

The top of the slide features a decorative header with a blue-to-green gradient background. On the right side, the word "devon" is written in a white, lowercase, serif font. Below the logo, a small photograph shows a worker in a blue uniform, white hard hat, and safety glasses, holding a red hose.

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Performance Review Primary Recovery Schemes

8567 Mann Lake

January 31, 2006

Global **VISION**. Community **VALUES**.

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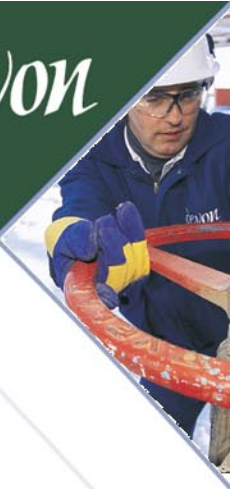
Devon Representatives

Tim Hancsicsak – Exploitation Engineer

Joanne Cave – Engineering Technician

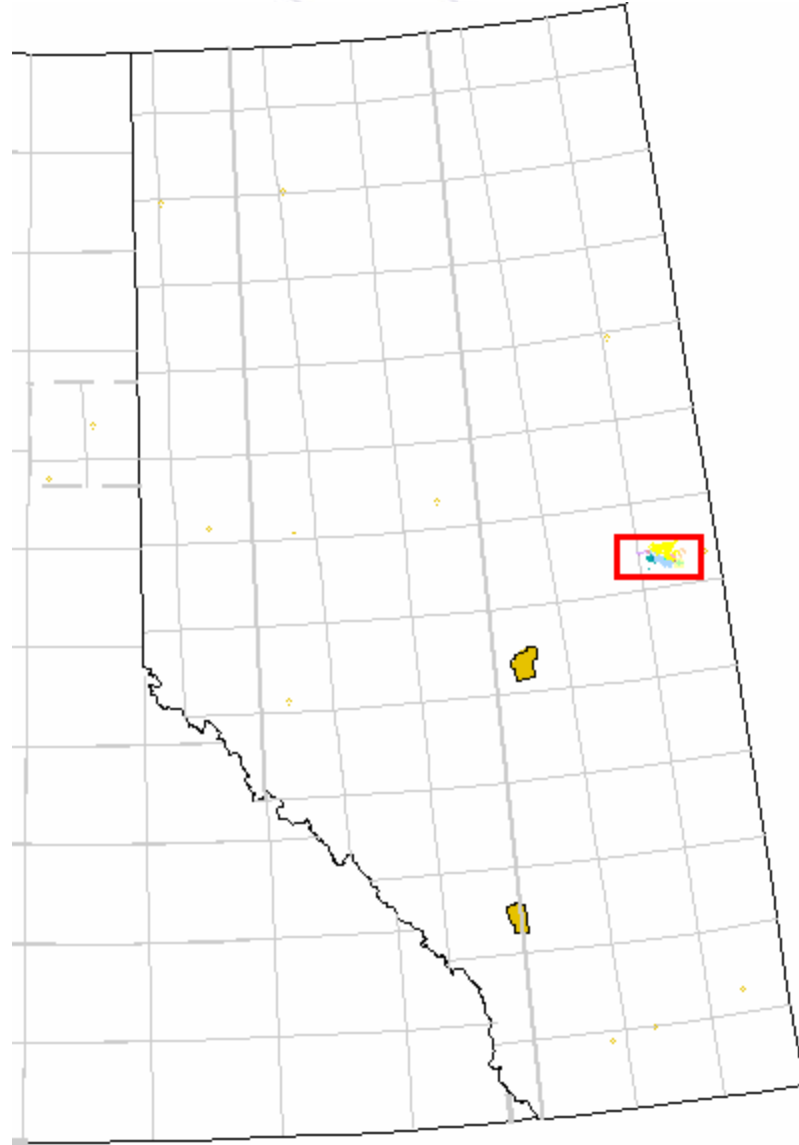
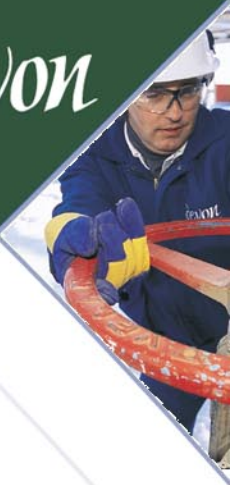
Jennifer Emmerson – Geologist

