

Oil & Natural Gas Technology

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Quarterly Research Performance Progress Report (Period ending 6/30/2014)

A new approach to understanding the occurrence and volume of natural gas hydrate in the northern Gulf of Mexico using petroleum industry well logs

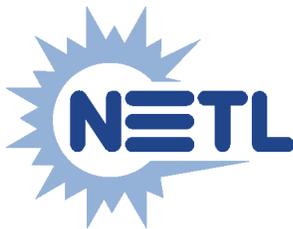
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Office of Fossil Energy

EXECUTIVE SUMMARY

The main objective of the project is to significantly increase our understanding of the occurrence, volume and fine scale distribution of natural gas hydrate in the northern Gulf of Mexico using petroleum industry and Gulf of Mexico Gas Hydrate Joint Industry Project (JIP) well logs.

First Year

In the first quarter (October 1, 2012-December 13, 2012), the initial steps were to establish an estimate for the base of gas hydrate stability zone (GHSZ) for each industry well in the Gulf of Mexico and begin ordering industry well data. For the modeling side of the project, student Brian Tost completed a formation model for JIP2 wells in Alaminos Canyon, Gulf of Mexico. Ann Cook and Barbara Anderson began constructing formation models for the sand reservoir in Green Canyon, Gulf of Mexico.

In the second quarter (January 1, 2013-March 31, 2013) well orders were completed for each block in the Gulf of Mexico, by Cook, Urmi Majumdar (PhD student), Abby Crock (undergraduate hourly) and Samyra Ismail (undergraduate hourly). Eleven total DVDs were ordered from the Bureau of Safety and Environment Enforcement (BSEE). Student Brian Tost defended his master's thesis on the JIP Alaminos Canyon wells. Undergraduate senior Abby Crock completed her thesis on Alaminos Canyon industry wells in Block 857.

In the third quarter (April 1, 2013 - June 30, 2013) Urmi Majumdar and Samyra Ismail began working on well assessments by Gulf of Mexico Block. This involved opening each well log, noting the types of logs available in the GHSZ and analyzing the log for any signs of natural gas hydrate. By the end of June, Majumdar completed initial reports on all of the wells in East Breaks and Keathley Canyon. The plan is to produce reports of this type for all assessed Gulf of Mexico Blocks. At the end of May, Tost and Cook submitted a conference article entitled, 'Do Gas Hydrates Occur in Alaminos Canyon, Gulf of Mexico?' the Unconventional Resources Technology Conference, which will be presented in August 2013. Tost was moved to a part time hourly worker for the summer (June 1-August 16) so he can complete the manuscript on Alaminos Canyon for the Journal of Geophysical Research. Cook and Anderson worked on resistivity formation models for JIP2 Hole GC955-H. Unfortunately, some of the Schlumberger proprietary models have changed and do not match the well conditions in Hole GC955-H. Anderson is working on having Schlumberger reinstate the old models.

In the fourth quarter (July 1 - September 30, 2013) Majumdar continued working on assessments in the Gulf of Mexico, specifically focusing on Alaminos Canyon and Mississippi Canyon. The report for Alaminos Canyon can be found on pages 7-13 of this quarterly report. Tost presented his work at the Unconventional Resources technology conference. Tost and Cook continued to work on the Alaminos Canyon Block 21 manuscript for submission to JGR. Anderson was able to fix the Schlumberger proprietary models, but we were not able to complete the resistivity formation models for GC955-H and WR313-G because of the delay.

The target completion date for the resistivity models was moved to December 31, 2013.

Second Year

In the first quarter of year two (October 1, 2013-December 31, 2013), Majumdar and Cook continued working on the Gulf of Mexico assessments. Over half of the large protraction areas have now been completed (see Figures 1 & 2); including East Breaks, Alaminos Canyon, Keathley Canyon and Garden Banks. The northern section of Mississippi Canyon has also been completed. Majumdar and Cook submitted abstracts to ICGH and the GRC. The ICGH abstract was accepted with an Oral presentation. Cook and Tost submitted the manuscript on Alaminos Canyon to JGR. In December, Cook and Majumdar held a phone conference with Matt Frye and Bill Shedd and discussed several of the prospects in mid-December.

In course of the second quarter of year two (January 1, 2014 – March 31, 2014), initial assessments for Garden Banks, Green Canyon, Walker Ridge, Atwater Valley and Mississippi Canyon. These wells will be double-checked before digital well data is ordered. Ismail compiled maps from the Year 2, Q1 assessments in addition to Garden Banks. In February, Cook and Majumdar presented a summary of the project and a request for project continuation to DOE, which was granted. In March, Cook, Majumdar and Ismail presented three posters on this project at the Gordon Research Seminar. Additionally, Majumdar presented a talk at the Gordon Research Seminar the weekend before the GRC.

