

Progress Report – February, March and April 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 good 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 decided to meet 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 October 23, 2008. Reporting to the steering committee will continue on a three month basis.

Artificial Lift

Down Hole Instrumentation

A workshop to update operator's experience is planned for June 26, 2008. A vendor workshop is planned for September 18, 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 working group is considering a change of scope to include some physical testing. The revised scope will be brought back to the technical subcommittee at the May 15 meeting.

Presentations were made for the MEG Energy GRIPE and EnCana EnCAID projects.

Low Pressure SAGD Performance

Solvent/co-injection Recovery Applications

ConocoPhillips is the JIP sponsor with 14 participating organizations. Final literature search report was presented April 17, 2008. The technical component of this JIP is complete. There is potential for a further JIP based on the Phase 1 recommendations.

Impact of non-condensable Gas

Nexen is the JIP sponsor and has awarded the contract to THIMM. JIP contracts continue to be drafted with the current six participants. 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

Project scope definition continues to progress.

IETP Activities

Nothing new to report.

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.

Progress Report – November 2008 to January 2009
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, 2009. Reporting to the steering committee will continue on a three month basis.

Artificial Lift

Down Hole Instrumentation

A vendor workshop was conducted December 10, 2008. Petrospec, Schlumberger, Baker Hughes, Halliburton, Opsens, and Sensornet made presentations. 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 is the JIP sponsor for Development of a Guideline for Choosing Injection Fluids for the purpose of Re-pressuring a Gas Over Bitumen Zone. The sub committee continues to refine and advance the scope of the JIP and the ARC project sponsor has been identified.

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 proceeding. Phase 1 literature search is finalized. Phase 2 participant survey will be completed Q1 2009. The contract completion is expected Q3 2009. This JIP will 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.

Total Joslyn Project

Total presented an update of the Joslyn low pressure SAGD project November 20, 2008. The committee discussed the status of the JIP and made the following request; conduct a review of the goals/objectives/deliverables, determine if the confidentiality period has expired, and to provide a review of the results with the technical committee.

History Matching of SAGD Field Data

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