Oil & Natural Gas Technology

DOE Award No.: DE-FE0024271

Fracture Diagnostics Using Low Frequency Electromagnetic Induction and Electrically Conductive Proppants

Submitted by:
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Quarterly Progress Report

M. M. Sharma	July 27, 2016
Mukul M. Sharma	Date





2. ACCOMPLISHMENTS:

- The process for setting up a new subcontract with E-Spectrum was initiated.
- Several meetings were held with the E-Spectrum team to review the progress we have made so far and the work that remains to be done in building the tool.
- Based on the discussions a decision was made to scale back the tool design to a prototype tool that will be tested in a shallow test site. This will allow the tool to be more extensively tested with different tool configurations and transmitter and receiver designs.
- It was also decided that the current tool will maintain its focus on induction measurements that will work best in open-hole completions.
- The tool design for cased hole completions will be taken up by a companion STTR grant (for which a proposal was submitted earlier).
- The E-Spectrum team is now in the process of revising the design for the induction tool.
- Several runs were made to simulate realistic fracture geometries to better specify the transmitter and receiver specifications. This work is still in progress.

3. PRODUCTS:

None.

4. PARTICIPANTS & OTHER COLLABORATING ORGANIZATIONS:

Name: Yaniv Brick

Project Role: Postdoctoral Fellow

Nearest person month worked: 3

Contribution to Project: Need Info

Funding Support: ICES Postdoctoral Fellowship

Collaborated with individual

in foreign country:

Country (ies) of foreign collaborator:

No

Travelled to foreign country:

No

If traveled to foreign country (ies),

duration of stay: 0 months

Partner Organizations

Organization Name: E-Spectrum Technologies. Location of Organization: San Antonio, Texas

<u>Partner's contribution to the project:</u>

- Collaborative research (e.g., partner's staff work with project staff on the project).
- Design and building of tool.

More detail on partner and contribution:

• Three joint meetings were held with E-Spectrum to better define the tool requirements and the results needed from the simulations to help with the tool design.

5. IMPACT:

The proposed technology has the following key advantages, which is not presently offered by any technology in the market:

- a. It can be executed from a single wellbore.
- b. It is a direct far field measurement.
- c. This tool can be run in hole after hydraulic fracturing. If the need arises, it can be used at any time during the well's life cycle providing a time lapse analysis of fracture growth or closure.
- d. Since it obtains tri-directional signals, these tensors can be resolved to obtain a simulated volume map, which can be correlated directly to the productivity of a given well.
- e. This is the only technology that can obtain propped fracture length, which governs productivity of a given well. Also it can be used to detect proppant banking or anisotropy in hydraulic fracture growth.

We anticipate that the technology will have a very significant impact on fracture diagnostics as it is cheap, repeatable, and fairly simple to run. In addition to the key critical advantages mentioned above the proposed technology can also offer the following benefits which are in line with DOE's ongoing efforts:

- a. Additional recovery: This tool can improve our understanding of true stimulated rock volume, since it tracks propped volume of hydraulic fractures and not shear slip events during a fracturing job. Therefore, using this technology, we can model the reservoir better and find effective re-fracturing candidates. Also a true stimulated rock volume map can help us design better simulations for subsequent wells.
- b. Reduced costs: This tool can be operated at any time during the well's life cycle and not necessarily during the hydraulic fracturing job (as is the case with microseismic monitoring). Therefore, it will be reduce the equipment load during a fracturing job, thereby reducing the environmental footprint. Since this technology, being a single wellbore application, doesn't require a monitoring well, it can be potentially deployed in any hydraulically fractured well with or without a rig (can be deployed with a MAST truck too). Due to the simplicity of deployment and ease of operation, we anticipate a much reduced cost as compared to microseismic monitoring while providing more reliable results.
- c. Environmental benefits: This technology basically tracks the location of conductive proppant using the proposed electromagnetic logging tool. Therefore it can used to track if the fractures are hydraulically connected to natural aquifers. This tool can be run alongside Cement Bond Logs, in fractured reservoirs to ensure hydraulic isolation of oil and gas producing zones. Also the inverted product of this data can be combined with other geophysical data (2D and 3D seismic and/or CSEM data) to find connection with natural fractures.

6. CHANGES/PROBLEMS:

The sub-contract with Gearhart is in the process of being terminated and a new sub-contract with E-Spectrum technologies is being negotiated.

7. SPECIAL REPORTING REQUIREMENTS:

None.

8. BUDGETARY INFORMATION:

EXHIBIT 1 – MILESTONE STATUS REPORT

and a series of	Planned	Actual	V 16 11 11 1	Comments (Progress toward achieving milestone,
Milestone Title/Description	Completion Date	Completion Date	Verification Method	explanation of deviation from plan etc.)
Task 1. Project Management & Planning				
Milestones				
Completed project management & planning	11/1/14		PMP document	
Task 2. Development of forward model using proposed tool and different fracture geometires				
Milestones				
model of fracture in well completed	6/30/15			
forward model to observe signal	9/30/15			
important operational parameters	3/31/16			
Publication #1			Paper publication submitted	
Task 3. Lab testing of available proppants in the market for electrical and material properties				
Milestones				
identify the best proppants for their electrical conductivity and strength	3/31/16		Lab test report provided for review	
identify the best propparits for their electrical conductivity and strength	3/31/10		Lab test report provided for review	
Task 4. Construction of low frequency electromagnetic tool				
Milestones				
low frequency electromagnetic tool built and lab tested according to well specifications	12/31/16			
Task 5. field testing of tool				
Milestones				
Built tool deployed in well	2/28/17		Tool is deployed on well site	
publication #2			Paper publication submitted	
Task 6. Inverting the obtained field data for stimulated rock volume (SRV) map				
Milestones				
invert the tool signal to obtain stimulated rock volume (SRV) map				
Publication #3	10/31/17		Paper publication submitted	
illustrate the new technology as a fracture diagnostic tool				
Final Report	12/31/17		Final report	