Resistivity models for GC 955 and WR 313 are still behind. Cook has identified new models that may be used instead of Schlumberger's proprietary models and will be pursuing these in May.

During the third quarter of the second year (April 1, 2014- June 30, 2014), two additional undergraduate students were hired (Andrew Burchwell and Mackenzie Scharenberg) to double check all of the logs and spreadsheets for hydrate prospects in the Gulf of Mexico. In addition, we changed some of the criteria and the new students worked with Majumdar to update and correct any spreadsheet errors. We developed new criteria to rank each of the reservoirs:

Reservoir I: Resistivity > 5 ohm-m from established background
Reservoir thicker than 30 ft

Reservoir II: Reservoir meets only 1 of the conditions from Reservoir 1

Reservoir III: Resistivity greater than 0.5 ohm-m above background

Also during the third quarter, we calculated hydrate saturation in fracture accumulations in WR313 and GC955H using best-fit ANISBED models. Saturations ranged from ~2% to 20% in the fractured accumulations. Cook is looking into additional modeling methods to help constrain these estimates. Majumdar submitted a conference paper to ICGH on the project. Cook published a paper in the JMPG special issue on India including some of her work on GC955 and WR313 on the project.

PROGRESS, RESULTS AND DISCUSSION

See Table 1 for Project Timeline on each task and subtask.

Task 1.0 – Project Management Plan

During October and November, the Cook worked with Skip Pratt to develop the PMP for the project. It was completed on November 27, 2012.

Cook participated in a project kickoff conference call with DOE on November 7, 2012.

Task 2.0: Evaluation of gas hydrate occurrence in petroleum industry well logs

Subtask 2.1: Calculate the depth of the GHSZ depth in the Gulf of Mexico using ArcGIS.

Gas hydrate stability zone models for the Gulf of Mexico were received from Matt Frye, BOEM. These models contain minimum, mean and maximum estimates as well as breakdowns from P10-P90. The Frye models were assessed and by Cook and students, and compared to a blanket GIS calculation based only on bathymetric depth. We decided Frye models were likely more accurate, and decided to use the P90 gas hydrate stability zone depth as a cutoff for the log order. Thus, wells that contains only logs depths deeper than P90 will not be ordered.

Students Tost and Ismail worked on outputting spreadsheet data from the GIS to make the industry well log orders. Some GIS issues, including missing wells, were encountered and hopefully fixed.

The first well data order from BSEE was on December 7, 2012 and ordering continued through the end of Q2. Two undergraduate students, Crock and Ismail, PhD student Majumdar, and Cook ordered well data and compiled spreadsheets on each well (Subtask 2.2). In total, 11 DVDs were ordered full of logging data from the Gulf of Mexico. This task was completed at the end of Q2.

Subtask 2.2: Well log evaluation and database development.

Spreadsheets were developed for each block in the Gulf of Mexico for wells drilled in water column greater than 1400 ft. Orders were then compiled on the BSEE website using their well query system. Each well was queried using the API number. The BSEE seafloor depth at each well was crosschecked with GIS bathymetry data to make sure hydrate stability zone calculations were reasonably valid. Well logs that were above the P90 cutoff were ordered in each well, including (but not limited to) gamma ray, resistivity, velocity, density, neutron porosity and caliper. Most frequently, wells only contained resistivity and gamma ray logs. Additionally, we will not know how shallow some of the logs were recorded until the log data is analyzed. Typically the top of logged interval is only reported for the top of any log and typically does not represent the top of logged interval for all logs.

Each well that was ordered will be analyzed completely through the Mean GHSZ estimate and anything of interest was noted through the P90 GHSZ estimate. We note year of logging and operator for each well. Logs available through the Mean GHSZ are noted, as well as mud type in the Mean GHSZ, and any well deviation in the GHSZ. Initial well assessment spreadsheets and reports were completed for East Breaks and Keathley Canyon in Q3, and Alaminos Canyon in Q4. Green Canyon was completed in January 2014. Initial assessments of all protraction areas were completed by the end of Year 2, Q2. Currently, we are in the process of double-checking the initial assessments before ordering data.

Task 3.0: Modeling of resistivity measurements from JIP Leg 2

Subtask 3.1: Develop true resistivity models for sand reservoirs for JIP Leg 2 Holes

A resistivity model that incorporates the measured resistivity and the seismic trace in for JIP2 Holes AC-21A and AC-21B has been developed by Tost and Cook.

An initial model for JIP2 Hole GC-955H was completed in December 2012. Anderson and Cook are collaborating to produce more accurate models, unfortunately, some of the Schlumberger proprietary codes were changed since our first model run, and the newer models were mismatched. Anderson is working on trying to get these models reversed back to the original. The completion date for this task was moved to December 31, 2013 due to problems with the proprietary Schlumberger code.

