# Plains CO<sub>2</sub> Reduction (PCOR) Partnership Phase III

DE-FC26-05NT42592

Charles D. Gorecki
Energy & Environmental Research Center

National Energy Technology Laboratory
U.S. Department of Energy
Carbon Storage R&D Project Review Meeting
Developing the Technologies and Building the
Infrastructure for CO<sub>2</sub> Storage
August 21–23, 2012

#### Presentation Outline



## Benefit to the Program

- The research project is efficiently facilitating the deployment of commercial-scale carbon capture, utilization, and storage (CCUS) by implementing the key lessons learned through monitoring, verification, and accounting (MVA) strategies. These MVA strategies must be risk-based and site-specific. Wherever possible, the MVA technologies should be based on standard commercial practices and be commercially sustainable. The research project is continuing its efforts to facilitate the development of the North American regulatory and permitting framework, regional characterization, CO<sub>2</sub>-transport infrastructure, and outreach and education. The commercial deployment of CCUS is more limited by economics and legal uncertainty than by technical challenges.
- This comprehensive research effort contributes to the Carbon Storage Program's effort to conduct field tests through 2030 to support the development of best practice manuals for site selection, characterization, site operations, and closure practices.



## **Project Overview:**Goals and Objectives

- In budget period (BP)3 (2007–2009), the focus of the program was to select two regionally significant yet different depositional geologic formation sites for large-volume (approximately 1 million tons of CO<sub>2</sub> a year) commercial tests designed to demonstrate that CO<sub>2</sub> storage sites have the potential to store regional CO<sub>2</sub> emissions safely, permanently, and economically for hundreds of years.
- The two sites selected were the Fort Nelson Carbon Capture and Storage (CCS) Project in northeastern British Columbia, Canada, and the Bell Creek Integrated CO<sub>2</sub> Enhanced Oil Recovery (EOR) and Storage Project in southeastern Montana.



#### **Project Overview:**

#### Goals and Objectives (continued)

- In BP4 (2009–2015), the focus of the program is to inject CO<sub>2</sub> at commercial scale at two demonstration sites. For each site, the critical steps/decision points are 1) securing a CO<sub>2</sub> source, 2) permitting for pipelines and injection, 3) infrastructure development, 4) CO<sub>2</sub> injection, and 5) MVA implementation. Several years of injection and monitoring will be required in BP4 to move into the BP5 site closure and program wrap-up activities.
- The CO<sub>2</sub> sources for both sites have been secured.
   Permitting and infrastructure development are under way. CO<sub>2</sub> injection and MVA implementation will be occurring in the next several years.



#### **Project Overview:**

#### Goals and Objectives (continued)

 In BP5 (2016–2017), the focus of the program will be on site closure and project assessment. Since both demonstration projects are commercial and designed to run for decades, there will be no actual site closure, but instead, the PCOR Partnership will develop the information needed to assess the costs and technical considerations for those faced with CCUS site closure.



## Commercial-Scale Demonstration Phase

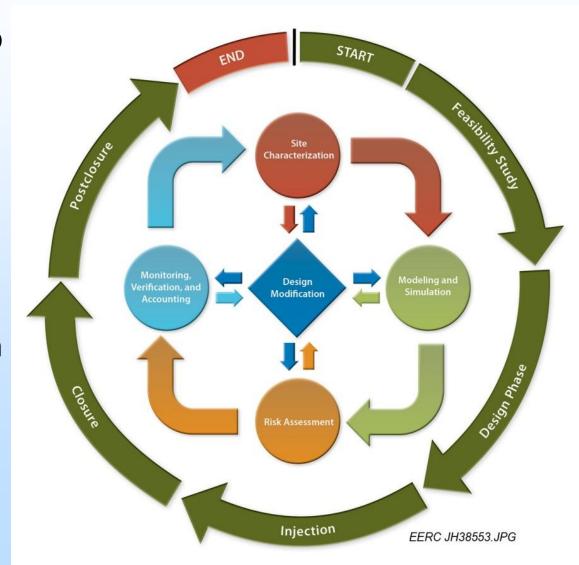
- Two 1-million-ton/year-orgreater-scale demonstrations
  - EOR
  - Saline
- Ongoing and effective public outreach
- Continued regional characterization
- Continued involvement in other CO<sub>2</sub> storage projects in the region.
- Continued involvement in CCS and CO<sub>2</sub>/EOR regulations





# PCOR Partnership Objectives and Approach

- Risk-based approach to define MVA strategy
- Site characterization
- Modeling and simulation
- Risk assessment
- Cost-effective MVA plan

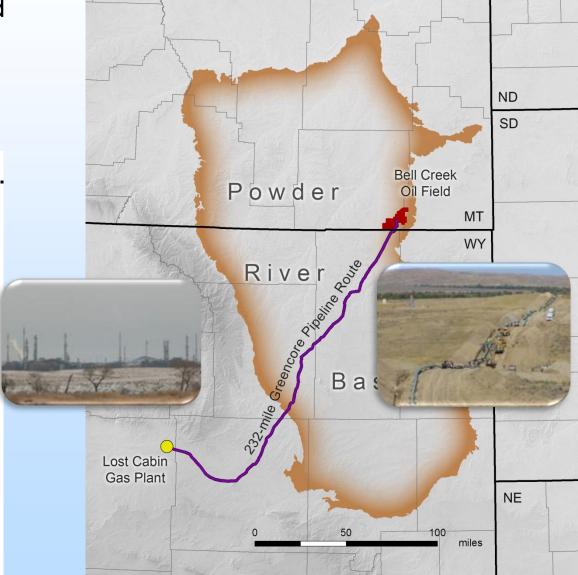




#### Bell Creek CO<sub>2</sub> EOR and Storage Project

 Bell Creek Oil Field is owned and operated by Denbury Onshore LLC (Denbury).

 CO<sub>2</sub> is sourced from ConocoPhillips' Lost Cabin natural gas-processing plant.



### Field History

- Discovered in 1967 (21,771 acres)
- Developed within 2 years (450+ wells)
- Primary production (solution gas drive), waterflooding, and two micellar polymer pilot tests
- Peak production 56,000 barrels of oil per day (August 1968)
- Current production 975 barrels of oil per day (45,100 barrels of water a day)
- Stock tank original oil in place (STOOIP) 353.5 million barrels of oil (MMbo)



