

Monthly Progress Report – April 2006
Gas Over Bitumen Technical Solution
Industry & Government Collaboration

General Comments

Technical sub committees continue to advance work plans and activities.

Smaller groups have been established to develop the project scope, deliverables, timelines, resources required, cost estimates, and whether to issue a request for proposal or to direct contract the work. Sub groups to report on progress May 18.

Artificial Lift

Thermal Wellbore Simulator

The project is progressing on budget and on schedule.

Bench Scale Testing of Lift Systems

Final meeting for Phase 1 was held March 16. North American and Chevron have joined the JIP. Three pumps are being considered for the second phase.

Suncor Low Pressure Artificial Lift Proposal

Nothing new to report.

Fluid Injection Technology

Paramount GRIPE Pilot

Nothing new to report.

EnCana Air Re-pressuring Pilots

Section 16 reservoir pressure is stabilizing near 2100 kPa.

Section 15 test is progressing with compressor start up expected in mid May.

EnCAID project is also progressing. The injector is being competed. Steam injection for preheat prior to combustion expected in Q3 2006.

Low Pressure SAGD Performance

Total LP SAGD Field Testing

The well pair operated for 3 weeks when the ESP motor seal failed. The pump was replaced and is back on production. Production performance has not yet improved due to a suspected blockage in the injector. A workover is planned to resolve the problem.

LP SAGD Field Testing Proposal

Nothing new to report.

Reservoir Lab Testing

Surmont sample has been collected and yet to be delivered to ARC. Phase 2 agreements are in place and work program ready to go.

Other Business

IETP

Nothing new to report.