Southwest Regional Partnership on Carbon Sequestration (SWP) DE-FC26-05NT42591

Phase III Demonstration: Farnsworth Unit

Robert Balch¹ Brian McPherson^{1,2} ¹New Mexico Institute of Mining and Technology ²University of Utah

Mastering the Subsurface through Technology Innovation & Collaboration: Carbon Storage & Oil and Natural Gas Technologies Review Meeting August 16-18, 2016







Outline

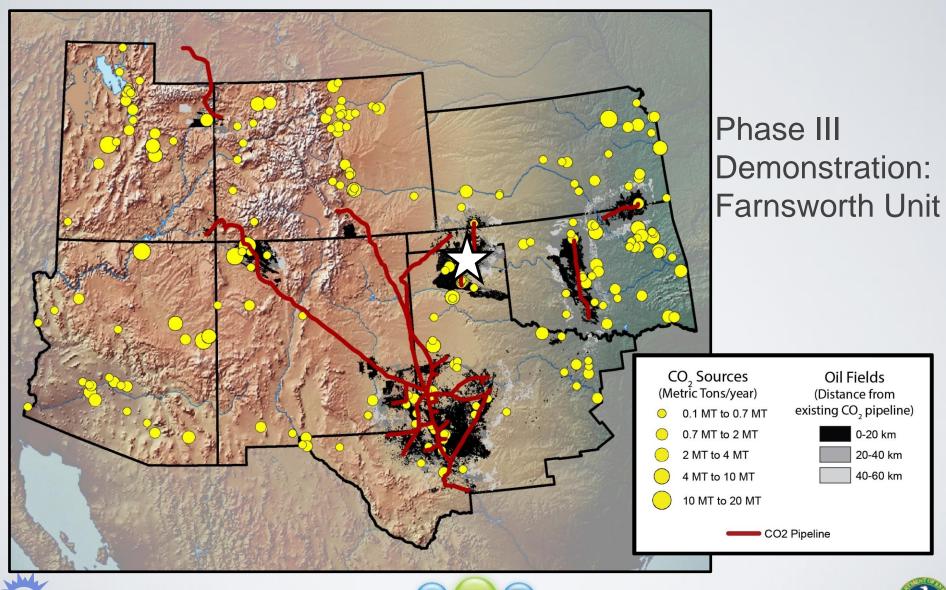
- Introduction to the SWP
- Introduction to Farnsworth Unit
- Major tasks:
 - Geologic Characterization
 - Simulation
 - Risk
 - MVA
- Conclusions and ongoing work







The Southwest Partnership



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Southwest Regional Partnership on Carbon Sequestration

- SWP's Phase III: large-scale EOR-CCUS demonstration
- General Goals:
 - One million tons CO₂ storage
 - Optimization of storage engineering
 - Optimization of monitoring design
 - Optimization of risk assessment
- Blueprint for CCUS in southwestern U.S.







Project Site: Farnsworth Unit

- Farnsworth field discovered in 1955.
- About 100 wells completed by the year 1960.
 - Field was unitized in 1963 by operator Unocal
 - Water injection for secondary recovery started in 1964.

Property	Value
Initial water saturation	31.4%
Initial reservoir pressure	2218 PSIA
Bubblepoint Pressure	20-150 PSIA
Original Oil in Place (OOIP)	120 MMSTB (60 MMSTB west-side)
Drive Mechanism	Solution Gas
Primary Recovery	11.2 MMSTB (9.3%)
Secondary Recovery	25.6 MMSTB (21.3%)



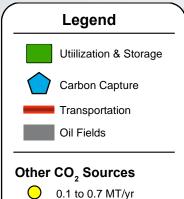


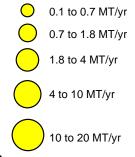


Project Site: Farnsworth Unit

Anthropogenic CO₂ Supply:

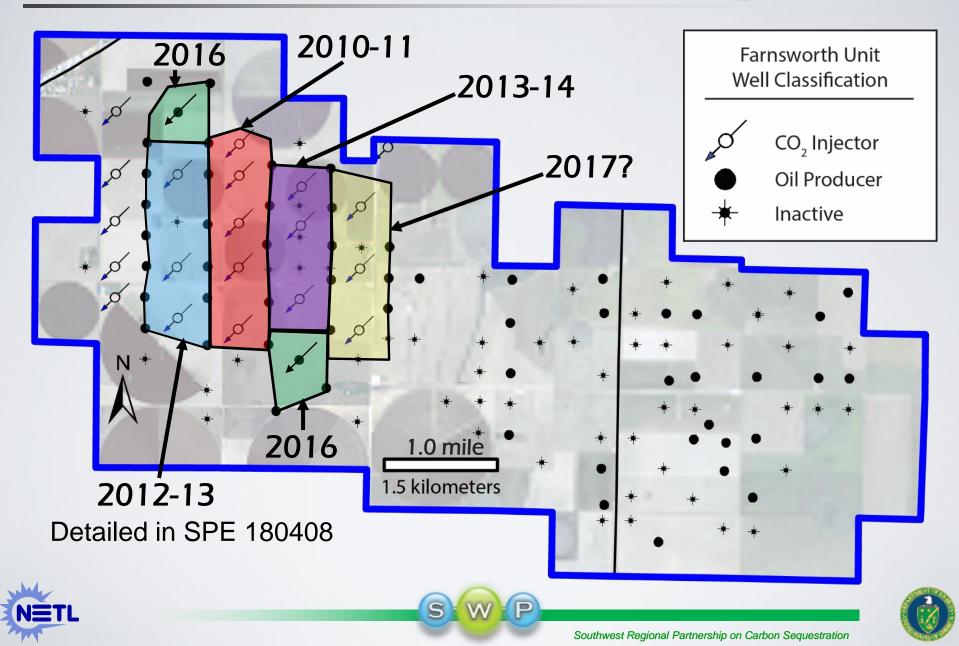
500-600,000 Metric tons CO_2 /year for four fields







Active and Currently Planned CO₂ Patterns



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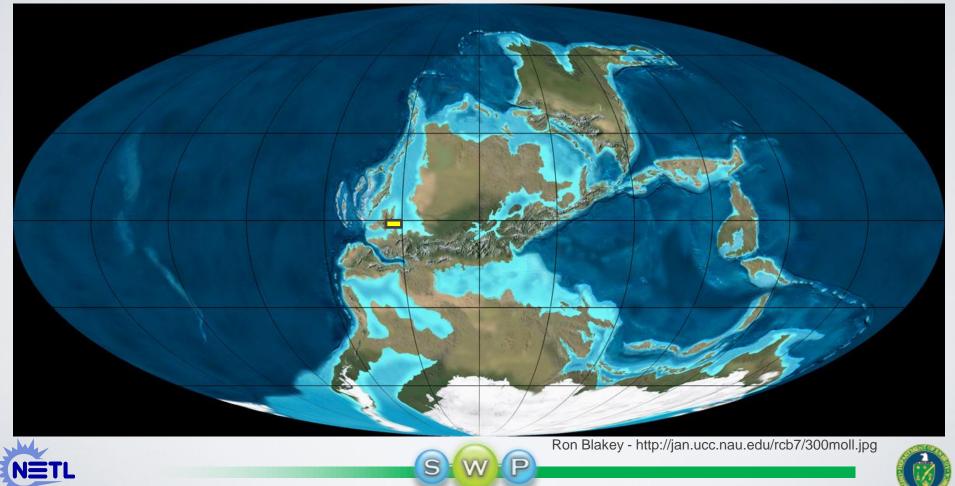




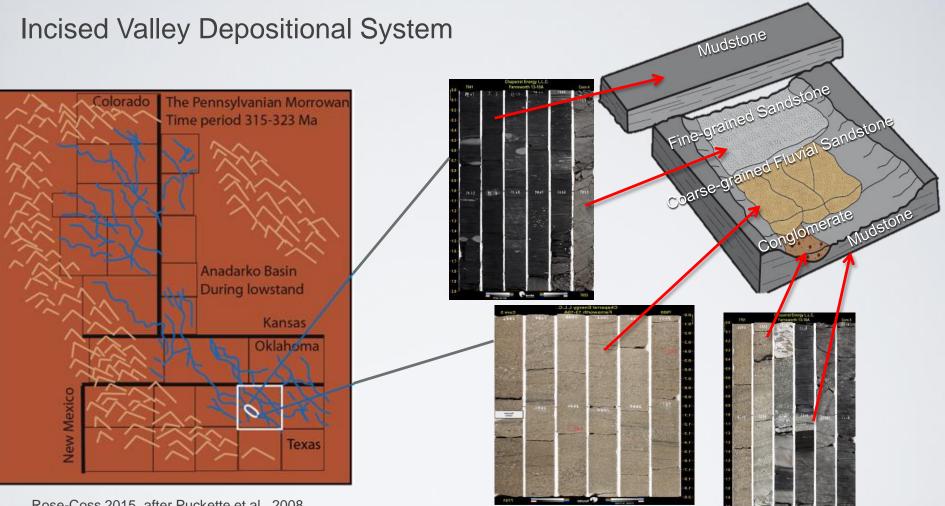


Characterization

- Goals are to better understand geology of the storage system
- Deliver fine scale facies based models including hydraulic flow units to improve flow simulation and risk assessments