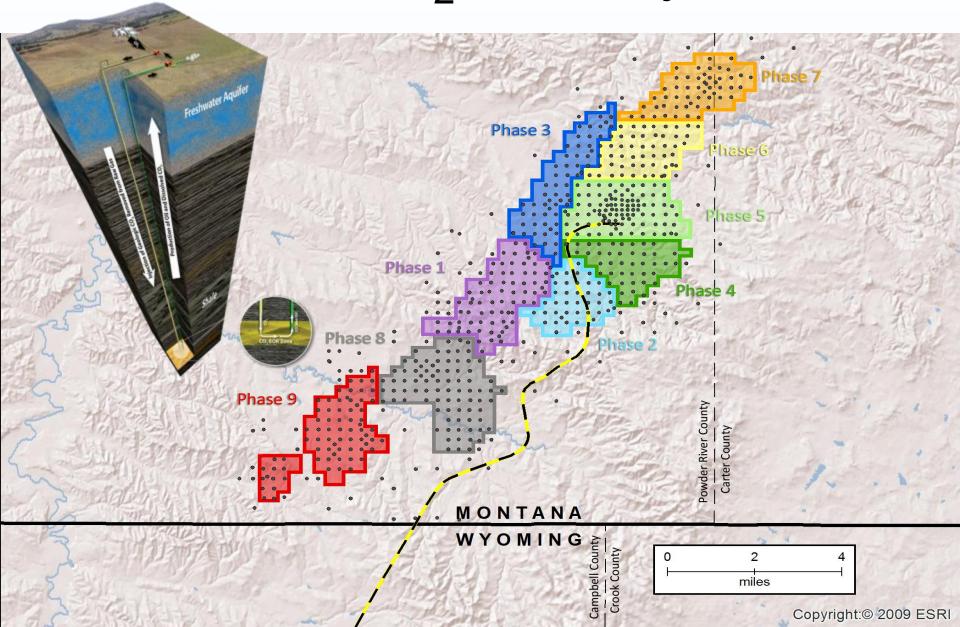
#### **Current Activities**

- Wells are being recompleted, and facilities are under construction.
- Approximately 50 MMscf/day of CO<sub>2</sub> will be delivered to Bell Creek.





## Phased CO<sub>2</sub> EOR Injection



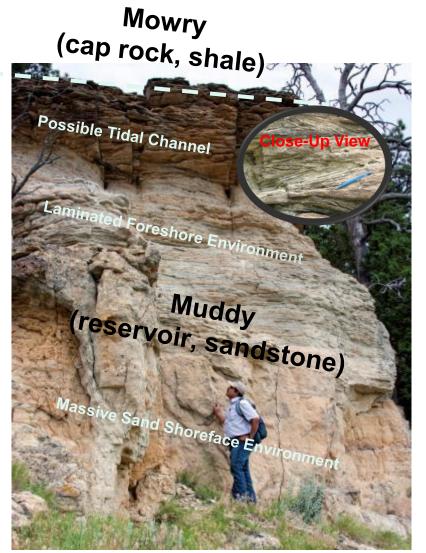
#### PCOR Partnership Activities at Bell Creek



### Site Characterization

- Outcrop
- Core libraries (U.S. Geological Survey and Bureau of Economic Geology)
- Historic data (well files)
- LIDAR
- Dedicated data collection and monitoring well (December 2011)
  - Well log collection and analysis
  - Core collection and analysis
  - Downhole pressure and temperature sensors
- 3-D surface seismic survey
- Crosswell or vertical seismic profile (VSP)?





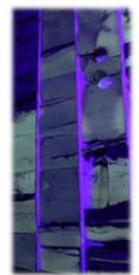
### Site Characterization

- The Muddy sandstone (only producing reservoir):
  - Depth = 4300–4500 ft
  - Gross thickness = 30–45 ft (Net 15–25 ft)
  - Normal permeability ranges = 100–1175 mD
  - High porosity = 25%–35% (loosely consolidated)
  - Oil gravity = 32 −41 API

