

Artificial Lift

Bench Scale Testing of Lift Systems

Flow loop construction continues with commissioning now expected in May. ConocoPhillips is supplying the twin screw pump from their inventory and will be tested first. EnCana is expected to supply the ESP. Parties have agreed to spend an additional \$20,000 to accommodate the testing of a gear pump.

Facility Capital and Operating Cost Study

Petro-Canada, Suncor, and IMV presented the first draft of the evaluation of different lift scenarios against gas lift to the technical sub committee. Feedback was provided and the group is now preparing final materials to be presented to the CHOA May 25, 2004.

Low Pressure SAGD Wellbore Architecture

Nothing new to report.

Fluid Injection Technology

Flue Gas Injection

Expect draft GRIPE EUB application to partners and ADOE by May 31, 2004.

Lateral and Vertical Pressure Communication

ETI project continues to progress. The next project review meeting is expected in late May, 2004.

Low Pressure SAGD Performance

Deer Creek LP SAGD Field Testing

Steam circulation commenced in the injector. Steam circulation to the producer will commence once steam generator operations are reliable. Continue to wait on Husky's participation decision.

ConocoPhillips LP SAGD E-Lift Field Testing Proposal

Pre-FEED is complete. The group continues to wait for a date to be set for ConocoPhillips to present the pre-FEED results.

Reservoir Lab Testing

Agreements are being prepared by ARC.

Executive Steering Committee

Nothing new to report.