Unconventional Resources Technology Advisory Committee (URTAC)

SEPTEMBER 19, 2013
TWENTY-THIRD MEETING

MEETING MINUTES

UNCONVENTIONAL RESOURCES TECHNOLOGY ADVISORY COMMITTEE 23RD MEETING; SEPTEMBER 19, 2013; WEB MEETING

I hereby certify that this transcript constitutes an accurate record of the Unconventional Resources Technology Advisory Committee meeting held on September 19, 2013.

Elena Melchert

Acting Designated Federal Officer

9-23-13

Date

UNCONVENTIONAL RESOURCES TECHNOLOGY ADVISORY COMMITTEE 23RD MEETING; SEPTEMBER 19, 2013; WEB MEETING

ATTENDEES:

Committee Members

James Dwyer, Acting Chair

Nancy Brown

Wayne Camp

Chris Hall

Robert Kleinberg

Fletcher Lewis

John Martin

Greg Mason

Shahab Mohaghegh

Briana Mordick

Gary Nilson

Ken Oglesby

Don Sparks

RPSEA

Kent Perry, Vice President, Onshore Programs Bob Siegfried, President

U.S. Department of Energy

Elena Melchert,

Acting Designated Federal Officer

Ray Boswell, Technology Manager,

National Energy Technology Laboratory

Gary Covatch, Project Manager,

National Energy Technology Laboratory

Alexandra Hakala, Technical Coordinator,

National Energy Technology Laboratory

Olayinka Ogunsola, Committee Manager

Michelle Rathbun, Meeting Recorder, IBM

Eric Smistad, Technology Manager,

National Energy Technology Laboratory

DISCUSSION:

Committee Business

- The meeting was opened at 1:08 p.m. EST by Elena Melchert, Acting Designated Federal Officer.
- Ms. Melchert took roll call and announced that a quorum was present.
- She then gave opening remarks about DOE's Office of Fossil Energy.

Research Portfolio Presentations

- Mr. Perry presented RPSEA Onshore Program Overview (Attachment 4).
- Dr. Hakala presented EPAct Complementary Program Unconventional Resources (Attachment 5).
- Dr. Boswell presented NETL-SCNGO Oil and Gas R&D Program (Attachment 6).
- Mr. Smistad presented NETL Oil Technology R&D Portfolio (Attachment 7).

Overview of the DRAFT 2014 Annual Plan

- Ms. Melchert explained the contents of the draft plan and the process for URTAC to review the portfolio, discuss general thoughts, and to establish subcommittees (Attachment 3).
- The Committee discussed themes from the research portfolio.

UNCONVENTIONAL RESOURCES TECHNOLOGY ADVISORY COMMITTEE 23RD MEETING; SEPTEMBER 19, 2013; WEB MEETING

Establishment of Subcommittees

- The Committee established four Subcommittees.
 - Policy Subcommittee: Gary Nilson (Chair), Jessica Cavens, James Dwyer, Chris Hall, John Martin, Greg Mason
 - R&D Subcommittee: John Martin (Chair), Nancy Brown, James Dwyer, John Harju, Fletcher Lewis, Shahab Mohaghegh, Don Sparks
 - Technology Transfer Subcommittee: Chris Hall (Chair), James Dwyer, Fletcher Lewis, Greg Mason, Gary Nilson
 - Environment Subcommittee: Briana Mordick (Chair), Nancy Brown, Wayne Camp, Robert Kleinberg
- Ms. Melchert reviewed the process and next steps.
- There were no public comments.
- Acting URTAC Chair, Mr. Dwyer, moved for adjournment and the meeting was adjourned at 3:58 p.m.

ATTACHMENTS:

| Number | Description | | |
|--|--|--|--|
| Attachment 1 Delegation of Acting Designated Federal Officer | | | |
| Attachment 2 | Meeting Agenda | | |
| Attachment 3 | URTAC Overview | | |
| Attachment 4 | RPSEA Onshore Program Overview | | |
| Attachment 5 | EPAct Complementary Program Unconventional Resources | | |
| Attachment 6 | NETL-SCNGO Oil and Gas R&D Program | | |
| Attachment 7 | NETL Oil Technology R&D Portolio | | |



Department of Energy Washington, DC 20585

MEMORANDUM FOR FILE

TO:

UNCONVENTIONAL RESOURCES TECHNOLOGY ADVISORY

COMMITTEE

FROM:

GUIDO DEHORATIIS

DESIGNATED FEDERAL OFFICER

UNCONVENTIONAL RESOURCES TECHNOLOGY ADVISORY

COMMITTEE

SUBJECT: Acting Designated Federal Officer

I hereby designate Elena Melchert, Division Director, Oil and Gas Safety and Environmental Sustainability, to serve as the Acting Designated Federal Officer for all remaining meetings of the Unconventional Resources Technology Advisory Committee.



Department of Energy Washington, DC 20585

$23^{rd}\ Meeting\ of\ the\ Unconventional\ Resources\ Technology\ Advisory\ Committee$ Thursday, September 19, 2013

Online Meeting: https://usdoe.webex.com/usdoe/mc

Meeting Number: 997 437 247 Meeting Password: password

Call-in toll-free number: 1-888-426-6840

Access code: 1837498

Agenda

| 12:45 pm | Registration Member Login; Speaker Login |
|----------|---|
| 1:00 | Call to Order, Member Roll Call, Welcome Administrative topics |
| | Opening Remarks by the Designated Federal Officer |
| 1:15 | Overview of the Oil and Gas Research Program -DOE-RPSEA portfolio -NETL portfolioSection 999 Unconventional ResearchDOE Unconventional Oil and Gas Research |
| 2:45 | Overview of the DRAFT 2014 Annual Plan |
| 3:45 | Establishment of ad hoc Review Subcommittees and Chairs |
| 4:45 | Public Comments, if any Next Steps |
| 5:00 pm | Adjourn |

Approved:

Elena Melchert

Acting Designated Federal Officer









Unconventional Resources Technology Advisory Committee

Elena Melchert

Acting Designated Federal Officer
Ultra-Deepwater Advisory Committee
September 19, 2013



2014 Annual Plan Review Process

- September 19, 2013; Web Meeting
 - Overview of DOE Research Program
 - Establish subcommittees
- October 10, 2013; Web Meeting
 - Subcommittees present their reports to URTAC
 - URTAC develops final findings and recommendations on the 2014 Annual Plan
 - Chair appoints Editing Subcommittee to develop URTAC's written report
 - Editing Subcommittee may not change the letter or spirit of the URTAC findings or recommendations
 - Editing Subcommittee begins meeting immediately after the URTAC meeting adjourns



2014 Annual Plan Review Process

- Conference Call Meeting on November TBD
 - URTAC meets via conference call to vote on the Editing Subcommittee report
 - Chair delivers the URTAC final recommendations to the Secretary of Energy via the Designated Federal Officer (DFO)



Next Steps

- September 19, 2013: Begin review
- October 10, 2013: Deliberate on recommendations
- November TBD: Vote on Editing Subcommittee report





RPSEA Onshore Program Overview and Research Highlights

Kent F. Perry

WebEx Meeting Thursday, September 19, 2013

rpsea.org

Mission & Goals

- Small Producer Mission & Goals
 - Increase supply from mature resources
 - Reduce cost
 - Increase efficiency
 - Improve safety
 - Minimize environmental impact

Unconventional Gas Mission & Goal

- Economically viable technologies to allow <u>environmentally acceptable</u> development of unconventional gas resources
 - Gas Shales
 - Tight Sands
 - Coalbed Methane



Environmental Issues

- > Hydraulic Fracturing
- Land Use
- > Air Emissions
- > Water Usage
- > Water Quality
- > Traffic
- > Road Damage
- Noise
- > Wildlife
- Image Deficit



