



-NEWS RELEASE-

**ITF calling for technology proposals on unconventional resources
and enhanced oil recovery.**

**100% funding available for new technology development through global
technology facilitator.**

ITF, the Industry's Technology Facilitator will be calling on international technology developers later this month to come forward with proposals to tackle technology issues associated with tight gas, shale gas and coal bed methane (unconventional resources) and challenges related to enhanced oil recovery (EOR).

The output from two technology challenge workshops (TCWs) which were held in Amsterdam in March this year, both calls are seeking global developers, research institutes and academia to come forward with ideas to address the specific technology gaps outlined in the calls.

Identified by ITF's members as a key technology challenge to be addressed in 2010, both workshops brought together ITF members, operators, service companies, small and medium sized enterprises as well as research and academic players from around the globe to determine the basis of these calls for proposals.

Regarded as the global funding programme of choice, ITF has the ability to obtain up to 100% funding for innovative technology development projects that have the potential to address identified technology challenges.

Novel technology that addresses the challenges surrounding unconventional resources is deemed crucial by the international oil and gas community. The advancement of technologies used on these developments will ultimately increase the ability to access these often deep, and difficult to reach hostile fields.

Innovative technology to tackle the challenges around EOR is also being sought as the industry finds itself operating in increasingly mature fields as well as facing added operational costs as fields become larger with installations that have high capex, opex, and technical limitations.

Both calls are open invitations to any organisation seeking sponsorship for innovative technologies in the oil and gas industry to submit proposals for research, development, and / or field trial within the identified themes of unconventional resources and EOR.

ITF's operations director David Liddle explains:

“We have worked closely with our members to develop a cohesive understanding of the specific technology gaps facing the development of unconventional resources and EOR. Both of these high level topics have already been identified as significant technology challenges for our members and the wider oil and gas community because of their impact on the productivity of existing fields.



David Liddle, Operations Director

“Key technology drivers identified centre on the desire to produce fields in a more cost effective and efficient manner. Unconventional gas resources such as tight gas, shale gas and coal bed methane represent a vast, yet under

developed global resource that requires increased exploitation by the industry. Innovative technology that can make these fields accessible, productive and cost effective is therefore critical.

“Using EOR, 30-60% or more of the reservoir’s original oil can be extracted, compared with 20-40% using primary and secondary methods. Delivering new and improved methods of oil recovery through innovative technology must and will play a key role in future energy supply.

“The expectation is that advances and improvements in technologies within these specific areas will ensure growth and cost effectiveness of these sectors in the future.” He said.

Working on behalf of its member companies, ITF is calling for proposals to broadly tackle the six specific technology areas within each of these calls.

For tight gas, shale gas and coal bed methane the challenges have been identified as follows:

- ***Well Design/Drilling Efficiency***
- ***Improved Stimulation***
- ***Sweet Spots***
- ***Reservoir Modelling & Simulation***
- ***Reservoir Analysis***
- ***Recovery Mechanisms (Understand Production Mechanisms)***

For EOR the specific technology requirements have been identified as:

- ***Chemical EOR***
- ***Miscible and immiscible Gas Injection***
- ***Thermal recovery (including In-situ Combustion)***
- ***Microbial EOR***
- ***Modelling***
- ***Others to include: big picture modelling, augmented water flooding, cross fertilisation, non-thermal heavy oil EOR, well density and location, combined EOR, and EOR tolerant kit.***

Although this information highlights the key elements identified in both calls, ITF allows for innovation and flexibility in interpreting the most appropriate technical solutions to resolve these challenges.

Mr Liddle added: “Conventional methods of technology are being increasingly challenged across the entire spectrum of the oil and gas industry as the community strives to maintain operational efficiency and cost effective productivity in newly developed fields such as those that hold unconventional resources. The industry’s needs surrounding EOR are also complex and multifaceted however we are certain that increased hydrocarbon recovery will be obtained through continued development of creative technology.”

ITF is inviting proposals from any organization including SME's, academia, research institutions, large organizations, consortiums or alliances. Proposals may be submitted by a national or international organization, and equal opportunities will be extended to all those submitting proposals. Full details of the call can be found on ITF's website, where developers can also register their interest, www.oil-itf.com. The closing date for applications is July 5, 2010.

ENDS

Notes to Editors:

Owned by 23 major operator and service companies, ITF is a not for profit organisation with access to funds to develop new technology from its members. ITF has an impressive track record in delivering finance to help develop new initiatives for oil and gas technologies from early stage joint industry projects (JIPs) through to field trials and commercialisation. Since 1999, ITF has supported over 150 projects and secured funding in excess of £46 million. ITF's key objectives are to identify technology needs, foster innovation and facilitate the development and implementation of new technologies into the global oil and gas sector.