

Artificial Lift

Artificial Lift Simulator

Proposals have been received by C-FER, Fractical Solutions, Neotec, and Petro-Study.

Working group will review proposals and make recommendations to technical sub committee.

Bench Scale Testing of Lift Systems

C-FER is currently waiting on delivery of the gear pump system. Main pump is undergoing material changes before delivery for testing.

A metal/metal PCP system is available for testing by April 15. Participants agree to testing contingent on IETP funding. The vendor is in the process of signing agreements with CFER.

Low Pressure SAGD Wellbore Architecture

CFER reviewed Phase A and B results which identifies two concepts that have technical and economic merit. Phase C scope addresses the key technical questions of a near term concept and a longer term concept. The near term concept may be advanced by the current Phase B participants (ConocoPhillips, Husky, Petro-Canada, and AERI). If 4 other parties participate, the longer term concepts may also be advanced. Phase A participants, Suncor and Nexen, may consider participation. Non Phase A participant EnCana may also consider participation. Phase C may be launched in early April.

Suncor Low Pressure Artificial Lift Proposal

The twin screw pump has been in the hole for about a month. A second pump will be installed in a second well in early May.

March 4 due date for agreements has been extended to allow for changes resulting from feedback of potential participants.

Fluid Injection Technology

Paramount GRIPE Pilot

3 ConocoPhillips Piezo wells are now in place.

EnCana Flue Gas Re-pressuring Pilot

Air injection has been shut-in to observe progress to date. Ignition will commence early summer.

Lateral and Vertical Pressure Communication

Surmont Shut-in Data Analysis

ETI final report is still in progress. Waiting on documentation and supporting work for changes to the report.

**Gas Over Bitumen Technical Solution
Industry & Government Collaboration**

Low Pressure SAGD Performance**Deer Creek LP SAGD Field Testing**

Schlumberger Hotline ESP has been in the hole for about a month. Operations have been interrupted due to water disposal issues and installation of the MSAR field test. Currently recovering steam chamber pressure from about 900 kPa to 1300 kPa.

LP SAGD Field Testing Proposal

Working group is preparing LP SAGD Scope and Objectives and will provide the following:

A list of issues and data requirements that need to be considered,

A review of existing JIP's and projects to determine if the appropriate data is being captured to allow understanding of the issues,

To determine if recommendations to change models or history matching is required to better understand the instabilities in the reservoir models, and

To recommend the need for a new pilot or to continue to capture learning's from existing JIP's and field operations.

Reservoir Lab Testing

AERI has executed the agreement. As a result, the full scope of work will be pursued. Nexen expects to sign which would expand the scope of work.

Difficulties calibrating the viscometer have slowed progress. Expect calibration to be complete soon and testing on the MacKay River bitumen to start March 7, 2005.

Executive Steering Committee**IETP**

GOB steering committee has accepted the sub committee recommendations. These were passed on to the Executive Steering Committee early in March.