EXHIBIT 2- COST PLAN

				Budget Period 1	41						Budget Period 2	nd 2						Budge	Budget Period 3			
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Baseline Reporting Quarter	10/1/14	10/1/14 - 12/31/14	1/1/15 - 3/31/15	3/31/15	4/1/15-6/31/15	7/1/15 - 9/30/15	3/30/15	10/1/15	10/1/15 - 12/31/15	1/1/16-3/31/16		4/1/16-6/31/16		7/1/16-9/30/16		10/1/16 - 12/31/16	1/1/1	1/1/17 - 3/31/17	4/1/17	4/1/17 - 6/31/17	7/1/0	7/1/17 - 9/30/17
	10	Cumulative Total	07	Cumulative Total	Cumulative Q3 Total	ħ	Cumulative Total	₽	Cumulative Total	70	Cumulative (Total	Cumulative Q3 Total	ative Q4	Cumulative Total	tive Q1	Cumulative Total	07	Cumulative Total	£0	Cumulative Total	Q4	Cumulative Total
Baseline Cost Plan																						
Federal Share	\$ 133,921	\$ 133,921 \$	3, 13,922	\$ 267,843 \$	133,921 \$ 401,764	\$ 133,921	\$ 535,685	\$133,922	\$ 669,607	\$133,922 \$	803,529 \$13	\$ 133,922 \$ 937	937,451 \$ 133,921	921 \$ 1,071,372	372 \$133,921	1 \$ 1,205,293	\$133,922	\$ 1,339,215	\$133,922	\$ 1,473,137	\$ 133,921 \$	1,607,058
Non-Federal Share	\$ 48,602	\$ 48,602	\$ 48,603	\$ 97,205 \$	\$ 48,602 \$ 145,807	\$ 48,602	\$ 194,409	\$ 48,602	\$ 243,011 \$	\$ 89'603	291,614 \$ 4	48,602 \$ 340,216	~	48,602 \$ 388,	388,818 \$ 48,602	12 \$ 437,420) \$ 48,603	\$ 486,023	\$ 48,602	\$ 534,625	\$ 48,603 \$	583,228
Total Planned	\$ 182,523	\$ 825,581 \$	\$ 182,525	\$ 302,008 \$	18,523 \$ 547,571	\$ 182,523	\$ 730,094 \$ 182,524		\$ 913,618 \$	182,525 \$	\$182,525 \$1,095,143 \$182,524	32,524 \$ 1,277,667		523 \$ 1,460	\$ 182,523 \$ 1,460,190 \$ 182,523	3 \$ 1,642,715	\$ 1,642,713 \$ 182,525	\$ 1,825,238	\$182,524	\$ 2,007,762	\$ 182,524	2,190,286
Actual Incurred Cost																						
Federal Share	\$ 30,972 \$	\$ 30,972	\$ 26,985	\$ 57,958	5 99,655 \$ 157,613	\$ 148,601	\$ 306,214		\$ 306,214	\$	306,214	\$ 306	306,214	\$ 306	306,214 \$ -	· \$. \$. \$. \$	٠
Non-Federal Share	\$ 75,222	\$ 75,222		\$ 75,222	\$ 15,222		\$ 75,222		\$ 75,222	\$	75,222	\$ 75	75,222	\$ 75	75,222 \$.	· \$. \$. \$. \$. \$. \$	٠
Total Incurred Costs	\$ 106,194	\$ 106,194	\$ 26,985	\$ 133,180 \$	\$ 99,655 \$ 232,835	\$ 148,601	\$ 381,436	. \$	\$ 381,436 \$	\$.	381,436 \$. \$ 381	381,436 \$. \$ 381	381,436 \$ -	· \$. \$. \$. \$. \$. \$	٠
Variance																						
Federal Share	\$ 102,949	\$ 102,949	106,937	\$ 209,885 \$	34,266 \$ 244,151	\$ -14,680	\$ 229,471	\$ 133,922	\$ 363,393 \$	\$ 133,922	497,315 \$ 133,922	\$	631,237 \$ 133,921	~	765,158 \$133,921	1 \$ 1,205,293	\$133,922	\$ 1,339,215	\$133,922	\$ 1,473,137	\$ 133,921	1,607,058
Non-Federal Share	\$ -26,620	\$ -26,620 \$	\$ 48,603	\$ 21,983 \$	\$ 48,602 \$ 70,585	\$ 48,602	\$ 119,187 \$ 48,602		\$ 167,789 \$ 48,608	48,603 \$	216,392	\$ 48,602 \$ 264	264,994 \$ 48,	48,602 \$ 313	313,596 \$ 48,602	12 \$ 437,420	\$ 437,420 \$ 48,603	\$ 486,023	\$ 48,602	\$ 534,625	\$ 48,603	583,228
Total Varience	\$ 76,329 \$	\$ 76,329 \$	\$ 155,540 \$	\$ 231,868 \$	\$ 82,868 \$ 314,736	~	\$ 348,658	\$182,524	\$ 531,182 \$	\$ 225,281	33922 \$ 348,688 \$ 122,501 \$ 153,001 \$ 183,001 \$ 123,001 \$ 123,001 \$ 100,001	32,524 \$ 896	5,231 \$ 182,	523 \$ 1,078	754 \$ 182,52	3 \$ 1,642,715	\$ 182,525	\$ 1,825,238	\$182,524	\$ 2,007,762	\$ 182,524 \$	2,190,286