

Operational Summary: Sep 7th, 00:00-24:00 Hrs:
Ream from 2605-2632 m (MD), circ hole clean, POOH. P/U insert bit, near bit and slant reamers, RIH, slip and cut drill line. Ream from 2473-2600 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks:

Good morning,

We are still drilling shales and rare siltstones and sandstones (< 2-7% by sample volume) of the Imperial. Trip gas peaked at 279 units and appears to be lagging from the base of the hole.

Weather: 1.7 degrees C. Cloudy, gentle breeze.

Lithology Summary

Kelly Bushing Elevation: 625.15 Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

2,635.00 to 2,640.00
(5.00)

2635m to 2640m: SHALE: medium to dark gray, platy to blocky, micromicaceous, greasy in part, predominately as clay shale, rare silty or sandy fragments, pyritic, medium hard, slightly fissile, bituminous, with very slow green flash cut fluorescence, 7% light gray, consolidated, salt and pepper, light gray, light brown, light gray brown, silty to very fine lower, occasionally very fine upper grained, subangular to subrounded, siliceous, & occasionally with silica overgrowths commonly argillaceous & with light gray argillaceous matrix, slightly calcareous, sandy siltstone & silty tight sandstone, no shows.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 68
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 8, 2012	Depth (MD): 2,694.00
Time: 800 hrs	Depth (TVD): 2,651.80
Rotating Hours: 21.25 hrs	Depth (SSL): -2,026.65
	Progress: 49.00
	Average R.O.P.: 2.31
Daily Costs: \$107,951	Accumulated Cost: \$13,143,308

Formation: Imperial

Operational Status: Sep 8th; 00:00-08:00 Hrs:
Drill and survey 222mm hole f/2677-2694mMD.

Operational Summary: Sep 7th; 00:00-24:00 Hrs:
Ream and clean hole f/2600-2632mMD. Drill and survey 222mm hole f/2632-2677mMD.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Shales are siliceous, hard and well compacted, and contain significant pyrite.

80% high cloud cover. Cool (2deg). Light SE breeze.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,650.00 to 2,665.00 (15.00)	IMPERIAL: SHALE: dark gray to black, fissile to subfissile, non calcareous, pyritic, occasional silty slightly calcareous & pyritic laminations, occasional cherty pyritic stringers, well compacted, hard, siliceous in part, brittle, occasional calcite cemented microfracture, occasional pyritized plant stems or burrows?
2,665.00 to 2,690.00 (25.00)	IMPERIAL: SHALE: very dark gray to black, fissile to subfissile, non calcareous, pyritic, pyrite nodules & micro laminae, carbonaceous, occasional silty to very fine grained sandy laminations, well compacted, brittle, trace brown chert

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 69
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 9, 2012	Depth (MD): 2,714.00
Time: 800 hrs	Depth (TVD): 2,671.58
Rotating Hours: 8.00 hrs	Depth (SSL): -2,046.43
	Progress: 20.00
	Average R.O.P.: 2.50
Daily Costs: \$154,843	Accumulated Cost: \$13,298,152

Formation: Imperial

Operational Status: Sep 9th; 00:00-08:00hrs:
Finish out of hole. P/U mud motor. M/U Bit #17. Scribe motor. RIH.

Operational Summary: Sep 8th; 00:00-24:00hrs:
Drill and survey 222mm hole f/2677-2714mMD. POOH wet f/2714-2392mMD. Pump pill. POOH f/2392-315mMD. F/T BOPs - Okay.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell

Remarks:
Overcast. 1 deg. Light south breeze.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,694.00 to 2,714.00 (20.00)	IMPERIAL: Predominately well compacted non calcareous & carbonaceous black fissile shale, with minor interbedded fossiliferous limestone, poorly sorted sandstone, siltstone and brown chert. SANDSTONE commonly has black interstitial pyrobitumen cement and gives a weak streaming dead oil cut.
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 70
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 10, 2012	Depth (MD): 2,760.00
Time: 800 hrs	Depth (TVD): 2,717.31
Rotating Hours: 14.50 hrs	Depth (SSL): -2,092.16
	Progress: 46.00
	Average R.O.P.: 3.17
Daily Costs: \$135,690	Accumulated Cost: \$13,433,843

Formation: Imperial

Operational Status: Sep 10th; 00:00-08:00hrs:
Drill and survey 222mm hole f/2733-2757mMD.

Operational Summary: Sep 9th; 00:00-24:00hrs:
Finish out of hole. P/U mud motor. M/U Bit #17. Scribe motor. RIH. Wash and ream to bottom f/2470-2714mMD. Drill and survey 222mm hole f/2714-2733mMD.

Report From: Trevor Wall Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell
Remarks: Drilling in anomalously gassy, high gamma shales..
 Next 24Hrs:
 Drill and survey ahead

3cm fresh snow overnight. Cloudy. Cool (-1deg). Moderate NW wind.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

2,714.00 to 2,750.00 (36.00)	IMPERIAL: SHALE: very dark grayish brown to black, subfissile to fissile, pyritic, well compacted, firm, moderately brittle, common slickenside, slightly greasy lustre, increasingly carbonaceous, no visible fluorescence, rare grain with slow streaming cut fluorescence, occasional silty laminations
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 71
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 11, 2012	Depth (MD): 2,825.00
Time: 800 hrs	Depth (TVD): 2,782.21
Rotating Hours: 20.75 hrs	Depth (SSL): -2,157.06
	Progress: 65.00
	Average R.O.P.: 3.13
Daily Costs: \$105,517	Accumulated Cost: \$13,554,830

Formation: Imperial

Operational Status: Sep 11th; 00:00-08:00hrs:
Drill and survey 222mm hole f/2802-2825mMD.