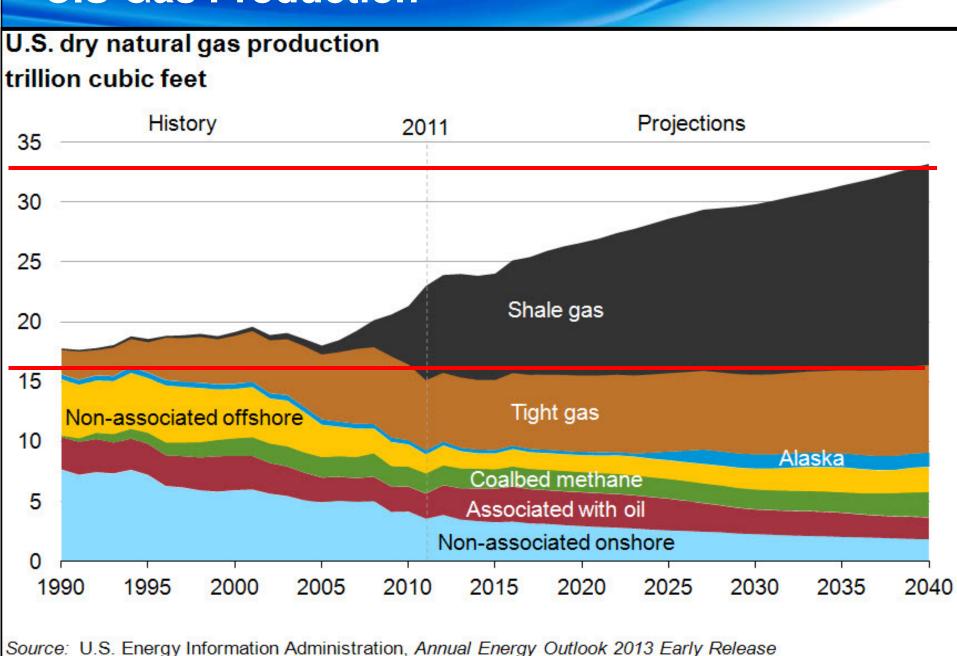








U.S Gas Production



Onshore Projects

Unconventional Resources

60 Projects 27 Completed

Small Producers

30 Projects
11 Completed



Attachment 4

| | | Attachinent 4 |
|---------------------------------------|--|--|
| | Gas Shales | Tight Sands |
| Integrated Basin Analysis | New Albany (GTI) \$3.4 Marcellus (GTI) \$3.2 Mancos (UTGS) \$1.1 Technology Integration (HARC) \$6.0 | Piceance (CSM) \$2.9 Piceance Permeability Prediction (CSM) \$0.5 |
| Stimulation and Completion | Cutters (Carter) \$.09 Frac (UT Austin) \$.69 Refrac (UT Austin) \$.95 Frac Cond (TEES) \$1.6 Stimulation Domains (Higgs-Palmer) \$0.39 Fault Reactiviation (WVU) \$0.85 Cryogenic Frac Fluids(CSM) \$1.9 Geomechanical Frac Containment Analysis (TAMU) \$0.65 Frac Diagnostics (TAMU) \$0.76 Conductivity of Complex Fracturing in Unconventional Shale Reservoirs(TAMU) \$.88 | Gel Damage (TEES) \$1.05 Frac Damage (Tulsa) \$.22 Foam Flow (Tulsa) \$0.57 Petrophysics and Tight Rock Characterization for the Application of Improved Stimulation and Production Technology in Shale (OSU) \$1. |
| Reservoir Description & Management | Advanced Hydraulic Fracturing (GTI)\$6.2 Hi Res. Imag. (LBNL) \$1.1 Gas Isotope (Caltech) \$1.2 Marcellus Nat. Frac./Stress (BEG) \$1.0 Frac-Matrix Interaction (UT-Arl) \$0.46 Marcellus Geomechanics (PSU) \$3.1 | Tight Gas Exp. System (LBNL \$1.7 Strat. Controls on Perm. (CSM \$0.1 Fluid Flow in Tight Fms. (MUST) \$1.2 |
| Reservoir Engineering | Decision Model (TEES) \$.31 Coupled Analysis (LBNL) \$2.9 Shale Simulation (OU) \$1.05 | Wamsutter (Tulsa) \$.44 Forecasting (Utah) \$1.1 Condensate (Stanford) \$.52 |
| Exploration Technologies | | |
| Drilling | Drilling Fluids for Shale (UT Austin) \$0.6 | |
| 2007 Projects; | 2008 Projects; 2009 Projects; 2010 Pro | jects; 2011 Projects |

| Water Management | Barnett & Appalachian (GTI) \$2.5 | | |
|---------------------|---|---|-------------------------------|
| Water Mariagement | Integrated Treatment Framework (CSM) \$1.56 | | |
| | NORM Mitigation (GE) \$1.6 | | |
| | Water Handling and Enhanced Productivity from Gas | | |
| | | | |
| | Shales; (USC)\$1.7 | | |
| | Development of GIS-Based Tool for Optimized Fluid | | |
| | Management in Shale Operations(CSU)\$1.1 | | |
| | Advanced Treatment of Shale Gas Frac Water to Produce | | |
| | NPDES Quality Water (SRI)\$1.9 | | Frac Water Reuse (GE) \$1.1 |
| | Cost-Effective Treatment of Flowback and Produced | | Engineered Osmosis |
| | Waters via an Integrated Precipitative Supercritical | | Treatment (CSM) \$1.3 |
| | Process(OhioU)\$1.9 | | Treatment (Gom) \$1.5 |
| | Development of Subsurface Brine Disposal Framework in | | |
| | the Northern Appalachian Basin(Battelle)\$1.9 | | |
| | Development of Plasma Technology for the Management of | | |
| | Frac/Produced Water (Drexel)\$1.5 | | |
| | Advancing a Web-Based Tool for Unconventional Natural | | |
| | Gas Development with Focus on Flowback and Produced | | |
| | Water Characterization, Treatment and Beneficial | | |
| | Use(CSM)\$.28 | | |
| Environmental | Environmentally Friendly Drilling (HARC)* \$2.2 | | |
| | Zonal Isolation (CSI) \$3.0 | | |
| | Understanding and Managing Environmental Roadblocks | | |
| | to Shale Gas Development: An Analysis of Shallow Gas, | | |
| | NORMs, and Trace Metals (UTexas)\$1.3 | | |
| | Reducing the Environmental Impact of Gas Shale | | |
| | Development: Advanced Analytical Methods for Air and | | |
| | Stray Gas Emissions and Produced Brine | | |
| | Characterization(GSI Environmental)\$3.4 | | * |
| | | | |
| | Development of Methods to Prohibit and Remediate Loss | | |
| | of Annular Isolation in Shale Gas Wells: Prevention and | | |
| | Remediation of Sustained Casing Pressure and Other | | |
| | Isolation Breaches(CSI)\$4.0 | | |
| | Relationships between Induced Seismicity and Fluid | | |
| | Injection: Development of Strategies to Manage Fluid | | |
| | Disposal in Shale Hydrocarbon Plays(UTexas)\$.96 | | |
| Resource Assessment | Alabama Shales (AL GS) \$.5 | | Rockies Gas Comp. (CSM) \$.67 |
| | Manning Shales (UT GS) \$.43 | | |
| 2007 Projects; | 2008 Projects; 2009 Projects; 2010 Proj | e | cts; 2011 Projects |

