

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

General Comments

Technical sub committees have advanced work plans and activities. A total of 35 projects were identified and reviewed. 17 projects received priority after the first round of technical review and were categorized in to 3 groupings; Vertical and Lateral Communication & Re-pressuring, LP SAGD Impact & Artificial Lift, and Alternate Processes & Other Issues. The projects were ranked with a high/medium impact, priority in each grouping, whether a project should be considered, and a suggested sponsor. The remaining 18 projects are on the list as future consideration.

The next steps will include; sub committee members review of the priority project list; consider which projects their organization is interested in sponsoring or participation; establishing smaller focus groups 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; and to report back to the larger group where member companies decide on JIP participation

Artificial Lift

Thermal Wellbore Simulator

ConocoPhillips, Husky, Nexen, Petro-Canada, Suncor and Total are participants, at a fee of \$20,000 per participant.

Program code is complete and is being tested, and the windows interface will be developed.

Bench Scale Testing of Lift Systems

Final interim report was presented March 16. Participants are developing the scope of next phase

Suncor Low Pressure Artificial Lift Proposal

The Can-K pump has failed 3 times resulting in more design work. The project is currently operating with ESP's. Suncor plans a presentation to participants within the next couple of weeks.

Fluid Injection Technology

Paramount GRIPE Pilot

Nothing new to report.

EnCana Air Re-pressuring Pilots

Nothing new to report.

Low Pressure SAGD Performance

Total LP SAGD Field Testing

Well pair is back on production after a sand clean out.

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

LP SAGD Field Testing Proposal

Nothing new to report.

Reservoir Lab Testing

Phase 2 scope has been agreed to by original participants. Laricina and Devon have agreed to join.

Project scope has been expanded to include low temperature (10 C) measurements and a full test on a Surmont sample. ARC is waiting on the Surmont sample and the IETP funds to roll back into the project. Funds will be available once Paramount receives the royalty credit.

New agreements are being prepared.

Other Business

IETP

Nothing new to report.