Characterization: Geologic Model



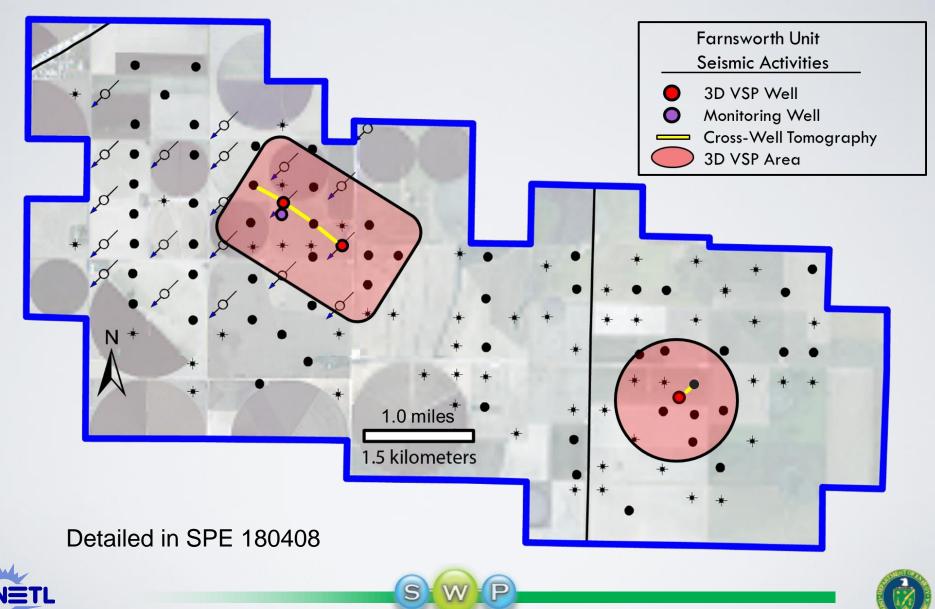
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Rose-Coss 2015, after Puckette et al., 2008

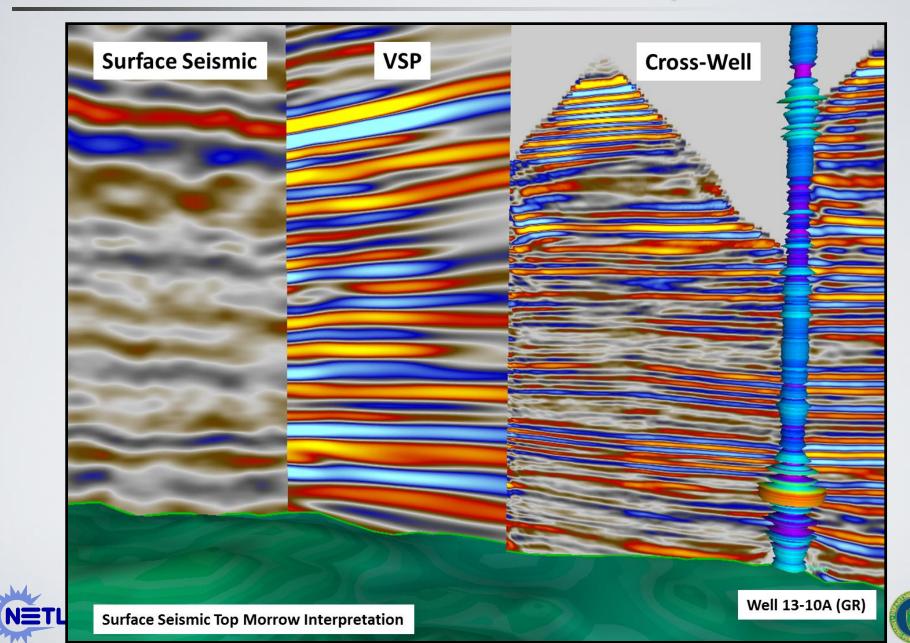


Characterization: Role of Seismic Data

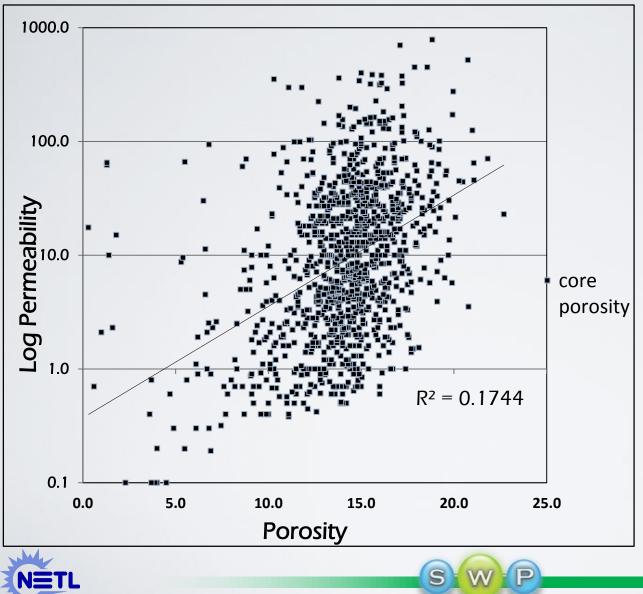




Characterization: Seismic Interpretation



Characterization: Petrophysical Studies

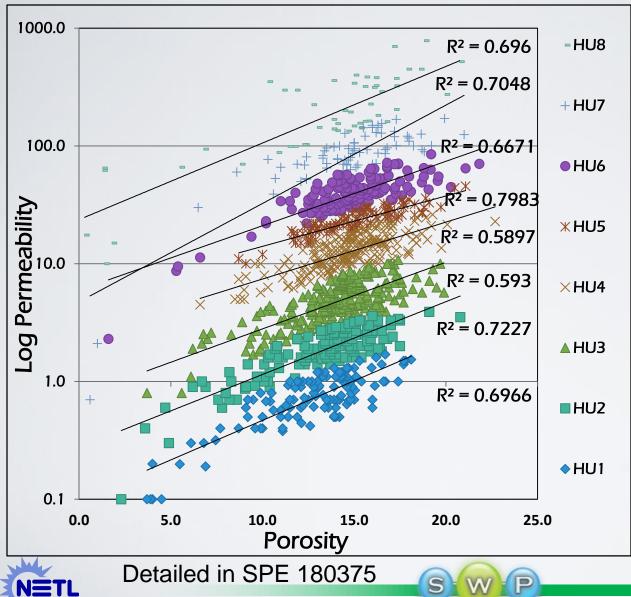


Core porosity vs log of permeability was computed for 51 cored wells

- Over 750 feet of core were collected in three SWP drilled characterization wells
- Extensive logs from near surface through the reservoir were collected
- The data was inconclusive in relating porosity to permeability



Characterization: Hydraulic Flow Units



The Winland equation relates porosity to permeability using variables that impact hydraulic flow (Kolodzie, 1980):

- Hydraulic units were grouped into
 porosity/permeability
 categories based on
 similar pore throat
 sizes



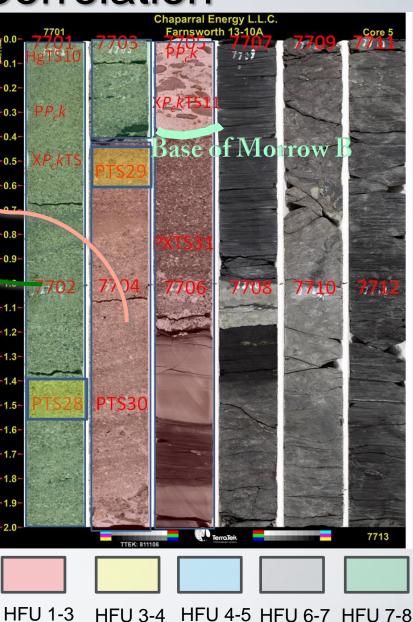
Characterization: Core Correlation

HFU 1 associated with the lowest porosity and permeability values.

HFU 8 in green interval highlighted indicates the highest porosity and permeability values.

Yellow boxes indicate sample locations chosen to be used in core flood experiments intended to capture variability in relative permeability within the core and Hydraulic flow units (HFU).

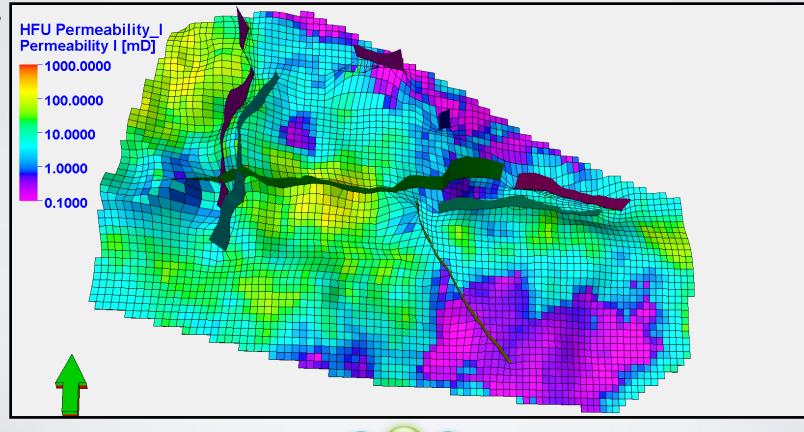
Ts, T – Thin Section P – Routine Plug analysis P_c - Capillary pressure





Characterization: Geologic Models

- SWP evaluates and updates fine-scale geologic models at least annually for use in simulation modeling and risk assessment
 - · Goal is to integrate, and honor, seismic and well data
- Includes fault planes picked from seismic









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Simulation: Design, Forecasts, Risk

- Simulation of production/storage history matching of primary, secondary, and tertiary recovery provides some <u>calibration</u>
- Calibrated simulation used for <u>predictions</u> of future and CO₂ storage in the reservoir;
- <u>Uncertainty estimates</u> are critical for forecast context and risk assessment; relative permeability is paramount
- Forecasting potential impacts (risk FEPs) via coupled thermal, geochemical and geomechanical processes;
- Fully-coupled, full-scale simulations used to calibrate reduced order models for <u>uncertainty quantification, risk</u> <u>assessment and optimization</u> for ongoing forecasts.







