7058

Exhibit No. _____

Worldwide Court Reporters, Inc.

Risk Register for Project: Macando | **Last Updated:** 20-Jun-09

General									Last Update		Pre-Response					Post-Response					
R/O no.	Data Check	Risk or Opp.	Category	Risk/Opportunity Name	Event Description / Impact	Owner	Risk Status	Actions	By	Date	Impact Type	Impact Level	Prob.	Management	Rating	Impact Type	Impact Level	Prob.	Rating	Notes
1	OK	T	NDS	Well Control	Potential well control problem, risk of losing the wellbore in an uncontrolled situation	Mark Hafle	Accepted	0	Mark Hafle	17-Jun-09	Cost	Medium	Moderate	High	Mod.	Cost	Medium	Moderate	Mod.	Casing program design to mitigate issues.
2	OK	T	NDS	Complex overburden	Multiple shallow water flow units, faults & potential gas	Craig Scherschel	Accepted		Mark Hafle	27-Apr-09	Cost	Medium	Low	Medium	Low	Cost	Medium	Very Low	V. Low	Picked the best location to minimize the risk
3	OK	T	NDS	PP/FG uncertainty	Drilling into pressure zones unexpectedly or without proper mud weight or shoe test can cause a kick, fluid loss, and stuck pipe which lead to possible loss of hole section and/or well. Kicks identified in the offsets.	Marty Albertin	Accepted		Mark Hafle	27-Apr-09	Cost	Medium	Moderate	High	Mod	Cost	Medium	Low	Low	
4	OK	T	NDS	Wellbore stability	Drilling through any salt/sediment interface may encounter problems with shales sloughing/slumping into the well bore	Mark Hafle	Dormant		Mark Hafle	27-Apr-09	Cost	Low	Low	Medium	V. Low					Primarily a risk with salt exit. We chose a location without salt. EPTG wellbore stability study to determine if maximum MW will cause wellbore breakout / instability.
5	OK	T	NDS	Tight hole, stuck pipe	Offset well (Rigel) encountered problems with stuck pipe at 8600'	Mark Hafle	Accepted		Mark Hafle	27-Apr-09	Cost	Medium	Low	Medium	Low	Cost	Medium	Low	Low	We are aware of it and will monitor the situation while drilling. This entails sidetracking the well. Conditioning trip will be made prior to running casing. Weight vs. depth will be monitored to help decision on pulling casing. Decision tree on way for
6	OK	T	NDS	Mass Transport Deposits (MTD)	Can be shallow water flow units when buried deeper than about 500 ft in deepwater settings, may be over pressured MTDs are quite variable soil properties. Not ideal strata to set casing shoe. Evaluate the setting depth of csg shoes with respect to the depth of MTDs identified geophysically and in offset wells. Have pump and dump mud ready to kill SAF while drilling riserless.	Binh Van Nguyen	Accepted		Mark Hafle	10-May-09	Cost	Low	Low	Medium	V. Low	Cost	Low	Low	V. Low	Identified them and are aware
7	OK	T	NDS	[illegible]	Lack of data or limited data collection as a result of well problems or difficult environmental conditions.	Team	Accepted		Team	[illegible]	Schedule	Medium	Low	High	Low					Falling just short of the MSS
8	OK	T	NDS	Lost Circulation	Lost circulation identified in the offsets. Risk to lives and rig.	Mark Hafle	Active		Mark Hafle	17-Jun-09	Cost	Low	Moderate	Medium	Low					Loss circulation is possible with normal PP/FG window. Keep mud weight on the light side and have a robust loss circulation contingency plan in place
9	OK	T	NDS	Narrow PP/FG window	Offsets had a narrow PP/FG windows (Macando); if mud weight and hole conditions are not monitored carefully the well may begin to experience substantial losses to the formation or the well may flow back	Marty Albertin	Accepted		Mark Hafle	17-Jun-09	Cost	Medium	Moderate	High	Mod.	Cost	Medium	Moderate	Mod.	Keep MW as close to PP as possible. Two contingency strings are available if necessary 9-3/8" liner and 7" liner. Use LWD tool if possible to get real time pressure gradient.
10	OK																			
11	OK	T	NDS	Hurricane	Hurricanes and storms often exceed tolerances, and the rig must unitech and move to safer conditions.	Team	Accepted		Mark Hafle	20-May-09	Schedule	Medium	Moderate	Low	Mod	Schedule	Medium	Moderate	Mod.	Have a Hurricane plan which is updated daily during Hurricane season with T-times and other requirements needed to secure the well. Suspending before peak hurricane season.
12	OK	T	NDS	Loop and Eddy currents	Loop and eddy conditions occur offshore throughout the year in many Gulf deep water areas. Delays caused by high current velocities can be very costly.	Team	Accepted		Mark Hafle	20-May-09	Schedule	Medium	Moderate	Low	Mod	Schedule	Medium	Low	Low	Our location is further North
13	OK	T	NDS	Hydrate buildup on wellhead / connector	Potential for hydrate buildup around connectors preventing unlatching.	Mark Hafle	Accepted		Mark Hafle	20-May-09	Schedule	Low	Low	High	V. Low	Schedule	Low	Low	V. Low	Several mitigations in place should the event occur.
14	OK	T	NDS	Shallow water/gas flows	Unexpected shallow water and gas flows prior to riser installation could undermine and make the drill center. See complex overburden	Mark Hafle	Accepted		Mark Hafle	20-Jun-09	Cost	High	Low	High	Mod	Cost	High	Low	Mod	Set 28" for isolation, gain formation integrity to allow Fast drill process through 22" section. Set 22" casing above Horizon 50 sand package to have BOP hooked up prior to crossing sand with SGF potential. 28" and 22" will be fixed cemented
15	OK	T	NDS	Lost drill center/seafloor	Wellhead Subsidence, stuck pipe, surface fracture, TOS mudline zone, potential risk for collapse/spudding of all conductors	Mark Hafle	Accepted		Mark Hafle	17-Jun-09	Cost	High	Low	High	Mod	Cost	High	Very Low	Low	28" for added support.
16	OK	T	NDS	Gumbo Attack	Gumbo due to pump and dump	Mark Hafle	Accepted		Mark Hafle	17-Jun-09	Cost	Low	Moderate	High	Low	Cost	Low	Moderate	Low	Gumbo in the offsets. Monitor pressures. Spot Stress Cage material prior to running casing. Have 13" casing patch contingency available
17	OK	T	NDS	Shallow depletion	Evaluate potential for depleted zones	Marty Albertin	Accepted		Mark Hafle	20-May-09	Cost	Medium	Low	Medium	Low	Cost	Medium	Low	Low	

