



Well Enhancement Services, LLC

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Startup aims to feast on the scraps

Junior company hears opportunity knock from some of Alberta's oldest oil fields

By PATRICK BRETHOUR

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CALGARY -- Troy Bilon is looking to get rich on leftovers.

The 32-year-old Calgary geologist is eyeing the supposedly passé part of Alberta's oil patch, conventional oil wells whose production has been in decline since the year he was born. But he is hoping that new technology, and the new era of higher energy prices, spell new opportunity for those who are willing to take up the slack left as the industry's biggest players head abroad or north to the oil sands. "They're leaving this wedge for smaller companies like us to come in and play that role," says Mr. Bilon, president of Core Exploration Ltd. -- which has just one other employee at the moment.

Mr. Bilon is starting small, no doubt, but he has big plans. He says he is examining three properties in west-central and central Alberta, looking to see which ones have the most potential for enhanced oil recovery techniques, including the flooding of reservoirs with carbon dioxide.

Much depends on whether there is a substantial supply of carbon dioxide.

Mr. Bilon is all too aware of that fact, and of the irony that the Kyoto Protocol may be one of his biggest allies in pushing the wider industry to capture and then sell its output of greenhouse gases.

Billions of barrels could be extracted from some of Alberta's oldest oil fields using that technology, although in many cases the amount from any particular well is relatively small. And that is the foundation of Mr. Bilon's plans for Core Exploration.

Where the major companies may sneer to tread, Core will happily go, since a few thousand or even a few hundred barrels of production will make a huge difference to a junior company with no output at all right now.

"I think the big guys are too big to care," he says.

Within five years, Mr. Bilon hopes that Core will be pumping out oil "that's already there" and will have become the only publicly traded junior entirely focused on enhanced oil recovery. In short, Core will have grown fat feasting on leftovers.