UPDATE: The Schlumberger codes were fixed and another model iteration was run. But shortly after the new iteration was completed, Anderson's computer failed. She is working with Schlumberger to obtain a new computer that can run proprietary code.

Subtask 3.2: Determine hydrate saturation using best-fit ANISBED models.

This task was completed on time. Currently Cook is looking into additional models to validate the estimates obtained.

Task 4.0: Determining volume of methane in gas hydrate in the northern Gulf of Mexico

We plan to start this task after logs are ordered in the next few weeks.

Task 5.0: Publication, presentation and dissemination of results.

- A conference paper was submitted for the Unconventional Resources Technology Conference, 'Do Gas Hydrates Occur in Alaminos Canyon,

Gulf of Mexico?’ with authors Tost and Cook. Tost presented this work in August 2013.

- Cook, Ismail and Majumdar attended the gas hydrate GRC and presented results from the project.
- The ICGH conference abstract was accepted with oral presentation. Majumdar will travel to Beijing to present this work.
- A significantly edited version of the URTEC manuscript was resubmitted to JGR in early June and is currently under review.
- Cook published an article along with Dave Goldberg and Alberto Malinverno in a JMPG Special Issue on Gas Hydrates India, ‘Natural gas hydrates occupying fractures: A focus on non-vent sites on the Indian continental margin and the northern Gulf of Mexico’ that includes some work on this project for the hydrate reservoirs in WR313 and GC955H.
- A Fire and Ice article was submitted and published on the project, ‘Gas Hydrate Assessment in the Northern Gulf of Mexico: Preliminary Results Reveal New Prospects’ with Majumdar as lead author.

	Phase 1								Phase 2				
	Year 1				Year 2				Year 3				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Task 1	[Tan bar spanning all 12 quarters]												
Task 2	[Tan bar spanning Year 1 and Year 2]												
Subtask 2.1		●											
Subtask 2.2								●					
Task 3	[Tan bar spanning Year 1 and Year 2]												
Subtask 3.1				●									
Subtask 3.2												●	
Task 4					[Tan bar spanning Year 2 and Year 3]								
Subtask 4.1												●	
Subtask 4.2													
Subtask 4.3													●
Task 5					[Tan bar spanning Year 2 and Year 3]								

Table 1. Project timeline by task (tan bars) and subtask (green bars). Total project time is 2, 18 month-long phases (3 years). Milestones are indicated by a black dot.

PARTICIPANTS

Name: Ann Cook

Project Role: PI

Contribution: Managing student time, writing and submitting papers, modeling hydrate saturations.

Person Months: 1

Name: Urmi Majumdar

Project Roll: Graduate student
 Contribution: Writing and submitting papers, double-checking hydrate assessments.
 Person Months: 3

Name (s): Sam Ismail, Andrew Burchwell, Mackenzie Scharenberg
 Project Roll: Undergraduate hourly
 Contribution: Mapping results of assessments. Double-checking spreadsheets and log analysis.

COSTS

During this quarter, charges to the project include graduate student tuition and stipend as well as hourly pay for undergraduates. Some travel from the previous quarter appears on these cost statements.

Department: 06560 Principal Investigator: Cook, Ann Elizabeth Sponsored Program Officer: Port, Jared Austin Facilities & Administration Rate: 52.50 %						The Ohio State University - Office of Sponsored Programs Project Financial Summary For the Month Ending: JUN 30, 2014 Project Period: 10/01/2012 to 09/30/2015						Project: 60036410 Award: GRT00028365 Sponsor: US Department of Energy Grant/Contract: DE-FE0009949					
Project/Award Title: New approach to understanding the occurrence and volume of natural gas hydrate in the northern Gulf of Mexico using petroleum industry well logs																	
Sponsor																	
Category	Budget	Expenses This Month	Expenses To Date	Commitments	Balance												
Salaries and Wages	106,854.00	11,831.59	53,898.62	2,697.32	50,258.06												
Fringe Benefits	12,094.00	1,868.69	7,138.20	339.86	4,615.94												
GA Tuition and Fees	48,391.00	0.00	18,511.50	21,200.00	8,679.50												
Total Personnel Costs	167,339.00	13,700.28	79,548.32	24,237.18	63,553.50												
Other Direct Costs	2,000.00	0.00	0.00	0.00	2,000.00												
Materials and Supplies	0.00	0.00	1,161.00	0.00	-1,161.00												
Domestic Travel	20,000.00	0.00	9,371.72	0.00	10,628.28												
Foreign Travel	0.00	2,255.92	2,255.92	0.00	-2,255.92												
Purchased Services	15,000.00	0.00	0.00	0.00	15,000.00												
Total Direct Costs	204,339.00	15,956.20	92,336.96	24,237.18	87,764.86												
Facilities and Administrative	81,873.00	8,377.01	38,758.45	1,594.51	41,520.04												
Total	286,212.00	24,333.21	131,095.41	25,831.69	129,284.90												
Cost Share																	
Category	Budget	Expenses This Month	Expenses To Date	Commitments	Balance												
GA Tuition and Fees	0.00	0.00	27,402.00	0.00	-27,402.00												
Total Personnel Costs	0.00	0.00	27,402.00	0.00	-27,402.00												
Total Direct Costs	0.00	0.00	27,402.00	0.00	-27,402.00												
Facilities and Administrative	0.00	159.55	577.05	0.00	-577.05												
Total	0.00	159.55	27,979.05	0.00	-27,979.05												
Third Party																	
Category	Budget	Expenses This Month	Expenses To Date	Commitments	Balance												
Other Direct Costs	22,500.00	0.00	0.00	0.00	22,500.00												
Purchased Services	52,000.00	0.00	30,030.00	0.00	21,970.00												
Total Direct Costs	74,500.00	0.00	30,030.00	0.00	44,470.00												
Total	74,500.00	0.00	30,030.00	0.00	44,470.00												

