A Review And Update Of Encana's In Situ Oil Sands Operations

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ABSTRACT

In mid-2003, EnCana's Oil Recovery Business Unit achieved its target rate of 20,000 barrels per day of bitumen production from its Steam-Assisted Gravity Drainage (SAGD) scheme at Foster Creek in Northeastern Alberta. Producing from the McMurray Formation, the scheme constituted industry's first major commercial application of SAGD technology. Since that time, production has been increased to the 30,000 bpd level, and further developments are being undertaken.

A prototype SAGD scheme is also in operation further to the north at Christina Lake.

In Saskatchewan, a scheme consisting of a mix of steam-based and primary recovery technology is in operation at Senlac.

This presentation will outline EnCana's SAGD resource picture, well arrangement and performance history at each of these three locations.

The presentation will further discuss EnCana's initiatives in developing new technology and corresponding business opportunities. This will include a description of our VAPEX pilot, salt cavern bitumen storage project, and cross-well seismic work.

Finally, we are aware of a number of issues that represent challenges to achieving full potential in our current in situ oil sands endeavours. These issues, spanning technology, regulatory and market-driven areas, will be identified and discussed.