Aaron LeBlanc - Geologist

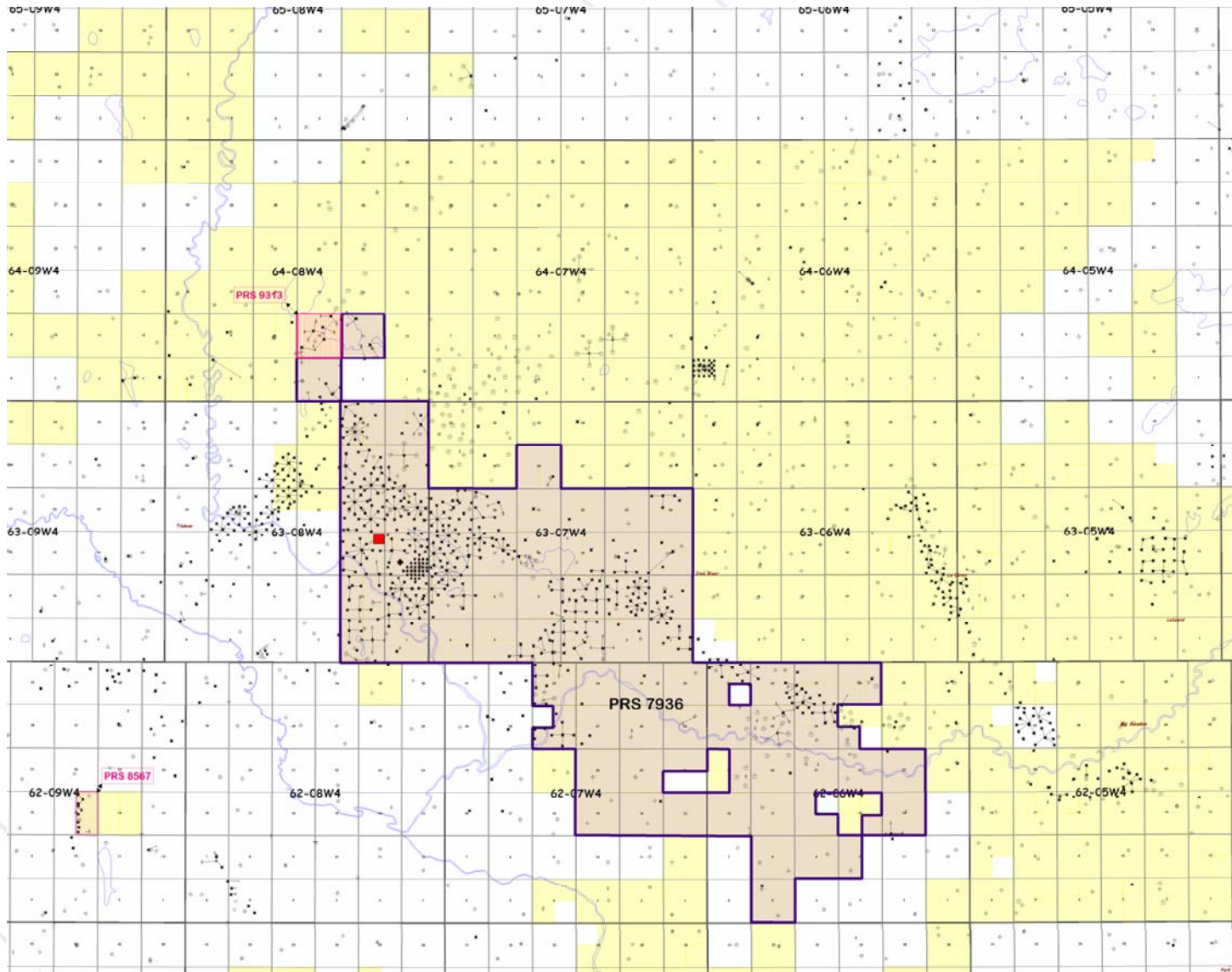
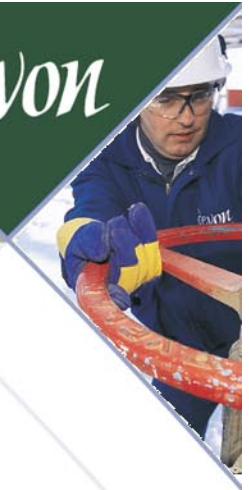


Alberta Proximity Map

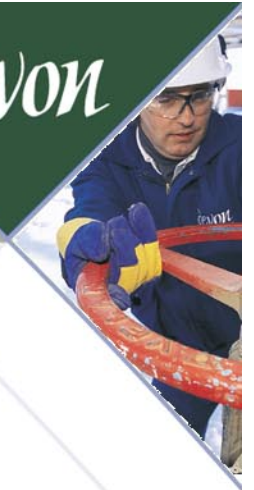
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Primary Recovery Scheme Lands



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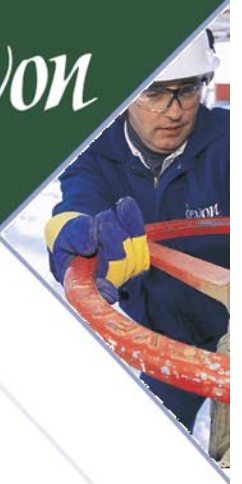


Primary Recovery Scheme #8567 – Mann Lake

Global **VISION**. Community **VALUES**.

