



ly headlines surrounded the company's position in the Palo Duro Basin of West Texas, which offers Barnett Shale-like possibilities in a previously underexplored region. The Canadian firm boosted its Palo Duro holdings dramatically in 2006 after acquiring the U.S. assets of Vintage Petroleum, which in turn, had been purchased by Occidental Petroleum. The transaction added 275,000 acres, bringing Bankers' position in the Palo Duro to 550,000 acres while providing additional holdings in the Trenton-Black River play in New York and entry into Oklahoma's rapidly unfolding Woodford Shale play, he reports.

Unconventional plays involve long lead times of testing, intensive study, and adaptation. Wadsworth says Bankers is deep into the science side of the equation in its U.S. shale holdings. "After delays in obtaining a rig, we are now testing the results of a second fracture stimulation in the Bend Shale member of the Palo Duro Basin in our Misener No. 1 well, and isolating and testing individual zones in the Cogdell No. 1-1 well," he updates.

The business results are encouraging, he adds. During the third quarter 2006, Bankers reported revenues of \$9.2 million, including cash flow of \$3 million—an increase of 149 percent over the same period in 2005 and a 24 percent sequential gain versus the second quarter.

## Albanian Oil Project

A major component in its business strategy involves cash flow from the company's license in the Patos-Marinza oil field in Albania, where Canadian experience in oil sands extraction has increased production from 1,793 barrels of oil a day one year ago to 4,000 bbl/d. Wadsworth explains that Bankers origins are tied to Patos-Marinza, which originally was a joint venture between the Albanian government and British company, Premier Oil. Wadsworth headed the Premier team in Albania. When Premier opted to focus on a gas play in Southeast Asia, Wadsworth, a petroleum engineer by training, says he approached investors in Canada to pick up the concession.

Bankers Petroleum subsequently originated as the June 2004 reverse takeover of Canadian mining company Goldpark China Ltd. "The Albanian project was rolled into Bankers Petroleum, and the company entered existence cash flow-

positive with production of 600 bbl/d," Wadsworth recalls.

The new firm applied techniques developed in Canada's heavy oil sands to the Albanian field, which has provided a cash-generating foundation. Wadsworth says the company's technical team is pursuing a pilot project involving enhanced oil recovery to boost yield above the cur-

rent techniques estimated to capture 12 percent of oil in place. Additional opportunities reside in the potential privatization of the Albanian refinery industry, he notes, which offers possibilities for a vertically integrated company in a country that has a 2 billion barrel resource.

In the United States, Wadsworth says Bankers relies on technology and al-



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