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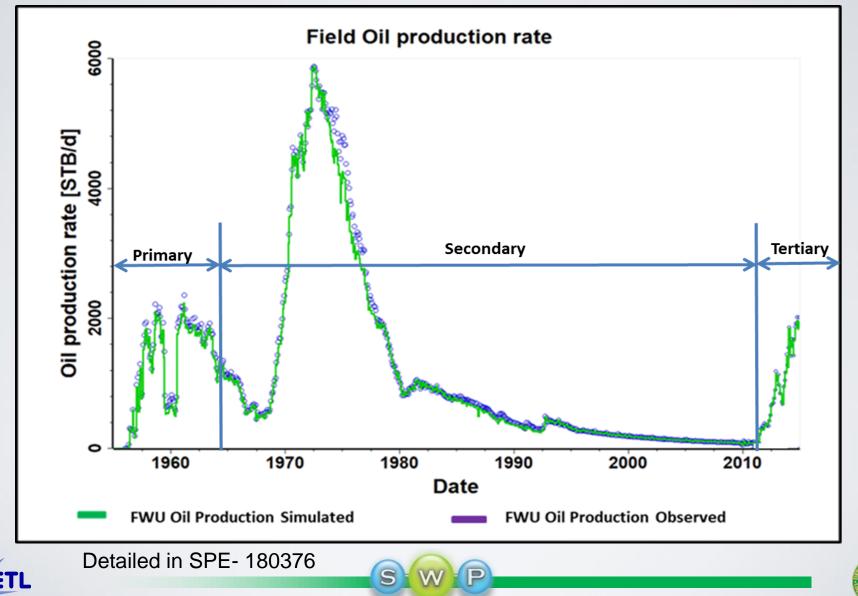
forecasts.







Essential Task: History Matching



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Simulation: Design, Forecasts, Risk

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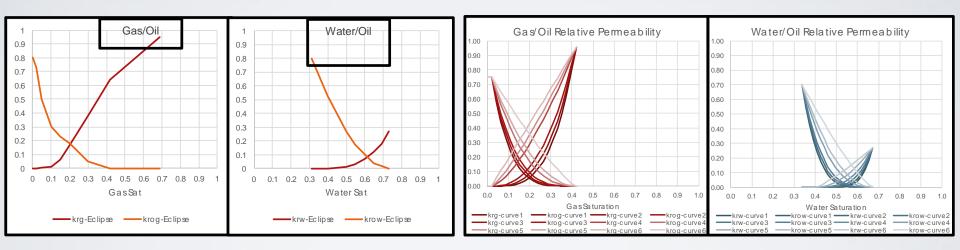






Focus Area: Relative Permeability

Uncertainty Estimation: Impact of choice of three-phase relative permeability model on storage forecasts



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Morrow Sandstone relative permeability curve from the Unocal 1988 reservoir simulation study. Six targeted synthetic relative permeability curves each assigned to hydraulic flow units





Focus Area: Relative Permeability

Example Result: Synthetic Relative Permeability Models

Pore-scale modeling

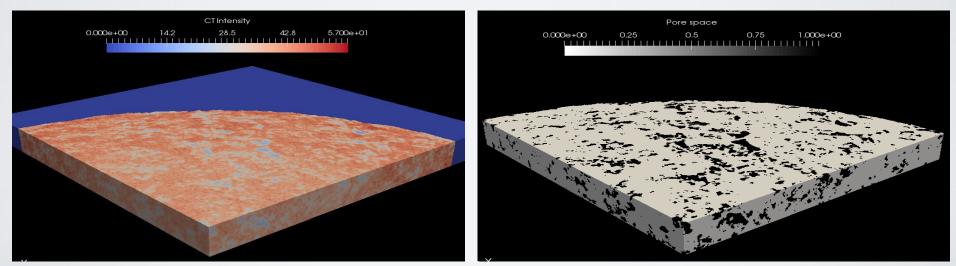
Relative permeability information

Raw CT image

- Inputs for reservoir simulation
- Compliment laboratory studies
- Flexible for statistical analysis

Micro CT imaging as input

- Extract pore matrix
- Cost-effective
- Multi-thresholding for pore matrix
- Alternative to network
 approximation



Pore matrix threshold

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Simulation: Design, Forecasts, Risk

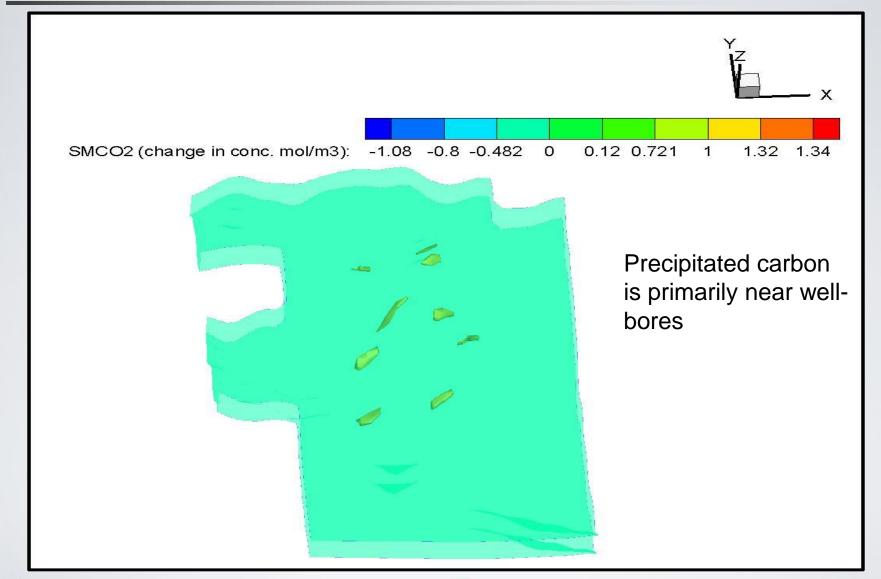
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Focus Area: Reactive Transport



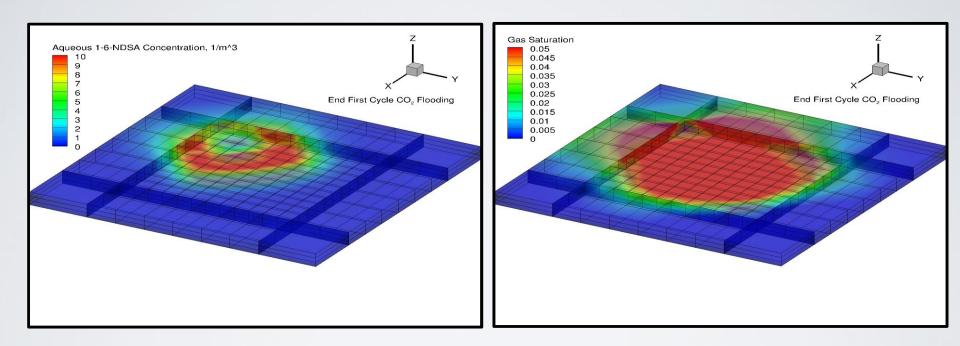






Focus Area: Reactive Transport

Simulation to interpret reactive and conservative tracers



Normalized aqueous tracer concentration between first CO2water flood transition.

Gas saturation between first CO2water flood transition.

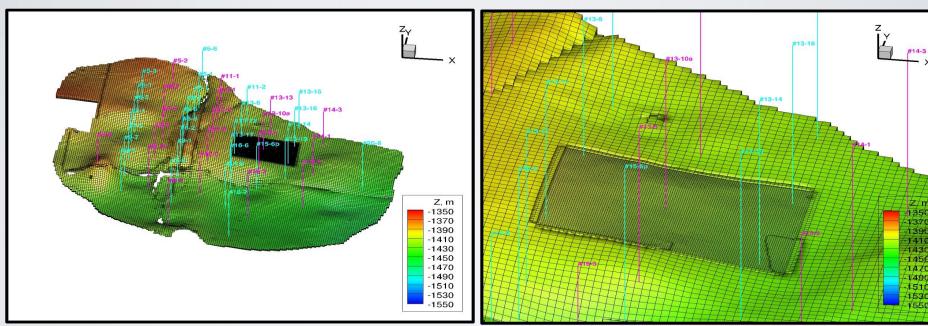






Focus Area: Reactive Transport

Simulation to interpret reactive and conservative tracers



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2x refinement in x- and y-directions around #13-10a, #13-6, #13-12, #13-14, #13-16 for aqueous tracer experiment with injection on 02 May 2014. 2x refinement in x- and y-directions around #13-10a, #13-6, #13-12, #13-14, #13-16 for aqueous tracer experiment with injection on 02 May 2014.