Operational Summary: Sep 10th; 00:00-24:00hrs:
Drill and survey 222mm hole f/2733-2802mMD.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Shales remain anomalously gassy, but are variably so.

Cloudy. Light snow. 15cm new snow. Mild (-2deg). Light SW breeze.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****2,750.00 to 2,820.00
(70.00)**IMPERIAL:**

SHALE; very dark gray to black, fissile to subfissile, well compacted, moderately firm, carbonaceous, variably gassy, occasional dark grayish brown blocky laminae, occasional dark grayish brown silty laminations, rare aragonitic fossil fragments, pyritic, common slickenside, rocks have been slightly deformed, greasy lustre in part, very slow & very weak hazy cut

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 72
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 12, 2012	Depth (MD): 2,902.00
Time: 800 hrs	Depth (TVD): 2,859.13
Rotating Hours: 20.50 hrs	Depth (SSL): -2,233.98
	Progress: 77.00
	Average R.O.P.: 3.76
Daily Costs: \$105,172	Accumulated Cost: \$13,664,823

Formation: Imperial

Operational Status: Sep 12th; 00:00-08:00hrs:
Drill and survey 222mm hole f/2875-2902mMD.

Operational Summary: Sep 11th; 00:00-24:00hrs:
Drill and survey 222mm hole f/2802-2875mMD.

Report From: Trevor Wall Ph 403-290-7518**Report To:** Don Stachiw/Bari McDowell**Remarks:** Drilling in ~100% dark grey or locally black, relatively soft shale. Trace massive pyrite.

Overcast. Light crystal snow. Moderate NE wind. -4deg

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****2,820.00 to 2,900.00
(80.00)**IMPERIAL:**

SHALE: predominately dark gray to dark brownish gray, locally black, occasional dark grayish brown calcareous silty laminations, subfissile to fissile, non calcareous, carbonaceous, moderately well compacted, moderately soft, decreasing pyrite content, trace scattered massive pyrite, occasional to rare slickenside, no visible show

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 73
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 13, 2012
Time: 800 hrs
Rotating Hours: 7.25 hrs

Depth (MD): 2,921.00
Depth (TVD): 2,878.13
Depth (SSL): -2,252.98
Progress: 19.00
Average R.O.P.: 2.62

Daily Costs: \$135,072

Accumulated Cost: \$13,799,895

Formation: Imperial

Operational Status: Sep 13th; 00:00-08:00hrs:
 POOH. Handle directional tools. Change out mud motor. M/U Bit # 18.

Operational Summary: Sep 12th; 00:00-24:00hrs:
 Drill and survey 222mm hole f/2875-2921mMD. Circulate bottoms up. POOH -
 Backream f/2921-2431mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24Hrs:
 RIH. Ream & clean to bottom. Drill ahead.

Mostly cloudy. Calm. -2deg.

Lithology Summary

Kelly Bushing Elevation: 625.15 **Ground Elevation:** 616.80

**** All Depths measured from Kelly Bushing Elevation ****

2,900.00 to 2,915.00 IMPERIAL:
 (15.00) Predominately dark gray to black carbonaceous shale with minor interbedded siltstone.

2,915.00 to 2,922.00 IMPERIAL:
 (7.00) Interbedded, very hard, silica cemented, moderate to poorly sorted sandstone,
 quartzose siltstone, and dark gray to black carbonaceous shale.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 74
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 14, 2012	Depth (MD): 2,921.00
Time: 800 hrs	Depth (TVD): 2,878.13
Rotating Hours: 0.00 hrs	Depth (SSL): -2,252.98
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$125,725	Accumulated Cost: \$13,928,996

Formation: Imperial

Operational Status: Sep 14th; 00:00-08:00hrs:
Wash and ream f/ 2513-2752mMD.

Operational Summary: Sep 13th; 00:00-24:00hrs:
POOH. Handle directional tools. Change out mud motor. M/U Bit # 18. RIH to 1189mMD. Slip & cut 29m drill line. RIH to 2302mMD. Wash and ream f/ 2302-2513mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Cavings are Imperial shales where ~7-10% of the grains show evidence of deformation.

MUD:

Den 1315

Vis 103

FL 6.0

pH 10.5

Next 24Hrs: Wash and ream to bottom. Drill and survey ahead.

Cloudy. Light snow. Low visibility. Moderate east wind. -2deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 75
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 15, 2012	Depth (MD): 2,935.00
Time: 800 hrs	Depth (TVD): 2,892.13
Rotating Hours: 5.25 hrs	Depth (SSL): -2,266.98
	Progress: 14.00
	Average R.O.P.: 2.67
Daily Costs: \$150,715	Accumulated Cost: \$14,079,712

Formation: Imperial**Operational Status:** Sep 15th; 00:00-08:00hrs:
Drill 222mm hole f/2921-2935mMD.**Operational Summary:** Sep 14th; 00:00-24:00hrs:
Wash and ream f/ 2513-2921mMD. Work tight spots. Pump high vis sweep. Weight up mud system to 1350Kg/m3.**Report From:** Trevor Wall Ph 403-290-7518**Report To:** Peter Moignard**Remarks:** Next 24Hrs:
Drill ahead to potential core point in Canol Fm.

