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## Nevtah Capital Management Widens Its Role In Low Cost Energy To Encompass Oil Sands And Hydro Power

By Charles Wyatt

**Nevtah Capital Management is not a name that gives anything away about the operations of the company, but Nevtah in fact qualifies for inclusion simultaneously on two of our sister sites, Minesite.com and Poweralternatives.com. On Minesite, because mining is the only way to get at the oil sands, and on Poweralternatives because oil sands are a source of energy that will reduce US dependence on overseas supplies.**

We last wrote about Nevtah last summer, just after a report entitled "Secure Fuels From Domestic Resources, The Continuing Evolution of America's Oil Shale & Tar Sands Industries" was published under the combined auspices of the US Department of Energy, the Office of Petroleum Reserves, and the Office of Naval Petroleum and Oil Shale Reserves. This report left no doubt about the political support for this type of power alternative and since then the rising price of oil has made the exploitation of oil sands even more attractive.

What Nevtah and its partner Black Sands have developed is the 'Closed Loop Mobile Extraction Unit' which extracts oil from oil sands very efficiently, in terms of both production and the environment. Not only that, but the partners have focused on Utah, which contains around one-third of the total resources of oil sands in the USA. The terms oil sands and tar sands are interchangeable, as the material is a naturally occurring mixture of sand or clay, water, and extra heavy crude oil or bitumen. The clue as to preference here is in Nevtah's website, the address of which is [Nevtahoilsands.com](http://Nevtahoilsands.com).

After the oil sands are mined by open pit, the oil is dissolved out by heating in an enclosed chamber. The oil-free sand is then desolventized with heat, which converts the liquid solvent to a gas 250 times less dense than the liquid. This phase change ensures a high solvent recovery. The solvent oil mixture is pumped into a critical unit which allows the removal of asphalt and oil selectively from the solvent through heating and cooling. The oil-depleted solvent is returned to dissolve additional oil sand.

The process is economical, gentle and efficient, and processing temperatures are kept extremely low. Over 99 per cent of the solvent is recycled, hence the Closed-Loop description. Most of the heat used is also recyclable, and since the process does not use water to recover the oil, much less energy is required. With near-zero solvent loss, minimal greenhouse gas production, and the ability to return the cleaned-up sand to the environment, thereby leaving the eco-system in better than its original condition, this technology would appear to meet the requirements of even the most ambitious environmentalist. What's more, the technology works in locations that lack significant water resources, and works efficiently on a wide range of host oil and sediment types.

In January of this year Nevtah received an independent engineering report which it had requested at the behest of several potential joint venture partners with oil tar leases. The engineer saw the mobile extraction unit in action and examined recent improvements in system design. The conclusion was that, "the system appears to be effective in removing hydrocarbons from a variety of soils with a recovery rate of over 98.5 per cent. It is also able to retain and re-cycle more than 99 per cent of the solvent which is hexane."

Chief executive Daniel Kesonon points out that he also gave the go-ahead for scaling up the system towards commercial production, as this entails increasing the bore of the pipes and introducing computer sensing of flows. Thus Daniel expects the enlarged plant to be producing 200 to 250 barrels of oil a day (bopd) this summer - encouraging at the current price of oil. His target is then to boost production further to 2,000 bopd and thus establish Nevtah and Black Sands as Utah's first commercial oil sands producers.

In the meantime, however, there has been a bit of diversification, stemming from Daniel's involvement with a mining company in Peru. Nevtah is acquiring a private Peruvian power company called Electrocondor which has contracts under its belt to provide stable supplies to several mining exploration companies. Electrocondor has agreed to construct a 17 megawatt hydro electric power plant at a cost of US\$33.2 million, and proposes to develop several more of these 'run-of-river' plants. The price of this acquisition is US\$22 million in Nevtah shares. It certainly widens the company's role as a low cost energy provider. More news on the Peruvian venture will be forthcoming shortly and Daniel is planning to be in London after the summer to tell more about this lively company.