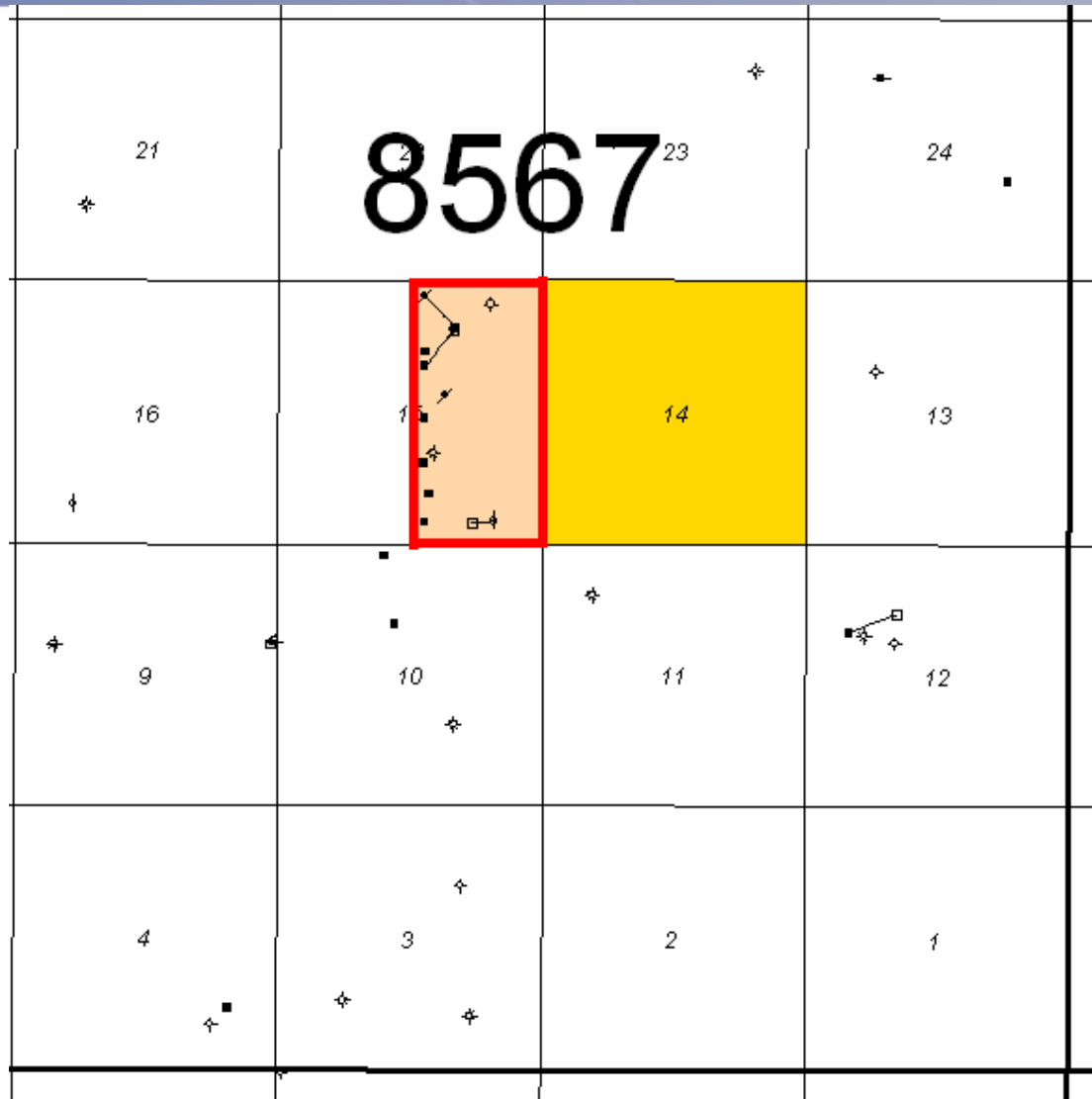
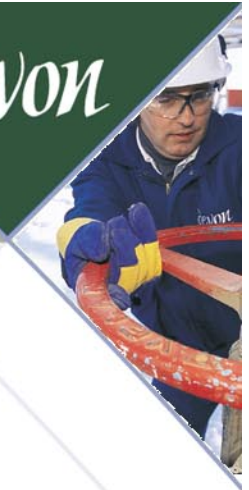
Performance Presentation

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- Overall Performance
- Compliance Issues
- Future Plans

#8567 – PRS Lands



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#8567 – Background

- PRS #8567 approved November/99
- Developed by Crispin Energy from 1998 – 2003 at which time it was purchased by Devon
- 100% Working Interest in Oil Sands rights from top to base Mannville
- To date 12 wells have been drilled into the project area of which one well is still producing
- The recovery process is based on the Cold Heavy Oil Process (CHOPS) and oil producing wells utilize progressive cavity pumps