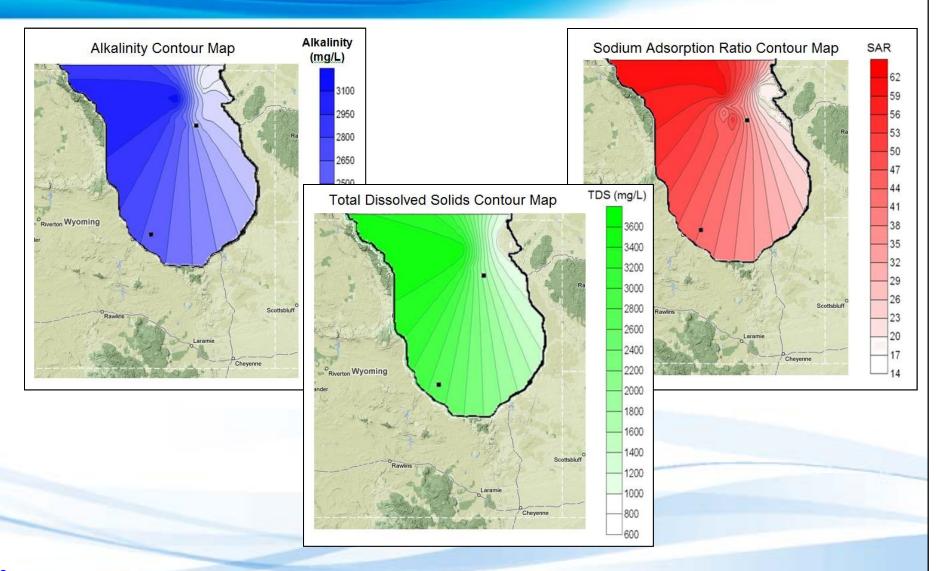
Selected Program Results



Cable Saw for Well Stimulation

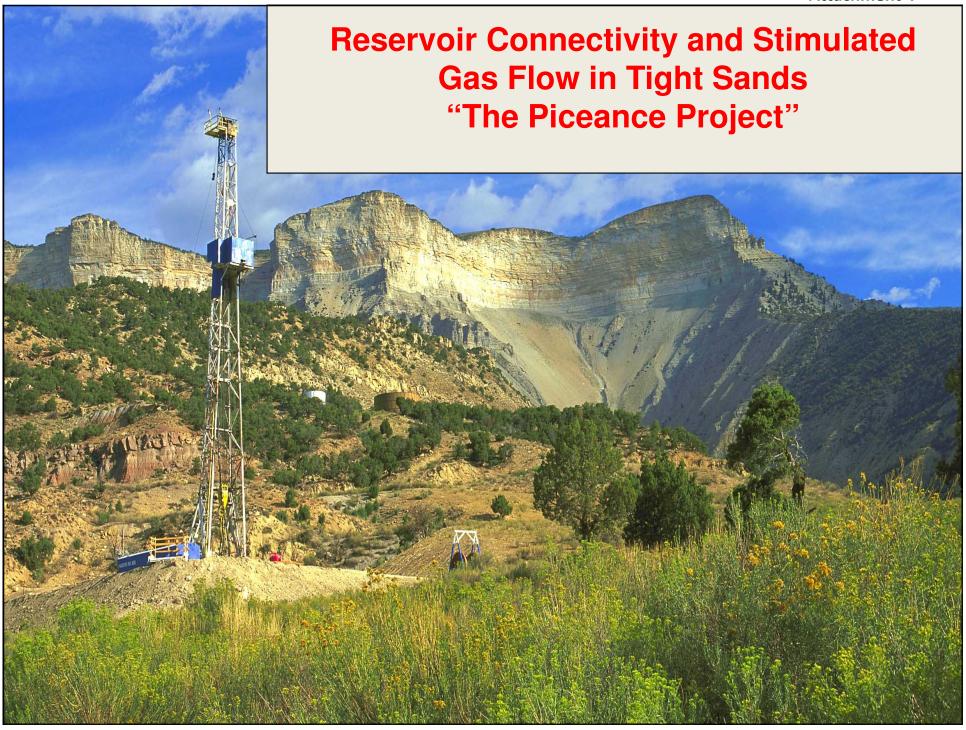


Produced Water Quality: Powder River

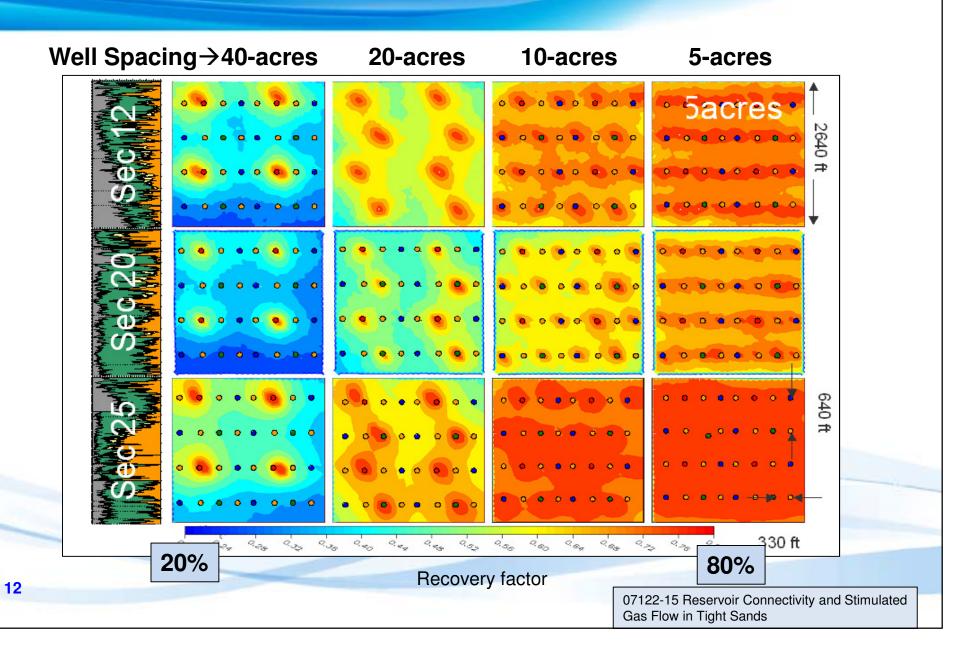


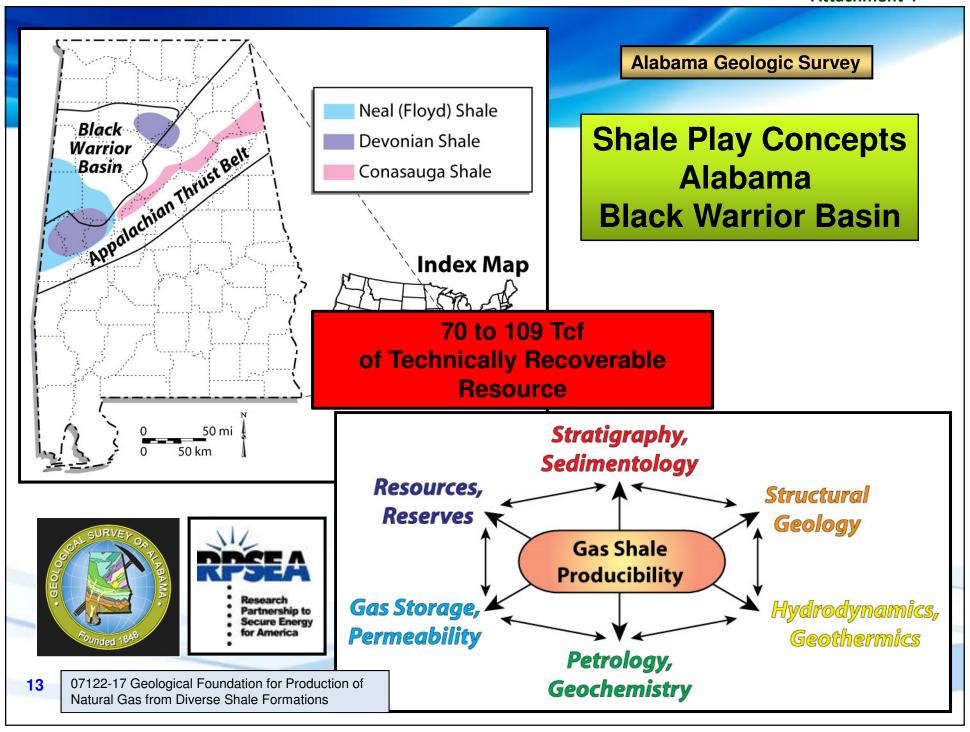
10

07122-12 An Integrated Framework for the Treatment and Management of Produced Water



