



PACIFIC ENERGY

Eureka Return to Production – Nine Years Later



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BETA Project

- ❑ Located 10 miles of the Coast of Long Beach
- ❑ Exploratory wells, core holes, & seismic
- ❑ Leased in the 1976
- ❑ BETA Unit Formed in 1983
- ❑ 4 Platforms in up to 720' of water
- ❑ Southern Most California Offshore Production

BETA History

- Drilling and Production Started in 1980's
- Over 600 Million Barrels of Oil In Place
- Cumulative Production to Date < 90 MMBO
 - Less Than 15% of OOIP
 - Platform Eureka Shut-in June 5, 1999
- 11-1-06 Pacific Energy Purchase From Aera
- 3-6-07 Pacific Energy Takeover of Operations

BETA Operations



Platform Ellen
80 Well Slots
17 Empty

Platform Elly
Processing

Platform Eureka
60 Well Slots
10 Empty



EUREKA RTP

- Short Term
 - Utilize Existing 10” and 6” Lines for Limited Production
 - On Production late 1st Quarter 2008
 - Limited production of 1,000 to 2,000 bopd for 1 year
 - No Water Injection
- Intermediate Term
 - Sleeve 12” Line
 - Add Production 1st Quarter 2009
 - Increase production up to 4,000 bopd
 - Implement Water Injection
- Long Term
 - Permit and Lay New Eureka Lines
 - Get Full Eureka Production of 5,000 bopd
 - Ability to increase production through development drilling of PUD’s



BETA Projects

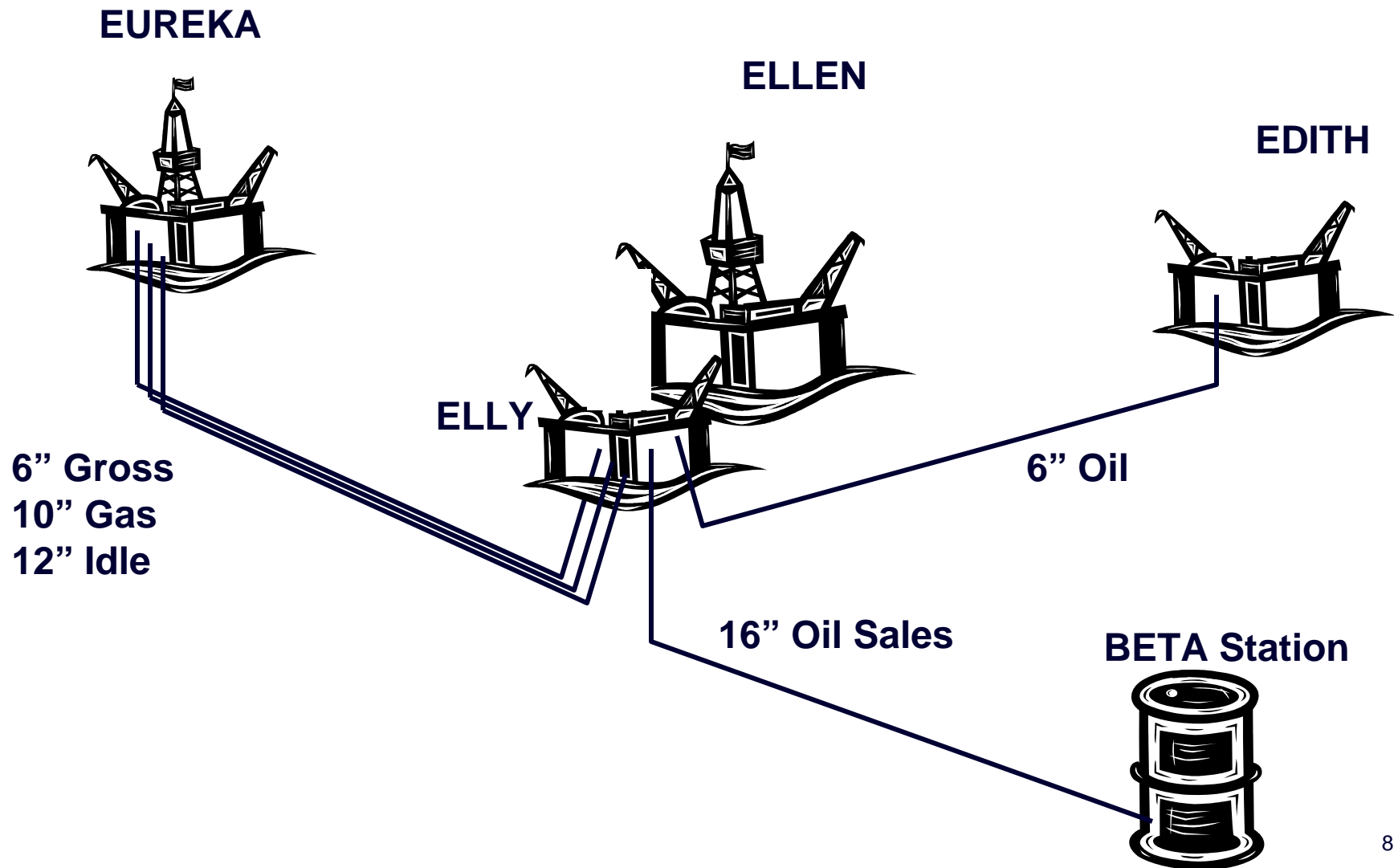
- ❑ September 07 - 16” Oil Pipeline Inspection
- ❑ October 07 - Transformer Repairs
- ❑ January 08 - 6” & 10” Intra-Field Lines Inspected
- ❑ February 08 - Facility Improvements
- ❑ April 14, 2008 - Eureka Production Start-up
- ❑ To Date – Over 130,000 Bbls Oil Production



