

Eyes On The Prize – what microseismic monitoring is telling us about completions in unconventional reservoirs.

Peter M Duncan Buenos Aires Oct 23, 2017





Outline

- What is microseismic monitoring
- How are the data acquired
- How are the data analyzed
- How are the data used
- Some case histories
- Summary



Tapping the Shale Resources



Drilling the Rohde 14-6XH Cross-Unit Well in Sanish Field, Mountrail County, ND IP: 3,293 BOE/D

ource: Whiting Petroleum



Frac Spread





Where Some Would Like To See All Frac Spreads!





What Happens When You Frac?





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Source: URTeC 2670034





Data Acquisition: Downhole





Data Acquisition: Surface



Data Acquisition: Near Surface





What We See





Complete MicroSeismic Analysis



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Dots in a Box



- Mechanical failures
- Geologic failures
- Gross geometry
- Gross efficiency



Dots in a Box – SRV?



Average Length

Stimulated Rock
Volume



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Shrink Wrap - SRV? Well Spacing?





Beyond Dots in a Box



Focal Sphere Capture





Shear Faults and Beach Balls





Focal Mechanism – not just where and when but how

Surface array enables – requires – a focal mechanism determination. Knowing the focal mechanism enables a deeper analysis.





Moment Tensor Estimation



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Moment Tensor Solution

A moment tensor solution enables 2 improvements to our microseismic analysis:

- A better geologic model
- A mapping of the insitu stress field





Focal Mechanism to DFN Model



- Every event has a mechanism
- Equivalent energy fault model
- A more useful geologic model
- Enables further analyses:
 - permeability mapping
 - production prediction



Discrete Fracture Network and SRV



One fracture is modeled per microseismic event.



Individual fracture orientation is determined by focal mechanism, and the size is determined from event's seismic moment, rock rigidity, and injected fluid volume.





But Only the Propped Fractures Produce



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Where is the Proppant?

P-DFN and P-SRV



Modeled fractures are filled with proppant from the stage centers outwards on a stage-by-stage basis.









Stimulated and Productive





Translating Fracture Intensity to Unscaled Permeability





Compute Permeability Tensor based on:

- 1. Number of fractures
- 2. Orientation of fractures
- 3. Aperture of fractures

(Oda, 1986)



Stimulated and Productive Rock Volume with Fracture Intensity Permeability (PermIndexTM)

PermIndexTM





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An Evolution of Mapping the Stimulation





PIndex – Comparative Well Production / Decline





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- Porosity •
- Saturation
- **PVT** data







Decline Behavior Comparison



Help Design Appropriate WHP (Drawdown) to maximize production

1000

DIndex – Pressure Depletion Mapping









PermIndexTM

PIndex

WSIndex

Accelerate Well Spacing decisions to maximize recovery



Insitu Stress Mapping



Geomechanical Modeling → Frac Design

Slickwater: 3 cP



Linear Gel: 25 cP



- Modelling requires accurate SHmax direction, magnitude and horizontal stress anisotropy.
- Main inputs for most modelling software (i.e. FLAC3D, Mangrove, etc.)



SH_{max} & Horizontal Stress Anisotropy

- Hydraulic fractures propagate perpendicular to Sh-min, b/c it is the least energy configuration (Hubbert and Willis, 1957).
- Horizontal stress anisotropy = S_H S_h
- HFZ width inversely correlated to HSA.



- Low stress anisotropy
- Wide fracture fairway

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- Lower seismic anisotropy
- High stress anisotropy
- Narrow fracture fairway
- Higher seismic anisotropy



Fracture Stress States – Other Studies

• Critically stressed fractures \rightarrow Hydraulically conductive



 Statistically, hydraulically conductive natural fractures displaying an enhancement in permeability are also critically stressed.