MUD:

Den 1350

Vis 65

FL 5.8

pH 10.5

30% high cloud cover. Good visibility. Brisk SE wind. -2deg.

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****2,922.00 to 2,930.00
(8.00)**IMPERIAL:**
SHALE: predominately dark gray to black, subfissile to fissile, non calcareous, well compacted, moderately firm, brittle in part, occasional dark brown siliceous laminae, locally pyritic, minor massive pyrite, occasional slickenside, cavings in part

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 76
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 16, 2012
Time: 800 hrs
Rotating Hours: 19.00 hrs

Depth (MD): 2,980.00
Depth (TVD): 2,937.08
Depth (SSL): -2,311.93
Progress: 45.00
Average R.O.P.: 2.37

Daily Costs: \$138,366

Accumulated Cost: \$14,218,079

Formation: Imperial

Operational Status: Sep 16th; 00:00-08:00hrs:
 Drill 222mm hole f/2964-2981mMD.

Operational Summary: Sep 15th; 00:00-24:00hrs:
 Drill 222mm hole f/2921-2964mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: No sign of Canol yet.

Next 24Hrs:

Drill ahead to potential core point in Canol Fm.

MUD:

Den 1360

Vis 79

FL 6.0

pH 10.5

High thin cloud cover. Moderate SE wind. +6deg.

Lithology Summary

Kelly Bushing Elevation: 625.15

Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

2,930.00 to 2,975.00
 (45.00)

IMPERIAL:

SHALE: dark gray to black, subfissile to fissile, non calcareous, carbonaceous, moderate total organic carbon, well compacted, moderately firm, brittle in part, occasional med to dark brown siltstone laminae, occasional poorly sorted sandstone stringer, locally pyritic, minor massive pyrite, occasional to common slickenside, cavings in part

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 77
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 17, 2012	Depth (MD): 3,035.00
Time: 800 hrs	Depth (TVD): 2,992.02
Rotating Hours: 19.75 hrs	Depth (SSL): -2,366.87
	Progress: 55.00
	Average R.O.P.: 2.78
Daily Costs: \$181,248	Accumulated Cost: \$14,399,327

Formation: Imperial**Operational Status:** Sep 17th; 00:00-08:00hrs:
Drill 222mm hole f/3016-3035mMD.**Operational Summary:** Sep 16th; 00:00-24:00hrs:
Drill and survey 222mm hole f/2964-3016mMD - work drill string ~each 5m to aid in cleaning the hole and reduce drag.**Report From:** Trevor Wall Ph 403-290-7518**Report To:** Peter Moignard**Remarks:** We have a lithology change beginning in the 1320 sample with increasing sandstone, siltstone and minor thin limestone stringers.

Clear. Brisk SW wind. Mild (8deg).

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****2,975.00 to 3,015.00
(40.00)

IMPERIAL:
Predominately black carbonaceous shale with occasional silty laminations, and minor interbedded poorly sorted sandstone:
SHALE: predominately black, dark grayish brown in part, fissile to subfissile, non calcareous, carbonaceous, moderate to well compacted, moderately firm, common slickenside, brittle in part, minor pyrite, occasional sandy stringer, no visible fluorescence, very faint & very slow cut fluorescence
SANDSTONE: light to medium gray, brownish gray, quartz & minor dark lithics, very fine to fine grained, occasional medium to lower coarse grained stringer, silty & argillaceous, subrounded, poorly sorted, silica + calcite cement, trace pyrite, well indurated, tight

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 78
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 18, 2012
Time: 800 hrs
Rotating Hours: 8.25 hrs

Depth (MD): 3,056.00
Depth (TVD): 3,013.01
Depth (SSL): -2,387.86
Progress: 21.00
Average R.O.P.: 2.55

Daily Costs: \$118,045

Accumulated Cost: \$14,518,129

Formation: Imperial

Operational Status: Sep 18th; 00:00-08:00hrs:
 Ream and clean f/2701-3053mMD. Drill 222mm hole f/3053-3056mMD.

Operational Summary: Sep 17th; 00:00-24:00hrs:
 Drill 222mm hole f/3016-3053mMD - work drill string ~each 5m to aid in cleaning the hole and reduce drag. Wiper trip f/3053-2452mMD - pump out. Ream and clean f/2452-2603mMD. Circulate bottoms up - work pipe. Ream and clean f/2603-2701mMD.

Report From: Trevor Wall Ph 403-290-7518
Report To: Peter Moignard
Remarks: Next 24Hrs:
 Drill 222mm hole.

MUD:
 Den 1365
 Vis 77
 FL 6.0
 pH 10.5

Light SW wind. Clear. +2deg.

Lithology Summary

Kelly Bushing Elevation: 625.15 **Ground Elevation:** 616.80

**** All Depths measured from Kelly Bushing Elevation ****

3,015.00 to 3,050.00
 (35.00)

IMPERIAL:
 Predominately shale locally with minor interbedded moderate to poorly sorted sandstone, and siltstone.
SHALE: predominately black, dark brownish gray in part, subfissile to fissile, carbonaceous, non calcareous, minor patchy pyrite, pyrite laminae, very fine grained sandy to silty laminations, common slickenside
SANDSTONE: light to medium gray to brownish gray, quartzose with minor dark lithics, very fine to fine grained, silty in part, subrounded, moderate sorting, silica + minor calcite cement, well indurated, tight, locally with patchy black pyrobitumen bitumen cement, no visible show

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 79
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 19, 2012
Time: 800 hrs
Rotating Hours: 20.50 hrs

Depth (MD): 3,108.00
Depth (TVD): 3,065.01
Depth (SSL): -2,439.86
Progress: 52.00
Average R.O.P.: 2.54

Daily Costs: \$148,232

Accumulated Cost: \$14,674,037

Formation: Imperial

Operational Status: Sep 19th; 00:00-08:00hrs:
 Drill and survey 222mm hole f/3091-3108mMD.