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Risk Assesment Workflow



Task 1 Overall risk management plan including - Coordination with

- other working groups.
- Roles and responsibilities of each personnel
- Budget assignment
- Timing & frequency of risk assessment tasks
- New elements for the risk registry and its potential impacts







Task 2 – Risk Identification

- Identification of specific risk : features, events, and processes (FEPs)
- 2014
 - Web-based online workshop (Jan. 13 and 16, 2014)
 - Expert-weighted risk for ranking
 - Total 405 FEPs identified
 - 23 project experts evaluated 79 initial FEPs, and generated & evaluated 24 new FEPs
- 2015
 - Email survey during (May ~ August 2015)
 - 15 project experts evaluated top 50 FEPs of 2014
- 2016
 - In progress, risk review meeting at end of August







2015 vs. 2014 FEP's Ranking

	201	5	2014		
Average	7.32		6.18		
	Risk 2015	Rank	BANK	Risk 2014	Rank
FEP	Ravg 3xWt	2015	CHAN GE	wKSY2b	2014
Price of oil (or other related commodities)	12.26	1	5	7.12	6
EOR oil recovery	11.07	2	35	5.54	37
Operating and maintenance costs	10.26	3	4	7.11	7
EOR injection and production well pattern, spacing	9.19	4	41	5.33	45
EOR early CO2 breakthrough	8.85	5	20	5.88	25
Simulation of geomechanics	8.67	6	3	7.03	9
CO2 supply adequacy	8.65	7	-5	7.86	2
Accidents and unplanned events	8.63	8	10	6.42	18
Execution strategy	8.52	9	12	6.22	21
Over pressuring	8.39	10	0	7.03	10
EOR oil reservoir heterogeneity	8.33	11	8	6.35	19
Competition	8.30	12	37	5.29	49
Release of compressed gases or liquids	8.30	13	-10	7.80	3
Seal failure	8.24	14	8	6.04	22
Reservoir heterogeneity	7.91	15	1	6.59	16
Defective equipment	7.89	16	32	5.31	48
Simulation of fluid dynamics	7.87	17	-2	6.65	15
CO2 legislation	7.70	18	11	5.78	29
Simulation of coupled processes	7.68	19	-14	7.46	5
Modeling and simulation - software	7.55	20	-3	6.54	17
CO2 containing H2S	7.35	21	-8	6.68	13
EOR viscosity relations	7.33	22	25	5.32	47
Leaks and spills (not CO2, H2S, CH4)	7.33	23	21	5.40	44
Permit modifications	7.22	24	16	5.50	40
Seismic method	7.17	25	-13	6.73	12
Blow outs	7.10	26	-18	7.05	8
Contracting	7.09	27	15	5.50	42
On-road driving	7.07	28	7	5.60	35
Workover	7.00	29	1	5.75	30
Moving equipment	6.93	30	9	5.52	39
Well lining and completion	6.90	31	7	5.52	38
Geomechanical characterization	6.88	32	-28	7.56	4
Seismic surveys	6.61	33	17	5.28	50

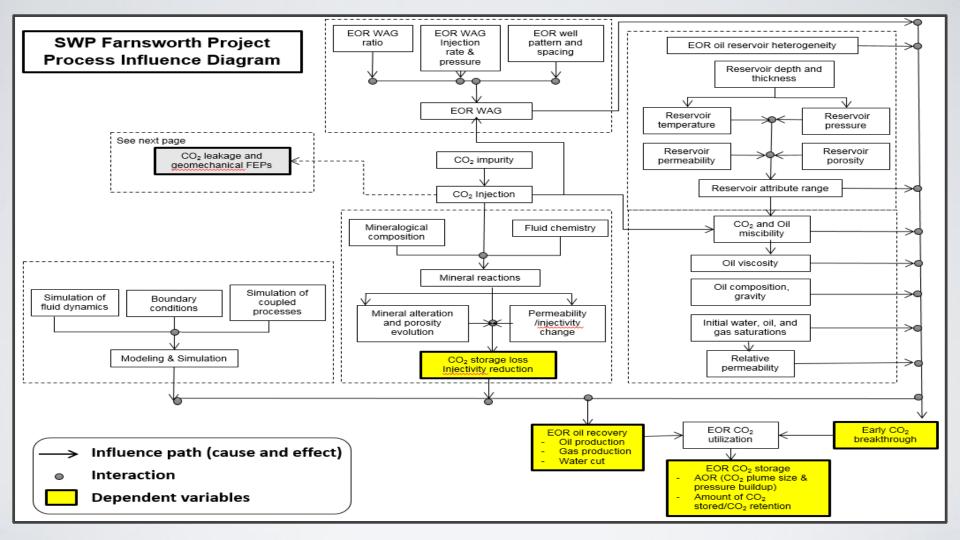
- Triple-weighted expert ranking
- Two major things causing the changes
 - \checkmark Oil price
 - Project operations, progress, and experience over one year
- Rankings in EOR activities ↑
- Rankings in Modeling/simulation parameters and Geomechanical characterization ↓
- 14 FEPs changing at least
 20 positions → requires
 comprehensive evaluation in
 2016







Qualitative Risk Analysis (Task 3)



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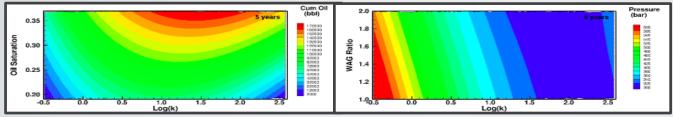






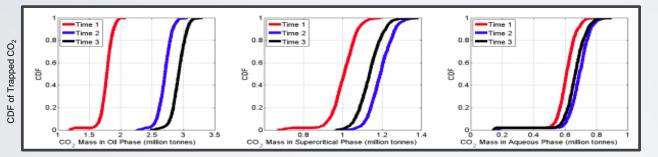
Quantitative Risk Analysis (Task 4)

Risk Assessment of CO₂ Storage and Oil Recovery in FWU using RSM



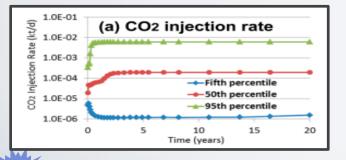
(Pan et al., 2016)

Uncertainty Analysis of Trapping Mechanism using PCE

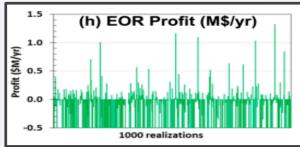


(Jia et al., 2016)

Risk Analysis and Response-surface-based Economic Model



NETL



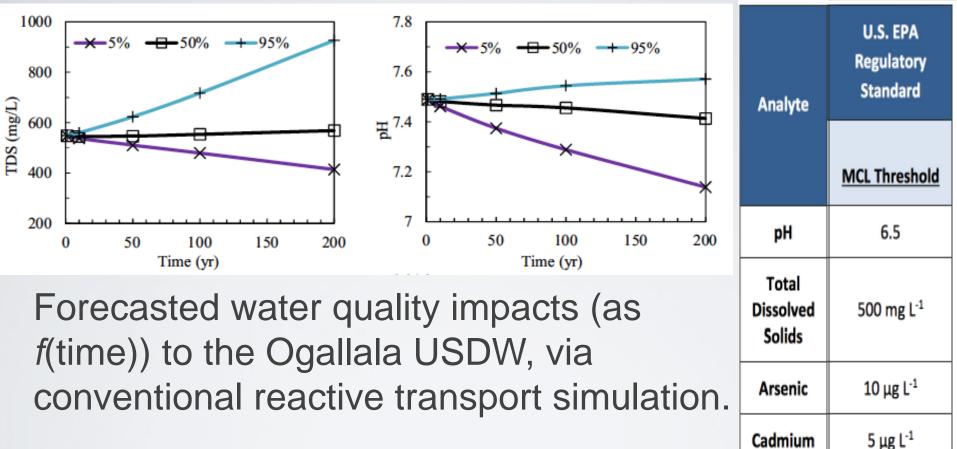
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(Dai et al., 2016)



Quantitative Risk Analysis (Task 4)



Xiao, T., McPherson, B., Pan, F., Esser, R., Jia, W. (2016). Potential Chemical Impacts of CO₂ Leakage on Underground Source of Drinking Water (USDWs) Assessed by Quantitative Risk Analysis. *International Journal of Greenhouse Gas Control*, 50, 305-316