Table 2. Total costs through Year 2, Quarter 3.

Account		Account Description					Sponsor Expense
60092		Graduate Research Associate					1,827.22
60123		Off-Duty Quarter Support					9,006.67
60131		Student (non-GA/non-FWSP)					556.70
60135		Under Enrolled/Non Fee Pd Stdt					441.00
						Salaries and Wages	11,831.59
60292		Bnft-Graduate Research Assoc					230.23
60323		Bnft-Off-Duty Quarter Support					1,495.11
60331		Bnft-Student (non-GA/non-FWSP)					70.14
60335		Bnft-Under Enrl/NonFee Pd Stdt					73.21
						Fringe Benefits	1,868.69
						Total Personnel Costs	13,700.28
63409		Foreign Travel - Student					2,255.92
Journal ID	Purchase Order	Voucher ID	Invoice ID	Vendor	Transaction Description		
AP03516325		14YYOVVB	342940T315572	UNIGLOBE TRAVEL DESIGNERS	AIR T000315572 MAJUMDAR	\$2,255.92	
						Foreign Travel	2,255.92
						Total Direct Costs	15,956.20
66701		Indirect Costs					8,377.01
						Facilities and Administrative	8,377.01
						Total F&A Costs	8,377.01
						Total Project Costs This Month	24,333.21
Account		Account Description					Cost Share Expense
66701		Indirect Costs					159.55
						Facilities and Administrative	159.55
						Total F&A Costs	159.55
						Total Project Costs This Month	159.55

Table 3. Detail of expenses Year 2, Quarter 3.

Employee		Account Description					Sponsor Expenses	
Account	ID	Name	Journal ID	Journal Date	Pay Type	Description	This Month	
60092	200299301	Majumdar,Urmi		06/30/2014	HR Monthly	HR Payroll Expense	1,827.22	
							Total for Account	1,827.22
60123	200235455	Cook,Ann Elizabeth		06/30/2014	HR Monthly	HR Payroll Expense	9,006.67	
							Total for Account	9,006.67
60131	200208533	Ismail,Samrya A		06/27/2014	HR Bi-Weekly	HR Payroll Expense	86.90	
60131	100142812	Burchwell,Andrew Edward		06/27/2014	HR Bi-Weekly	HR Payroll Expense	367.50	
60131	200208533	Ismail,Samrya A		06/13/2014	HR Bi-Weekly	HR Payroll Expense	102.30	
							Total for Account	556.70
60135	200180848	Scharenberg,Mackenzie Lee		06/13/2014	HR Bi-Weekly	HR Payroll Expense	441.00	
							Total for Account	441.00
60292			BNRF700655	06/30/2014	Other	OSURF BENEFIT RATE 5	230.23	
							Total for Account	230.23
60323			BNRF401421	06/30/2014	Other	OSURF BENEFIT RATE 4	1,495.11	
							Total for Account	1,495.11
60331			BNRF500497	06/30/2014	Other	OSURF BENEFIT RATE 5	70.14	
							Total for Account	70.14
60335			BNRF401419	06/30/2014	Other	OSURF BENEFIT RATE 4	73.21	
							Total for Account	73.21
							Total for Project	13,700.28

Table 4. Detail of payroll expenses for Year 2, Q3.

CONCLUSION

Most tasks are on track and the results of this project are being disseminated through presentations and publications.