Operational Summary: Sep 18th; 00:00-24:00hrs:
 Ream and clean f/2701-3053mMD. Drill and survey 222mm hole f/3053-3091mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Rock has not changed appreciably. Continue to drill in a thick section of dark grey to black carbonaceous and somewhat pyritic shale with occasional sandstone stringers and silty laminations.

Next 24Hrs:
 Drill ahead. Potential bit trip and/or logging run.

MUD:

Den 1360
 Vis 65
 FL 6.0
 pH 10.5

Clear. Light SE breeze. Mild (6deg).

Lithology Summary

Kelly Bushing Elevation: 625.15

Ground Elevation: 616.80

**** All Depths measured from Kelly Bushing Elevation ****

3,050.00 to 3,100.00
 (50.00)

IMPERIAL:
 Predominately black carbonaceous shale, locally with minor interbedded moderate to poorly sorted sandstone, and occasional siltstone laminations.
SHALE: predominately black, dark brownish gray in part, subfissile to fissile, carbonaceous, non calcareous, minor patchy pyrite, pyrite laminae, very fine grained sandy to silty laminations, occasional to common slickenside, occasional calcite filled microfracture, well compacted, firm, brittle in part
SANDSTONE: light to medium gray to brownish gray, quartzose with minor dark lithics, predominately very fine to fine grained, minor medium grained, silty in part, subrounded, moderate to poor sorting, silica + minor calcite cement, well indurated, tight, locally with patchy black pyrobitumen bitumen cement, no visible fluorescence, occasional very faint & very slow weak cut, no show

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 80
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 20, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 10.75 hrs	Depth (SSL): -2,463.86
	Progress: 24.00
	Average R.O.P.: 2.23
Daily Costs: \$147,512	Accumulated Cost: \$14,827,170

Formation: Imperial

Operational Status: Sep 20th; 00:00-08:00hrs:
Continue to circulate and condition mud. Hoist - pump out stands f/3132-2730mMD & 2521-2398mMD - spot polymer beads.

Operational Summary: Sep 19th; 00:00-24:00hrs:
Drill and survey 222mm hole f/3091-3132mMD - work drill string frequently in attempts to reduce hole and drag. Circulate bottoms up and condition mud - work pipe.

Report From: Trevor Wall Ph 403-290-7518
Report To: Peter Moignard
Remarks: Next 24Hrs:
Possible clean-out trip. Log w/ Schlumberger.

MUD:
Den 1410
Vis 77
FL 4.4
pH 10.5

Light scattered rain showers. Moderate south wind. Mild (11deg).

Lithology Summary

Kelly Bushing Elevation: 625.15	Ground Elevation: 616.80
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**** All Depths measured from Kelly Bushing Elevation ****

3,100.00 to 3,132.00 (32.00)	IMPERIAL: Subequal dark grayish brown & black carbonaceous shale, locally with minor interbedded moderate to poorly sorted sandstone, and occasional siltstone.
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Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 81
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 21, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$116,968	Accumulated Cost: \$14,942,648

Formation: Imperial

Operational Status: Sep 21st; 00:00-08:00hrs:
Log with Schlumberger. Rig out Loggers. M/U BHA.

Operational Summary: Sep 20th; 00:00-24:00hrs:
Continue to circulate and condition mud. Hoist - pump out stands f/3132-2730mMD & 2521-2392mMD - spot polymer beads. POOH - pump pills. Lay down 2 bent singles. Handle directional tools - Lay down MWD. Rig in and log with Schlumberger.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Bridged off with logging tools at 2218mMD. Made several attempts to get past the bridge - no success. Obtained full suite of logs from 2218-1194mMD.

Next 24Hrs:

RIH for clean-out trip.

Partly cloudy. Light SE breeze. Mild (11deg).

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 82
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 22, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$98,028

Accumulated Cost: \$15,036,375

Formation: Imperial

Operational Status: Sep 22nd; 00:00-08:00hrs:
 Wash in f/2421-2492mMD. Work tight spots @ 2421, 2490, & 2492mMD. Condition hole and mud

Operational Summary: Sep 21st; 00:00-24:00hrs:
 Log with Schlumberger. Rig out Loggers. M/U BHA. L/D reamers. RIH to 1187mMD. Slip & cut 26m drill line. RIH to 2164mMD. Circulate and wash in f/2164-2223mMD - Tag bridge. Work tight hole f/2223-2250mMD. Circulate hole clean. Wash in f/2246-2421mMD. Work tight spots and ledges @ 2234, 2395, 2404, & 2410mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Next 24Hrs:
 Continue to condition hole.

MUD:

Den 1415
 Vis 71
 FL 6.5
 pH 9.0

Mostly clear. Cool (5deg). Brisk southeast wind. Dry.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 83
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 23, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$120,178	Accumulated Cost: \$15,156,554

Formation: Imperial

Operational Status: Sep 23rd: 00:00-08:00hrs:
Wash in f/2362mMD. Work tight spots and circulate hole clean.

