

• TIPS

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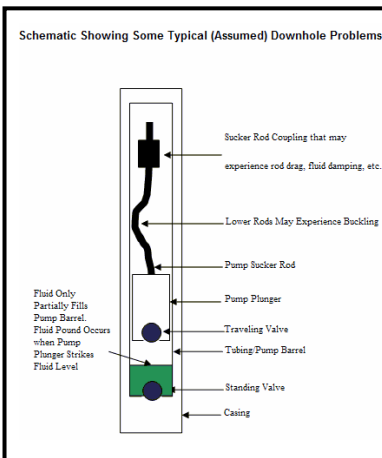
Fluid Level and Pump Efficiency

As an operator you likely want your pumping oil wells to produce at or near the maximum rate. Minimizing the annular fluid level in your oil wells will help ensure this.

Best practices include knowing fluid levels of each pumping oil well.

We are often surprised when clients who have pumping oil wells don't have information on annular fluid levels. When we find this we usually believe that some of the wells have high fluid levels therefore more oil

can be produced from these wells.



Speeding up the pump draws down the annular fluids. Vogel's well performance studies indicate that 97% of the maximum

flow rate occurs when the producing bottom hole pressure (PBHP) is 10% of reservoir pressure. The PBHP is the sum of the surface casing pressure plus the pressure from the col-

umn of fluids in the annulus.

While drawing down the fluid level can increase oil production, dropping the fluid level too low can starve the pump.

If an operator increases pump speed or stroke length too much, the well may become severely over-produced and damage may occur to the plunger, rod or even gearbox. Incomplete pump fillage also leads to low pumping efficiency.

Best practices include maintaining a pumping a fluid level approximately two joints above the pump depth in order to avoid fluid pound and low pumping efficiency.

~Steve Shon

Upcoming Events

Mar. 06, 12, 20 2007
Petroleum Society
Technical Luncheons
Calgary, Alberta
www.petsoc.org

Mar. 07, 2007
CWLS Technical
Luncheon
Calgary, Alberta
www.cwls.org

May 6-11, 2007
SPE Forum Series
Phuket, Thailand
www.spe.org

Company News

We are pleased to announce the appointment of Shandelle Murray as our new office administrator!

Shandelle moved from Fort St. John B.C. to Red Deer in 1998 where she completed the Legal Assistant Program at Red Deer College.

She has worked as an administrator for a non-profit organization organizing and

implementing events and programs and leadership development focusing mainly on youth culture.

She transferred to Calgary looking for a change of pace, and accepted a part-time position as the "Creative Director of Compassionate Youth."

Shandelle is enjoying living in Calgary and hopes to

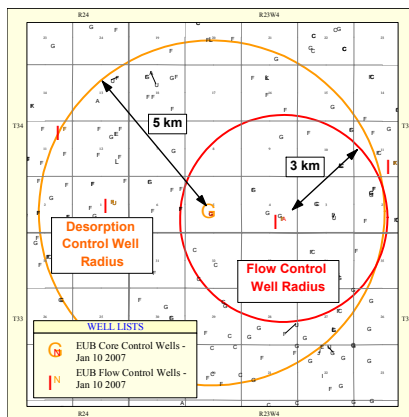
get involved in the community through the arts, social justice, and youth development.

Among her pastimes, she enjoys music, Starbucks, reading books, and being surrounded by interesting people.

Welcome, Shandelle!

Tips & Tricks - CBM Control Wells

The EUB has established a control well framework for capturing data to understand and enable proper management and conservation of Coal-Bed-Methane (CBM) production. Well licensee's create control wells when the EUB gives approval to the licensee's request for control wells status. Control well status



CBM production there are two types of control wells that are required:

- 1) 'CBM Pressure and Flow'
 - 2) 'CBM Desorption'
- A licensee may not produce natural gas from a coal zone unless the zone is within 3 km of a CBM Pressure and Flow control well and 5 km of a CBM Desorption control well. The EUB maintains a control well database on their website which can be viewed as an Excel file. This file is readily convertible into a well list for AccuMap and then the proximity of the control wells to the target well can be easily checked.

~John Yeo

Metro Petro



click on above image for larger view

Did You Know?

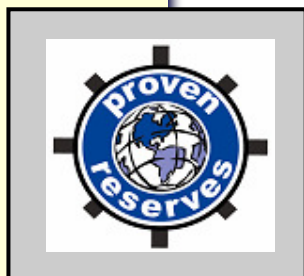
• Proven Reserves – Oil Sands

We hear a lot of speculation about when will the world run out of oil. Most in our industry believe that technology will increase oil reserves over time. Here's a perspective that shows how dramatically oil reserves can be changed by technology: . . . Although almost completely overlooked, something very important has happened to supply. 2002 saw the first major increase in world oil reserves since the mid-1980s, when all the major Persian Gulf countries, with a stroke of the pen, announced that they were increasing their proven reserves by more than 50%. The new increase is some 175 billion barrels. This is a lot of oil -- 50% more than Iraq's proven reserves and two-thirds that of

Saudi Arabia's. These new reserves, however, are not in the Middle East but in Canada. Advances in the technology for handling the oil sand deposits in the province of Alberta have, by cutting production costs almost in half, moved this enormous volume of potential supply into the economically recoverable "proven reserves" column. (David Yergin, "Iraq does not hold the key to world oil equation", syndicated April 6, 2003.)

The distinction between conventional oil reserves and unconventional reserves is not cut and dried when taking future advances in technology into account.

~Granger Low



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