

Denbury Onshore LLC

5100 Tennyson Parkway, Suite 3000

Plano , TX 75022

Daily Drilling

Summary

Date - 6/19/2009

Rpt. No. - 10

Well Name - CFU CO2 31F-3 #1 (BEG)

County, St - Franklin, MS

Sec. 31

Tnshp. 7N

Rge. 1E

Rig - David New # 16

Location - FR SE/C of SEC 31 go north along east line 589'

Phone 1 601-757-1651

Phone 2

AFE No. DR0908969CAP

Foreman - Dale Barnett

Rge. 1E

Rig - David New # 16

ToolPusher-

User - 1

Proposed Depth MD - 10828

Proposed Depth TVD- 10700

KO Depth- 0

KO Date-

User - 2

Casing

Date

Size

Weight

Grade

Set Depth

Casing Top

Shoe -EMW

TOL-EMW

1. Conductor

5/21/2009

20.000

94.00

J-55

60.00

0.00

3. Surface

6/14/2009

13.375

54.50

J-55

2007.00

18.00

Rpt T. Activity- 02 - Drilling

Rpt T. Activity Description - Drlg @ 5941

Drilling Days - 8

Depth TVD - 5941

PBTD - 0

Accidents -

Drill Depth - 5941

Ftg Drld. - 1037

Weather -

Crews -

Next Day Operations - Drill ahead.

Pollution -

AFE - \$1,300,000

Daily Costs - \$32,074

Cum Cost - \$313,529

Daily Mud - \$7,154

Cum Mud - \$26,189

Daily Drilling: 21.00

Rotating: 21.00

Trips: 0.50

Circulating: 0.00

Down: 0.00

Other: 2.50

Cum Drilling: 92.00

Rotating: 92.00

Trips: 15.50

Circulating: 7.50

Down: 15.00

Other: 110.00

Hrs

Operations

Start Depth

End Depth

Run

0.50

Service Rig.

4904.00

4904.00

2

16.00

Drill F/ 4904' to 5745'. = 841' @ 53 f.p.h.

4904.00

5745.00

2

1.00

Parted Drillstring, Pooh, Found Pipe to have un-screwed three stands Down (T.O.F @ + - 322')

5745.00

5745.00

2

1.00

Replace Bad joint, Tih Screw into fish, Establish Circulation, Pull string free with 5K over, Pooh to Fish, L/D Bad Joints, Pooh two stands checking torque on connections (OK)..

5745.00

5745.00

2

0.50

Tih with Drillstring to bottom.

5745.00

5745.00

2

5.00

Drill F/ 5745' to 5941'. = 196' @ 33 f.p.h.

5745.00

5941.00

2

24.00

Remarks

Service Rig. Drill F/ 4904' to 5745'. = 841' @ 53 f.p.h. Parted Drillstring, Pooh, Found Pipe to have un-screwed three stands Down (T.O.F @ + - 322') Replace Bad joint, Tih Screw into fish, Establish Circulation, Pull string free with 5K over, Pooh to Fish, L/D Bad Joints, Pooh two stands checking torque on connections (OK).. Tih with Drillstring to bottom. Drill F/ 5745' to 5941'. = 196' @ 33 f.p.h.

Depth

Time

Wt In

Wt Out

Vis

PV

YP

Gels

FL

HTFL

FC

HTFC

Solid

Water

Oil

Sand

4904

10:00

9.05

9.10

32

4

5

3/7/0

18.8

0.0

2

0.00

4.0%

96.0%

0.0%

0.1%

MBT

pH

Pm

Pf

Mf

Cl

Ca

ES

Pom

Lime

Total Sal.

CaCl2

EDTA

O/W Ratio

Mud Lost

12.0

9.50

0.00

0.15

0.00

1400

20

0

0.00

0.00

0

0

0.00

0

Water Lost

LCM

ECD

FL Temp

Remarks

0

0.0

0.0

105

Make - Reed

Type - MSX716M

Size - 12 1/4

Serial No. 218300

Jet TFA - 0.91

Bit No. BHA

Jet Size

Depth

Depth

Cum

Drlg

Cum

T

B

G

WOB

Torque

Rot.

Mot.

No.

No.

In

Out

Ftg.

Hrs.

Hrs.

I / O

15

0

70

145

2

2

13/13/13/13/13/13/0

2007

5941

3934

57.00

57.00

/

WOB - 10K

Rot RPM - 70

Motor RPM - 138

Torque - 0

ROP- 49.38

Drag Up - 2E+05

Hook Load- 170000

Press. On Bottom- 2500

BOP Days -

Next Test Date-

Drag Down- 2E+05

Over Pull - 5000

Press. Off Bottom 2250

Last Insp-

Last Drill Date-

Pumps No

Liner Size

Stroke

SPM

GPM

BPM

Pressure

Slow Pump Data ( SPM - Pressure )

1

6

10

90

314

7.48

2500

0

0

0

0

0

0

2

6

10

90

314

7.48

2500

0

0

0

0

0

0

Last Survey Date

MD

Angle

Direction

TVD

SEC

N or -S

E or - W

DLS

6/19/2009

5399

0.70

47.00

5398.75

-2.43

-2.43

-26.56

0.26

BHA

Length

Inventory

Otv.