Operational Summary: Sep 22nd; 00:00-24:00hrs:
Wash in f/2421-2492mMD. Work tight spots @ 2421, 2490, & 2492mMD. Circulate and condition hole and mud. POOH f/2450-2105mMD. RIH - encounter bridge @ 2024mMD. Ream 2220-2249mMD. Circulate and condition mud. POOH to 1185mMD. Circulate bottoms up. RIH to 2214mMD - tag bridge. Ream 2224-2260mMD. Wash in f/2260-2362mMD. Work tight spots and circulate hole.

Report From: Trevor Wall Ph 403-290-7518
Report To: Peter Moignard
Remarks: Next 24Hrs:
Continue to condition hole. Log.with Schlumberger.

Mild (8deg). Light SE breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 84
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 24, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$99,759	Accumulated Cost: \$15,256,314

Formation: Imperial

Operational Status: Sep 24th: 00:00-08:00hrs:
Top Drive failure - circulate and work drill string. WO parts and repairs.

Operational Summary: Sep 23rd; 00:00-24:00hrs:
Wash in f/2362-2492mMD. Work tight spots and circulate hole clean. Ream f/2492-2505mMD. Top Drive failure - circulate and work drill string.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Top Drive technician and parts are arriving later this morning.

Next 24Hrs:

Repair Top Drive. Continue to condition hole.

MUD:

Den 1420

Vis 60

FL 7.5

pH 10.5

Cloudy. Snow showers. Light SE wind. 6 deg.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 85
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 25, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$151,092

Accumulated Cost: \$15,407,406

Formation: Imperial

Operational Status: Sep 25th: 00:00-08:00hrs:
Ream & work tight hole f/2492-2504mMD. Pump pill. POOH.

Operational Summary: Sep 24th; 00:00-24:00hrs:
Top Drive failure - circulate and work drill string. WO parts and repairs. Repair Top Drive. Work tight hole f/2482-2492mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Next 24Hrs:

POOH - check bit. Make up new bit and BHA. RIH - ream and wash to bottom.
Condition hole.

MUD:
Den 1420
Vis 62
FL 6.0
pH 10.5

Clear. Moderate SE wind. 3deg.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 86
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 26, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$164,766

Accumulated Cost: \$15,574,662

Formation: Imperial

Operational Status: Sep 26th: 00:00-08:00hrs:
 Trip in hole f/1320-2242mMD. Ream and clean f/2242-2310mMD. Circulate and clean hole. Ream and clean f/ 2242-2347mMD.

Operational Summary: Sep 25th; 00:00-24:00hrs:
 Ream & work tight hole f/2492-2504mMD. Pump pill. POOH. Change bit and burn sub and grabber dies.. P/U mud motor. M/U bit #20. RIH to 1092mMD. Slip and cut 15m drill line. Trip in hole - encounter bridge @ 1271mMD. Ream and clean f/1271-1320mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Next 24 Hrs:
 Condition hole.

MUD
 Den 1440
 Vis 73
 FL 6
 pH 9.5

Cloudy. Light SE Wind. Scattered light rain showers. 4deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 87
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 27, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$141,244	Accumulated Cost: \$15,716,150

Formation: Imperial

Operational Status: Sep 27th: 00:00-08:00hrs:
POOH. Tight spot @ 1882mMD. Back ream and clean hole f/1182-1166mMD. POOH.
L/D BHA. RIH w/ slick BHA.

Operational Summary: Sep 26th; 00:00-24:00hrs:
Trip in hole f/1320-2242mMD. Ream and clean f/2242-2310mMD. Circulate and clean hole. POOH to 2242mMD. Ream and clean f/ 2242-2499mMD. Condition mud and circulate. Ream and clean f/2482-2474mMD. Trip out of hole. Pump stands out f/2288-2269mMD. POOH. Pump pill @ 2212mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Peter Moignard

Remarks: Next 24Hrs:

Make up new BHA. RIH. Condition hole for logs.

Cloudy. Rain. Light to moderate SE wind. Cool (1deg).

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 88
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 28, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$237,452

Accumulated Cost: \$16,066,961

Formation: Imperial

Operational Status: Sep 28th: 00:00-08:00hrs:
POOH - pull tight at 1236mMD. Back ream and clean hole f/1255-1230mMD. Rig in Schlumberger.

Operational Summary: Sep 27th; 00:00-24:00hrs:
POOH. Tight spot @ 1882mMD. Back ream and clean hole f/1882-1866mMD. POOH. L/D BHA. RIH w/ slick BHA and Bit #21. Ream and clean hole f/2245-2270mMD. Condition mud and circulate hole clean. Spot high vis pill. POOH.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Peter Moignard

Remarks: This first logging run (4.1) will include two 4-arm calipers, the GPIT and a gamma tool.
Next 24Hrs:
Log with Schlumberger.

MUD

Den 1430

Vis 66

FL 6.0

pH 9.5

Clear. Calm. 0deg.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 89
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Sep 29, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$142,897

Accumulated Cost: \$16,217,087

Formation: Imperial

Operational Status: Sep 29th: 00:00-08:00hrs:
 Ream and clean f/1426-1569mMD - work tight hole @ 1480mMD. Backream
 f/1569-1193mMD - work tight hole @ 1220mMD. Ream and clean f/1193-1550mMD.