18	OK	T	Planning	BOP Stack	Potential for the BOP stack to cause NPT on the well	Trent Fleece	Accepted	Team	17-Jun-09	Schedule	High	Low	Medium	Mod	Schedule	High	Low	Mod	Using some [illegible] like the BOP is on the surface. Good gel some new equipment versus refurbished. It does do long. Numerous simulations show expandable is only option. The same will be shown caged and fit for purpose cementing design will be used with low circulating rates will be used to keep ECD's below fracture pressure.
19	OK	T	Planning	Cement Isolation	Risk of a good cement job on the 9-7/8" Production String	Mark Hafle	Active	Team	17-Jun-09	Cost	Medium	Moderate	High	Mod					
20	OK	T	Planning	Shock & Vibration	Risk of down hole tool failure due to shock and vibration.	Mark Hafle	Accepted	Team	17-Jun-09	Cost	Medium	Low	High	Low	Cost	Medium	Very Low	V. Low	Fit for purpose BHA's designed for each hole section incorporating DW GoM SPU lessons learned
21	OK	T	Planning	Annular Pressure Build-up	Risk of casing failure during the production phase of the well	Mark Hafle	Accepted	Mark Hafle	17-Jun-09	Production	High	Low	Medium	Mod	Cost	High	Low	Mod	Rich Miller in EPTG did a well specific design to mitigate APB issues. This well design incorporates three 16" rupture disc subs
22	OK	T	Planning	Compaction	Casing failure late in life due to reservoir compaction	Mark Hafle	Active	Mark Hafle	17-Jun-09	Production	Low	Very Low	Low	V. Low					Steve Wilson does not see any compaction risk as the feasible location. Any compaction would be late in life due to reservoir drawdown.
23	OK	T	Planning	Expandable issues	Risk of tubular expansion failure	Mark Hafle	Accepted	Mark Hafle	17-Jun-09	Cost	Medium	Low	Medium	Low	Cost	Medium	Low	Low	
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