

Report Points to Potential \$1 Trillion Benefit from Increased Recovery and New Technology

Calgary, Alberta (June 12, 2006): Today, PTAC Petroleum Technology Alliance Canada (PTAC) and EnergyINet Inc. (EnergyINet) are pleased to announce the completion of "*Ramping Up Recovery: A Business Case for the Increased Recovery of Conventional Oil and Gas*".

Key findings of this proprietary report include:

- The potential to increase recovery by **6 billion barrels** of oil and **22.5 trillion cubic feet** of non-associated natural gas from currently discovered oil and gas pools in British Columbia, Alberta and Saskatchewan.
- Identification of specific pool types, respective technologies and research recommendations required to increase recovery.
- A projected revenue benefit of over **\$1 trillion (CDN)** to all stakeholders, including the federal and provincial governments (through taxes and royalties).

"Canadians and industry rely on access to abundant, reliable supplies of energy to fuel our economy, provide employment opportunities and fuel our high quality of life," stated Dr. Michael Raymont, CEO, EnergyINet. "This study gives us important information that can help us better target our activities, research and technology development so that we can all share significant benefits from energy sources we have been unable to recover."

"New technology has the potential to significantly increase our energy production to meet the world's growing demand for energy," stated Eric Lloyd, President, PTAC. "This report is the result of collaboration and funding from the Governments of British Columbia, Alberta and Saskatchewan, as well as a group of leading companies and organizations, and we thank them for their vision and support to complete this important work."

This proprietary report was completed by Epic Consulting Services and the contractors listed below, and is the result of an investment of \$960,000 (funds and in-kind support) by the project funders. The Alberta Energy Research Institute (AERI), in partnership with EnergyINet, provided \$455,000 funding support and technical direction for the study, with the remaining balance coming from other governments and industry. PTAC was instrumental in securing the balance of the funding, and provided technical expertise to the project team.

Under the Terms of Reference, detailed project results will remain confidential to project funders for a period of two years.

EnergyINet Inc. is a Canadian public-private partnership that is helping Canada become an energy superpower by accelerating the development and deployment of advanced energy systems and technologies.

PTAC is a non-profit organization with a mission to facilitate innovation, technology transfer and collaborative research, development, demonstration and deployment of technologies for the responsible development of Western Canada's upstream hydrocarbon energy industry.

For general information, media are invited to contact:

Shawn Howard
Communications Director, EnergyINet
Phone: (403) 537-1211 ext. 224
Website: www.energyinet.com

Eric Lloyd
President, PTAC
Phone: (403) 218-7701
Website: www.ptac.org

BACKGROUND INFORMATION: Increased Recovery Project Funders & Supporters

Air Liquide Canada	Halliburton Energy Services
Alberta Electricity System Operator	Husky Energy
Alberta Energy & Utilities Board	Kinder Morgan Canada/ Kinder
Alberta Research Council	Morgan CO2 Company
APA Petroleum Engineering	MGV Energy (now Quicksilver
ARC Resources	Resources Canada)
BJ Services Company Canada	New Paradigm Engineering
Burlington Resources Canada	Nexen
ConocoPhillips	Northrock Resources
Devon Canada Corporation	Paramount Resources
EnCana Corporation	Petroleum Services Association of
Enerplus/EnerMark	Canada
Government of Alberta - <i>Alberta</i>	Pioneer Natural Resources Canada
<i>Energy Research Institute</i>	Point Energy
Government of British Columbia -	Precision Drilling
Ministry of Energy, Mines and	Primrose Drilling Ventures
Petroleum Resources	Schlumberger Canada
Government of Canada - <i>Industry</i>	Shell Canada
<i>Canada</i>	Suncor Energy
Government of Saskatchewan -	Talisman Energy
<i>Saskatchewan Industry &</i>	Trican Well Services
<i>Resources</i>	West Energy

Increased Recovery Project Contractors

Epic Consulting Services (<i>main</i>	Leon Fedenczuk
<i>contractor</i>)	Gates Research Consulting
Alberta Research Council	Meade Ink
APA Petroleum Engineering	Wardlaw Petroleum Consulting
Brown GSC	Sproule Associates
Fekete Associates	University of Calgary