BETA Pipelines

- September 07 - 16” Oil Pipeline Inspection
 - July 07 Failed UT Inspection
 - September 07 Successful UT Inspection
 - September 07 Failed MFL Inspection
 - October 07 Successful MFL Inspection
- January 08 - 6” & 10” Intra-Field Lines Inspected
 - Successful 6” MFL Inspection
 - Successful 10” UT Inspection

BETA Pipelines





BETA Projects

- October 07 - Transformer Repairs
 - Main Transformer Short
 - Multiple Secondary Transformer Shorts
- February 08 - Facility Improvements
 - Eureka Fitness for Use
 - Elly Preparation for Additional Fluids



Eureka Fitness For Use

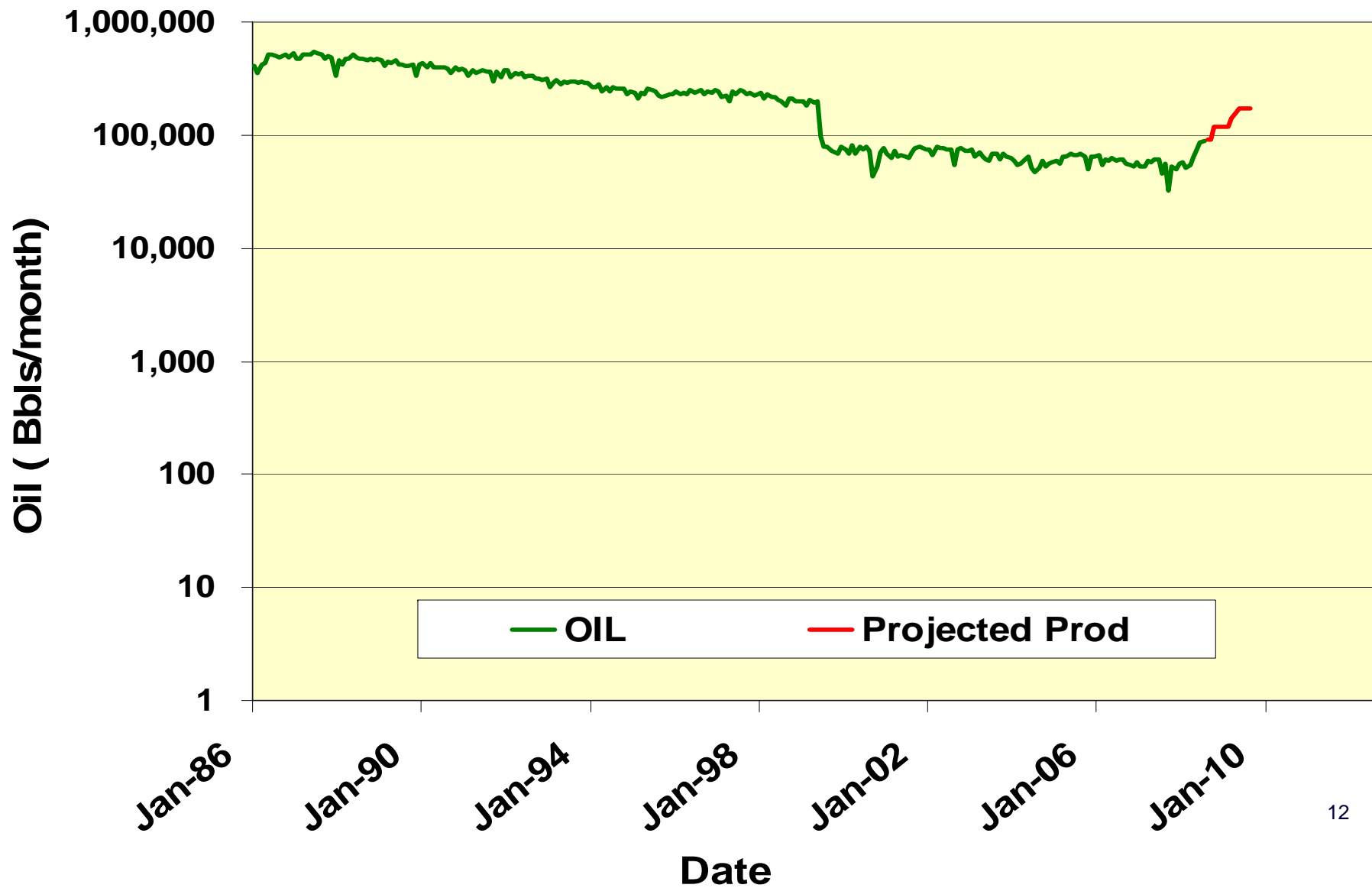
- Process Hazard Analysis
- Updated P&ID's
- Topside Inspection
- UT Inspections of Critical Piping
- Hydrotesting
- Piping & Equipment Replacement
- Corrosion Monitoring



BETA Production

- April 14, 2008 - Eureka Production Start-up
 - Goal was March 31, 2008
 - 8 weeks short of 9 years
- To Date – Over 130,000 Bbls Oil Production
 - 6 wells on production
 - Averaging just under 1,000 bopd
- Preparations to Start Additional Wells

BETA Production





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Thank You

Questions