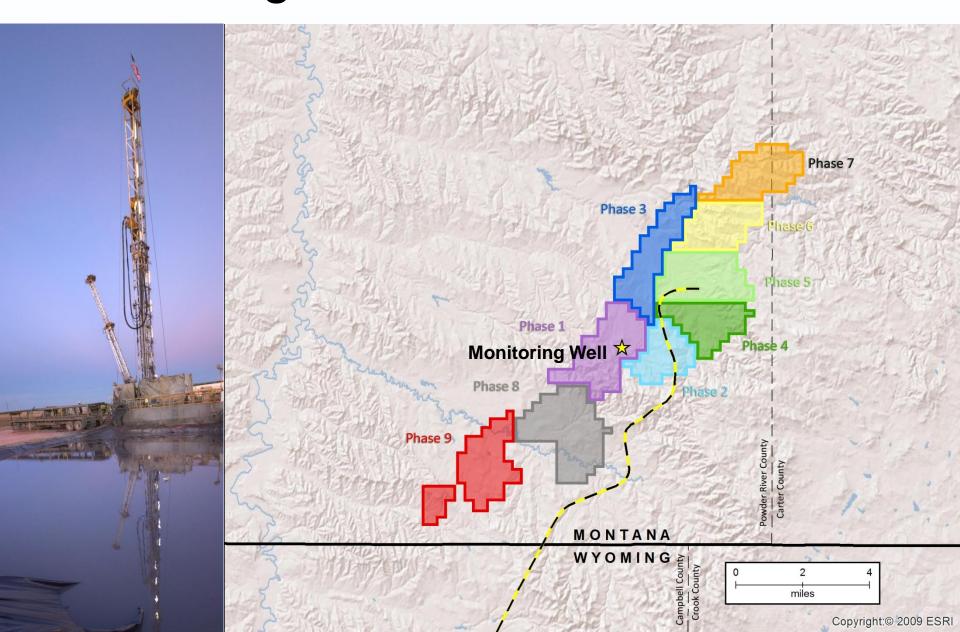






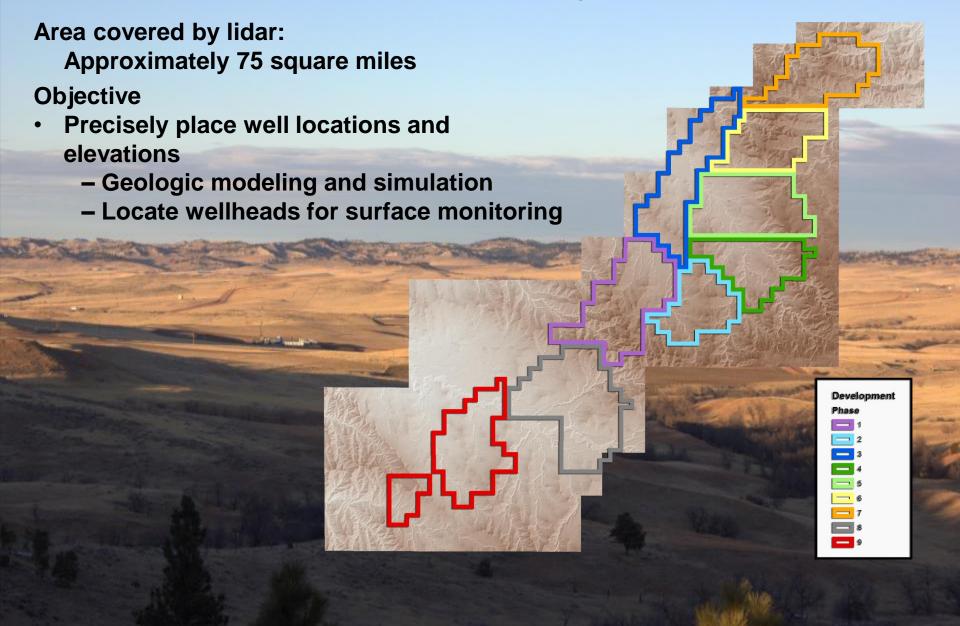


### Monitoring and Characterization Well

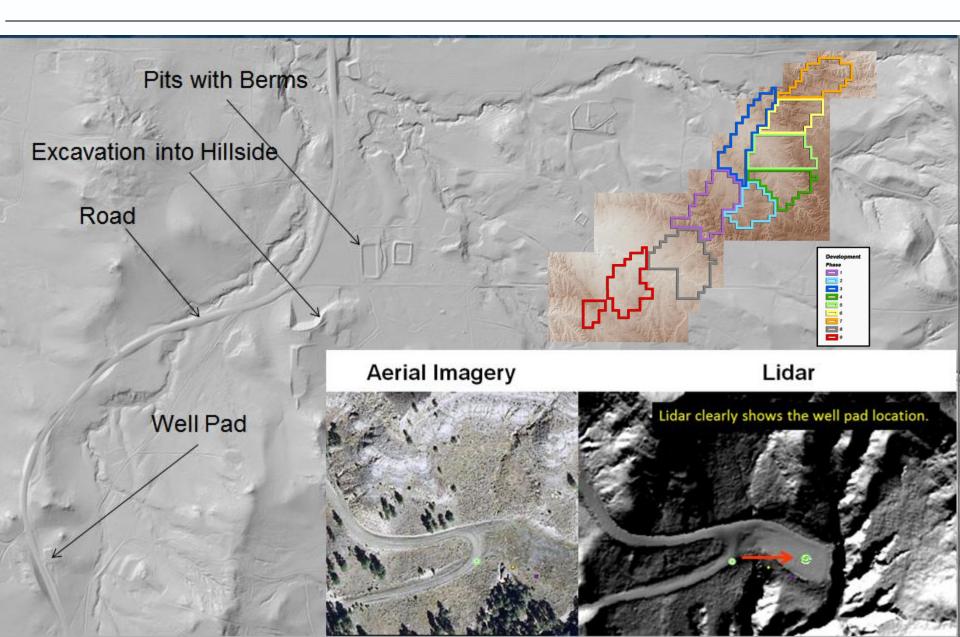




### LIDAR Data (July 2011)



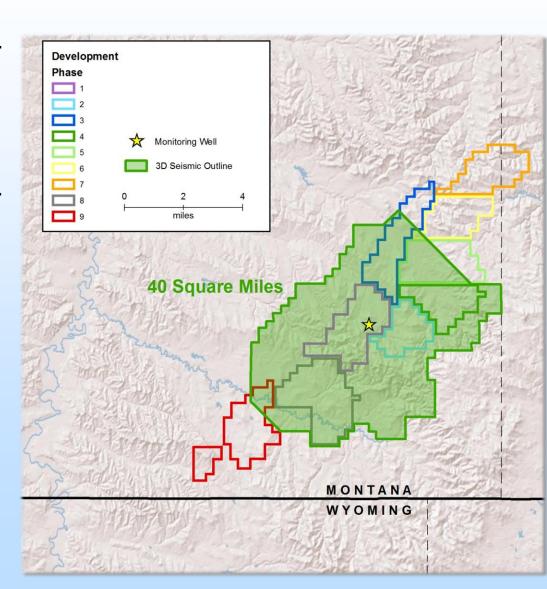
### LIDAR



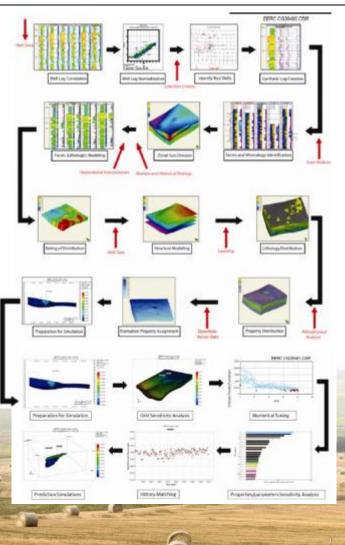
#### Seismic

- Assist with updip/downdip boundaries and reservoir structure.
- Provide baseline data for timelapse seismic plume tracking.
- Check shot and seismic source testing completed December 2011.
  - Optimize survey parameters.





## Modeling and Simulation



- Evaluate injection scenarios.
- Predict fluid migration pathways and area of influence at discrete time steps.
- Determine EOR and CO<sub>2</sub> storage efficiencies.
- Predict reservoir response to injection
- Aid in risk assessment
- Guide MVA program.

#### Risk Assessment

- Identify potential risks:
  - Injectivity
  - Containment
    - Reservoir
    - Wellbores
  - Retention
  - Capacity
- Mitigate and monitor unacceptable risks.
- Update based on monitoring and simulation.

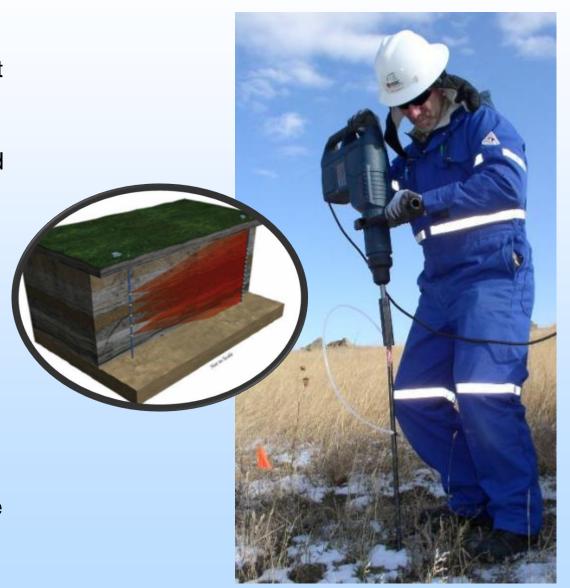
	Severity					
W.		1	2	3	4	5
Frequency	5	6	7	8	9	10
	4	5	6	7	8	9
	3	4	5	6	7	8
	2	3	4	5	6	7
	1	2	3	4	5	6

Level	Risk Rank	Suggested Action		
<del>9</del> -10	High	A.S.A.P: Immediate, short term risk treatment required		
7-8	Short-mid term risk treatment required, ALARP			
5-6	Transition	Uncertainty reduction, ALARP(*), MVA(**), risk treatment whenever possible or affordable		
2-4	Low	No immediate action required, continue to monitor. For Risk Rank = 2 look for possibility of cost reduction		