Operational Summary: Sep 28th; 00:00-24:00hrs:
 POOH - pull tight at 1236mMD. Back ream and clean hole f/1255-1230mMD. Rig in
 Schlumberger. Bridge with logging tools @ 1265mMD. Retrieve tools. Rig out Loggers.
 RIH to 767mMD. Slip & cut 18m drill line. Continue in hole to 1290mMD. Ream and
 clean f/1290-1430mMD.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Peter Moignard

Remarks: Next 24Hrs:
 Condition hole for logs. Log with Schlumberger.

MUD:
 Den 1450
 Vis 64
 FL 6
 pH 10

Clear. Calm. -2deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 90
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Sep 30, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$164,529	Accumulated Cost: \$16,382,296

Formation: Imperial

Operational Status: Sep 30th: 00:00-08:00hrs:
POOH. Back ream tight spots (1508-1480, 1444-1366 & 1332-1319). POOH to 1188mMD. RIH to 2206mMD. Circulate and clean hole. POOH to log.

Operational Summary: Sep 29th; 00:00-24:00hrs:
Ream and clean f/1426-1569mMD - work tight hole @ 1480mMD. Backream f/1569-1193mMD - work tight hole @ 1220mMD. Ream and clean f/1193-2199mMD. Condition mud and circulate - Raise vis, lower density. Trip out of hole - pump pill @ 2056mMD. Backream f/1823-1796mMD. POOH to 1494mMD - pulling tight.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Next 24Hrs:
Wiper trip to condition hole. Log w/ Schlumberger.

MUD:

Den 1380

Vis 121

FL 5

pH 10

Foggy. Calm. -2deg

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 91
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 1, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$98,034	Accumulated Cost: \$16,264,526
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Formation: Imperial

Operational Status: Oct 1st: 00:00-08:00hrs:
Log with Schlumberger.

Operational Summary: Sep 30th; 00:00-24:00hrs:
POOH. Back ream tight spots (1508-1480, 1444-1366 & 1332-1319). POOH to 1188mMD. RIH to 2206mMD. Circulate and clean hole. POOH to log. Rig in and log with Schlumberger.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks: Stingray-CMR-ADT at surface @ 7AM. ~2Hrs to ready next run (MDT) to go in the hole. PDF logs should be available on the SLB website by 9AM.

Next 24Hrs:

Run MDT. Cut Sidewall Cores.

Cloudy. Calm. 0deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 92
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Oct 2, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$109,855	Accumulated Cost: \$16,379,655

Formation: Imperial

Operational Status: Oct 2nd: 00:00-08:00hrs:
Log with Schlumberger (MDT).

Operational Summary: Oct 1st: 00:00-24:00hrs:
Log with Schlumberger

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Peter Moignard

Remarks: Currently performing MDT analysis on set 5 of 7.
Fluid sample obtained at set #4 (1934.2mMD).
See attached spreadsheet for details on MDT sets.
Next 24Hrs:
Complete MDT. Run SWCT.

Clear. Light south wind. -3deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 93
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 3, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$109,640	Accumulated Cost: \$16,494,396
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Formation: Imperial

Operational Status: Oct 3rd: 00:00-08:00hrs:
Log with Schlumberger (Run sidewall coring tool).

Operational Summary: Oct 2nd: 00:00-24:00hrs:
Log with Schlumberger (MDT).

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Peter Moignard

Remarks: 27 sidewall cores have been successfully cut to 7AM this morning.

Next 24Hrs:

Finish MSCT run with Schlumberger. Run casing wear log. Pressure test BOP system.
RIH.

High thin cloud. Calm. 2deg.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 94
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Oct 4, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$744,336

Accumulated Cost: \$17,249,992

Formation: Imperial

Operational Status: Oct 4th: 00:00-08:00hrs:
Continue to P/T. Remove pressure testing plug. Install wear bushing. M/U Bit 23RR.
RIH to 998mMD. Slip & cut 9m drill line. RIH f/998-1503mMD.

Operational Summary: Oct 3rd: 00:00-24:00hrs:
Log with Schlumberger (Runs 4.4 MSCT & 4.5 USIT). Pull wear bushing. P/T BOP system.

Report From: Trevor Wall Ph 403-290-7518

Report To: Don Stachiw/Peter Moignard

Remarks: MDT samples will be shipped with Schlumberger Cube Van and released tools, all loaded onto a GT Transport truck. TerraTek has all sidewall cores, and will transport those to their Calgary lab.

Next 24Hrs:

RIH. Clean out to 2300mMD. Perform 5 stand wiper trip. POOH to run stabilization plug.

Clear. Light SE wind. -1deg.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 95
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 5, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$124,482	Accumulated Cost: \$17,374,395
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Formation: Imperial

Operational Status: Oct 5th 00:00-00:80 hrs
Ream and clean from 2116-2211 m (MD), wiper trip five stands of pipe, circ hole clean, POOH.

Operational Summary: Oct 4th 00:00-24:00 hrs
Pressure test blind rams, preform accumulator function test, install wear bushing, M/U BHA, RIH to 500 m (MD), blow out lines & break circulation, break circulation at 1000, 1500 and 2000 m (MD), RIH to 2180 m (MD), wash & ream to 2220 m (MD), wiper trip four stands of pipe using pumps.

