

7/21/06
SWS: Rev



July 18, 2006

Nuclear Regulatory Commission Region IV
611 Ryan Plaza Dr., Suite 400
Arlington, Texas 76011-8064
Attn.: Mr. Richard Leonardi

Re: NRC License No. 17-27437-01 Source Abandonment Report

(1) Date Occurrence: Tool stuck in hole on June 19, 2006 at approximately 06:00 hours.

(2) Irretrievable Source Descriptions:

5 Ci (185 GBq) Americium-241/Be - Serial Number: PP25554B
2.5 Ci (92.5 GBq) Cesium-137 - Serial Number: PP06947B

(3) Surface Location & Well Identification:

Operator - Peregrine Oil & Gas
Rig - Pride Wyoming
Well - OCS-G 15147 No. 2 ST00 BP00
Field - East Cameron Block 263
Rig Surface Location - N 28° 26' 55.920" and W 92° 59' 39.955"
General Area - Federal Waters, Offshore Louisiana

(4) Results of Efforts Immobilize: Pumped concrete to immobilize and seal hole.

(5) Recovery Efforts: Please reference the attached daily log.

(6) Depth of Source(s):

Americium-241/Be - 8,749 feet Measured Depth (8,110 ft. TVD)
Cesium-137 - 8,761 feet Measured Depth (8,120 ft. TVD)

(7) Top of Cement Plug: Approximately 8,000 feet Measure Depth (7,527 ft. TVD)

(8) Depth of Well: 8,906 feet Measured Depth (8,232 ft TVD)

(9) Other Information: N/A

(10) Agencies Notified: MMS

Thank you for your attention to this matter,

John A. Yunker
Radiation Safety Officer-Gulf Coast Region

RECEIVED

JUL 21 2006

DNMS

Peregrine Oil & Gas

OCS-G 15147 002

OCS-G 15147 002 ST00BP01

East Cameron Block 263

Offshore, LA

Date: 05 July 2006

Disclaimer

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Chronological Drilling Summary

*Prior to getting stuck in hole through
abandoning nuclear sources in hole.*

19 June 2006

- 0000 Drilling ahead at 8548' MD, 5.4 run circulating hours and 3.8 on bottom hours.
- 0111 Flow check (-).
- 0120 Flow check (-).
- 0142 Pump sweep.
- 0315 Pick up and circulate.
- 0517 Pump sweep.
- 0608 Kelly down at 8903 feet MD. Well packed off while backreaming.
- 0613 Stuck at 8877 feet MD. Cannot circulate, try to work pipe.
- 0700 Start jarring on stuck drillpipe.
- 1200 Cannot free drillpipe. Continue to jar and work pipe while waiting fishing tools.

20 June 2006

- 0000 BHA is stuck in hole, rig shut down, waiting on fishing tools.
11.2 run circulating hours and 7.8 on bottom drilling hours.
- 0300 Offload and rig up free point tools.
- 0630 Run in hole with wireline tools.
- 0700 Estimate freepoint at 8495 feet MD.
- 0830 Establish circulation while getting injection rates.
- 0940 Tool pulsing.
- 1542 Pump pill.
- 1545 Circulating.
- 1630 Rig up wireline and load charges.
- 1730 Run in hole with string shot and freepoint tool.
- 1800 Attempt to located freepoint. Unsuccessful.
- 1830 Pull out of hole with wireline.
- 1900 Pick up and run in hole with freepoint locator to 8493 feet MD.
- 1930 Pull out of the hole.

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- 2000 Rig up and run in hole with charges.
 - 2100 Perform backoff, set charges off at 8495 feet MD.
 - 2130 Pull out of the hole and rig down wireline.
 - 2200 Circulate bottoms up at 8495 feet MD.
 - 2300 Pull out of the hole.

21 June 2006

- 0000 Continue pulling out of the hole.
- 0400 Retrieve wear bushing.
- 0430 Make up cut lip guide and fishing assembly. Trip in hole.
- 0600 Run in hole with overshot assembly to tag fish at 8490 feet MD.
- 0800 Repair cracked welds on traveling block trolley braces.
- 1030 Resume trip in hole.
- 1300 Ream/wash from 8287 to 8492 feet MD.
- 1430 Work over fish at 8492 feet MD. Screw into and jar on fish.
- 1800 Attempt to establish circulation. Cannot circulate.

22 June 2006

- 0000 Jarring to try and free fish.
- 0200 Rig up and run in the hole with freepoint tool to 8650 feet MD.
- 0400 Free pipe at 8590 feet MD. Pull out of the hole.
- 0500 Pick up and run in hole with string shot.
- 0600 Attempt back off. Unsuccessful. Pull wireline out of the hole.
- 0630 Jar on fish while changing out string shot.
- 0730 Run in hole with string shot. Failed string shot.
- 0800 Jarring on fish, reloading string shot.
- 0930 Fire string shot at 8577 feet MD, achieve back off at 8554 feet MD.

Top of remaining fish at 8554 feet MD.

- 1100 Work pipe and circulate out gas.
- 1300 POOH to shoe at 4470 feet MD.
- 1700 Continue POOH with fish.

- 1800 Decision made to complete job with MPR and no TC, ship in TC tools and third FSE.
- 2000 Out of the hole with fish. Recovered 2 joints of HWDP.
- 2030 Trip in hole open ended to 935 feet MD. Make up ball catcher and trip in hole.
- 2330 Trip in hole and tag fish at 8554 feet MD.