(\*) ALARP: As Low As Reasonably Possible

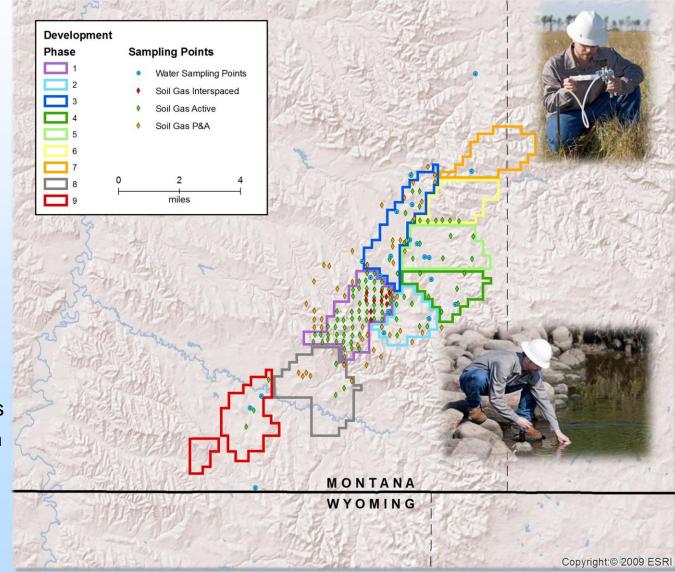
## Bell Creek MVA Program

- CO<sub>2</sub> MVA program overlaid on a commercial EOR project
  - Guided by site characterization, modeling, simulation, and risk assessment
  - Compatibility with commercial project
  - Opportunity to supplement MVA program with commercial data
  - Focused on Phase 1 injection area
- Two-pronged approach:
  - Surface and near-surface
  - Reservoir



# Surface and Near-Surface MVA Program

- 1-year baseline data set
  - Seasonal CO<sub>2</sub>
     variations over
     range of
     microenvironments
- Periodic postinjection surveys
- Identify and understand anomalies and verify site security:
  - Natural biological processes
  - Seasonal variations
  - Agricultural practices
  - Migration from depth



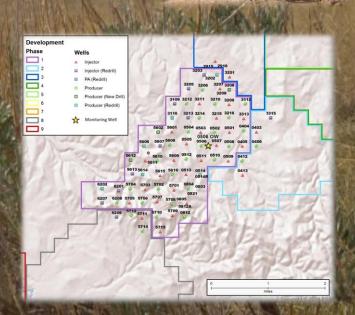


## Reservoir MVA Program

- Utilize existing infrastructure (commercial EOR project)
- Active wells outfitted with real-time sensors:
  - Surface and production casing pressure
  - Flow line and tubing pressure
  - Production tests and flow logs
- Seismic (time-lapse VSP, Crosswell, and 3-D surface).
- Pulsed neutron.
- Monitoring well installed January 2012.







# Monitoring and Characterization Well Real-Time Data

- Three casing-conveyed pressure/temperature gauges
  - Two in reservoir
  - One in overlying zone of porosity/permeability

- Distributed-temperature fiber optic cable
  - Continues temperature profile along length of wellbore



### Monitoring and Characterization Well

- Staged monitoring program:
  - Permanent real-time downhole pressure and distributed temperature:
    - Provide in situ history match data of reservoir conditions.
    - Provide an indication of CO<sub>2</sub> contact with wellbore:
      - Three casing-conveyed pressure/temperature gauges
      - Distributed-temperature fiber optic cable
    - Monitor vertical CO, migration.
  - Well pressure
  - Pulsed neutron:
    - Confirm CO<sub>2</sub> contact with wellbore and provide saturation estimates.
    - Identify any out-of-zone vertical CO<sub>2</sub> migration near wellbore.
  - 3-D VSP, crosswell, and surface seismic:
    - Areal extent and vertical cross section of CO<sub>2</sub> plume.
    - Aid in history matching and flood efficiency estimates.
    - Identify out-of-zone migration...

## Bell Creek Status and Next Steps

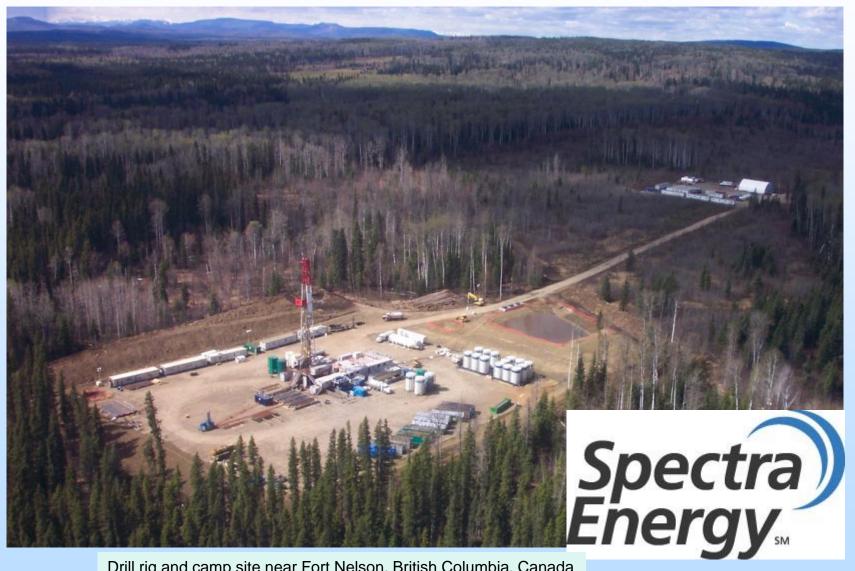
#### **Status**

- First round of site characterization complete.
  - Drilled and completed monitoring well winter 2011/12.
  - Currently acquiring 3D surface seismic.
- First round of modeling and simulation, and risk assessment complete.
- Four rounds of surface and nearsurface monitoring complete.
- Pipeline construction is under way.
- Phase 1 of field preparation for injection is under way.

#### **Next Steps**

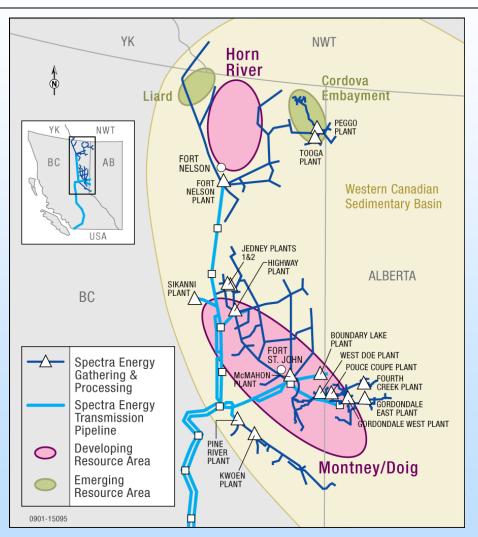
- Conduct fifth baseline surface and near-surface sampling in Nov 2012.
- Conduct a large pulsed neutron logging campaign.
- Reenter existing wells in the field to use as additional deep monitoring points.
- Complete baseline MVA plan.
- Pipeline to be completed December 2012.
- Injection to begin first quarter of 2013.