(C. Barton et al., 1995)



Focal Mechanism to Stress Field Model



- Every event has a mechanism
- Failure plane specifies strike and dip
- Magnitude proportional to fault area
- Rake parallels the resultant shear stress
- Enables an estimate of Shmax;
 - direction
 - magnitude
Mohr-Coulomb Failure





 Sv

 Sv



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Estimating SH_{max} **Direction & Magnitude**

- Assume Sv is vertical and estimate magnitude from logs
- Assume SH and Sh are horizontal and orthogonal
- Estimate SH and Sh direction from dipping normal faults
- Estimate Sh magnitude from DFIT
- Estimate SH magnitude from distribution of rakes on various events



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Stratified SH_{max} Model

- Depth distribution of focal mechanisms \rightarrow Stratified SH_{max}
- More precise fracture model calculations





Stress Analysis

Stress & Pressure (psi/ft)

0.4 0.5 0.6 0.7 0.8 0.9 1.0 1.1





Mapping SH_{max} Direction



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SH_{max} & Fracture Stress States



Fracture Stress States



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Induced Fluid Pressure (IFP) Distributions

- Shear failure as a function of increasing fluid pressure.
- IFP: $\sigma_{P-critical} = \sigma'_n \tau/\mu$







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Complete MicroSeismic Analysis



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Coffee Break



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MicroSeismic Real-Time Applications



Casing Failure

- Identify and locate casing deformation and failure as it happens
- Distinguish between mechanical events and frac events (source mechanism)

Stage Isolation

- Detect ball seats as they happen (mechanical events vs frac events)
- Understand stage isolation if treating pressure is inconclusive
- Identify areas of poor cement bond and resulting communication between stages in annulus

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MicroSeismic Real-Time Applications



Increase Cluster Effiency

- Evaluate efficiency of various diverters
- Pump mid-stage diverter as needed to treat all clusters
- Ensure stimulation of entire stage interval

Geohazard Avoidance

- Avoid reactivation of a pre-existing fault that may not be visible in 3D seismic data
- Geohazards can act as costly thief zones decreasing treatment efficiency





MicroSeismic Real-Time Applications



Induced Seismicity Monitoring

- Avoid triggering of induced seismic events in sensitive areas
- Adjust pump rates to avoid large magnitude events and continue to stimulate the wellbore

Target Zone Containment

- Ensure treatment remains in-zone for maximum return-on-investment
- Avoid frac'ing into a water-bearing zone
- Avoid communication with an H2S bearing zone





MicroSeismic Field Development Applications

SRV Permeability Enhancement



Propped SRV Permeability Enhancement



Static Wellbore Spacing

- Understand wellbore interference and determine optimum wellbore spacing
- Improve reservoir drainage and recovery factor



Perpendicular distance from stage center (feet)

Completion Design

- Compare different completion and treatment designs
- Determine impact of completion and treatment design parameters on production



MicroSeismic Field Development Applications



Pressure Depletion

- Dynamic wellbore spacing determination (optimize lateral and vertical wellbore placement)
- Predict pressure depletion and optimize field development plan

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Production Forecast

- Determine relative productivity of wells
- Generate type curves and determine EUR
- Calculate NPV and optimize asset development



Pressure (psi) 2015-11-20 K layer: 5

MicroSeismic Field Development Applications



Stress Analysis

- Determine orientation and magnitude of three principal stresses
- Generate vertical stress profile and refine assumptions in internal frac models



- Ensure stimulation of entire lateral and not just the heel
- Monitor in real-time to time diverters and understand diverter effectiveness



Integrated Microseismic Analysis



Using quantitative analysis to improve profitability for unconventional field developments.



Quantitative Microseismic Analysis - The Proposition

- MicroSeismic data offers the opportunity to make a real time, well specific, in situ observation of the permeability enhancement achieved through stimulation.
- These observations can be turned into an more accurate, more robust and more timely well appraisal.







Case History 1 Appalachian Basin



Key U.S. Shale Regions



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Source: U.S. Energy Information Administration

Marcellus Case Study

Location of BuriedArray™ Marshall County, West Virginia



- 101 station BuriedArray
- 18+sq miles
- 17 wells monitored
- Geophones cemented in
- Wide azimuth, high fold
- Full waveform stacking
- High-confidence mechanisms and magnitudes





Geologic Setting

- Two dominant joint sets:
 - J1 formed at beginning of Alleghenian
 - orogeny by tectonic stress
 - ENE, roughly parallel to present day S_{Hmax}
 - J2 formed at end of Alleghenian orogeny
 - after rotation of S_{Hmax} by HC maturation
 - NW trend





SPE 161965





Microseismic Results





Microseismic Results



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Source Mechanisms

- Direction of S_{Hmax}: NE-SW following structural trend of Appalachian Mountains
- Hundreds of focal mechanisms picked \rightarrow 4 general groups:

Dip-Slip (DS) 🗸

Strike-Slip (SS)

Four source mechanisms define spatial and temporal subsets

63°

- DS events tend to form trends in J1 direction; occur closer to wellbore and earlier in stage
- SS events form trends in J2 direction and occur further away from wellbore and later in stage