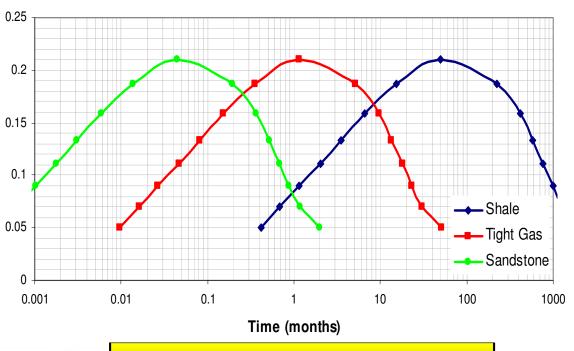
Reservoir Connectivity - Tight Sands





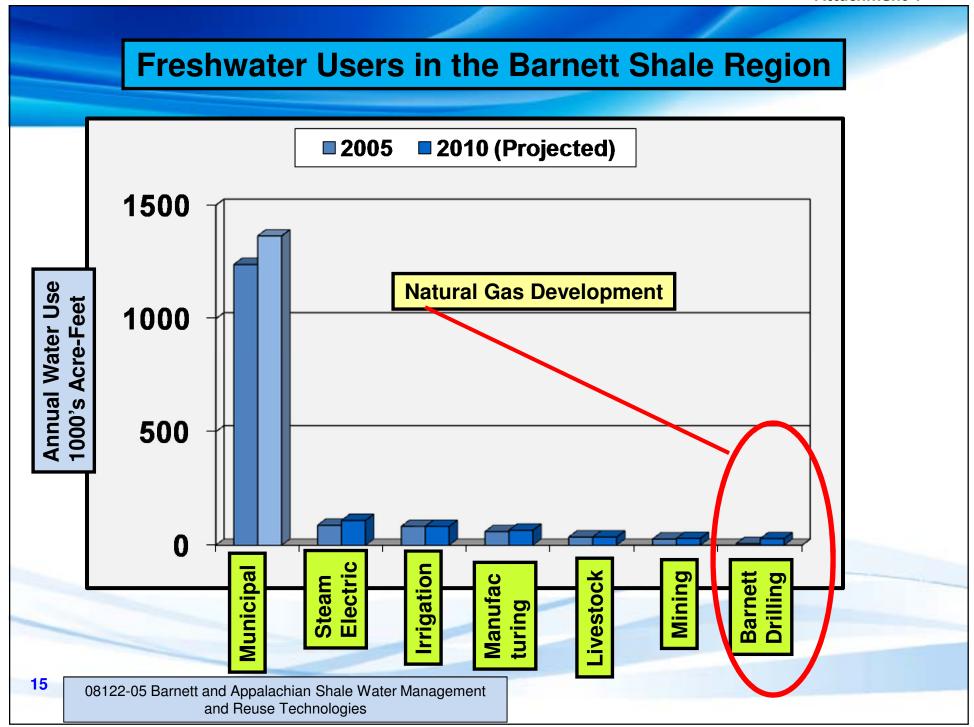
Identification of Refracturing Opportunities

- Methodology for candidate selection based on poroelastic models and analysis of field data.
- Recommendations for the time window most suitable for re-fracturing
- Re-fracture treatment design for horizontal and deviated wellbores



Optimum time for re-fracturing





What Flows Out – Is it a Witch's Brew of Toxins?

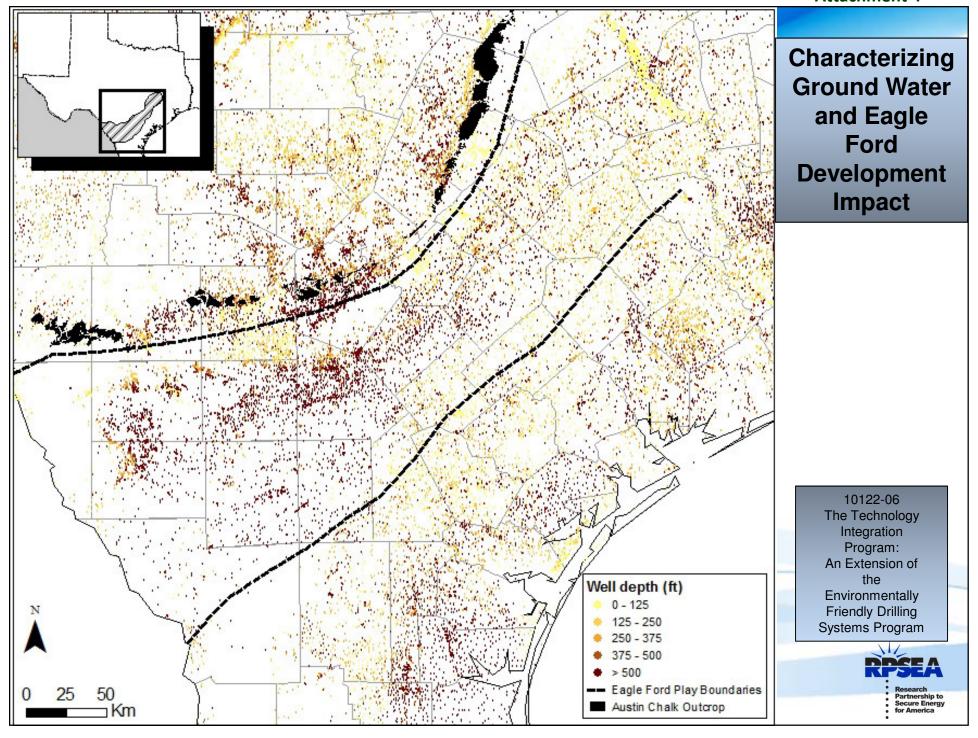
Sampling and Analysis of Flow back Water

- Sampling from 19 Marcellus Locations.
- Includes Chemistry and Analysis of Constituents of Interest.
- Lists of Constituents Provided by USEPA,
 WV-DEP and PA-DEP.
- Over 250 Determinations Performed on Samples.

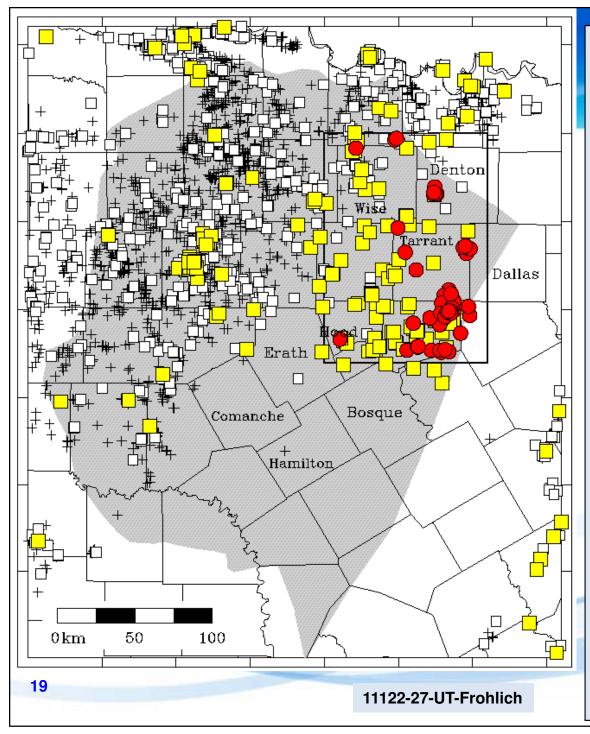


08122-05 Barnett and Appalachian Shale Water Management and Reuse Technologies http://www.rpsea.org/attachments/contentmanagers/5820/08122-05-FR-Barnett_Appalachian_Shale_Water_Management_Reuse-Technologies-03-30-12_P.pdf





Cryogenic Fracturing Fluids Samples After Thermal Shock 5 **Apparatus** 10122-20 Development of Non- Contaminating Cryogenic Fracturing Technology for 18 Shale and Tight Gas Reservoirs



NE Texas Survey

- Red Circles: Seismic Events
- Yellow Squares: High-Volume Wells

Events are near wells... e.g., Johnson County

But many wells/counties have no events... e.g., Parker County Stephens County

Will events occur near highvolume injection wells elsewhere?