Report From: Harry Gluth Ph 403-290-7518

Report To: Don Stachiw/Bari McDowell

Remarks:

Next 24 hours: POOH, rig in cementers, set plug.
Weather: 6.7 degrees C. Cloudy, gentle breeze from the southwest.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 96
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 6, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$103,383	Accumulated Cost: \$17,492,541
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Formation: Imperial

Operational Status: Oct 6th 00:00-00:80 hrs
Circ hole clean, wiper 10 stands, condition mud, safety meeting.

Operational Summary: Oct 5th, 00:00-24:00 hrs
Clean and ream from 2110 -2211 m (MD), wiper 5 stands, circ hole clean, POOH, rig in cement stringer, RIH to 2213 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/ Peter Moignard/ Bari McDowell
Remarks: Next 24 hours: run cement plug, POOH, L/D cementing string, RIH, drill out cement plug.

Weather: 6.1 egress C, Cloudy, gentle breeze from the south west.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 97
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Oct 7, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$105,822
Accumulated Cost: \$17,596,862

Formation: Imperial

Operational Status: Oct 7th, 00:00-00:80 hrs
RIH from 1434 -2168 m (MD), drill cement from 2168-2220 m (MD), ream and clean from 2220 - 2222 m (MD).

Operational Summary: Oct 6th; 00:00-24:00 hrs
Circ hole clean, wiper trip 10 stands, circ and cond mud, held safety meeting with Halliburton, rigged in cementers, cemented plug #1 with 5.4 tonnes of Class "G" cement, plug down @ 09:57 hrs. Pulled 10 stands, broke circ, pulled four stands, circulated hole clean, POOH, P/U monel, MWD tools, service the same, picked up BHA, RIH back to intermediate casing, slip and cut drill line, RIH to 1434 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/ Peter Moignard/ Bari McDowell
Remarks: Next 24 hours: wash and ream to bottom of the hole, possibly drill ahead.

Weather: 0.8 degrees C, Cloudy, gentle breeze from the southwest.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 98
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 8, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$174,606	Accumulated Cost: \$17,784,189
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Formation: Imperial

Operational Status: Oct 8th, 00:00-08:00 hrs
POOH, tight at 2060 m (MD).

Operational Summary: Oct 7th 00:00-24:00 hrs
RIH to 2161 m (MD), circ & wash to 2168 m (MD), drill cement plug from 2168-2220 m (MD), clean hole from 2220 - 2307 m (MD), wiper to 2167 m (MD), clean back down to 2307 m (MD), circulate hole clean, POOH.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/ Peter Moignard/ Bari McDowell
Remarks: Next 24 hrs: POOH, L/D BHA, RIH open ended, run cement plug 2, POOH.

Weather: 1.4 degrees C. Calm, Cloudy

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 99
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Oct 9, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs:**Accumulated Cost:****Formation:** Imperial**Operational Status:** Oct 9th: 00:00-08:00 hrs
Clean & ream to 2268 m (MD), safety meeting with Halliburton, rig in cementers & run cement plug at 2267 m (MD), POOH.**Operational Summary:** Oct 8th: 00:00-0024 hrs;
POOH, L/D BHA, RIH open ended, work tight spots @ 2242, 2258 and 2268 m (MD).**Report From:** Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/ Peter Moignard/ Bari McDowell
Remarks:Next 24 hrs;
POOH, P/U BHA, RIH, drill out cement plug, RIH.

Weather: - 2 degrees C. Overcast, snowing.

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 100
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Oct 10, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 3,132.00
Depth (TVD): 3,089.01
Depth (SSL): -2,463.86
Progress: 0.00
Average R.O.P.: 0.00

Daily Costs: \$103,814

Accumulated Cost: \$18,077,494

Formation: Imperial

Operational Status: Oct 10th: 00:00-08:00 Hrs
Ream and clean from 2268-2315 m (MD).

Operational Summary: Oct 9th: 00:00-24:00 Hrs.
Wash through tight spots @ 2242, 2258 and 2268 m (MD), could not get past 2268 m (MD). Held safety meeting with Halliburton, rig in cementers, lay cement plug from 2220 - 2268 m (MD) (with 1.1% gel + 0.5% Hallad + 1% HR-5 + 0.1% CFR-3 + 2% Econolite). Plug down @ 05:48 Hrs. POOH, change out BHA, RIH, wash through tight spots at 2057, 2077, 2108, 2146, 2161 and 2235 m (MD). Drill cement from 2239-2268 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks: Next 24 hrs: Clean out 222 mm hole, possibly run another cement plug if conditions warrant.

Weather: -10.4 degrees C. Clear & relatively Calm.
Four centimeters of snow currently on the ground.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 101
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 11, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$114,928	Accumulated Cost: \$18,200,116
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Formation: Imperial

Operational Status: Oct 11th: 00:00-08:00 Hrs
Ream and clean tight hole from 2418 -2486, with tight spots at 2455, 2446, 2452 and 2480 m (MD).

Operational Summary: Oct 10th: 00:00-24:00 Hrs.
Clean hole from 2268 - 2374 m (MD with tight spots @ 2394- 2304, 2320-2324 m (MD). Wiper trip to 2160 m (MD), Circ bottoms up, circ back into hole from 2300 mKB to 2374 m (MD) / tight spots at 2307 & 2371 - 2374 m (MD), clean from 2374- 2418 m (MD) / tight spots @ 2380-2386 m (MD) & between 2402 and 2304 m (MD),

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks: Next 24 hours: wash and ream to 2600 m (MD)? run cement plug?

Weather: -11 degrees C. Clear with light breeze.

