

Progress Report – May to October 2008
Gas Over Bitumen Technical Solution
Industry & Government Collaboration

General Comments

As directed by the Steering Committee on October 24, 2006, the Artificial Lift and Low Pressure SAGD sub committees continue to meet and make progress in 5 priority areas; re-pressuring fluid injection types, down hole instrumentation, solvent/co-injection recovery, impact of non-condensable gas, and history matching of field data.

The steering committee now meets every 6 months, unless there is a need to meet earlier. Any steering committee member can propose a meeting when they deem a need to consider significant business and/or a need for decision making. The next meeting will be April 23, 2008. Reporting to the steering committee will continue on a three month basis.

Artificial Lift

Down Hole Instrumentation

The operator workshop was conducted September 25, 2008. ConocoPhillips, EnCana, Chevron, Suncor, and Petro-Canada made presentations. The vendor workshop will be held December 11, 2008. These activities are in pursuit of a reliable and cost effective pressure measurement device capable of service at 270 C and higher.

Lateral and Vertical Pressure Communication and Fluid Injection Technology

AOSC has taken over the role as the JIP sponsor for Development of a Guideline for Choosing Injection Fluids for the purpose of Re-pressuring a Gas Over Bitumen Zone. The revised scope was to be brought back to the technical subcommittee at the May 15 meeting. However, the sub committee continues to refine and advance the scope of the JIP and is investigating who will take over the proposal now that the project sponsor has left ARC.

A technical update was made by EnCana for the Christina Lake Re-pressuring Project on July 17, 2008.

Low Pressure SAGD Performance

Solvent/co-injection Recovery Applications

This JIP is complete. Potential follow-up JIP's could proceed if parties identify specific areas of interest. There is nothing on the horizon yet.

Impact of non-condensable Gas

Nexen is the JIP sponsor and work is progressing with the first 3 chapters available for review. This is a three phase JIP to identify gaps in current knowledge regarding the impacts of NCG on the SAGD process. The study will focus on opportunities and strategies to maximize the benefits of naturally generated or injected NCG's during bitumen recovery by SAGD at lower pressures and in the presence of associated gas caps.

History Matching of SAGD Field Data

This project is not likely to advance due to lack of interest by members.