

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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Project/Grant Period: October 1, 2014 – September 31, 2017
Reporting Period: January 1, 2016 – March 31, 2016

Quarterly Progress Report

M. M. Sharma,

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Date



Office of Fossil Energy



2. ACCOMPLISHMENTS:

- Gearhart has informed us that they will no longer be able to proceed with the contract due to financial difficulties and due to the fact that several of their key people have left.
- All electronics and other components in Gearhart's possession were returned to UT Austin including the transmitter and receivers that have been built.
- E-Spectrum technologies, a company based in San Antonio was contacted to take over the responsibilities of building the key components of the tool. Negotiations were still underway at the end of this quarter.
- The code for modeling the tool for representative 3-D problems has been speeded up significantly. However, for cases where the conductivity contrast between the rock and the fracture is too high, it can still have convergence issues. We are working to minimize this issue.

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:	No
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: Gearhart Companies Inc.

Location of Organization: Fort Worth, Texas

Partner's contribution to the project:

- 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:

- Two joint meetings were held with Gearhart 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 during or 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 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 be 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

Milestone Title/Description	Planned Completion Date	Actual Completion Date	Verification Method	Comments (Progress toward achieving milestone, 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 geometries				
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	
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

Baseline Reporting Quarter	Budget Period 1								Budget Period 2								Budget Period 3											
	Q1				Q2				Q3				Q4				Q1		Q2		Q3		Q4					
	Q1	Cumulative Total	Q2	Cumulative Total	Q3	Cumulative Total	Q4	Cumulative Total	Q1	Cumulative Total	Q2	Cumulative Total	Q3	Cumulative Total	Q4	Total	Q1	Total	Q2	Cumulative Total	Q3	Total	Q4	Cumulative Total				
Baseline Cost Plan																												
Federal Share	\$ 133,921	\$ 133,921	\$ 267,843	\$ 133,921	\$ 401,764	\$ 133,921	\$ 669,607	\$ 133,922	\$ 803,529	\$ 133,922	\$ 97,451	\$ 133,921	\$ 1,071,372	\$ 133,921	\$ 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	\$ 48,602	\$ 48,602	\$ 97,205	\$ 48,602	\$ 145,807	\$ 48,602	\$ 194,409	\$ 48,602	\$ 243,011	\$ 48,602	\$ 340,216	\$ 48,602	\$ 388,818	\$ 48,602	\$ 437,410	\$ 48,602	\$ 486,023	\$ 48,602	\$ 534,625	\$ 48,602	\$ 583,228					
Total Planned	\$ 182,523	\$ 182,523	\$ 365,048	\$ 182,523	\$ 365,048	\$ 182,523	\$ 540,571	\$ 182,523	\$ 730,094	\$ 540,571	\$ 912,618	\$ 540,571	\$ 1,085,143	\$ 540,571	\$ 1,277,567	\$ 540,571	\$ 1,460,390	\$ 540,571	\$ 1,652,733	\$ 540,571	\$ 1,837,524	\$ 540,571	\$ 2,190,206					
Actual Invoiced Cost																												
Federal Share	\$ 30,972	\$ 30,972	\$ 26,985	\$ 30,972	\$ 57,958	\$ 30,972	\$ 90,555	\$ 57,958	\$ 148,601	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214	\$ 57,958	\$ 306,214					
Non-Federal Share	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222	\$ 75,222						
Total Invoiced Costs	\$ 106,194	\$ 106,194	\$ 26,985	\$ 106,194	\$ 133,180	\$ 106,194	\$ 99,555	\$ 133,180	\$ 148,601	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436	\$ 133,180	\$ 384,436					
Variance																												
Federal Share	\$ 102,949	\$ 102,949	\$ 106,937	\$ 102,949	\$ 209,885	\$ 106,937	\$ 34,866	\$ 209,885	\$ 224,471	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315	\$ 106,937	\$ 497,315					
Non-Federal Share	\$ 26,620	\$ 26,620	\$ 48,635	\$ 26,620	\$ 21,983	\$ 48,635	\$ 70,535	\$ 48,635	\$ 119,387	\$ 48,635	\$ 167,188	\$ 48,635	\$ 215,322	\$ 48,635	\$ 264,994	\$ 48,635	\$ 313,556	\$ 48,635	\$ 437,410	\$ 48,635	\$ 486,023	\$ 48,635	\$ 534,625	\$ 48,635	\$ 583,228			
Total Variance	\$ 76,320	\$ 76,320	\$ 76,320	\$ 76,320	\$ 155,400	\$ 76,320	\$ 231,868	\$ 76,320	\$ 314,736	\$ 76,320	\$ 346,658	\$ 76,320	\$ 392,525	\$ 76,320	\$ 51,182	\$ 76,320	\$ 113,077	\$ 76,320	\$ 182,524	\$ 76,320	\$ 286,331	\$ 76,320	\$ 382,524	\$ 76,320	\$ 407,762	\$ 76,320	\$ 1,182,524	\$ 76,320