## Fort Nelson CCS in a Deep Saline **Formation**



Drill rig and camp site near Fort Nelson, British Columbia, Canada

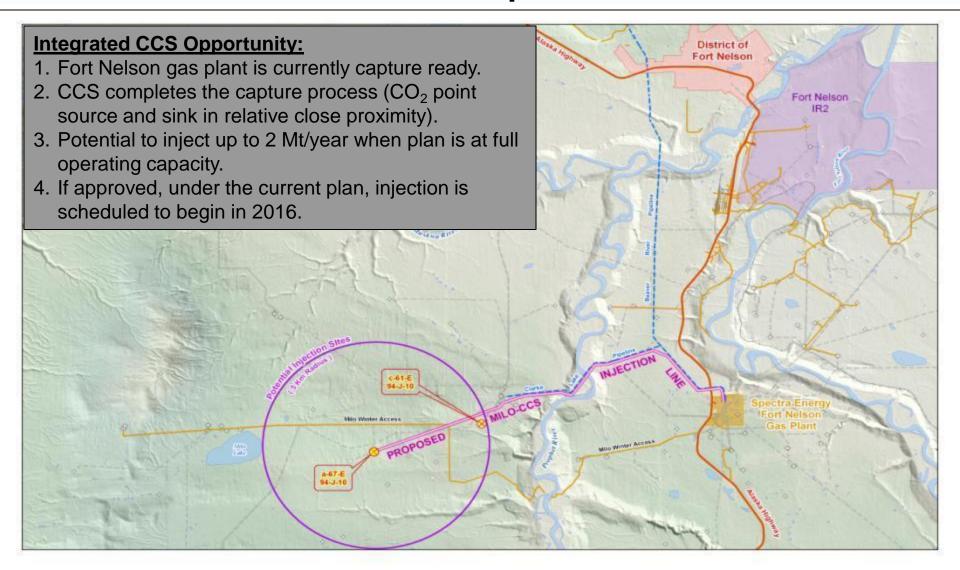
## Spectra Energy's Fort Nelson Gas Plant

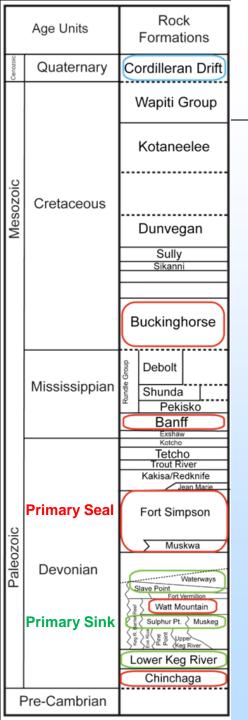




- 1 Bcf/d raw gas-processing capacity largest facility of its kind of North America.
- Spectra Energy gathering and processing assets are strategically positioned in the growing Horn River Basin, processing both conventional and unconventional shale gas resources.
- The proposed Fort Nelson CCS project is a potential solution to mitigate CO<sub>2</sub> emissions as shale gas production grows.

# Fort Nelson CCS Feasibility Project – Main Components

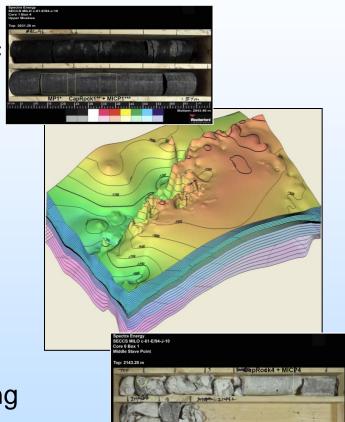




#### Site Characterization

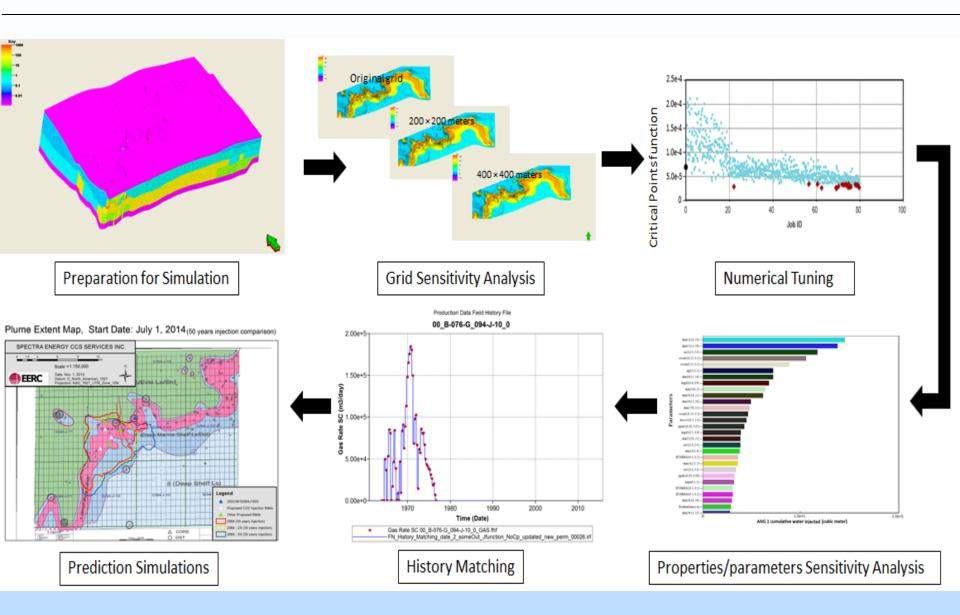
93 wells in study area
Historical 2-D and 3-D seismic
Hydrogeological studies
Test Well – C-61-E

- Core and cuttings
- Formation pressures
- Formation fluids
- Water injection testing
- Cap rock integrity testing
- Solubility testing
- Relative permeability testing
- Hg injection capillary pressure tests
- Geochemical reactivity testing



| 10 | 15 | 20 | 25 | 30 | 35 | 40 | 45 | 50 | 55 | 60 | 65 |

## Modeling and Simulation



## Risk Management Fort Nelson

- First-round risk assessment (2010) indicated four areas that could impact the project period.
  - Sour CO<sub>2</sub> contamination of two currently producing gas pools.
  - Pressure changes could adversely affect nearby natural gas production and water disposal operations.
  - Loss of injectivity.
  - Insufficient storage volume.
- Most of these risks are because of geological uncertainty due to limited data.
- The results of the first-round risk assessment were used to adjust the injection location to reduce project risks.
- Second round of risk assessment using potential new injection locations and updated geological model was completed in summer 2011.



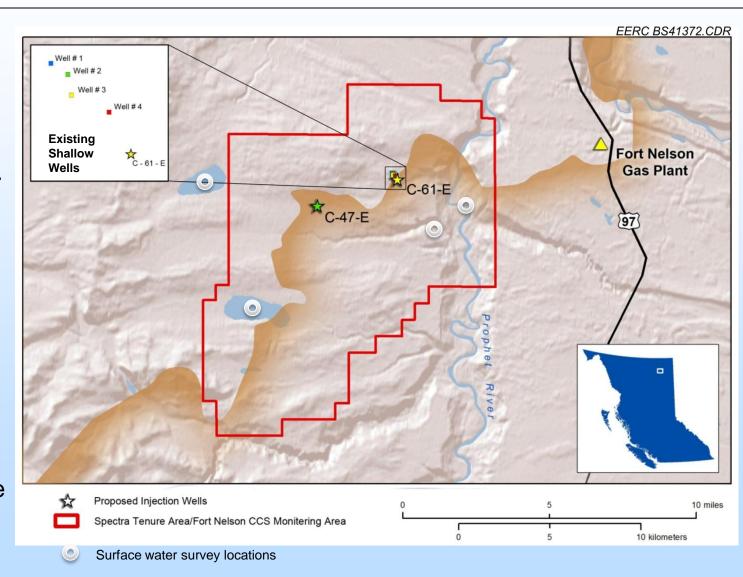
# Surface and Shallow Subsurface MVA Planning

### Activities to Be Done

Additional shallow groundwater monitoring wells drilled near c-47-E.