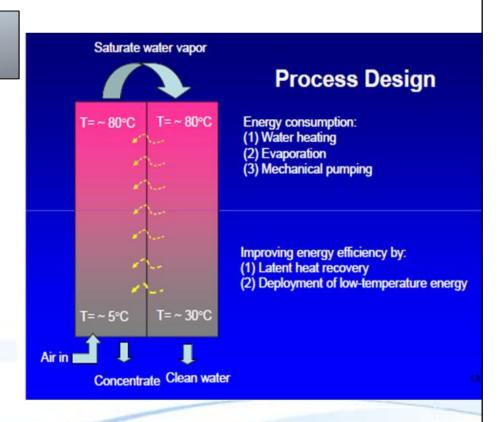
Cost-Effective Treatment of Produced Water Using Co-Produced Energy Sources for Small Producers

Environmental, Safety and Regulatory

Development of distillation for produced water purification at wellhead.

Prototype design capacity 20 bbl/day

Purified produced water is suitable for alternative uses, such as agriculture, irrigation and industrial processing.



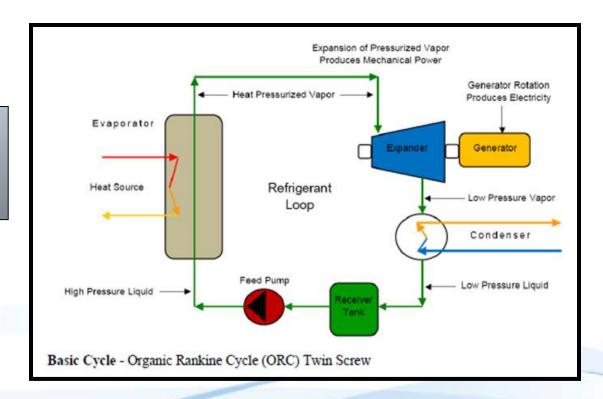
Harvard Petroleum Company

New Mexico Institute of Mining & Technology

Electrical Power Generation from Produced Water

Project Goal: using heat in produced water to create electricity.

Minimize the environmental impact by creating green electricity using produced water and no additional fossil fuel.



Denbury Resources, Inc.,

Seismic Stimulation to Enhance Oil Recovery

Increased Recovery

Test seismic stimulation in EOR

A seismic wave is to "shake the stuck oil loose" and get it flowing again toward a production well.

seismic source EXTRACTION WELL INJECTION WELL flow direction flow cell in the reservoir Before Seismic Wave **During Seismic Wave** oil (light grey) is stuck oil is mobilized and

SandRidge to Field Test

oil bubbles coalesce

2102 Request for Proposals

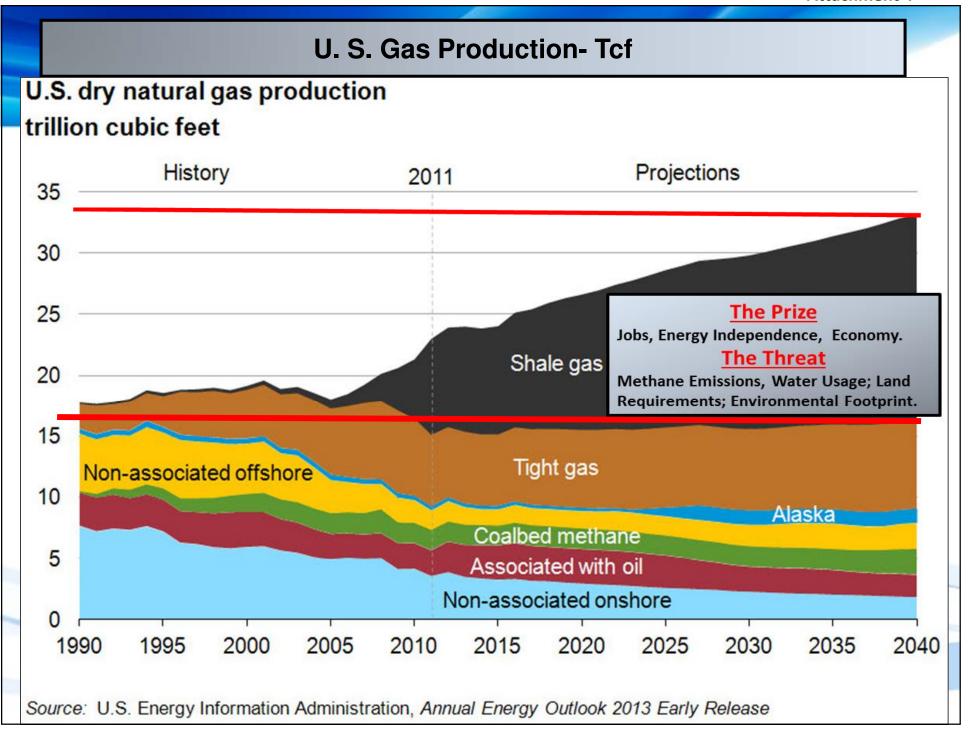
Status



"Specific URTAC Topical Recommendations"

- "Refocus the R&D component of the Subtitle J program to include other unconventional resources such as tight oil, and oil shale."
- "Research should be conducted to improve well construction that ensures long-term wellbore integrity during and beyond the operational life of the well."
- "Pursue research and communication among multiple government agencies and industry that addresses air quality concerns specific to the exploration and production of natural gas from shale deposits and other unconventional resources."





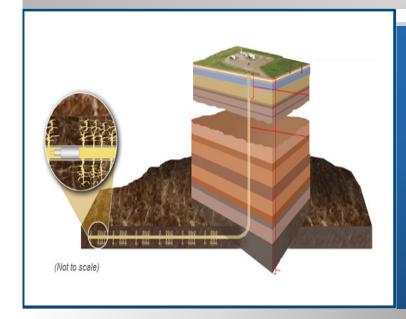


kperry@rpsea.org

281-725-1252







EPAct Complementary Program
Unconventional Resources
Technical Advisory Committee Meeting

Alexandra Hakala

Shale Gas Technical Coordinator, NETL-ORD September 19, 2013





Tech Transfer to Date:



www.edx.netl.doe.gov/ucr

- 31 Conference Presentations
- **7** Published Articles & Reports
 - Additional manuscripts undergoing internal and external peer review
- 2 Datasets released via EDX
- 2 Data-driven tool/app via EDX







NOW UPDATED WITH Q3 PUBS, PRESENTATIONS, TOOLS, ETC



Complementary Program Portfolio – UCR

Fugitive Emission Factors and Air Emissions

- Fugitive Air Emissions Field Data (2011 to present)
- Greenhouse Gas Life Cycle Methane Emission Factor Assessment (2011 to 2012 -- completed)

Produced Water and Waste Management

- Predicting Compositions and Volumes of Produced Water (2011 to present)
- Evaluation of the Geochemical and Microbiological Composition of Shale Gas Produced Water and Solid Wastes (2011 to present)
- Biogeochemical Factors that Affect the Composition of Produced Waters and the Utility of Geochemical Tracer
 Tools (2011 to present)