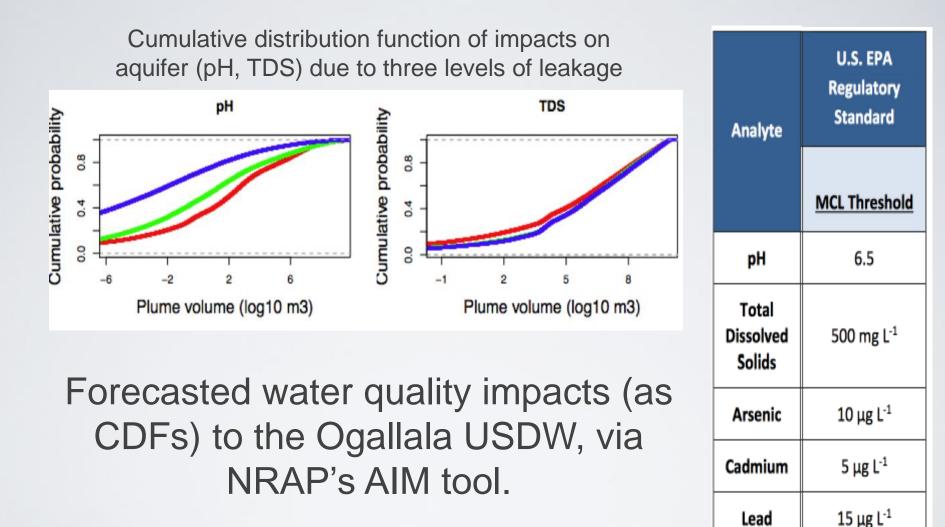




Lead

15 µg L⁻¹

Probabilistic Analyses - NRAP's AIM Tool







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Risk Response Planning (Task 5)

F	EP	2015 Ranking	Risk Prevention	Risk Mitigation
Price of o other rela commod	ated	1	Plan for worst case scenarios.	Control costs. Shut in wells until prices recover. Shift to backup CO2 supplier.
EOR oil 1	recovery	2	reservoirs that fall within the acceptable range of EOR attributes. Model EOR operation and try to optimize oil recovery through reservoir engineering. Operate above the minimum miscibility pressure.	Monitor EOR actual versus projected performance. Identify the cause of any variation. Adjust CO2 EOR strategy to improve oil recovery if necessary. Optimize WAG, injected water curtains, selective perforation, use of polymer gels or sealants, and CO2 recycling to control CO2 migration and utilization and increase oil recovery. Optimize CO2-EOR processes to maximize both net CO2 storage and oil production simultaneously.

Established risk prevention and mitigation treatments for top 50 FEPs and 10 black swans.

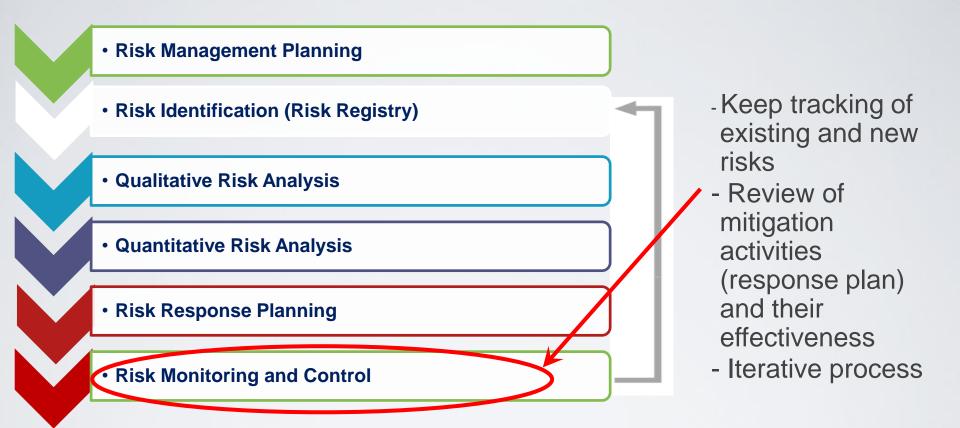
As NRAP moves into its Phase 2, collaboration on mitigation plans will be critical!







Risk Monitoring and Control (Task 6)



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Monitoring (MVA)

As a demonstration project a comprehensive monitoring strategy is in place:

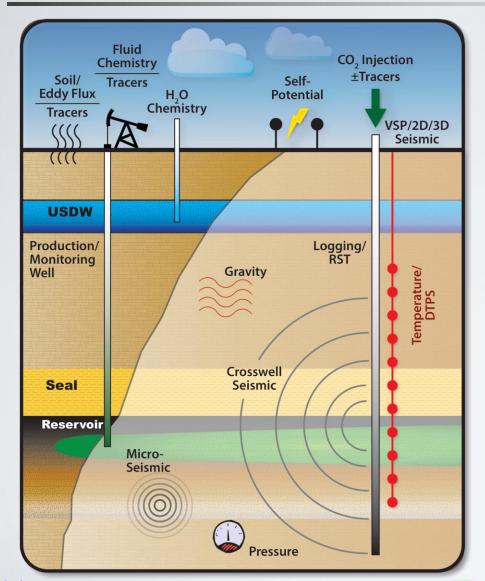
- Monitoring understand CO₂ plume movement over short and long time periods
 - *Direct monitoring* tests repeat air and water samples for seeps, leaks, and well-bore failures
 - Seismic MVA utilizes time lapse seismic data at a variety of scales to image the CO₂ plume over time
- Verification assurance that CO₂ stays in target reservoir, doesn't make it back to atmosphere
- Accounting Accurately measure amount of stored carbon including storage mechanisms







Direct Monitoring Strategy



Detecting CO₂ at Surface:

- Surface soil CO₂ flux
- Atmospheric CO_{2/}CH₄ eddy flux
- Gas phase tracers

Detecting CO₂ and/or other fluid migration in Target/Non-Target Reservoirs:

- Groundwater chemistry (USDWs)
- Water/gas phase tracers

Tracking CO₂ Migration and Fate:

- In situ pressure & temperature
- 2D/3D seismic reflection surveys
- VSP and Cross-well seismic
- Passive seismic

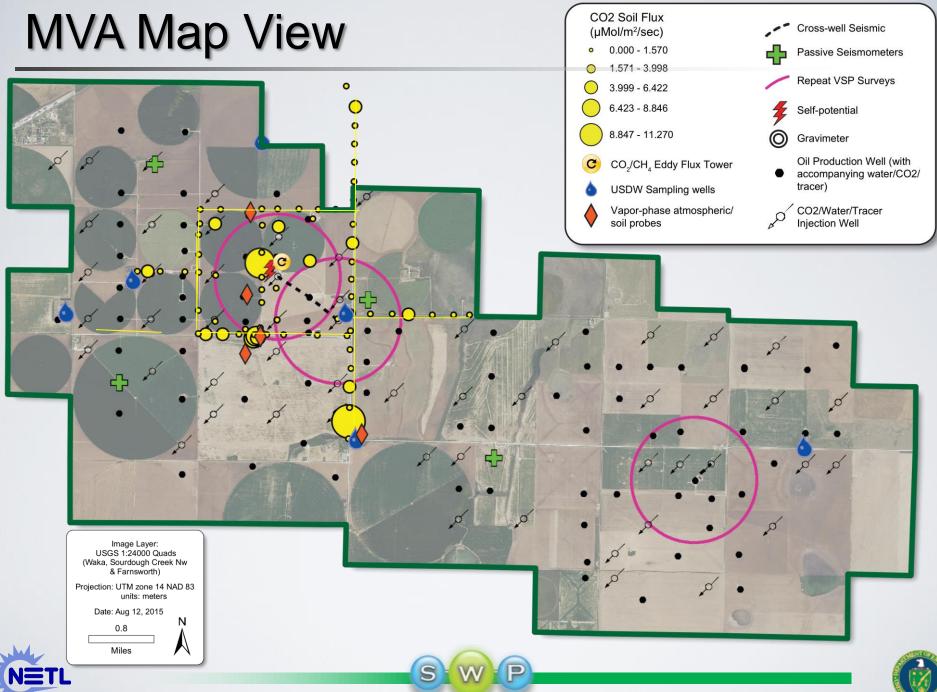
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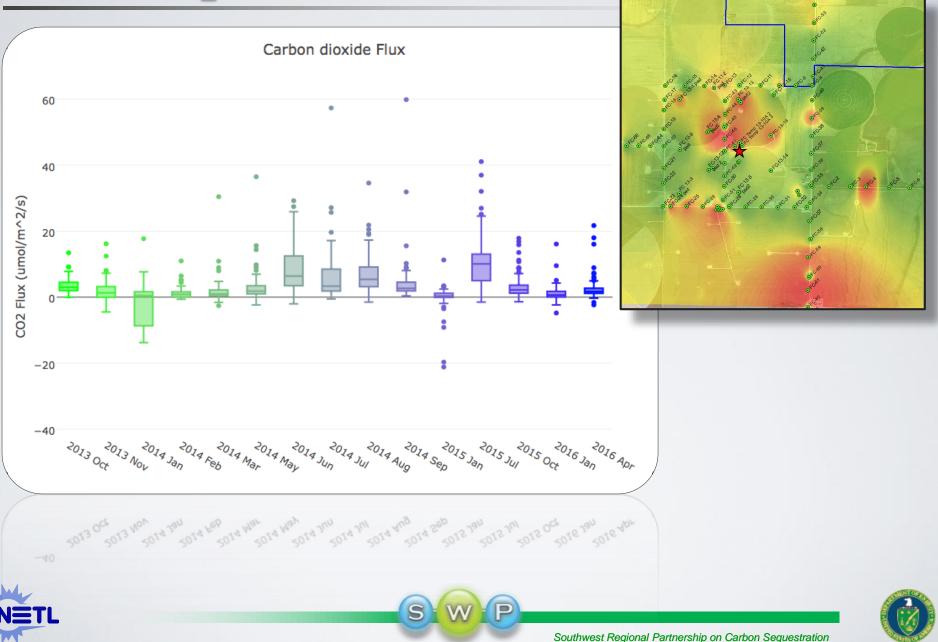
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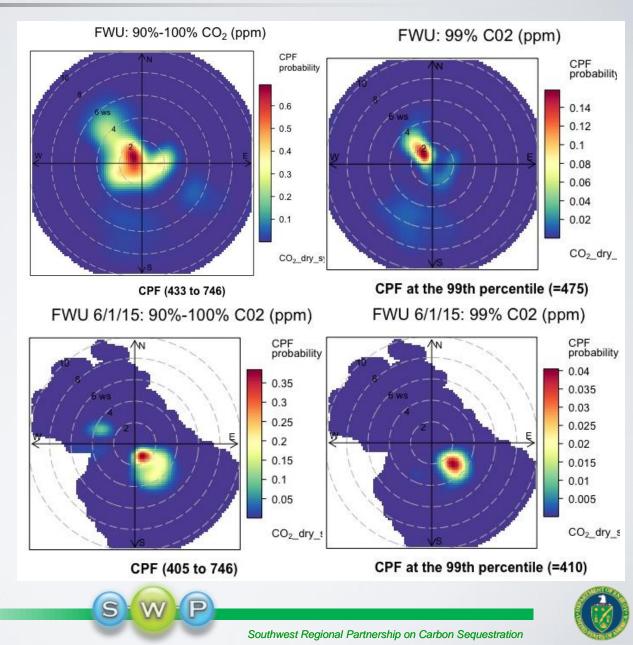
SWP CO₂ Flux – Soil Flux Results