Source Mechanisms





Better Frac Design

- Correlation between % of SS events and production
- Increased % of SS events is indication of reactivation of both joint sets
- Reactivation of intersecting joint sets increases overall permeability of fracture network



- Stimulation approach seems to play role as well: sequence in which stages are treated influences percentage of SS events
 - Toe-to-heel, one well at a time: 21% SS events
 - Zipper-frac'ed: 38% SS events



Better Frac Design







Case History 2 Permian Basin



Key U.S. Shale Regions



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Source: U.S. Energy Information Administration





Source: BENTEK, HPDI

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2nd largest US oilfield



Crude Layers

The Permian Basin's overlapping layers of oil and gas-bearing rock is drawing renewed interest from energy companies, which will spend nearly \$20 billion in the region this year. The diagram on the left shows approximate locations of formations in areas of Loving and Ward counties that have been drilled.





"Wolfcamp is found throughout the entire Permian Basin Area Sources: Bentek Energy (production); Anadarko (diagram); Energy Information Administration (map) Research by Tom Fowler; map by Brett Taylor; graphic by Alberto Cervantes/The Wall Street Journal

Return of a giant

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Permian Basin Poised For Long-Term Growth

The Permian Basin will drive long-term U.S. oil production growth

PIONEER





Complexity in the Midland Basin



Understand variability in:

Geology

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- Production
- Impact of treatment design parameters

To refine and determine:

- Wellbore spacing
- Completion design
- Long-term drainage and EUR
- NPV

Variability (12 Mo. Cum. BOE 2016-17)



Permian Basin:

- Midland Basin: 7 out of top 10 operators used MicroSeismic in workflows (2016)
- Delaware Basin: 5 out of top 10 operators used MicroSeismic in workflows (2016)





Source: Drillinginfo

Case Summary

Case Study Objectives

- 1. Determine vertical and horizontal wellbore spacing
- 2. Forecast production at time of completion
- 3. Refine prediction with historic production data

Project Overview

- Treatment dates: 8/4/14 8/24/14
- The array covers ~20 mi² and consists of 10 lines, 1,235 stations with spacing at 100 feet.
- Target formations:

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- Middle Spraberry at 8,600 ft from KB
- Lower Spraberry at 9,250 ft from KB
- Wolfcamp A at 9,650 ft from KB
- Similar completion design:
 - 32-33 plug-and-perf stages
 - 11 mmlbs of proppant (100 mesh with 30/50)
 - 300 kbbls of slickwater



Final Microseismic Results



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Source Mechanism

- Maps the orientation of the fracture plane (i.e. how the rock fails) for every event
- Clearly and accurately identifies multiple fracture sets
- The dip, strike, and rake for the solution is:

Strike	Dip	Rake	
72	84	126	

 Source mechanisms are also used in processing to obtain the best stack of each microseismic event





Discrete Fracture Network Modeling



Only events that are considered fluid related are retained for DFN analysis.

One fracture is modeled per microseismic event. Individual fracture orientation is determined by focal mechanism. Fracture geometry is determined from moment magnitude, rock rigidity, and injected fluid volume.





A network of 100 ft cells is placed over the DFN. Cells containing fractures form the Total SRV. Permeability enhancement inside SRV is calculated for every cell and used as input for reservoir simulation and production forecast.



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Where is the Proppant?



In order to distinguish between total fracture volume and proppant filled fracture, the DFN is filled with proppant from the stage centers out on a stage-by-stage basis honoring the shape of the microseismic event cloud.

Propped DFN

LS

MS

A network of 100 ft cells is placed over the Propped DFN. Cells containing proppant filled fractures form the Productive-SRV®.

WA

Grid: 500 x 500 ft.





