Artificial Lift

Bench Scale Testing of Lift Systems

The twin screw pump test will be deferred. The other ESP, PCP, and gear pumps will be tested next. Cost per participant has increased from $65000 to $102000. Suncor is installing a twin screw pump with electric drive at Firebag. Ability to disclose data is part of their decision to disclose low pressure SAGD test data.

Low Pressure SAGD Wellbore Architecture

Nothing new to report.

Fluid Injection Technology

Paramount GRIPE Pilot

The GRIPE application requires approval to vary the Surmont shut in order. If there are objections, a hearing may be required. If this were to happen, there is a chance that the project would miss the winter access period, and delay the project startup by one year.

Devon/EnCana Flue Gas Re-pressuring Pilot

Devon discussed the results of the flue gas injection project at the September 23, 2004 steering committee meeting. The project was plagued with mechanical problems associated with overheating of motors while running on a fuel rich system.

EnCana is now the operator and has amended the application to include air injection and confidentiality to September 2005.

Lateral and Vertical Pressure Communication

Surmont Shut-in Data Analysis

Participants to the ETI study are preparing questions to determine if there is a need for another geological realization for reservoir/pressure simulation, clarifications on conclusions and statements, and additional comments. The intent is to ensure that the technical procedures are correct and that all deliverables are met.

Low Pressure SAGD Performance

Deer Creek LP SAGD Field Testing

The Joslyn project start up phase is now complete. The well pair is now on continuous steam injection and production.

ConocoPhillips LP SAGD E-Lift Field Testing Proposal

A workshop was held September 30, 2004. The group is considering methods to monitor the liquid level in a SAGD steam chamber, additional simulation work,
common definitions for sub cool, fluid properties at steam pressures below 2000 kPa, understanding the impacts of vapor refluxing in the production wellbore, lower cost pilot alternatives, and contributing data from existing projects to advance these understandings.

**Reservoir Lab Testing**

EnCana, Paramount, and Petro-Canada have signed the agreement. AERI will participate when a fourth party signs.

**Executive Steering Committee**

There are two Innovative Technology Royalty Program meetings scheduled for October 7th and 8th. The October 7th meeting will be held at PTAC and will focus on oil and gas applications. The October 8th meeting will be held at McDougal and will focus on oil sands applications.