23 June 2006

- 0200 Circulate and condition mud.
- 0330 Make up cement manifold joint. Break circulation and test lines. Mix and pump 400 sack cement and displace with 130 bbls mud.
- 0500 Nuclear sources abandon in hole. Rig down cement manifold.
- 0530 Circulate hole clean at 7695 feet MD.
- 0700 Pull out of the hole.
- 1030 OAS with cement equipment.

Actual Wellpath Report

002 OH (AWP)
Page 2 of 2

REFERENCE WELLPATH IDENTIFICATION		Slot	Slot #1
Operator	PEREGRINE OIL & GAS	Well	002 OH
Area	Offshore Louisiana	Wellbore	002 OH (AWB)
Field	East Cameron 263		
Facility	OCS-G 15147		

WELLPATH DATA (10 stations) † = interpolated/extrapolated station

MD [feet]	Inclination [°]	Azimuth [°]	TVD [feet]	Vert Sec [feet]	North [feet]	East [feet]	Grid East [us survey feet]	Grid North [us survey feet]	Latitude [°]	Longitude [°]	DLS [°/100ft]	Path Comment
8169.00	38.600	91.200	7659.95	1564.40	49.36	1563.62	1467585.51	-75363.67	28 26 55.907N	92 59 22.651W	0.00	
8263.00	39.300	91.200	7733.05	1623.41	48.13	1622.70	1467644.61	-75364.90	28 26 55.903N	92 59 21.989W	0.74	
8353.00	39.000	91.900	7802.84	1680.14	46.59	1679.50	1467701.43	-75366.44	28 26 55.896N	92 59 21.353W	0.59	
8447.00	39.000	91.900	7875.90	1739.18	44.63	1738.62	1467760.57	-75368.40	28 26 55.885N	92 59 20.690W	0.00	
8542.00	39.000	91.900	7949.73	1798.85	42.65	1798.38	1467820.34	-75370.38	28 26 55.874N	92 59 20.020W	0.00	
8635.00	39.200	91.500	8021.90	1857.40	40.91	1857.00	1467878.98	-75372.12	28 26 55.865N	92 59 19.364W	0.35	
8728.00	39.000	91.900	8094.07	1915.95	39.17	1915.63	1467937.62	-75373.86	28 26 55.856N	92 59 18.707W	0.35	
8749.00†	39.000	91.900	8110.39	1929.14	38.73	1928.84	1467950.83	-75374.30	28 26 55.854N	92 59 18.559W	0.00	Neutron Source (S/N PP25554B)
8761.00†	39.000	91.900	8119.72	1936.68	38.48	1936.39	1467958.38	-75374.55	28 26 55.852N	92 59 18.474W	0.00	Density Source (S/N PP06947B)
8906.00	39.000	91.900	8232.40	2027.75	35.45	2027.59	1468049.61	-75377.58	28 26 55.835N	92 59 17.452W	0.00	

WELLPATH COMPOSITION Ref Wellbore: 002 OH (AWB) Ref Wellpath: 002 OH (AWP)

Start MD [feet]	End MD [feet]	Positional Uncertainty Model	Log Name/Comment	Wellbore
0.00	4400.00	Gyrodata standard - Continuous gyro	Rusty Clark GYRO (0') 200'-4400'	002 OH (AWB)
4400.00	8906.00	MTC (Collar, post-2000) (Standard)	BHI MWD (4400') 4497'- 8728'	002 OH (AWB)

Actual Wellpath Report

002 OH (AWP)

Page 1 of 2

REFERENCE WELLPATH IDENTIFICATION

Operator	PEREGRINE OIL & GAS	Slot #1	
Area	Offshore Louisiana	Well	002 OH
Field	East Cameron 263	Wellbore	002 OH (AWB)
Facility	OCS-G 15147		

REPORT SETUP INFORMATION

Projection System	NAD27 / Lambert Louisiana State Planes, Southern Zone (1702), US feet	Software System	WellArchitect™ 1.2
North Reference	Grid	User	Bowesalc
Scale	1.00029	Report Generated	07/18/06 at 13:42:37
Wellbore last revised	07/07/06	Database/Source file	WellArchitect_Houston/002_OH_AWB_.xml

WELLPATH LOCATION

	Local coordinates		Grid coordinates		Geographic coordinates	
	North [feet]	East [feet]	Easting [US feet]	Northing [US feet]	Latitude [°]	Longitude [°]
Slot Location	7326.22	779.26	1466021.44	-75413.04	28 26 55.194N	92 59 40.157W
Facility Reference Pt			1465241.95	-82741.44	28 25 42.551N	92 59 47.694W
Field Reference Pt			1465241.95	-82741.44	28 25 42.551N	92 59 47.694W

WELLPATH DATUM

Calculation method	Minimum curvature	Rig on Slot #1 (RT) to Facility Vertical Datum	82.00 feet
Horizontal Reference Pt	Slot	Rig on Slot #1 (RT) to Mean Sea Level	82.00 feet
Vertical Reference Pt	Rig on Slot #1 (RT)	Facility Vertical Datum to Mud Line (Facility)	0.00 feet
MD Reference Pt	Rig on Slot #1 (RT)	Section Origin	N 0.00, E 0.00 ft
Field Vertical Reference	Mean Sea Level	Section Azimuth	88.31°