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 102
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Oct 12, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00
Daily Costs: \$155,124	Accumulated Cost: \$18,499,333

Formation: Imperial

Operational Status: Oct 12th; 00:08:00 Hrs
Ream and clean from 2277-2375 m (MD), cond & circ mud, ream and clean from 2375-2384 m (MD), held BOP drill, rig service.

Operational Summary: Oct 11: 00:00-24:00 Hrs
Ream & clean from 2418-2486 m (MD), tight spots at 2455, 2466, 2452, 2480 and 2486 m (MD), work tight hole @ 2486 m (MD), jar on stuck pipe @ 2486 m (MD), wash out of hole to 2286 m (MD), H2S drill, rig service, pre-tour safety meeting, wash from 2286-2142 m (MD), circ hole clean, RIH to 2247 m (MD), ream and clean from 2247-2277 m (MD), rig service lower pipe rams.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks:

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 103
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 13, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$1,555,124	Accumulated Cost: \$18,499,333
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Formation: Imperial

Operational Status: Oct 13: 00:00-08:00 Hrs
Trip out of hole from 1625-1423 m (MD), ream and clean tight spots @ 1433, and 1423 m (MD), POOH, M/U cementing BHA, RIH.

Operational Summary: Oct 12: 00:00-24:00 Hrs
Ream & clean from 2277-2375 m (MD), circ hole clean, ream and clean to 2445 m (MD), circ hole clean, wiper to 1597 m (MD), circ through tight spots @ 2056, 2011, 1925, and 1871 m (MD), RIH to 2227 m (MD), circ hole clean, POOH and at 1650 m (MD) at midnight.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks:

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 104
	K.B. Elevation: 625.15
	Ground Elevation: 616.80

Date: Oct 14, 2012	Depth (MD): 3,132.00
Time: 800 hrs	Depth (TVD): 3,089.01
Rotating Hours: 0.00 hrs	Depth (SSL): -2,463.86
	Progress: 0.00
	Average R.O.P.: 0.00

Daily Costs: \$117,468	Accumulated Cost: \$18,626,501
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Formation: Imperial

Operational Status: Oct 14: 00:00-08:00 Hrs
POOH from 900 m (MD), with flow check @ 958 m (MD), , M/U bit 26, RIH, to 4220 m (MD), fill pipe, safety meeting, RIH.

Operational Summary: Oct 13: 00:00-24:00 Hrs
POOH, change BHA, RIH to bottom of intermediate casing, slip and cut drilling line, finish tripping into hole to 2202 m (MD), circulate hole clean, rig in cementers, cement with 16 tonnes of "G" 0-1-0 with 0.5% Hallad, 1.0% CFC-3 + 0.4% HR-5, plug down @ 17:28 hrs, pull out of plug, broke circulation, trip out to 1758 m (MD), circulate hole clean, POOH and @ 900 m (MD) at midnight.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks:

Well Name: NCY McParlon A-25
Location: 300/ A25 66-10 137-15/0

Spud Date: Jul 2, 2012 @ 20:30
Days from Spud: 105
K.B. Elevation: 625.15
Ground Elevation: 616.80

Date: Oct 15, 2012
Time: 800 hrs
Rotating Hours: 0.00 hrs

Depth (MD): 2,113.00
Depth (TVD): 2,073.51
Depth (SSL): -1,448.36
Progress: -1,019.00
Average R.O.P.: 0.00

Daily Costs:

Accumulated Cost:

Formation: Imperial

Operational Status: Oct 15: 00:00-08:00 Hrs
Dir work, RIH to 1195 m (MD), flow check 420 m (MD), slip and cut drilling line, RIH.

Operational Summary: Oct 14: 00:00-24:00 Hrs
POOH, RIH to polish plug, drift 13 stands of pipe to remove cement, wash from 2000-2107 m (MD), tagged whipstock @ 2108 m (MD), polish plug from 2108-2113 m (MD), POOH, P/U dir tools.

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks:

Well Name: NCY McParlon A-25	Spud Date: Jul 2, 2012 @ 20:30
Location: 300/ A25 66-10 137-15/0	Days from Spud: 106
	K.B. Elevation: 625.15
	Ground Elevation: 616.80
Date: Oct 16, 2012	Depth (MD): 2,120.00
Time: 800 hrs	Depth (TVD): 2,080.51
Rotating Hours: 9.25 hrs	Depth (SSL): -1,455.36
	Progress: 7.00
	Average R.O.P.: 0.76

Daily Costs:**Accumulated Cost:****Formation:** Imperial

Operational Status: Oct 16: 00:00-08:00 Hrs
Pre-tour safety meeting, time drill from 2117-2120 m (MD).

Operational Summary: Oct 15th: 00:00-24:00 Hrs
Dir work, set bend angle to 2.12 degrees, RIH to 1195 m (MD), flow check @ 420 m (MD), flow check and check MWD @ 1195 m (MD), slip and cut drill line, RIH, clean to 2113 m (MD), pre tour safety meeting, troubleshoot dir tools, time drill from 2113-2117 m (MD).

Report From: Harry Gluth Ph 403-290-7518
Report To: Don Stachiw/Bari McDowell/Peter Moignard
Remarks: Good morning;

The 2119 and 2118 m (MD) samples contained 40 and 20 percent shale, respectively. The gamma and survey tools are located 11 and 14 meters behind the bit, respectively.

Next 24 hrs: Sidetrack well and drill ahead.

Weather: -5.3 degrees C. Cloudy, misty, low ceiling, Calm.