Baseline soil gas survey, specific locations to be determined.

Baseline surface water survey at Prophet River, creek near ice bridge, and Klowee and Milo Lakes.



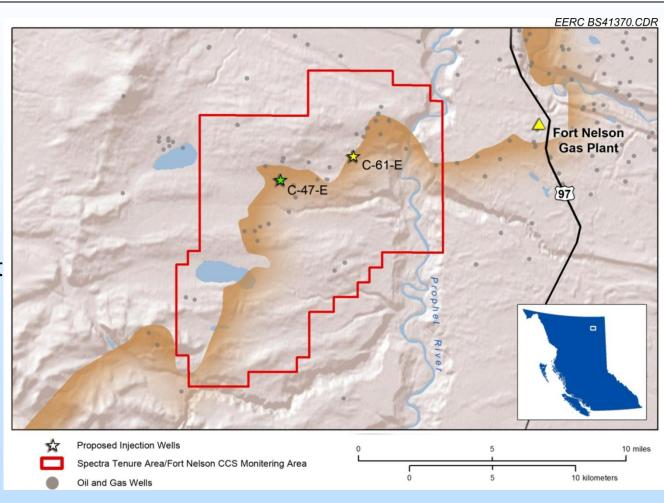
# Deep Geological System MVA Planning

Plans being developed for two injection scenarios ("two tracks"):

- Injection at c-61-E.
- Injection at c-47-E.

### Each site has different risks:

- c-61-E has less geological uncertainty, but is closer to existing gas pools.
- c-47-E is further from gas pools but has more geologic uncertainty.



# What Do Characterization and Modeling Tell Us About the Potential Injection and Storage Targets?

#### Feasibility testing and modeling to-date shows capability of delivering:

#### **Required Storage Capacity**

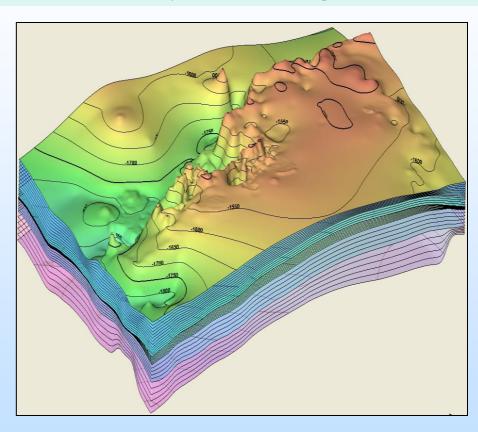
- Hydrogeology supports capacity.
- Modeling 50+-year injection.
- Existing water disposal schemes.

#### **Permeability and Injection Capability**

- 600-mD+ permeability (in situ testing).
- Low number of injection wells required.
- Good pressure dissipation.

#### **Excellent Containment**

- Stable tectonics.
- 1800+-ft thick, impervious shale cap rock.
- Postinjection Large pressure falloff in 10 years, and reduces to near preinjection pressures in 40 years.



#### Fort Nelson Status and Next Steps

#### **Status**

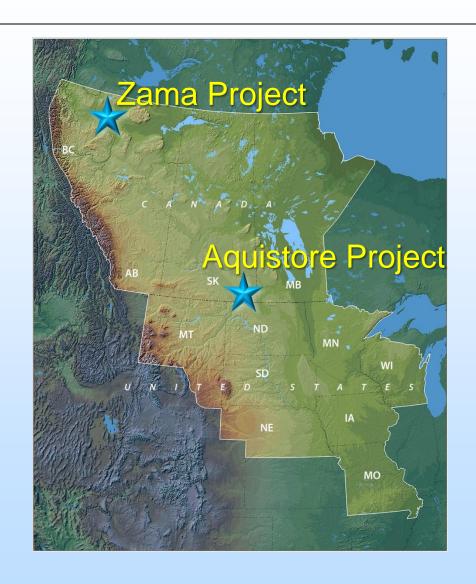
- Drilled test well winter 2008/2009.
- Cored and logged test well.
- Laboratory analysis of core:
  - Petrological
  - Geomechanical
  - Geochemical
- Reentered the well for testing in winters of 2009/2010 and 2011/2012.
- Acquired existing 2-D and 3-D seismic data.
- Completed two rounds of modeling.
- Completed two rounds of risk assessment.
- Developed surface and shallow subsurface MVA plan.

#### **Next Steps**

- Continue developing deep subsurface MVA plan using Bayesian Belief Network approach.
- Drill a second test well.
- Shoot 3-D seismic survey.
- Test materials from second test well for geomechanical, geochemical, and petrophysical properties.
- Update geologic model based on additional data.
- Rerun predictive simulations.
- Conduct a third round of risk assessment.
- Adjust MVA plan

### Additional Projects

- ✓ Regional Characterization
- ✓ Basal Cambrian
- ✓ Aquistore
- ✓ Zama
- ✓ Water Working Group
- ✓ Outreach
- ✓ Regulatory Involvement