#8567 – Mann Lake Performance



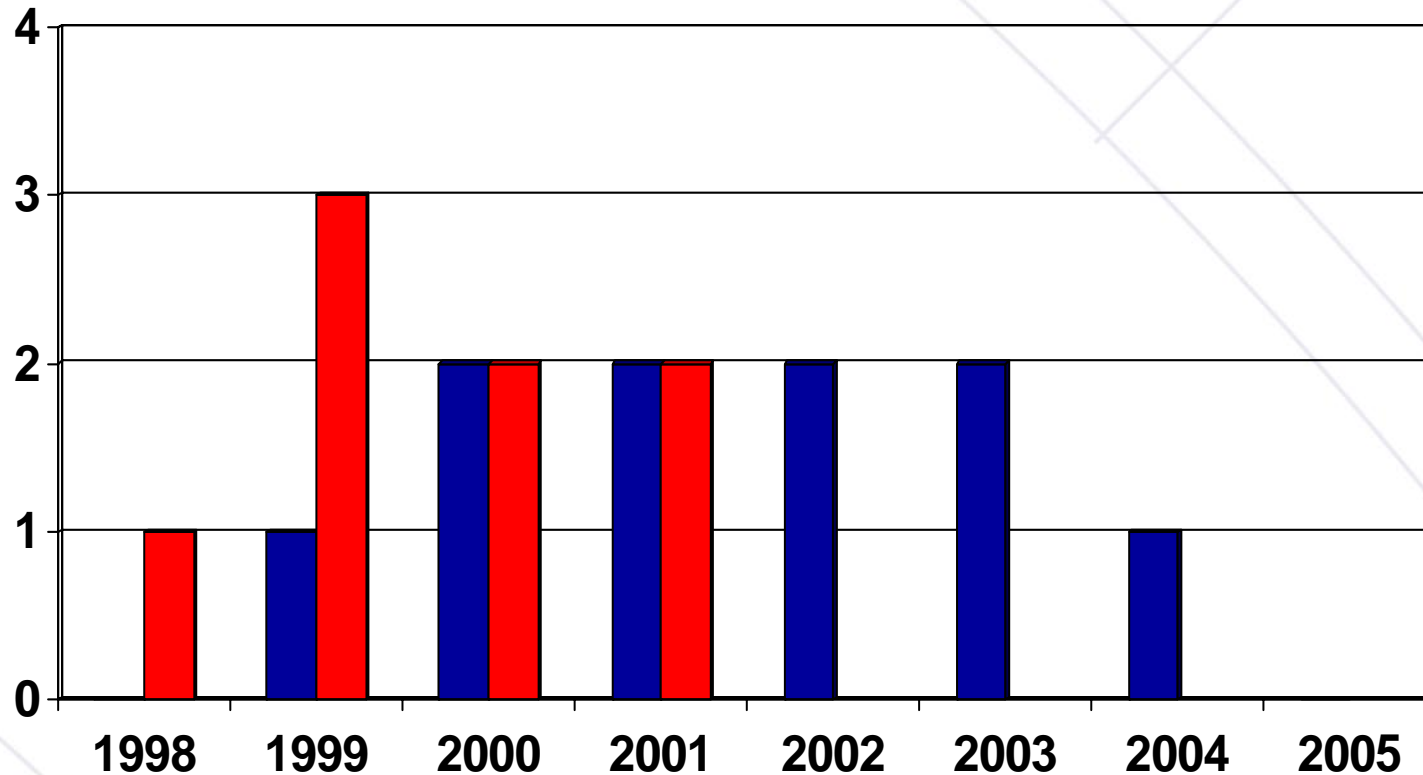
- **Bitumen Production:** Current bitumen production is approximately 6 m³/d. The emulsion is trucked to Devon's Manatokan Cleaning Plant at 09-14-063-08 W4
- **Water Production:** Current water production is approximately 1.5 m³/d. Produced water is injected into licensed Class 1B disposal wells at Devon's Manatokan Cleaning Plant at 09-14-063-08 W4
- **Sand Production:** Current sand production is approximately 0.6 m³/d. Produced sand is trucked to Devon's Manatokan Cleaning Plant at 09-14-063-08 W4 from which it is hauled to the Newalta EUB approved landfill facility located at 03-15-055-06W4 in Elkpoint, AB
- **Gas Production:** Current gas production is approximately 0.10 e³m³/d. Casing gas is consumed on-lease by the tanks and drive unit with propane as a secondary source

#8567 –Wells Drilled Predicted vs. Actual

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Wells Drilled Actual vs. Predicted