DFN - Depth View with Formations



SRV - Depth View with Formations



SRV – Oblique View Sliced at Wellbore



Translation into Reservoir Simulation



- 2. Orientation of fractures
- 3. Aperture of fractures



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Reservoir Properties



Property	Value	Property	Valu e
Matrix permeability (md)	variabl e	Bubble point pressure (psi)	1,60 0
Porosity	variabl e	Initial GOR (scf/stb)	883
Initial water saturation	variabl e	Stock tank oil density (API)	41.6 5
Reservoir pressure (psi)	5,775	Gas gravity (Air=1)	1.18
Reservoir temperature (°F)	160	Water density (Ib/ft ³)	66.7 7



Porosity 2014-08-17



Fluid and Reservoir Properties



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Reservoir Simulation Overview

- Microseismic derived permeability enhancement was used in numerical simulation to forecast oil, gas, and water production, as well as pressure depletion for 2.5 years
- The reservoir simulation results show the following productivity order for the project wells, which is consistent with field observations:

90-day production:

CBR2017 LS

2.5-year production:

- 1. CBR2017 LS (L. Spraberry, plug & perf completion, 33 stages)
- 2. CBR2017 WA

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- 2. CBR2017 MS (M. Spraberry, plug & perf completion, 32 stages)
- 3. CBR2017 MS 3. CBR2017 WA (Wolfcamp A, plug & perf completion, 32 stages)
- Reservoir simulation was performed without historic production data to evaluate accuracy of model at time of completion
- Reservoir model was then calibrated using 2.5 years of production and pressure data



Production Forecast at Time of Completion (Oil Rate)



CBR2017LS,CBR2017MS,CBR2017WA



Production Forecast at Time of Completion (Oil Rate)





Production Forecast using 90-Day Production (Oil Rate)





Reservoir Depletion (3 Months)

Pressure (psi) 2015-01-01 | layer: 31



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Reservoir Depletion (6 Months)

Pressure (psi) 2015-04-01 | layer: 31



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Reservoir Depletion (12 Months)

Pressure (psi) 2015-10-01 | layer: 31



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Reservoir Depletion (18 Months)

Pressure (psi) 2016-04-01 | layer: 31



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Reservoir Depletion (24 Months)

Pressure (psi) 2016-10-01 | layer: 31



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Reservoir Depletion (30 Months)

Pressure (psi) 2017-03-07 | layer: 31



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RSP Permian: Wellbore Placement



Source: May 2015 Investor Presentation; November 2014 Investor Presentation; Q3 2014 Earnings call transcript "...<u>vertical wellbore spacing</u> between the MS and LS wells is <u>excessive</u>, leaving potential for possible Jo Mill locations..."

"The microseismic results indicated [the **Wolfcamp A** well] **communicated** with the **Wolfcamp B** and we expect even better results [...] when both the Wolfcamp A and B are developed in unison in the future.

"Our effective stimulation calculations from the microseismic has helped **confirm our current spacing** of 450-500 feet."

"The microseismic study indicated a greater well density in the Spraberry zones will be required for <u>optimum</u> recovery of oil and gas."





Case History 3 Treatment Order



Well Interaction



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Depleted zone

- Lower pore pressure: A sink for injected fluid
- Sweet spot for microseismicity
- Well interaction: Frac hit



Pressurization

•

offset well

Low rate injection: Build up pressure around offset well

Well Interaction depends on reservoir stress/pressure

Multi Well-Completion Design

- Completion sequence:
 - Zipper-frac'ing
 - One-by-one:
 - 1. $A \rightarrow B \rightarrow C$ 2. $A \& C \rightarrow B$ 3. $B \rightarrow A \& C$
 - Pressurize?
- Treatment efficiency depends on wells interaction
- MicroSeismic monitoring is essential to understand well interaction and to make better decision on treatment order





Multi Well Completion – Case Study



MicroSeismic Results



Multi Well Completion – Case Study





Completion Efficiency



- 3x more microseismic event per unit of pumped energy
- More induced fracture complexity

 better permeability enhancement



Multi Well Completion – Case Study

Why treatment order matters?

- Injection/production alters stresses/pressure
- Stimulation/Microseismicity depends on stresses/pressure







- 1. Higher hor. Stress anisotropy
- 2. Lower hydraulic gradient
- Depleted zone Stress Anisotropy DEPTH Sv-Sh_{min} SH_{max}-Sh
 - 1. Higher ver. & hor. Stress anisotropy
 - 2. Higher hydraulic gradient



Conclusion

- Treatment order matters!
- Pressurization is effective
- Stress/pressure changes result in well interaction
- Efficient treatment order:





Quantitative Microseismic Analysis

Opportunity

 MicroSeismic data offers well specific, in situ observations that are predictive of future well performance

Realization

Integrating with other measurements, microseismic observations can provide:

- Accurate and reliable fracture network model
- Prediction of stage performance and productivity
- Early prediction of well productivity and type curve
- Determination of drainage volume and depletion
- Detailed stress regime mapping





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