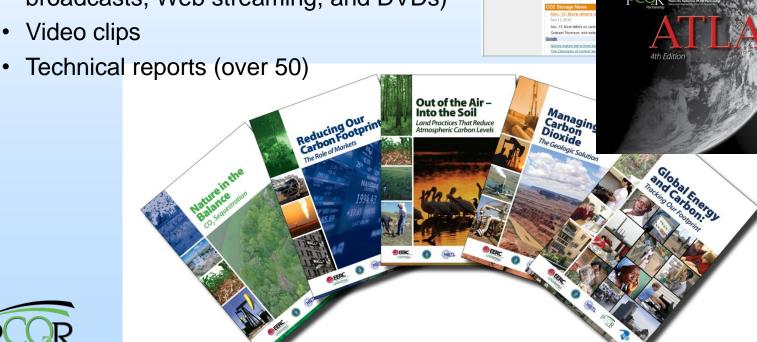




## PCOR Partnership Outreach Support

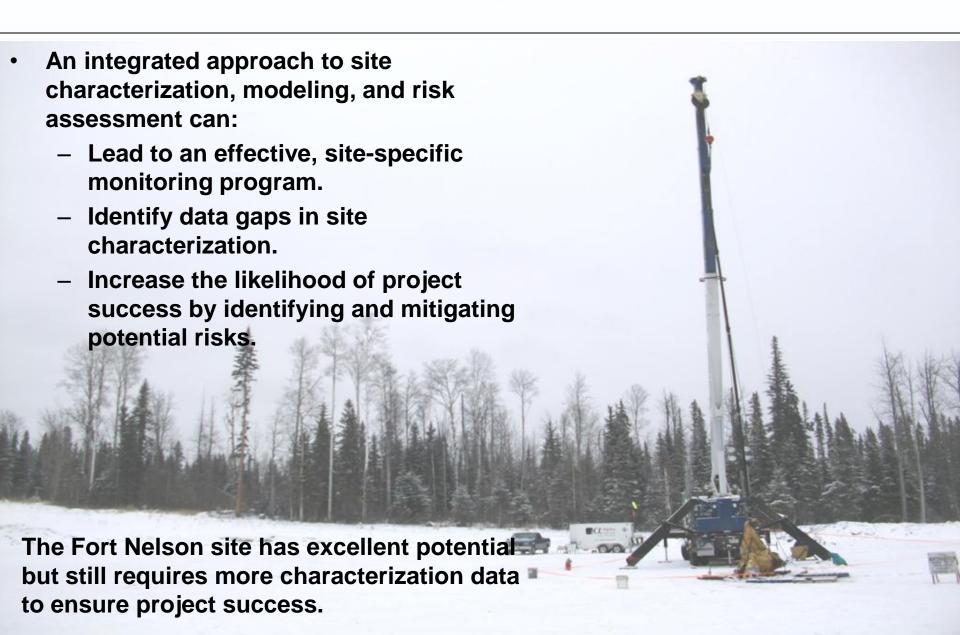
Plains CO Reduction (PCOR) Partnership

- 65-page regional sequestration atlas
- Fact sheets on key topics and projects
- Variety of PowerPoint presentations
- Public Web site with streaming and downloadable materials
- Sequestration documentaries (television broadcasts, Web streaming, and DVDs)





#### Fort Nelson Conclusions



### Bell Creek Summary

- The PCOR Partnership is working closely with Denbury to characterize the Bell Creek Field and so we are set up to monitor CO<sub>2</sub> once injection begins.
- Injection of approximately 50 MMscf/day of CO<sub>2</sub> is scheduled to begin first quarter of 2013.
- An estimated 30–50 million incremental bbl of oil will be recovered using CO<sub>2</sub> EOR at Bell Creek.
- This project provides an excellent opportunity to evaluate the processes of CO<sub>2</sub> storage in conjunction with a commercial EOR project.

### Thank You!



#### **Contact Information**

#### **Energy & Environmental Research Center**

University of North Dakota 15 North 23rd Street, Stop 9018 Grand Forks, North Dakota 58202-9018

World Wide Web: <a href="www.undeerc.org">www.undeerc.org</a>
Telephone No. (701) 777-5355
Fax No. (701) 777-5181

Charles Gorecki, Senior Research Manager PCOR Partnership Program Manager cgorecki@undeerc.org

## Appendix

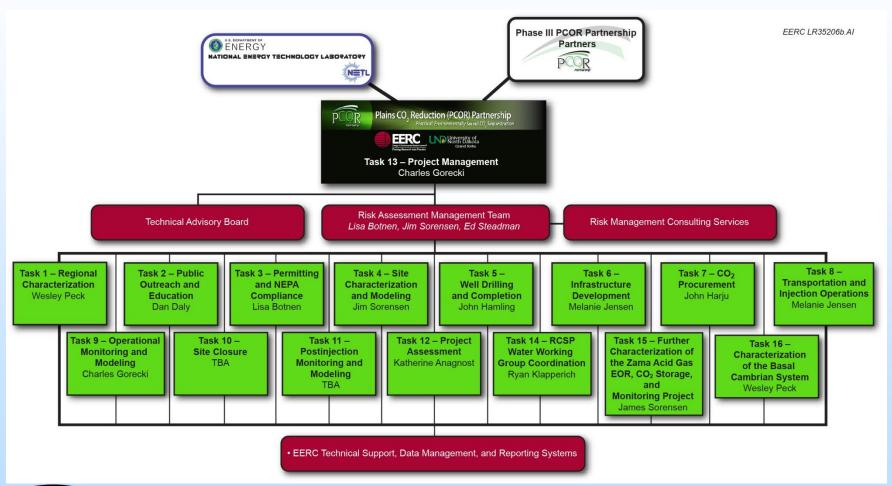
**Supplemental Slides** 



## A Growing Partnership



### **Organization Chart**

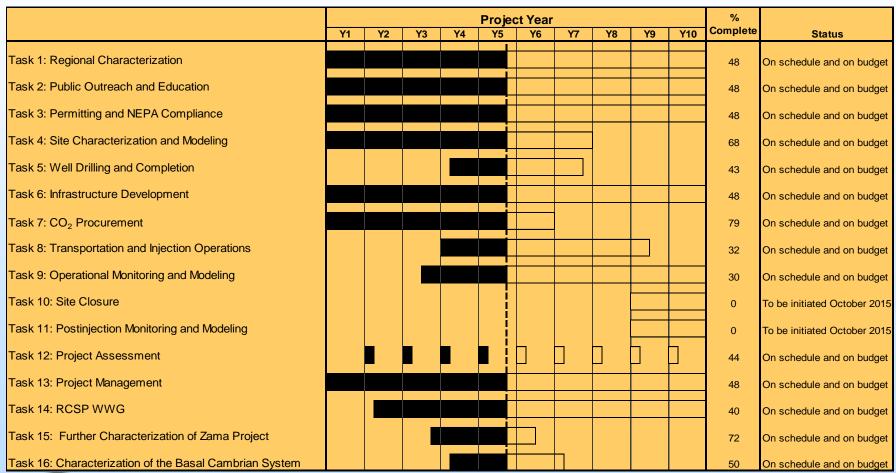




### Research Team

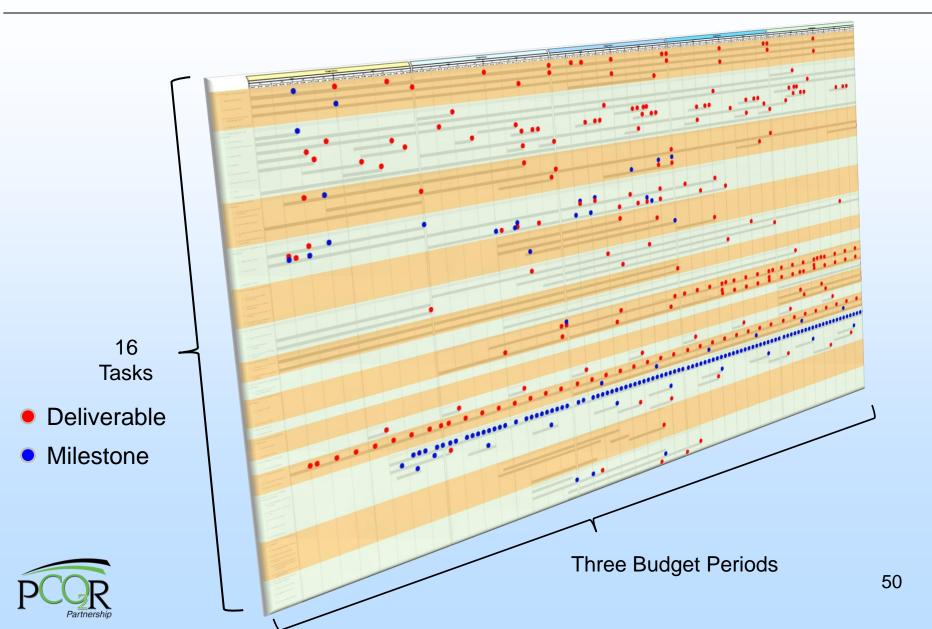
	Geomechanical	Geochemical	Hydrogeology	MVA	Modeling	Risk Analysis	Engineering	Transport and Compression	EOR	Drilling and Completion	Economics	Regulatory
EERC	Χ	Χ	Χ	Χ	Χ	Χ		X	Χ			Χ
Denbury Onshore LLC				Χ			Χ	Х	Χ	Χ	Χ	
RPS Energy	Χ			Χ	Χ	Χ	Χ		Χ	Χ		
Alberta Innovates – Technology Futures		X	X			X						
Spectra Energy	X	Χ	X	X		X	Χ	X		Х	Χ	Χ
CETER Group, Inc.						X					X	Χ
Baker Hughes; Schlumberger; Halliburton	X	X		X	X		X		X	Х		
Computer Modelling Group					X				X			
British Columbia Oil & Gas Commission				X		X			X			X
Montana Oil & Gas									X			X
McLellan Energy Advisors, Inc	X				X	X				X		
Other partners	X	X	X	X	X	X	X	X	X	X	X	X