#8567 –Wells Drilled Predicted vs. Actual

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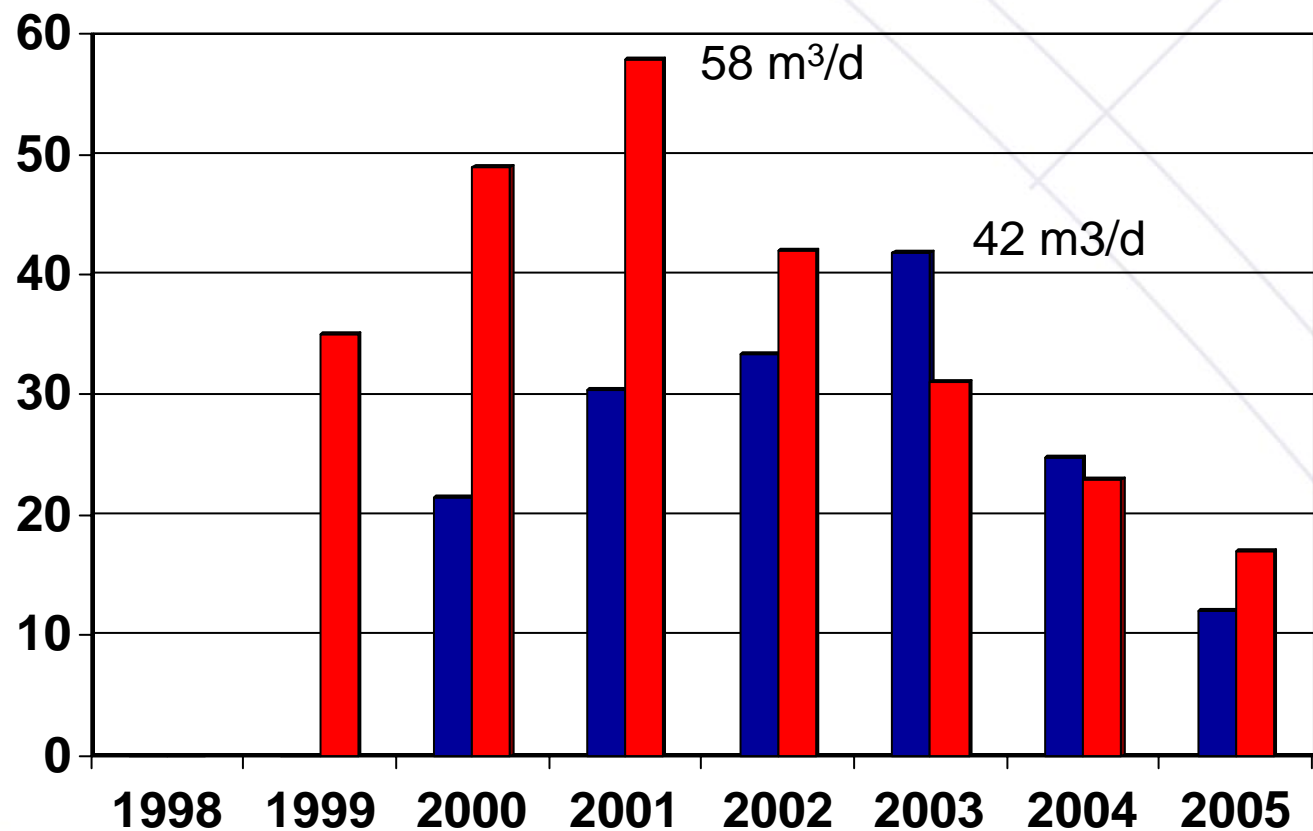
- In their application, Crispin predicted they would drill 8 wells over 4 years
- Actual number of wells drilled did not consistently achieve predicted performance
- Timing of application approval and oil prices may have been factors

#8567 – Production Performance Predicted vs. Actual

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Production (m³/d)
Actual vs. Predicted