Subsurface Fluid and Gas Migration

- Integrated Field Monitoring Gas/Fluid Migration (2011 to present)
- Gas Flow from Shallow Gas Formations (2012 to present)
- Approach for Assessing Spatial Trends & Potential Risks with UCR Systems (2011 to present)
- Impacts of Shale Gas Development on Shallow Groundwater (2012 to present)
- Subsurface Gas and Fluid Migration Assessment (2011 to 2012 -- completed)
- Develop a Suite of Naturally Occurring Geochemical Tracer Tools that Verify the Sources of Fluids in Complex Geologic Systems (2011 to 2012 -- completed)

Predicting Fracture Growth and Ground Motion

- Fracture Propagation and Ground Motion Related to Unconventional Oil and Gas Development (2011 to present)
- Integrated Field Monitoring Microseismic (2011 to present)
- Geophysical and Geomechanical Factors that Affect Subsurface Fluid and Gas Migration (2011 to 2012 completed)





Complementary Program FY13 Portfolio Unconventional Resources (UCR)

Fugitive Emission Factors and Air Emissions

Fugitive Air Emissions Field Data

Produced Water and Waste Management

- Predicting Compositions and Volumes of Produced Water
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- Integrated Field Monitoring Microseismic





Fugitive Air Emissions Field Data

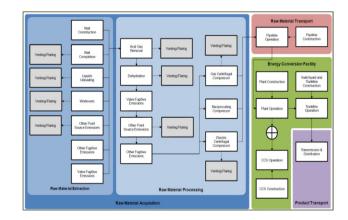
Ambient and point-source monitoring of methane and other emissions

Use of gas-phase isotope tracers and atmospheric dispersion modeling to pinpoint emissions source (new)

Inputs for emission factors used in greenhouse gas life cycle analyses



Field Measurements with the NETL ambient air quality trailer, and application of the acetylene tracer point source technique



Data processing to provide values in formats useful for LCA calculations





Complementary Program FY13 Portfolio Unconventional Resources (UCR)

Fugitive Emission Factors and Air Emissions

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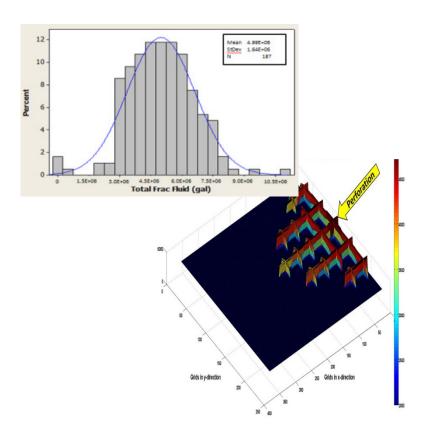
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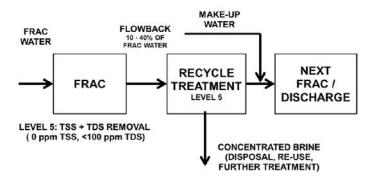


Predicting Compositions and Volumes of Produced Water

Couple existing data and simulations to predict **amount and salinity of fluid** produced during hydraulic fracturing



Use supply chain modeling to identify means for **optimizing the treatment**, **recycling**, **and disposal of produced water** with a focus on minimizing waste



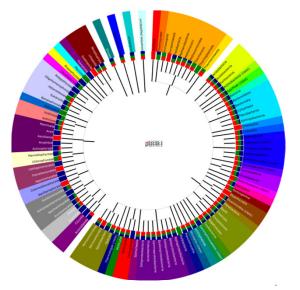
Schematic from Slutz et al, SPE 157532



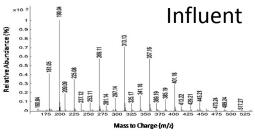
Evaluation of the Geochemical and Microbiological Composition of Shale Gas Produced Water and Solid Wastes

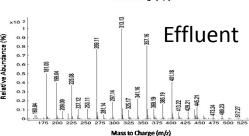
Characterize chemistry and microbiology in produced waters (new: and solid residuals)
Focus on surface processes





Microbial ecology





NORM, Organics, and Metals

Data from Carter (2013)

igure 5. Mass spectrum or a) innuent and b) emuent samples collected at a water treatme actifity used specifically for the treatment of produced waters





Biogeochemical Factors that Affect the Composition of Produced Waters and the Utility of Geochemical Tracer Tools

Focus on downhole processes and monitoring tools

Sources and behavior of potential tracers and contaminants

Shale reactivity under stimulation conditions

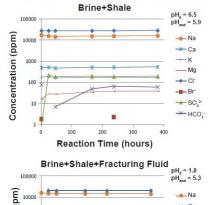
Fate of fracturing fluids

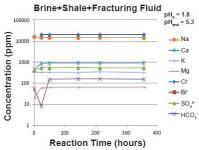
Changes to shale physicalchemical and mechanical properties

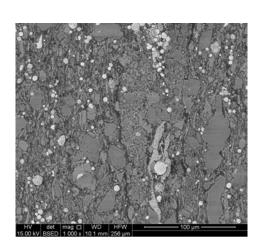




Major Elements Released (Autoclave Experiments)











Complementary Program FY13 Portfolio Unconventional Resources (UCR)

Fugitive Emission Factors and Air Emissions

Fugitive Air Emissions Field Data

Produced Water and Waste Management

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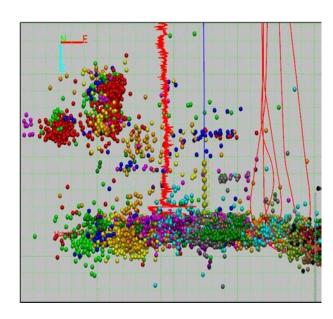


Integrated Field Monitoring – Fluid/Gas Migration

Evaluate fracture growth, ground motion, and potential pathways for gas/fluid migration

Identify wellbore locations and areas affected by surface spills.

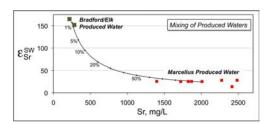
Identify sources of gases and fluids.

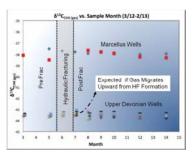


Field microseismic data to evaluate fracture behavior during stimulation



Use airborne and ground surveys to locate existing wells and potential produced water spills





Use synthetic and natural geochemical tracers

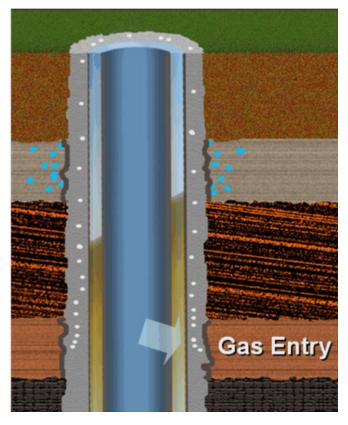




Gas Flow from Shallow Gas Formations

Evaluating wellbore risks requires knowledge about existing and newly-

cemented wells



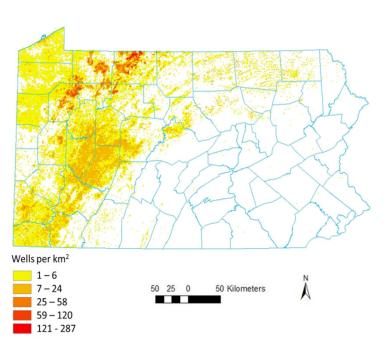
Develop laboratory and modeling techniques to evaluate shallow gas effects on well cement hydration



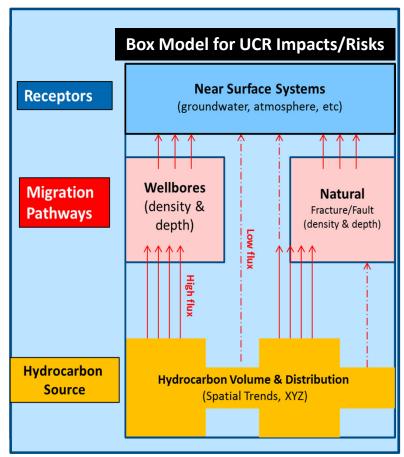


Approach for Assessing Spatial Trends & Potential Risks with UCR Systems

Use of spatial data sets to evaluate potential risks during shale gas development