#### **Gantt Chart**





#### Milestones and Deliverables



## Bibliography

- Bremer, J.M., Mibeck, B.A.F., Huffman, B.W., Gorecki, C.D., Sorensen, J.A., Schmidt, D.D., and Harju, J.A., 2010, Mechanical and geochemical assessment of hydraulic fracturing proppants exposed to carbon dioxide and hydrogen sulfide, *in* Proceedings of the Canadian Unconventional Resources & International Petroleum Conference: Calgary, Alberta, October 19–21, 2010, No. CSUG/SPE 136550.
- Daly, D.J., Bradbury, J., Garrett, G., Greenberg, S., Myhre, R., Peterson, T., Tollefson, L., Wade, S., and Sacuta, N.,
   2011, Road-testing the outreach best practices manual—applicability for implementation of the development phase projects by the regional carbon sequestration partnerships: Energy Procedia, v. 4, p. 6256–6262.
- Hawthorne, S.B., Miller, D.J., Holubnyak, Y.I., Harju, J.A., Kutchko, B.G., and Strazisar, B.R., 2011, Experimental investigations of the effects of acid gas (H<sub>2</sub>S/CO<sub>2</sub>) exposure under geological sequestration conditions: Energy Procedia, v. 4, p. 5259–5266.
- Holubnyak, Y.I., Hawthorne, S.B., Mibeck, B.A., Miller, D.J., Bremer, J.M., Smith, S.A., Sorensen, J.A., Steadman, E.N., and Harju, J.A., 2011, Comparison of CO<sub>2</sub> and acid gas interactions with reservoir fluid and rocks at Williston Basin conditions, in Wu, Y., Carroll, J.J., and Du, Z., eds., Carbon dioxide sequestration and related technologies, v. 2 of Advances in natural gas engineering: Salem, Massachusetts, Scrivener Publishing, p. 407–422.
- Holubnyak, Y.I., Hawthorne, S.B., Mibeck, B.A.F., Miller, D.J., Bremer, J.M., Sorensen, J.A., Steadman, E.N., and Harju, J.A., 2011, Modeling CO<sub>2</sub>–H<sub>2</sub>S–water–rock interactions at Williston Basin reservoir conditions: Energy Procedia, v. 4, p. 3911–3918.
- Holubnyak, Y.I., Mibeck, B.A.F., Bremer, J.M., Smith, S.A., Sorensen, J.A., Gorecki, C.D., Steadman, E.N., and Harju, J.A., 2011, Geochemical modeling of huff 'n' puff oil recovery with CO<sub>2</sub> at the Northwest McGregor Oil Field, *in* Wu, Y., Carroll, J.J., and Du, Z., eds., Carbon dioxide sequestration and related technologies, v. 2 of Advances in natural gas engineering: Salem, Massachusetts, Scrivener Publishing, p. 393–406.



## Bibliography (continued)

- Holubnyak, Y.I., Mibeck, B.A., Bremer, J.M., Smith, S.A., Sorensen, J.A., Gorecki, C.D., Steadman, E.N., and Harju, J.A., 2011, Investigation of geochemical interactions of carbon dioxide and carbonate formation in the Northwest McGregor oil field after enhanced oil recovery and CO<sub>2</sub> storage: Energy Procedia, v. 4, p. 3612–3619
- Smith, S.A., Sorensen, J.A., Steadman, E.N., Harju, J.A., and Fischer, D.W., 2009, Estimates of CO<sub>2</sub> storage capacity in selected oil fields of the northern Great Plains region of North America, in Grobe, M., Pashin, J.C., and Dodge, R.L., eds., Carbon dioxide sequestration in geological media—state of the science [AAPG studies in geology], v. 59, p. 87–97.
- Smith, S.A., Sorensen, J.A., Steadman, E.N., Harju, J.A., and Ryan, D., 2011, Zama acid gas EOR, CO<sub>2</sub> sequestration, and monitoring project: Energy Procedia, v. 4, p. 3957–3964.
- Sorensen, J.A., Botnen, L.S., Steadman, E.N., Harju, J.A., Helms, L.D., and Fischer, D.W., 2009, Unitization of geologic media for the purpose of monetizing geologic sequestration credits, in Grobe, M., Pashin, J.C., and Dodge, R.L., eds., Carbon dioxide sequestration in geological media—state of the science [AAPG studies in geology], v. 59, p. 707–715.
- Sorensen, J.A., Schmidt, D.D., Knudsen, D.J., Smith, S.A., Gorecki, C.D., Steadman, E.N., and Harju, J.A., 2011,
   Northwest McGregor field CO<sub>2</sub> huff 'n' puff—a case study of the application of field monitoring and modeling techniques for CO<sub>2</sub> prediction and accounting: Energy Procedia, v. 4, p. 3386–3393.
- Sorensen, J.A., Smith, S.A., Dobroskok, A.A., Peck, W.D., Belobraydic, M.L., Kringstad, J.J., and Zeng, Z., 2009, Carbon dioxide storage potential of the Broom Creek Formation in North Dakota—a case study in site characterization for large-scale sequestration, in Grobe, M., Pashin, J.C., and Dodge, R.L., eds., Carbon dioxide sequestration in geological media—state of the science [AAPG studies in geology], v. 59, p. 279–296.
- Steadman, E.N., Anagnost, K.K., Botnen, B.W., Botnen, L.S., Daly, D.J., Gorecki, C.D., Harju, J.A., Jensen, M.D., Peck, W.D., Romuld, L., Smith, S.A., Sorensen, J.A., and Votava, T.J., 2011, The Plains CO<sub>2</sub> Reduction (PCOR) Partnership—developing carbon management options for the central interior of North America: Energy Procedia, v. 4, p. 6061–6068.