

Forest Reserve UMLE Steamflood Project Exceeds Expectations

April 2008

The Forest Reserve Upper Morne L'Enfer (UMLE) Steamflood Project has so far exceeded expectations within the Company's Exploration and Production Division.

According to Head Reserves and Technical Support Engineer Kasarie Singh, the total production from the UMLE Steamflood area has exceeded 1200 barrels of oil per day (BOPD) over the last two months.

"The response from the UMLE Steamflood pilot and expansion has so far exceeded expectations," Singh said. "This is the Company's first new Steamflood project since 1994, and it has certainly been a success for us."

He confirmed that infill/ expansion drilling was continuing on schedule within the UMLE Expansion Area, with the most recent well drilled to a total depth of 1860 ft at the end of April. Plans are in place to drill two additional wells at infill locations also within the UMLE Expansion Area.

He further noted, "Reservoir Engineer Dayn Harris has been instrumental in reviewing and fine tuning drilling candidates for the further exploitation of the heavy oil reserves in this area. To this end, the three candidates were selected and based on ongoing assessments, additional new wells may be considered in the future as the project matures."

The UMLE Steamflood Project, which began with a pilot project in 2004, was initially conducted on a 23-acre area in the Forest Reserve Middle Field. The success of the initiative pushed the commercial phase of the project expand over a much wider acreage.

The project involved the conversion of recently drilled wells to injectors, the relocation and retrofit of a 30-year old steam generator from an adjacent field, the construction of a gathering station and the installation of gas, water, steam, and crude oil pipelines, with associated tie-ins.

Jamaludin Khan, Manager Enhanced Oil Recovery and Reserves has reiterated, however, that the Department was not looking at the UMLE Steamflood in isolation but, rather, was engaged in a comprehensive, integrated approach for further heavy oil exploitation throughout Petrotrin's onshore acreage.

The other elements of this approach were the development of a register of heavy oil opportunities in Petrotrin's western onshore acreage, technical and commercial ranking, pilot testing candidate reservoirs utilising refurbished Portable Steam Generator No. 18, and undertaking a comprehensive, integrated evaluation that would lead to the implementation of additional new EOR projects.

To this end, the first pilot with the portable generator, whose overall project leader is Reservoir Engineer Anthony Singh, has provided very encouraging results. First sited in the Parrylands area, three wells were stimulated with one well, E 164 producing consistently at greater than 100 BOPD for more than six months, inclusive of 2008 April, following stimulation. Reservoir Engineer Anthony Singh and Senior Reservoir Engineer Anthony Singh and Senior Reservoir Engineer Vijay Ramlal are currently assessing the feasibility of adding additional patterns to the Parrylands Steamflood as a result of this encouraging performance.

The portable generator is now in the final stages of stimulating three wells in a selected area in Forest Reserve, which was the subject of detailed geological modelling led by Manager Prospect Generation (Ag.) Ms. Carol Telemaque and Consultant Geologist John Beard. Simultaneously, Reservoir Engineer Richard Jebodhsingh is finalising the engineering modelling, using numerical reservoir simulation, and which is expected to lead to a new Steamflood project.

Even as further integrated planning is in progress, Head Non-Thermal EOR Projects Crisen Narinesingh and Reservoir Engineer Anthony Singh are currently planning the next move for the portable steam generator that would assist in determining the next most feasible prospective candidate in the register compiled by Divisional Reservoir Engineer Kasarie Singh even as the detailed geological work is being undertaken by Prospect Generation personnel.