#8567 – Production Performance Predicted vs. Actual

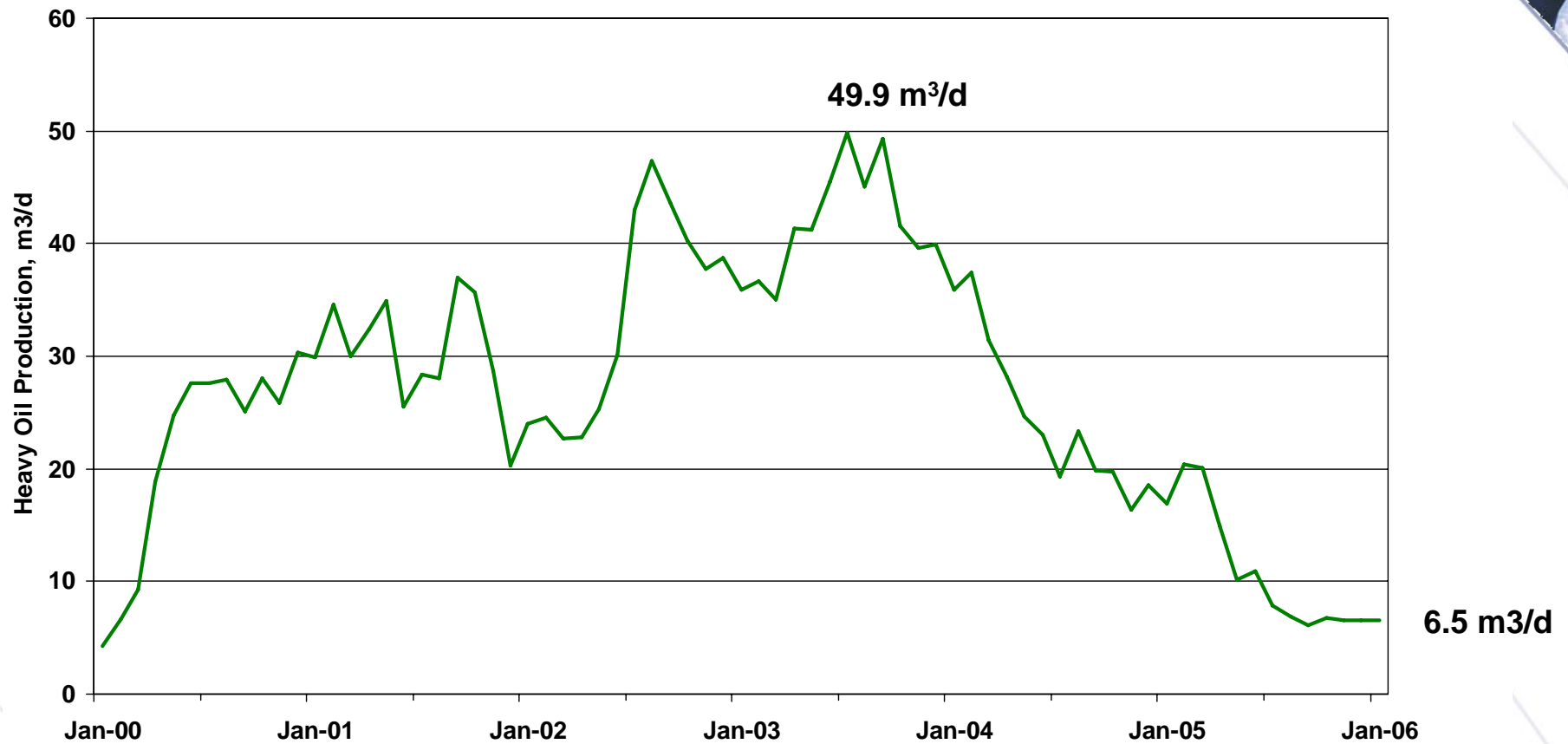
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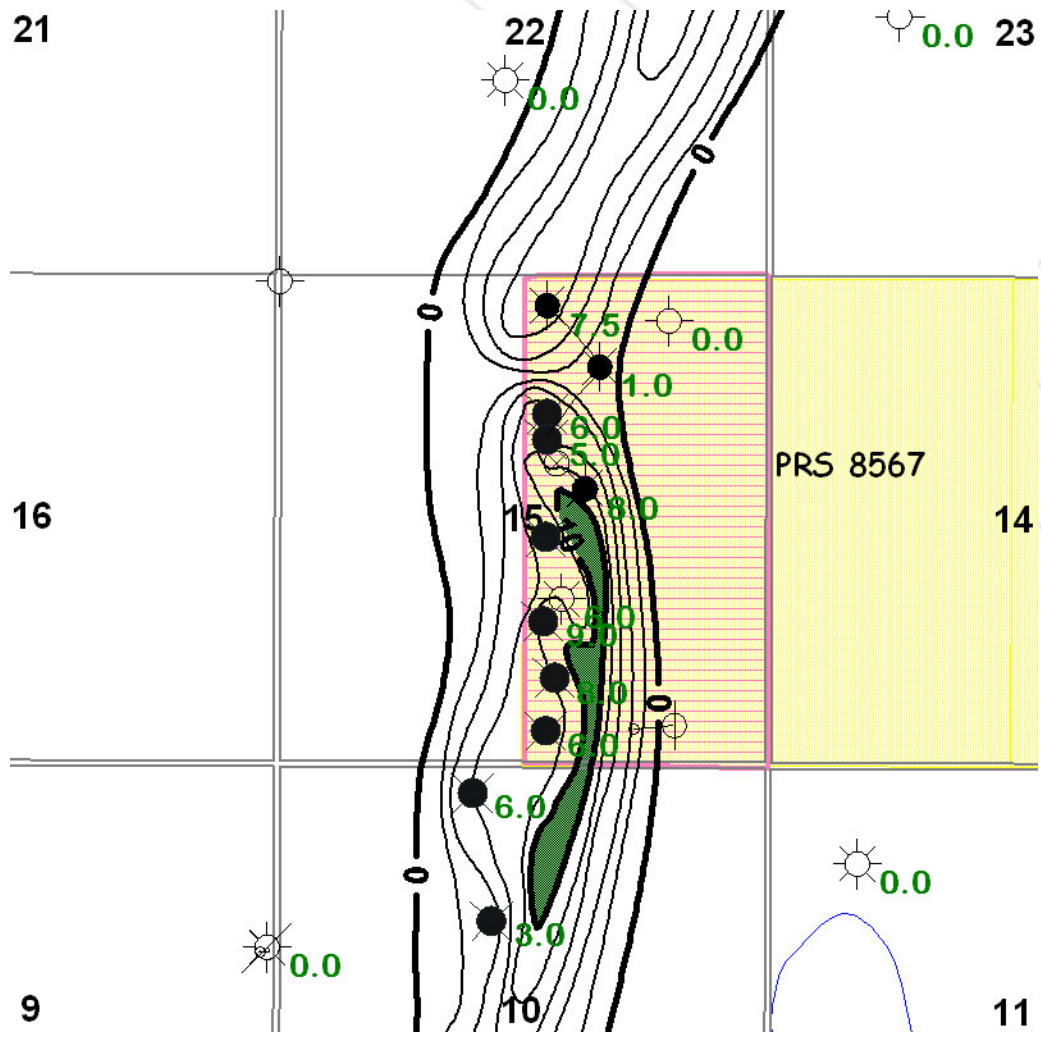
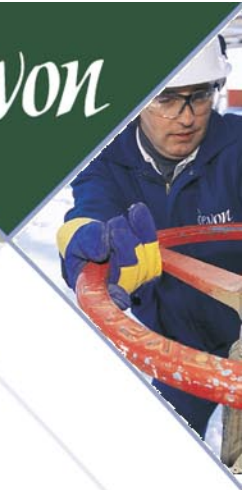
- Predicted recoverable reserves of 93,075 m³ is high for this project as cumulative to date is 59,115 m³
- Predicted recovery factor of 10% is high for this project
- Areas with bottom water in the channel experienced a significantly lower recovery factor
- Bottom water in the channel caused the wells to water out early

