

Denbury Onshore LLC

5100 Tennyson Parkway, Suite 3000

Plano , TX 75022

Daily Drilling

Summary

Date - 7/8/2009

Rpt. No. - 29

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

County, St - Franklin, MS

Sec. 31

Tnshp. 7N

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

Phone 1 601-757-1651

AFF 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- 06 - Trips

Rpt T. Activity Description - Pooh W/ Core.

Drilling Days - 27

Depth TVD - 10505

PBTD - 0

Accidents -

Drill Depth - 10505

Ftg Drld. - 85

Weather -

Crews -

Next Day Operations - F/ Pooh, Recover & package core, Tih Ream out Core to 12 1/4",

Pollution -

AFF - \$1,300,000

Daily Costs - \$46,244

Cum Cost - \$1,061,640

Daily Mud - \$24,467

Cum Mud - \$181,008

Daily Drilling: 6.50

Rotating: 6.50

Trips: 12.50

Circulating: 2.00

Down: 0.50

Other: 2.50

Cum Drilling: 298.00

Rotating: 298.00

Trips: 107.50

Circulating: 17.50

Down: 29.50

Other: 243.50

Hrs

Operations

Start Depth

End Depth

Run

2.50

Tih W/ Core Barrel Assy. To 3840'.

10420.00

10420.00

7

0.50

Service Rig.

10420.00

10420.00

7

0.50

Adjust Drawworks Brakes.

10420.00

10420.00

7

3.50

Tih W/ Core Barrel Assy to 10369'.

10420.00

10420.00

7

1.50

P/U Kelly & Safety wash to 10420', dropped ball & continue circulating until ball seated.

10420.00

10420.00

7

2.50

Cut 8 1/2" Core F/ 10420' to 10451'.

10420.00

10451.00

7

1.00

After making connection @ 10451', prior to getting Kelly Bushings in started taking weight & packed off, regained circulation, L/D one joint, & wash & ream to bottom & circulate clean.

10451.00

10451.00

7

4.00

Core F/ 10451' to 10505' (Barrel appears to be full)

10451.00

10505.00

7

0.50

Circulate while build slug.

10505.00

10505.00

7

1.00

Attempt to Pooh, having overpull 50 - 75K, P/U Kelly & pump out of 8 1/2" to 10410'.

10505.00

10505.00

7

6.50

Pooh with Core.

10505.00

10505.00

7

24.00

Remarks

Tih W/ Core Barrel Assy. To 3840'. Service Rig. Adjust Drawworks Brakes. Tih W/ Core Barrel Assy to 10369'. P/U Kelly & Safety wash to 10420', dropped ball & continue circulating until ball seated. Cut 8 1/2" Core F/ 10420' to 10451'. After making connection @ 10451', prior to getting Kelly Bushings in started taking weight & packed off, regained circulation, L/D one joint, & wash & ream to bottom & circulate clean. Core F/ 10451' to 10505' (Barrel appears to be full) Circulate while build slug. Attempt to Pooh, having overpull 50 - 75K, P/U Kelly & pump out of 8 1/2" to 10410'. Pooh with Core.

Depth

Time

Wt In

Wt Out

Vis

PV

YP

Gels

FL

HTFL

FC

HTFC

Solid

Water

Oil

Sand

10505

10:00

9.80

9.80

51

22

16

3/12/0

7.2

12.8

2

3.00

7.0%

91.0%

2.0%

0.0%

MBT

pH

Pm

Pf

Mf

Cl

Ca

ES

Pom

Lime

Total Sal.

CaCl2

EDTA

O/W Ratio

Mud Lost

17.5

9.50

0.00

0.25

0.00

2200

20

0

0.00

0.00

0

0

0.00

2/98

0

Water Lost

LCM

ECD

FL Temp

Remarks

0

0.0

0.0

130

Make - Hughes

Type - BHC-406

Size - 8 1/2

Serial No. 7119134

Jet TFA - 0.00

Bit No. BHA

Jet Size

Depth In

Depth Out

Cum Ftg.

Drlg Hrs.

Cum Hrs.

T 1/O

B

G

WOB

Torque

Rot. RPM

Mot. RPM

7

7

0/0/0/0/0/0/0

10420

10505

85

6.50

6.50

/

0

0

0

WOB - 15K

Rot RPM - 95

Motor RPM - 78

Torque - 13000

ROP- 13.08

Drag Up - 3E+05

Hook Load- 286000

Press. On Bottom- 2450

BOP Days -

Next Test Date-

Drag Down- 3E+05

Over Pull - 6000

Press. Off Bottom 2450

Last Insp-

Last Drill Date-

Pumps No

Liner Size

Stroke

SPM

GPM

BPM

Pressure

Slow Pump Data (SPM - Pressure)

