

the verge

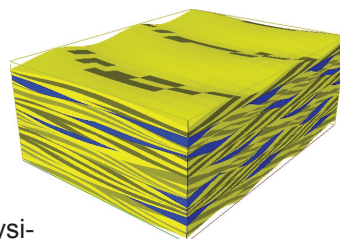
March 2006

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Geomodeling Releases Multi-phase Upscaling in SBED 2005 Version 4 Software

Geomodeling has included Multi-Phase Upscaling in its feature set of SBED software. SBED is the only commercial software for modeling the small-scale geological heterogeneity that impacts large-scale reservoir performance.



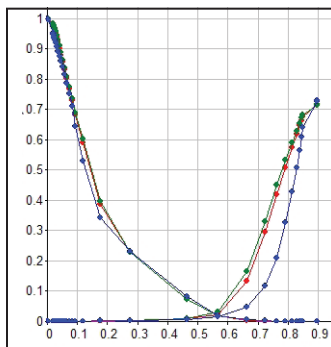
Model of cross bedding.

Multi-Phase Upscaling allows the fundamentals of physical composition on one level to be encapsulated on a larger level. Conventional reservoir modeling technologies extrapolate relative permeability curves measured from core plugs to full-field reservoir model, without considering the impact of small-scale geological details. Understanding all of the processes involved in fluid flow through sedimentary rocks is key to understanding contaminant migration and petroleum production.

By using multi-phase upscaling data, reservoir engineers can improve their history matching and reserve forecasting by designing better development plans. This will contribute to improving oil and gas recovery. Geomodeling's SBED software enables the user to model the small-scale bedding structures that impact fluid distribution. Integration of these small-scale effects into large-scale reservoir models decreases the uncertainty in reservoir predictions.

Other new features included in this release are:

- Default saturation functions
- Project template to manage saturation functions
- Preview and edit saturation curves
- Linear flow boundary condition
- Periodic flow boundary condition
- Fixed boundary condition
- Multi-phase upscaling with capillary limit, capillary-gravity effect limit and viscosity limit
- Toolbar icons in workspace manager and 3D view window
- Launch release notes via menu command
- Multi-thread upscaling capability
- Assign submodel X, Y, Z display coordinates
- Moving windows upscaling for irregular porosity/permeability grids



Graph of Effective Relative Permeability versus Water Saturation.

Upcoming Events

12th Annual 3-D Seismic Symposium March 10, 2006

Presented by the Denver Geophysical Society & Rocky Mountain Association of Geologists in the Marriott Hotel Downtown Denver, Colorado, USA.

Geomodeling will be exhibiting and attending this exciting one day event in which we highlight the capacity of our VisualVoxAt seismic interpretation software. The day will include your chance to be crowned the Top Gun, by using VisualVoxAt software to pick horizons the fastest. We look forward to meeting you in Denver.

IFP International Conference: Quantitative Methods for Reservoir Characterization April 3-5, 2006

Rueil-Malmaison, France

The "Quantitative Methods for Reservoir Characterization" international conference will be held at IFP, in Rueil-Malmaison (near Paris, France) from April 3rd to 5th, 2006, sponsored by the French Academy of Sciences.

As quantifying reservoir holdings is still a major challenge for geophysicists and reservoir engineers, this conference will address this topic and try to uncover strategies for dealing with this issue.

Upcoming Events cont. on pg. 2 ...

Availability

Geomodeling's SBED 2005 Version 4 software with Multi-phase Upscaling is available today. Please contact your local Geomodeling representative via the Geomodeling website at www.geomodeling.com or by email at info@geomodeling.com.



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Upcoming Events continued

Geomodeling's CEO, Renjun Wen will present a poster presentation entitled 'Small-Scale Earth Modeling: Bridging The Missing Scales In Subsurface Data'. You can review the abstract at

http://www.geomodeling.com/news/files/2006_Wen_IFP_SmallScaleEarthModeling.htm

**AAPG Annual Convention 2006
April 9-12, 2006
George R. Brown Convention Center
Houston, Texas, USA**

It's time again for the AAPG Annual Convention, being held in Houston this year. Geomodeling will be exhibiting in booth 1843 as well as delivering a presentation, presented by Renjun Wen, Geomodeling's CEO and Shell's Mark Barton. The presentation is entitled: 'Computer Modeling of Internal Architecture in Deep Water Reservoirs: A Quantitative Method to Estimate Connectivity and Performance'. You can read their abstract at

http://www.geomodeling.com/news/files/2006_Wen_Barton_AAPG_ComputerModeling_DeepWaterReservoirs.htm

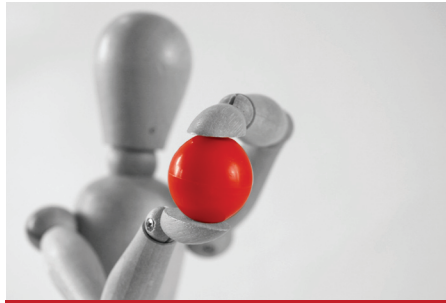
We look forward to seeing you in Houston.

Geomodeling Software Solutions

SBED – The only technology for geological heterogeneity modeling and upscaling the fine-scale sedimentary details that impact large-scale reservoir performance.

SBEDStudio – An advanced reservoir modeling, simulation and evaluation software solution that integrates stratigraphic, lithofacies and petrophysical data build geologically realistic models for reservoir evaluation.

VisualVoxAt – This integrated, Windows-based seismic interpretation system enhances reservoir knowledge through integrated neural networking, strata-visualization and quantitative analysis workflows.



sign up today!

To find out more about training in your area, contact your local sales rep at www.geomodeling.com or by email at info@geomodeling.com.

Training Courses

The new year launched Geomodeling's New Training Schedule. Geared for new users and existing users, these sessions will guide trainees through many relevant topics in VisualVoxAt and SBED software. Through interactive demonstrations and practical exercises, you will learn how to manage, model and visualize data for more accurate readings of your reservoir's potential.

The courses cover such topics ranging from data loading and introductory courses to seismic facies classification, spectral decomposition and modeling and advanced upscaling. We are prepared to work to your needs in delivering the best in presentation training and advancement techniques.

Upcoming Training Courses - Calgary, Alberta

Introduction to VisualVoxAt: Workflows for Productive Visualization and Interpretation

VisualVoxAt: Seismic Facies Classification

VisualVoxAt: Spectral Decomposition

VisualVoxAt: Cross-Plotting

Please check our website for schedule.

Did you KNOW....

Getting down to the nitty griddy.....

Upscaling results from regular and irregular grids must be different. Generating regular grids was done for (pre)historic reasons as algorithms were not available to run flow-based upscaling for irregular grids. Geomodeling has developed algorithms to do flow-based upscaling in irregular grids and therefore, provides accurate information directly from your irregular grid. SBED simulates bedding surfaces in an irregular format, which preserves original heterogeneity features of your data.



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