Existing wells in PA (PA IRIS database)

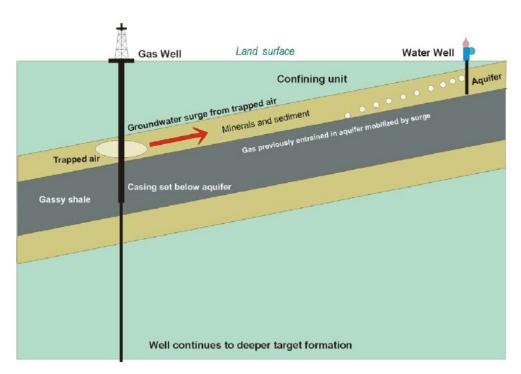






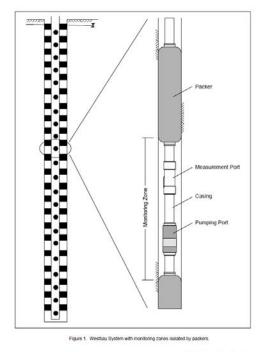
Impacts of Shale Gas Development on Shallow Groundwater

Potential for drilling to affect shallow groundwater hydrology



Schematic hypothesis of how shallow gas may migrate during drilling

Potential for natural processes to mitigate groundwater issues (natural attenuation – new)



Field monitoring, laboratory investigation, and modeling





Complementary Program FY13 Portfolio Unconventional Resources (UCR)

Fugitive Emission Factors and Air Emissions

Fugitive Air Emissions Field Data

Produced Water and Waste Management

- Predicting Compositions and Volumes of Produced Water
- Evaluation of the Geochemical and Microbiological Composition of Shale Gas Produced
 Water and Solid Wastes
- Biogeochemical Factors that Affect the Composition of Produced Waters and the Utility of Geochemical Tracer Tools

Subsurface Fluid and Gas Migration

- Integrated Field Monitoring Gas/Fluid Migration
- Gas Flow from Shallow Gas Formations
- Approach for Assessing Spatial Trends & Potential Risks with UCR Systems
- Impacts of Shale Gas Development on Shallow Groundwater

Predicting Fracture Growth and Ground Motion

- Fracture Propagation and Ground Motion Related to Unconventional Oil and Gas Development
- Integrated Field Monitoring Microseismic

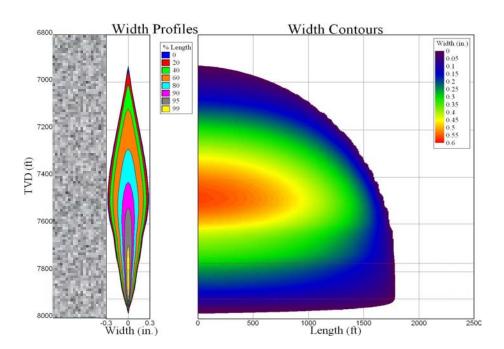




Fracture Propagation and Ground Motion Related to Unconventional Oil and Gas Development

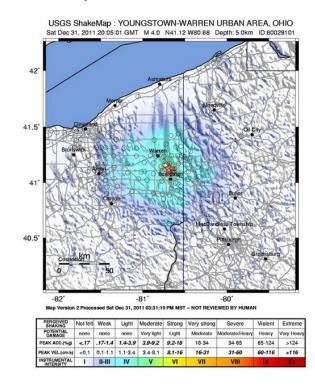
(Lead: Bromhal)

Complete evaluation of **vertical fracture extent based on heterogeneous rock properties** for the Appalachian Basin



Train models with field and laboratory-generated data to develop realistic predictions.

Identify the causes behind induced seismic events caused by wastewater and frackwater disposal



Evaluate case studies and develop models for predicting ground motion.





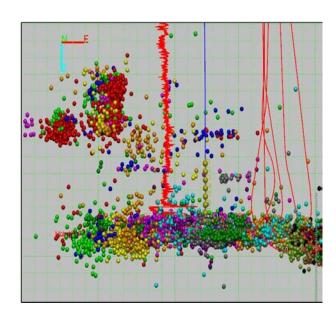
Integrated Field Monitoring – Microseismic

(Lead: Hammack)

Evaluate fracture growth, ground motion, and potential pathways for gas/fluid migration

Identify wellbore locations and areas affected by surface spills.

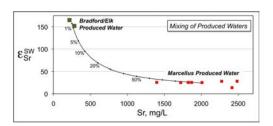
Identify sources of gases and fluids.

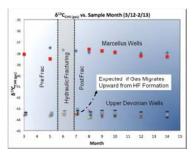


Field microseismic data collected during stimulation



Use airborne and ground surveys to locate existing wells and potential produced water spills

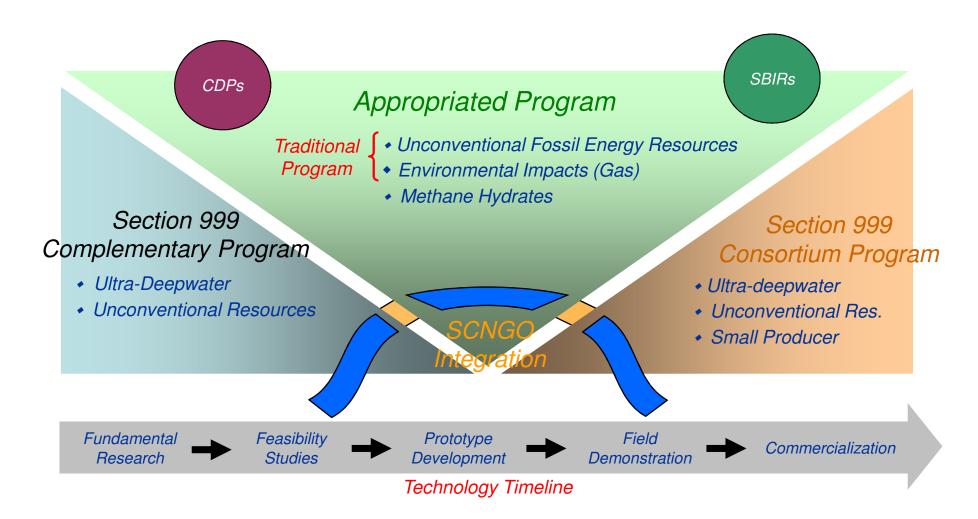




Use synthetic and natural geochemical tracers



NETL-SCNGO Oil and Gas R&D Program



Multi-agency Collaboration

Multi-year plan in development

Minimizing the EHS impacts of shale gas development

- Resource Characterization: nature, variability, and linkages to EHS impacts
- Water Quality: treatment, disposal, well-bore integrity
- Water Quantity: smart use, alternative sources.
- <u>Air Quality/GHG</u>: traffic, fugitive emissions.
- Induced Seismicity: during wastewater injection
- Ecosystems: fragmentation, noise, light
- Human Health: topics still under discussion

DOE Focus

- Development and implementation of <u>Technological Solutions</u> (impact avoidance and mitigation)
- Analyses of various aspects of energy system performance and subsurface modeling
- <u>Scientific contributions</u> to field data collection and interpretation, including laboratory studies



Secretary of Energy Advisory Board



Shale Gas Production Subcommittee Second Ninety Day Report

November 18, 2011



- Monitoring and Eco remediation technologies env
- GHG and air emissions
 Air and water
- monitoring networks

- Ecosystem and environmental health studies
- Water quality monitoring
- Water availability