1

6

10

80

279

6.64

675

0

0

0

0

0

0

2

6

10

0

0

0.00

0

0

0

0

0

Last Survey Date

MD

Angle

Direction

TVD

SEC

N or -S

E or - W

DLS

7/6/2009

10262

0.50

344.00

10261.45

25.96

25.96

-40.57

1.14

Denbury Onshore LLC
5100 Tennyson Parkway, Suite 3000
Plano , TX 75022

Daily Drilling
Summary

Date - 7/8/2009
Rpt. No. - 29

Well Name - CFU CO2 31F-3 #1 (BEG) AFE No. DR0908969CAP Proposed Depth MD - 10828
County, St - Franklin, MS Foreman - Dale Barnett Proposed Depth TVD- 10700
Sec. 31 Tnshp. 7N Rge. 1E Rig - David New # 16 Spud Date- 6/12/2009 KO Depth- 0
Location - FR SE/C of SEC 31 go north along east line 589' ToolPusher- KO Date-
Phone 1 601-757-1651 Phone 2 User - 1 User - 2

BHA	Length	Mud Addition	Oty	Inventory	Oty.
Bit - Core - PDC	1.42	Barite	100	All - Temp	25
Stab - string	4.01	Caustic	10	Aluminum Ste	0
Other	26.01	Chemtrol X	15	Barite	1560
Stab - string	4.00	Rig Fuel Usage	1210	Benex	7
Total Length -	35.44	W.O. Defoam	2	Caustic	117
				Chemtrol X	39
				Gel	408
				Ligco	224
				MD	2
				Mil-plug	32
				Milcarb	58
				Milpac	37
				New Drill	8
				New Drill HP	65
				Rig Fuel Usage	3577
				Sapp	6
				Sulfatrol	86
				Unical	32
				W.O. Defoam	14
				W.O. Defoam	8
				Xanplex D	30

Denbury Onshore LLC 5100 Tennyson Parkway, Suite 3000 Plano , TX 75022			Daily Drilling Summary		Date - 7/8/2009 Rpt. No. - 29
Well Name - CFU CO2 31F-3 #1 (BEG)			AFE No. DR0908969CAP		Proposed Depth MD - 10828
County, St - Franklin, MS			Foreman - Dale Barnett		Proposed Depth TVD- 10700
Sec. 31 Tnshp. 7N Rge. 1E Rig - David New # 16			Spud Date- 6/12/2009		KO Depth- 0
Location - FR SE/C of SEC 31 go north along east line 589'			ToolPusher-		KO Date-
Phone 1 601-757-1651			Phone 2		User - 1
					User - 2
Intangible Drilling Costs	Code	Vendor	Remarks	Daily Expense	Cum Expense
INT - ADMINISTRATIV	ID-5500001	DRI	Administrative Overhead	\$200	\$3,000
INT - CONSULTING S	ID-5500104	Barnett Consulting Inc.	Drilling Supervisor	\$1,300	\$37,700
INT - DOWNHOLE EQ	ID-5600009	Teledrift	Pro-Shot Survey Tool	\$1,350	\$135,326
INT - DOWNHOLE EQ	ID-5600009	Weatherford	5" Drill Pipe, 5" HWDP & rel	\$1,408	\$135,326
INT - DOWNHOLE EQ	ID-5600009	Allis Chalmers Rental	5 1/4" Hex Kelly & Drive Bus	\$58	\$135,326
INT - DOWNHOLE EQ	ID-5600009	Smith (Services) Inter	Drilling Jar Rental	\$300	\$135,326
INT - DOWNHOLE EQ	ID-5600009	Thomas Tools Inc	Three 8" DC's & Handling To	\$204	\$135,326
INT - DRILLING - DAY	ID-5600030	David New Drilling Co	Rig Dayrate	\$12,000	\$325,595
INT - DRILLING MUD	ID-5600040	Baker Hughes Inteq	Daily Mud Additives.	\$24,467	\$179,586
INT - EQUIPMENT RE	ID-5600047	MI Swaco	Choke Rental.	\$124	\$60,114
INT - EQUIPMENT RE	ID-5600047	Jay Bird Rentals	Floater & Trash Pump.	\$120	\$60,114
INT - EQUIPMENT RE	ID-5600047	MD Totco	Rig Sense Monitoring Syste	\$576	\$60,114
INT - EQUIPMENT RE	ID-5600047	Rebel Testers Inc	Light Plant	\$65	\$60,114
INT - EQUIPMENT RE	ID-5600047	Rebel Testers Inc	780' of Fastline from water w	\$50	\$60,114
INT - EQUIPMENT RE	ID-5600047	Allis Chalmers Rental	13 5/8" 5M Bop's	\$620	\$60,114
INT - EQUIPMENT RE	ID-5600047	Mapp Oilfield	Two Frac Tanks for mud sto	\$195	\$60,114
INT - EQUIPMENT RE	ID-5600047	R&R Rentals	Co. Mans Trailer, Sewer, W	\$270	\$60,114
INT - EQUIPMENT RE	ID-5600047	Thompson Brothers W	Water Well Rental	\$200	\$60,114
INT - FUEL & WATER	ID-5600414	Richard E. Johnson In	1741 Gallons of Diesel used	\$2,357	\$68,214
Total Intangible Drilling Costs:				\$45,864	\$1,002,769
Total Well Costs:				\$45,864	\$1,061,640