Advanced Resources International
QUARTERLY UPDATE

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George Koperna presented an update on the Mississippi Carbon Sequestration Testing Project discussed in the previous section of this newsletter.

The Pump Canyon Pilot in the San Juan Basin is one of many under the DOE's Regional CO2 Partnership programs. ARI is serving as site manager for this pilot project.

The U.S. DOE is sponsoring the Southeast Regional Partnership's field test at Mississippi's Power Plant Daniel, involving Southern Co., EPRI and ARI. To date, the project has drilled two deep wells, one CO2 injection and one monitor well, mass injected over a six-month period. 20,000 tons of CO2 will be injected over a six-month period into the Fruitland coals of the San Juan Basin beginning in June, 2008. A description of the site can be found at: www.advres.com/Coal-Seq/PumpCanyon.html

ARI attended the 9th International Conference on Greenhouse Gas Technologies (GHGT-9) in Pittsburgh, PA, May 5-8, 2008. Scott Reeves gave a presentation detailing the results and status of the Coal-Seq Consortium, which includes past and present phases. ARI is currently deploying new components in the current phase to improve our understanding of CO2 sequestration and recovery. Phase III of the consortium is scheduled for late 2008. Some topics identified for investigation include further model development related to multi-component equations-of-state, sorption and diffusion behavior, inclusion of shale gas reservoirs and many others.

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To submit expressions of interest contact Scott Reeves at sreeves@advres.com or for more information view: www.advres.com/Coal-Seq/PumpCanyon.html

Regionally based, ARI provides technical and business support to the unconventional gas industry. The company's services focus on conventional and non-conventional reservoir engineering, business and policy analysis and advice on a global basis related to unconventional gas resources, enhanced oil recovery and geologic carbon sequestration. Our services start with Phase 0 (feasibility) and continue through advanced engineering design, field testing and implementation, and include contractual, legal, and commercial advice.

For additional information, please visit our website at www.advres.com or contact one of our offices:

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