SWP CO₂ Flux – Eddy Covariance

FWU Data

- Top: All data.
 Looking at 90% 100% concentration
 CO₂ (left) and 99%
 CO₂ (right)
- Bottom: 6/1/2015. Looking at 90%-100% concentration CO_2 (left) and 99% CO_2 (right)





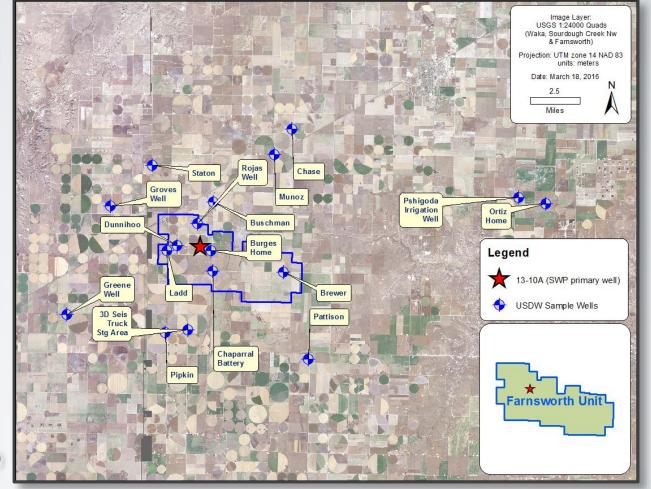
SWP MVA Overview – Near Surface Monitoring

• USDW

- Quarterly sampling of Ogallala aquifer to monitor for brine, oil and/or CO₂ leakage from depth.
- Major Cations/ Anions
- pH

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- Conductivity
- Alkalinity
- Oxidation and Reduction Potentials (ORP)
- Inorganic Carbon (IC) and Organic Carbon (OC)
- Trace Metals
- Isotopes (¹³C,¹⁸O, and D)



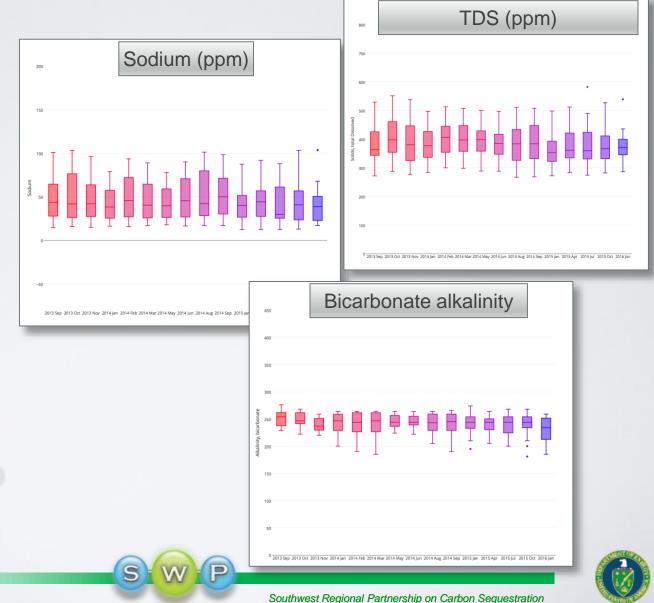




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SWP MVA Overview – Tracer Studies

Tracers – Aqueous- and Vapor-Phase

- Aqueous Phase: naphthalene sulfonates; conservative tracers that follow water phase (Pete Rose – University of Utah).
- Up to 8 unique aqueous-phase tracers available.
- Vapor Phase: perfluorocarbons; conservative tracers that follow gas phase (Rod Diehl – NETL).
- Up to 7 unique vapor-phase tracers available.
- Oil Phase: Not planned
 at this time.

Tracer suite available for use at the FWU; green highlighted tracers already injected at FWU.

Aqueous Phase (n=8) 1-naphthalenesulfonic acid, sodium salt 0 2-naphthalenesulfonic acid, sodium salt 0 1,5-naphthalenedisulfonic acid, disodium salt 1,6-naphthalenedisulfonic acid, disodium salt 2,6-naphthalenedisulfonic acid, disodium salt \bigcirc 2,7-naphthalenedisulfonic acid, disodium salt 1,3,5-naphthalenetrisulfonic acid, trisodium salt 0 1,3,6-naphthalenetrisulfonic acid, trisodium salt Vapor Phase (n=7) Perfluoro-dimethylcyclobutane (PDCB) Perfluoro-methylcyclopentane (PMCP) 0 Perfluoro-methylcyclohexane (PMCH) Perfluoro-ethylcyclohexane (PECH) Perfluoro-1,2-dimethylcyclohexane (o-PDCH) Perfluoro-1,3,5-trimethylcyclohexane (PTCH) Perfluoro-isopropyl-cyclohexane (i-PPCH) 0



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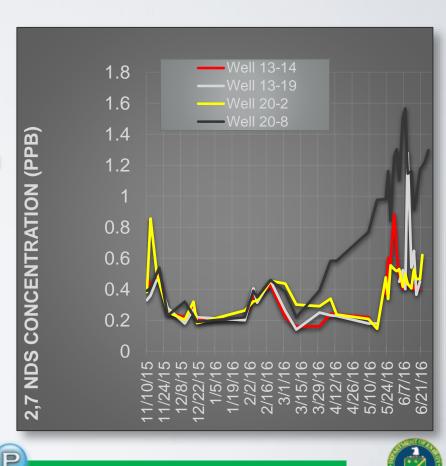
SWP MVA Overview – Aqueous Tracers

Tracers – Aqueous-phase Injection #1

 Three FWU wells (on water flood) tagged with unique tracers in May, 2014

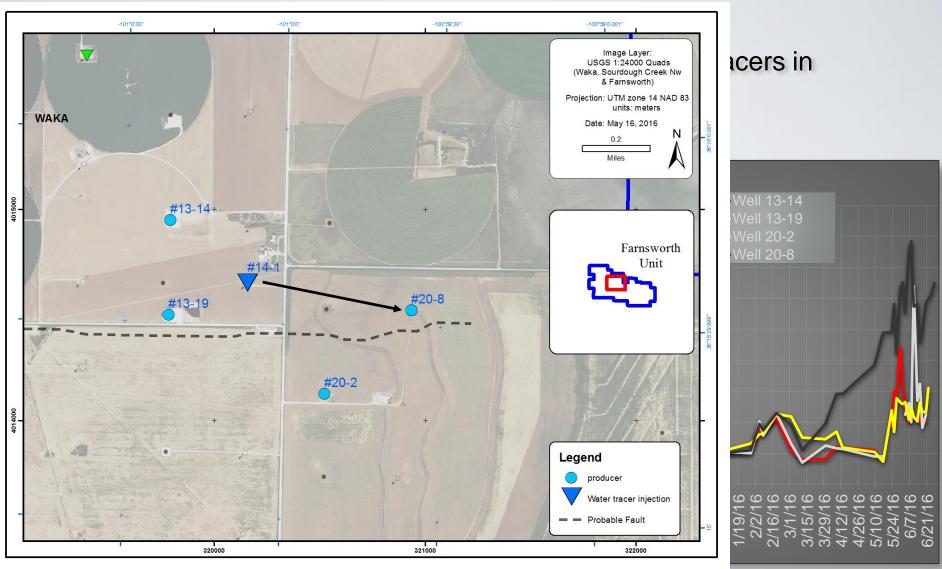
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- Additional ~3 days of water injection, followed by CO₂ flood
- Never observed breakthrough!
- Tracers Aqueous-phase Injection #2
 - FWU well (on water flood) tagged with tracer in October, 2015
 - Well #14-1: 2,7-Naphthalenedisulfonic acid, disodium salt
 - 2 to 4 times the amount of NPT injected into previous wells
 - No switch to CO₂
 - Breakthrough for FWU #20-8