#8567 – Production Performance

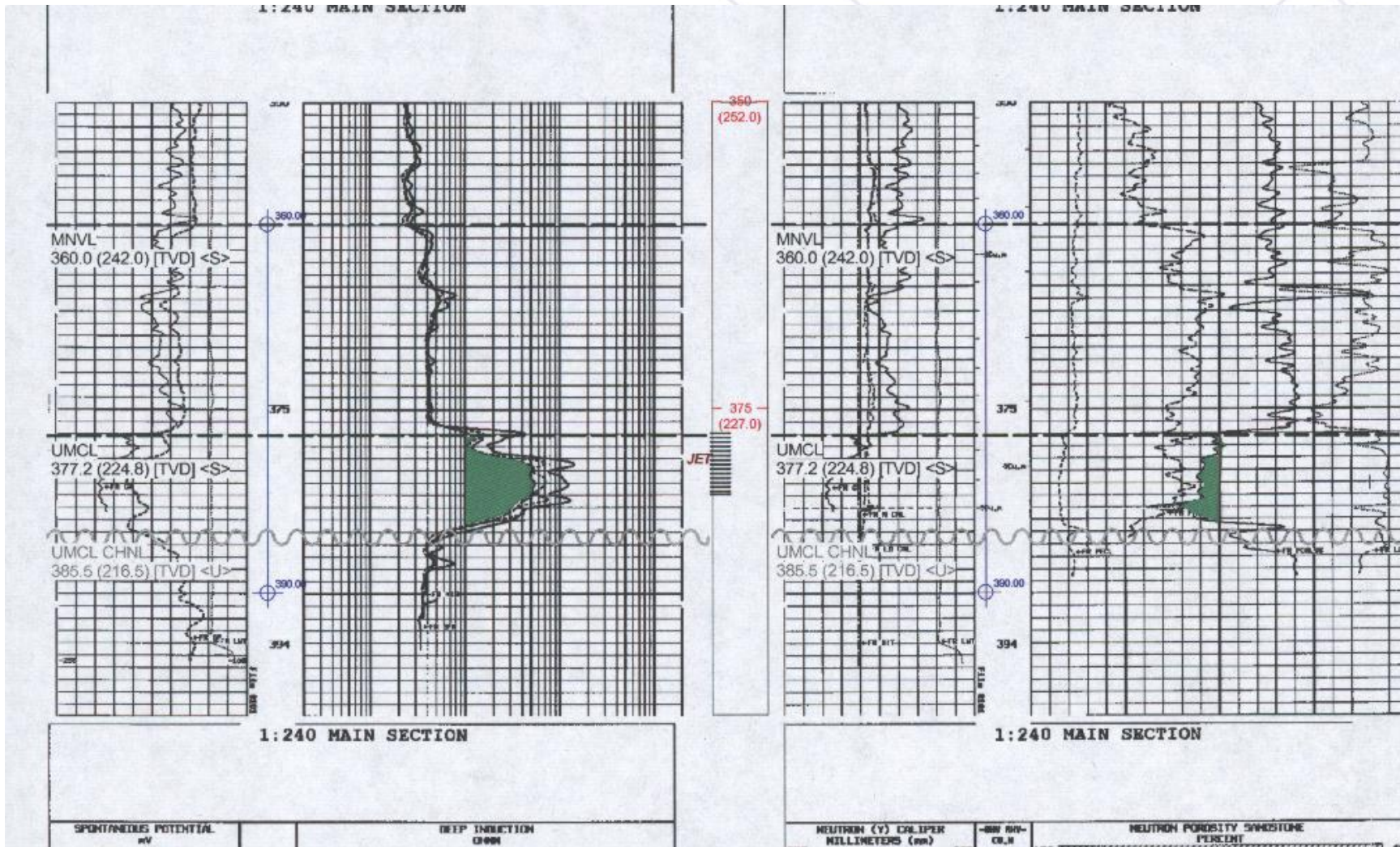
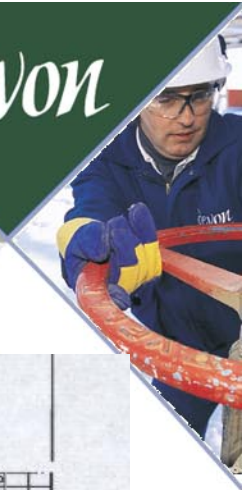
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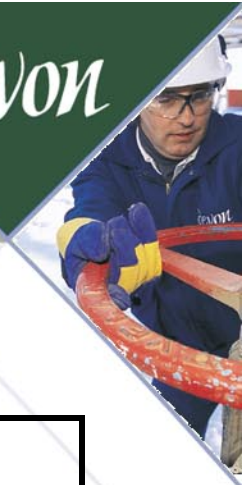


#8567 – McLaren Net Pay Map



Typical Log 02/02-15-062-09 W4



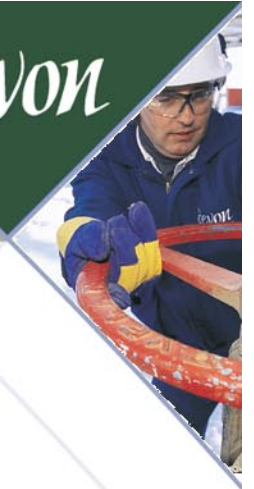


#8567 – Reservoir Summary

Zone	Bitumen Viscosity Cp	Reservoir Quality	Original Bitumen in Place, m ³
McLaren	5,000	Good, water in channel bottom	767,000

#8567 – Key Learnings

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- Sand failure within the producing zone is critical to ensure economic production rates and bitumen recovery
- If the bitumen zone is in contact with mobile water, bitumen production will prematurely decline

#8567 – Compliance



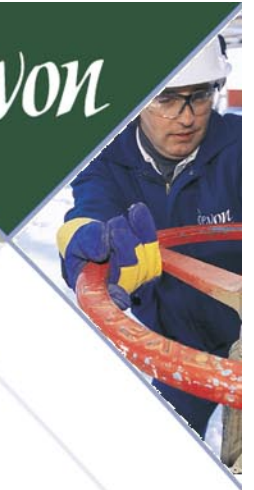
We are in compliance with Approval #8567 approval date November/99

- ✓ 16 ha DSU with minimum interwell distance of 100m and minimum 50m boundary buffer
- ✓ BP's request for 30 m spacing from 7-15-62-9 W4 gas well
- ✓ UPRI (Anadarko) request for 100 m buffer from North lease line of NW14 and LSD 16-15-62-9 W4
- ✓ Maximum 4 well sites per quarter section

#8567 – Devon Undertakings

- Accept responsibility for all operations done by employees and contractors in its employment
- Test water wells and water dugouts upon request
- Minimize truck traffic during night and early morning hours

#8567 – Casing Gas Conservation



➤ Fuel gas

- Casing gas is consumed on-lease as fuel for the tanks and drive unit with propane as a secondary source

➤ Sales gas

- None

#8567 – Future Plans

- No additional drilling is anticipated
- Evaluate abandonment and reclamation of shut-in wells