

Artificial Lift

Bench Scale Testing of Lift Systems

Bench scale facility commissioning is ongoing and working on instrumentation. Commissioning should be complete by week of May 31, 2004. The twin screw pump will be tested first, allowing the pump to be returned to Surmont for the field test by June 14, 2004.

Facility Capital and Operating Cost Study

Petro-Canada, Suncor, and IMV presented the evaluation of different lift scenarios against gas lift to the CHOA May 25, 2004.

Low Pressure SAGD Wellbore Architecture

ConocoPhillips, Petro-Canada, AERI and Husky have signed Phase 2 agreements. Costs are expected to be \$120,000 and expected to be complete by October 31, 2004.

Fluid Injection Technology

Flue Gas Injection

Paramount's draft application was reviewed with the EUB and Surmont partners on May 28, 2004. Expect to file application by June 15, 2004.

Lateral and Vertical Pressure Communication

The ETI project is now conducting history matching of field production and pressures, and tying into the geological model. The project is on schedule and on budget.

Low Pressure SAGD Performance

Deer Creek LP SAGD Field Testing

Circulation is now ongoing in the injector and producer. Pump installation is expected by August 2004.

ConocoPhillips LP SAGD E-Lift Field Testing Proposal

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

Reservoir Lab Testing

Contracts are now out to participants for review and signature.

Executive Steering Committee

The next meeting is scheduled for June 7, 2004.