Bit - PDC - fixe

1.00

All - Temp

25

Motor

27.11

Barite

1190

Drill collar

31.09

Benex

13

Teledrift

9.97

Caustic

71

Stab - string

5.77

Gel

462

Drill collar

30.78

MD

5

Stab - string

5.05

Mil-plug

32

Drill collar

30.73

Milcarb

490

Sub - X/O

2.35

New Drill HP

37

Drill collar

183.25

Rig Fuel Usage

4313

HWDP

91.44

Sapp

16

Jar

28.70

Unical

50

HWDP

790.40

Xanplex D

30

Total Length - 1237.64

<b>Denbury Onshore LLC</b> 5100 Tennyson Parkway, Suite 3000 Plano , TX 75022		<b>Daily Drilling Summary</b>		<b>Date - 6/19/2009</b> <b>Rpt. No. - 10</b>	
<b>Well Name -</b> CFU CO2 31F-3 #1 (BEG)		<b>AFE No.</b> DR0908969CAP		<b>Proposed Depth MD -</b> 10828	
<b>County, St -</b> Franklin, MS		<b>Foreman -</b> Dale Barnett		<b>Proposed Depth TVD-</b> 10700	
<b>Sec. 31</b>		<b>Tnshp.</b> 7N	<b>Rge.</b> 1E	<b>Rig -</b> David New # 16	<b>Spud Date-</b> 6/12/2009
<b>Location -</b> FR SE/C of SEC 31 go north along east line 589'		<b>ToolPusher-</b>		<b>KO Depth-</b> 0	
<b>Phone 1</b> 601-757-1651		<b>Phone 2</b>		<b>User - 1</b>	
				<b>User - 2</b>	
<b>Intangible Drilling Costs</b>	<b>Code</b>	<b>Vendor</b>	<b>Remarks</b>	<b>Daily Expense</b>	<b>Cum Expense</b>
INT - CONSULTING S	ID-5500104	Barnett Consulting Inc.	Drilling Supervisor	\$1,300	\$13,000
INT - DOWNHOLE EQ	ID-5600009	Thomas Tools Inc	Three 8" DC's & Handling To	\$204	\$26,416
INT - DOWNHOLE EQ	ID-5600009	White Sand Rentals	36 Joints of 4 1/2" HWDP	\$600	\$26,416
INT - DOWNHOLE EQ	ID-5600009	Baker Hughes Inteq	7 3/4" Straight Hole Mud Mot	\$3,400	\$26,416
INT - DOWNHOLE EQ	ID-5600009	Teledrift	Pro-Shot Survey Tool	\$1,350	\$26,416
INT - DRILLING - DAY	ID-5600030	David New Drilling Co	Rig Dayrate	\$12,000	\$97,595
INT - DRILLING MUD	ID-5600040	Baker Hughes Inteq	Daily Mud Additives.	\$7,154	\$26,189
INT - EQUIPMENT RE	ID-5600047	MI Swaco	Choke Rental.	\$124	\$17,934
INT - EQUIPMENT RE	ID-5600047	Thompson Brothers W	Water Well Rental	\$200	\$17,934
INT - EQUIPMENT RE	ID-5600047	Mapp Oilfield	Two Frac Tanks for mud sto	\$195	\$17,934
INT - EQUIPMENT RE	ID-5600047	Jay Bird Rentals	Floater & Trash Pump.	\$120	\$17,934
INT - EQUIPMENT RE	ID-5600047	MD Totco	Rig Sense Monitoring Syste	\$576	\$17,934
INT - EQUIPMENT RE	ID-5600047	Rebel Testers Inc	780' of Fastline from water w	\$50	\$17,934
INT - EQUIPMENT RE	ID-5600047	Rebel Testers Inc	Light Plant	\$65	\$17,934
INT - EQUIPMENT RE	ID-5600047	R&R Rentals	Co. Mans Trailer, Sewer, W	\$270	\$17,934
INT - EQUIPMENT RE	ID-5600047	Allis Chalmers Rental	13 5/8" 5M Bop's	\$620	\$17,934
INT - FUEL & WATER	ID-5600414	Richard E. Johnson In	895 Gallons of Diesel used i	\$3,846	\$22,680
<b>Total Intangible Drilling Costs:</b>				<b>\$32,074</b>	<b>\$254,658</b>
<b>Total Well Costs:</b>				<b>\$32,074</b>	<b>\$313,529</b>