

Monthly Progress Report – February & March 2004
Gas Over Bitumen Technical Solution
Industry & Government Collaboration

Artificial Lift

Bench Scale Testing of Lift Systems

Bench scale testing agreements are in place. Flow loop construction is ongoing with commissioning expected in late April. Pump availability is on the critical path. Conoco and EnCana are investigating options to supply the twin screw and ESP systems, respectively, from their inventory.

Facility Capital and Operating Cost Study

Petro-Canada, Suncor, and IMV continue to advance the evaluation of different lift scenarios against gas lift. Final round of capital and operating costs are complete. The group is now preparing presentation materials to first be presented to the technical sub committee in late April and then to the CHOA in late May 2004.

Low Pressure SAGD Wellbore Architecture

Conoco, Petro-Canada, and Husky are the only participants at this time. An application is being prepared for AERI participation. A decision is expected in April 2004.

Fluid Injection Technology

Christina Lake

Nothing new to report.

Flue Gas Injection

Reservoir modeling is being revised to reflect current pool configurations. Expect draft EUB application to partners and ADOE by April 30, 2004.

Lateral and Vertical Pressure Communication

ETI project is progressing. The JV is now signed. The first project review meeting was held on March 24, 2004. The project is on budget and on time.

Low Pressure SAGD Performance

Deer Creek LP SAGD Field Testing

Husky continues to consider participating. Agreements are in place. Two technical meetings have been held. After considerable work, a rig has been secured to complete the well pair. Project start up is expected by April 30, 2004.

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Conoco LP SAGD E-Lift Field Testing Proposal

Pre-FEED continues to progress. The group is waiting for a date to be set for Conoco to present the pre-FEED results. The agreement is substantially complete, with some refinement regarding the wording to describe the scope and the definition of LP SAGD.

Reservoir Lab Testing

ARC proposals are in place. Agreements are being prepared using the ETI contract as a template.

Executive Steering Committee

The committee met on March 9, 2004. Funding considerations continue to advance. Potential funding will likely require a business case test to be passed. With this in mind, the Steering Committee is advancing considerations for a business sub committee.