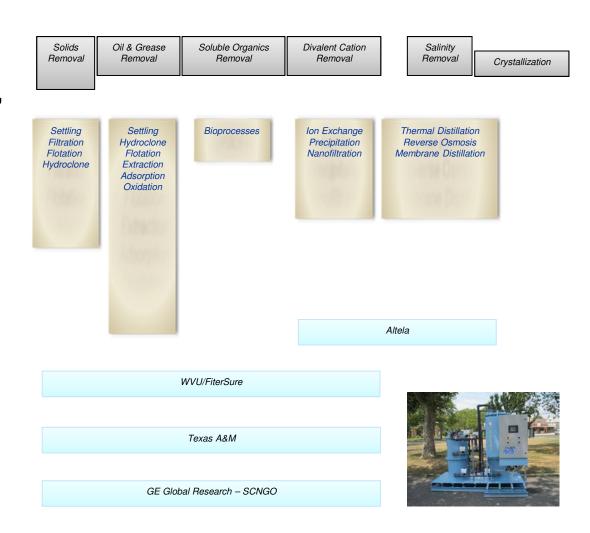
- Wellbore integrity, flow, and control
- Technology development
- System engineering, imaging, and materials
- Engineered natural system interactions
 Geological models
- and analyses

 Resource
 characterization
 Induced seismicity
- Resource assessments
- Hydrology and geology; earthquake hazards
- Land use, wildlife, and ecological impact

Extramural R&D Portfolio

Natural Gas (Environmental) Program through 2012

- Implement cost effective and environmentally benign water management practices (supply, handling, treatment, and disposal)
 - Ensure that fresh makeup water supplies are acquired in an environmentally benign manner
 - Minimize the volume of fresh water required through recycling of fracturing water
 - Design water supply/handling systems that are both cost efficient and environmentally benign
 - Cost-effective cleaning of flowback or produced water for re-use or surface disposal



GroundWater Protection Council

- Developing reporting and data collection tools available to a wide range of users
- Risk Based Data Management System (RBDMS) – Hydraulic Fracturing module
 - Well completions, casing, cementing, fracturing fluids
 - Linking well locations to water-relevant data
 - 22 states use RBDMS to aid reg. agencies and provide information to the public
- FracFocus website (w/ IOGCC)
 - 11 states require reporting through FracFocus
 - 37,000 disclosures on frac fluid composition
- Facilitate STRONGER reviews
- Expanded coordination with EIA; further connectivity between RBDMS and FracFocus



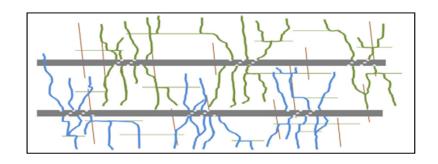


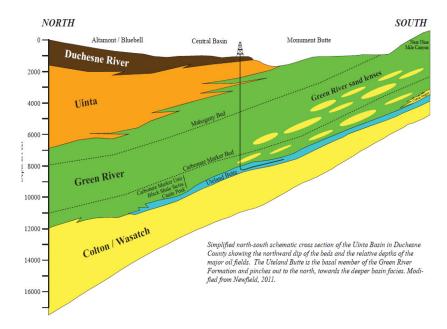


FY2012 Projects

Two projects added and underway

- New Generation Hydraulic Fracturing Model for Horizontal Wells.
 - U. Texas-Austin
 - Model the generation of non-planar fractures from multiple perforations: provide more robust realizations of SRV for reservoir simulation and development planning (spacing, timing, etc.)
 - Oct. 2012 to Sept 2016
 - \$1038K DOE
- Liquid-rich Shale Potential of Utah's Uinta and Paradox basins
 - Utah Geological Survey
 - Geologic/Geomechanical characterizations of the Green River formation (ex. Uteland Butte Mbr) and Cane Creek Fm (PB)
 - Oct 2012 to Sept 2015
 - \$738K







FY2013 Natural Gas (Environmental) FOA

General

- ~\$7,000,000 available
- Selections coordinated with RPSEA
- Final Announcements and Notifications of awards are still pending.

Topic Areas

- Area 1: Reduced Footprint of UOG Development
- Area 2: Assuring, Monitoring, and Mitigating Issues
 Related to Methane Emissions, Wellbore Integrity, and
 Zonal Isolation (Protecting shallow groundwater
 resources)
- Area 3: Reducing Water Usage and Resource
 Degradation through Smarter and Less Water-Intensive
 Unconventional Resource Stimulation



NATIONAL ENERGY TECHNOLOGY LABORATORY



NETL Oil Technology R&D Portfolio

Eric Smistad/DOE/NETL
Unconventional Resources Technology Advisory Committee
September 19, 2013



Current Portfolio Structure

- Research focus "Next Generation" CO₂ EOR R&D
- Eleven on-going projects
- Total value of \$20.8 million (average research partner cost share of 33%)
- Spread across four general topical needs:
 - Mobility Control Enhancement
 - Improved Flood Conformance
 - Monitoring Technology Enhancement
 - Planning and Evaluation Enhancement

Current Projects Focus Matrix

| Project | Performer | Improved Mobility Control | Improved Flood Conformance | Enhanced Monitoring | Enhanced Modeling, Planning | Demo to Accelerate Application |
|-------------------------|----------------------|---------------------------------|----------------------------------|------------------------|-----------------------------------|--------------------------------------|
| SPI Gels | Impact Tech. | X | X | | | x |
| Nanoparticle Foams 1 | U. Texas (Austin) | X | X | | | X * |
| Optimize ROZ | U. Texas (PB) | | | X | X | x |
| Seismic Monitoring | White River Tech. | | | X | X | x |
| Surfactant Foam | U. Texas (Austin) | X | X | | | X * |
| Nanoparticle Foams 2 | New Mexico Tech | X | x | | | |
| Advanced Simulator | U. Texas (Austin) | | | | X | |
| Planning Software | NITEC | | | | X | |

^{*} Industry field test planned, not part of project

Current Projects Focus Matrix (con't)

| Project | Performer | Improved Mobility Control | Improved Flood Conformance | Enhanced Monitoring | Enhanced Modeling, Planning | Demo to Accelerate Application |
|---------------------------|--------------------------|---------------------------------|----------------------------------|------------------------|-----------------------------------|--------------------------------------|
| Surfactant Concepts | NETL | X | x | | x | X * |
| CO ₂ Thickners | U. Pittsburgh | X | x | | X | X * |
| Citronelle Demo | U. Alabama Birmingham | | | | | Х |

^{*}Industry field test planned, not part of project

Current CO2 EOR Projects Listing

- Improved Mobility Control in CO₂ Enhanced Recovery Using SPI Gels (Impact Technologies LLC)
- CO₂-EOR and Sequestration Planning Software (NITEC LLC)
- Case Studies of the ROZ CO₂ Flood and the Combined ROZ/MPZ CO₂ Flood at The Goldsmith Landreth Unit, Ector County, Texas (U. Texas Permian Basin)
- Engineered Nanoparticle-Stabilized CO₂ Foams to Improve Volumetric Sweep of CO₂ EOR Processes (U. Texas -Austin)
- Novel CO₂ Foam Concepts and Injection Schemes for Improving CO₂ Sweep Efficiency in Sandstone and Carbonate Hydrocarbon Formations (U. Texas Austin)
- Nanoparticle-Stabilized CO₂ Foam for CO₂-EOR Application (New Mexico Institute of Mining and Technology)
- Development of an Advanced Simulator to Model Mobility Control and Geomechanics During CO₂ Floods (U. Texas -Austin)
- Novel Surfactant-Based Concepts for Improved Mobility Control of CO₂ Floods (NETL-RUA)
- Small Molecule Associative Carbon Dioxide (CO₂) Thickeners for Improved Mobility Control (University of Pittsburgh)
- Real Time Semi-Autonomous Geophysical Data Acquisition and Processing System to Monitor Flood Performance (White River Technologies , Inc.)
- Carbon-Dioxide-Enhanced Oil Production from the Citronelle Oil Field in the Rodessa Formation, South Alabama (University of Alabama at Birmingham)