SWP MVA Overview – Aqueous Tracers



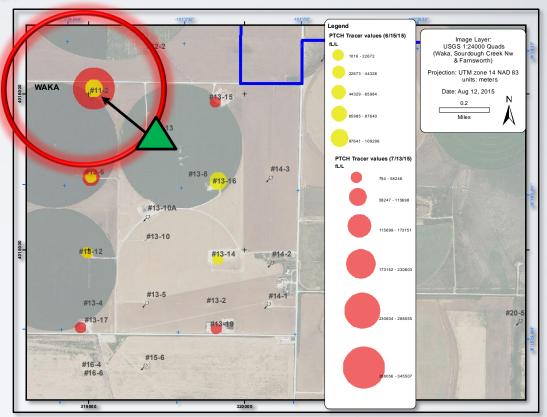




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SWP MVA Overview – Gas Phase Tracers

- Tracers Vapor-Phase Injection #1
 - FWU well (on CO₂ flood) tagged with tracer in May, 2015
 - Well #13-13: PTCH (2 kg)
 - Additional ~30 days of CO₂ injection
 - Every other week to weekly sampling of production wells
 - "Breakthrough" after
 2 to 4 weeks! (fast path or "short circuit"
 between 13-13 and
 11-2)









SWP MVA Overview – Gas Phase Tracers

Tracers – Vapor-Phase Injection #2

- FWU well (on CO₂ flood) tagged with tracer in November, 2015
 - Well #13-10A: PDCB (1kg)
- Additional ~30 days of CO₂ injection
- High frequency sampling (wells & recycled CO₂)
- Modification of sampling procedures
- Waiting for breakthrough







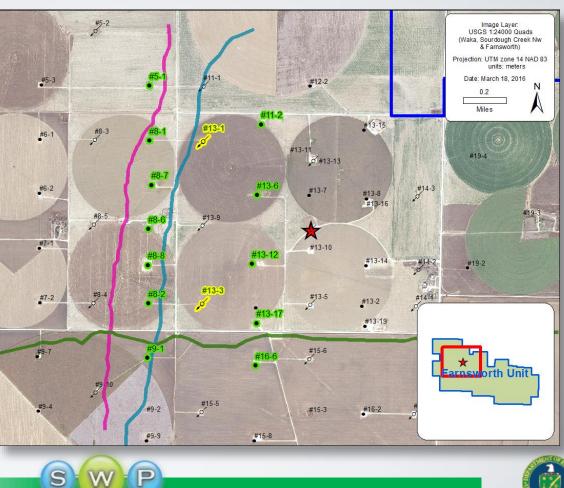


SWP MVA Overview – Gas Phase Tracers

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Tracers – Vapor-Phase Injection #3

- Two additional FWU wells (on CO₂ flood) tagged with tracer in May, 2016
 - Well #13-1: PMCH (0.5kg)
 - Well #13-3: PECH (0.5 kg)
- Evaluate influence of faults.
- **High frequency** • sampling (12 wells & recycled CO_2)
- No breakthrough after 2 months

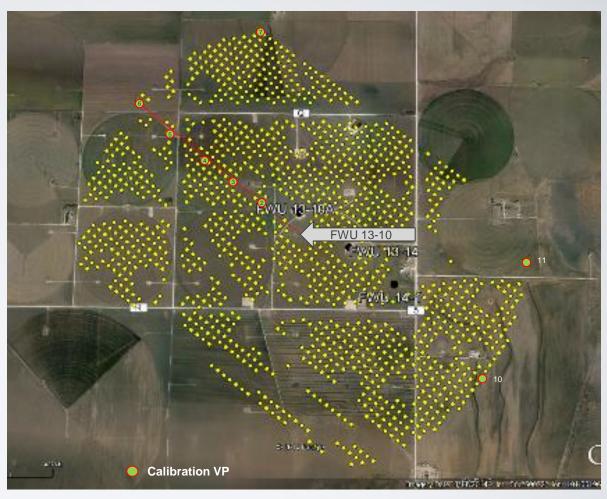




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Data Acquired February 2014 and January 2015

- Processed by WesternGeco and delivered June 2015
- Processing 1st and second 13-10a VSPs with ~30,000 Metric tonnes CO2 injected
- Excellent repeatability
- Acquired calibration
 VSP data for microseismic array
- Cursory differencing inconclusive









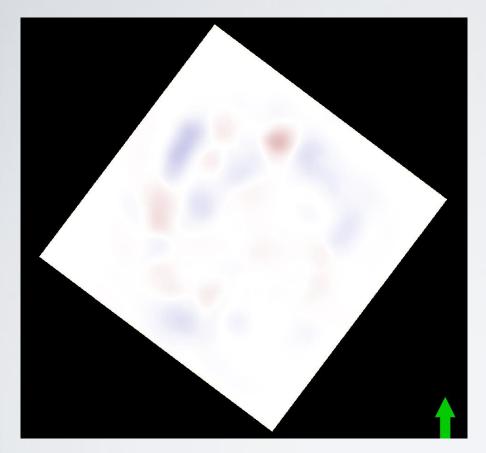


IMAGE DIFFERENCE SLICES AT SRD DEPTH 7800 FT.

- Model can be populated with fluids for multiple cases
 - Post waterflood
 - Post 30,000 tonnes injection, etc.
- Fluid filled models can have synthetic seismic generated from them
 - Can difference to find expected response at varying CO2 injection levels
 - Useful for determining detection thresholds
 - Help determine timing of future VSP repeats



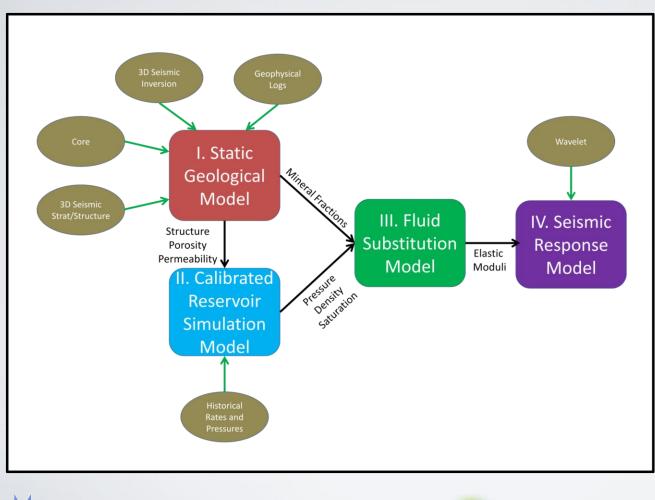




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Fluid Substitution modeling – work flow

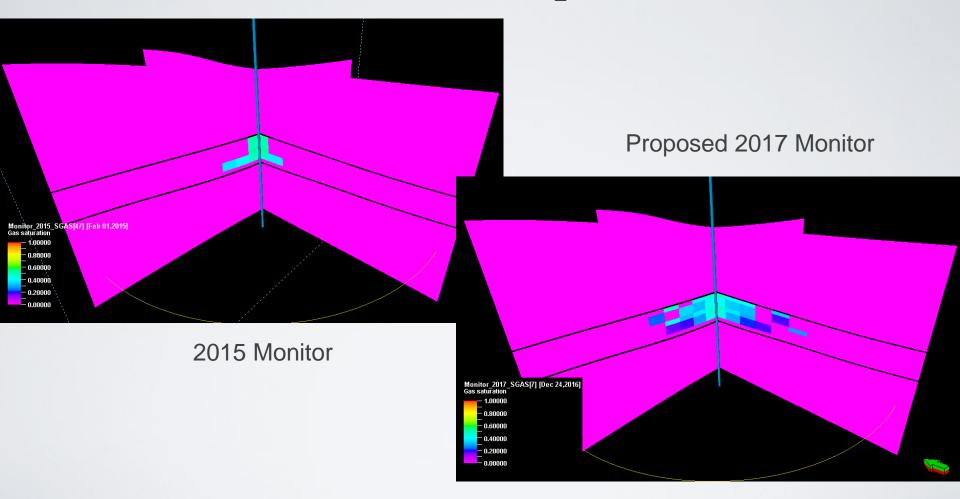


- Modeling begins by development of a static geologic model using all available data such as logs, core, inversion, and seismic stratigraphy and structure
- II. The fine scale geologic model is history matched, and then used to predict the fluid state of the reservoir at various times corresponding to different CO2 injection volumes
- III. The fluid substitutions can change the elastic properties of the rock, which can then impact the seismic response



Ι.

Property Changes – CO₂ Saturation

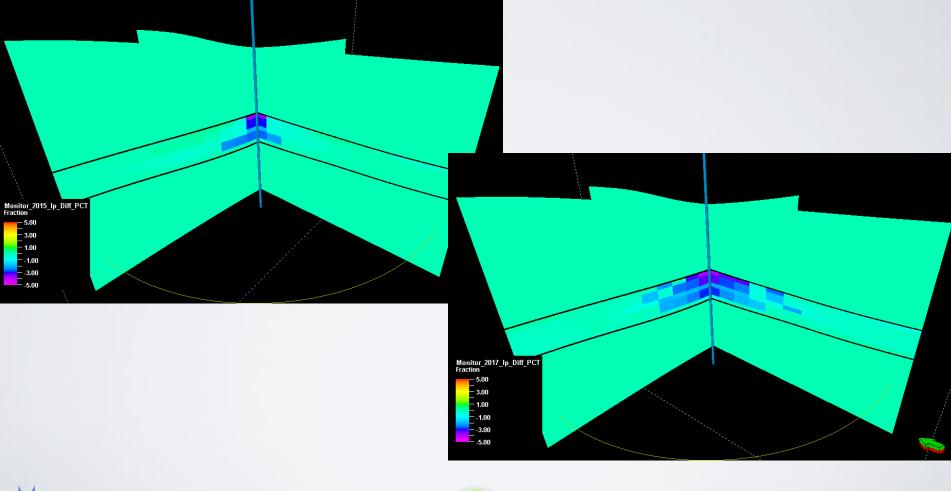








Property changes - % Acoustic impedance

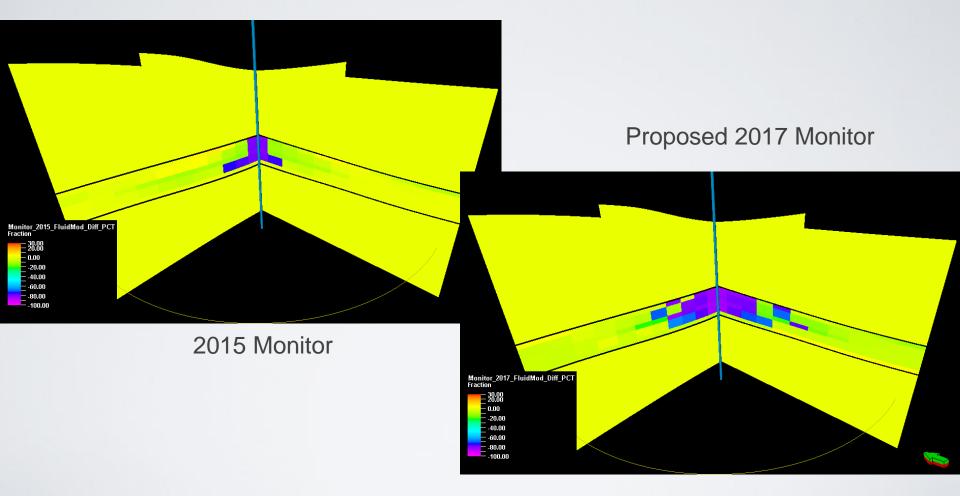








Property changes - % fluid modulus



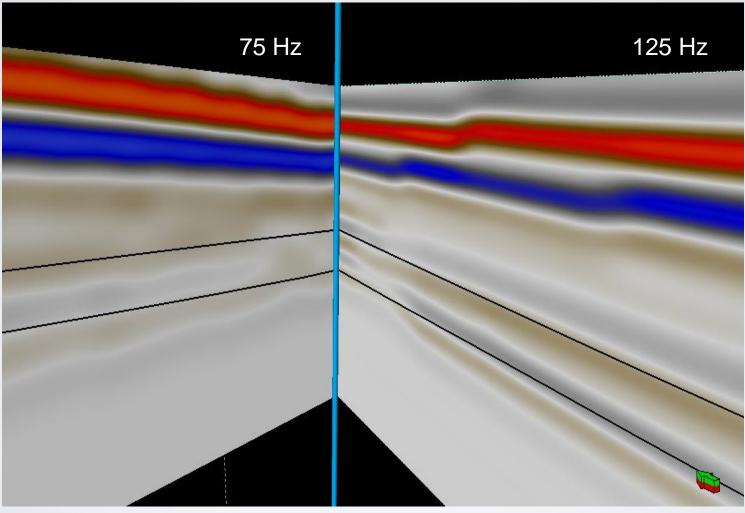






Southwest Regional Partnership on Carbon Sequestration

Modeled (synthetic) seismic survey









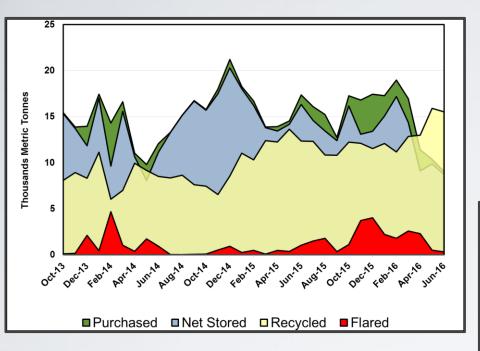
Proposed 2017 Monitor Survey (75 HZ)





Southwest Regional Partnership on Carbon Sequestration

SWP MVA Overview – Accounting

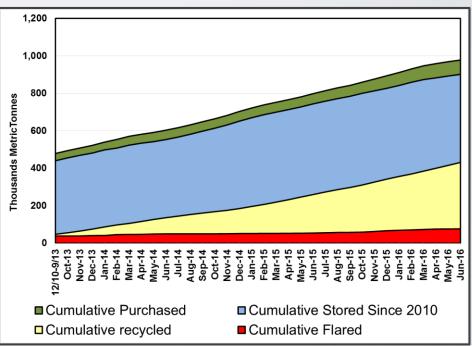


Monthly accounting since October of 2013

92.2% of purchased CO₂ still in the system

Cumulative CO₂ storage since December 2010

92.1% of purchased CO₂ has been stored



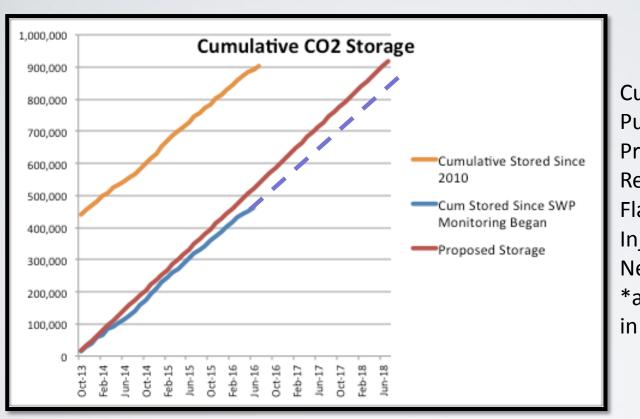


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SWP MVA Overview – Accounting

CUMULATIVE CO2 UTILIZATION THROUGH 7/2016



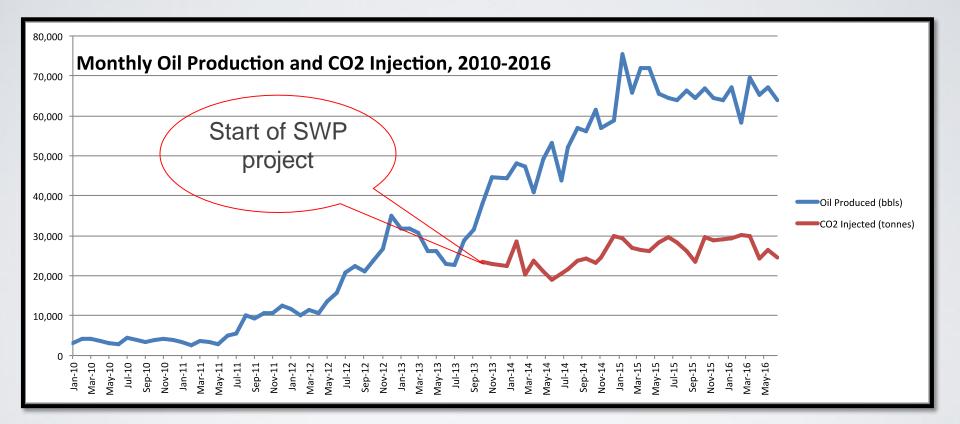






SWP MVA Overview – Accounting

MONTHLY OIL PRODUCTION THROUGH 7/2016









Conclusions and Ongoing Work

- The Southwest Partnership's demonstration project at Farnsworth field highlights enhanced recovery with ~92% carbon storage
- Extensive characterization, modeling, simulation, and monitoring studies have demonstrated long term storage security
- Continuous geologic characterization;
- Annual updated geo-model;
- Continuous history match;
- Continuous monitoring (ongoing);
- New risk registry and assessment;
- Effective best practices for CCS must include an adequate MVA program
- To date and after nearly 3 years of monitoring no leaks to the atmosphere, ground water, or secondary reservoirs have been detected at Farnsworth using a wide array of detection

technologies





Funding for this project is provided by the U.S. Department of Energy's (DOE) National Energy Technology Laboratory (NETL) through the Southwest Regional Partnership on Carbon Sequestration (SWP) under Award No. DE-FC26-05NT42591. Additional support was provided by Chaparral Energy, LLC and Schlumberger Carbon Services.

Bob and Brian gratefully acknowledge the contributions of more than 50 SWP scientists and engineers, working at New Mexico Tech, the University of Utah, the University of Missouri, Los Alamos National Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories.





