



Bringing Stochastic Methods to the Assessment of Mechanical Top Seal Strength at Potential CO₂ Storage Sites

Eleanor Oldham

GESGB CCS4G Symposium

14th December 2023

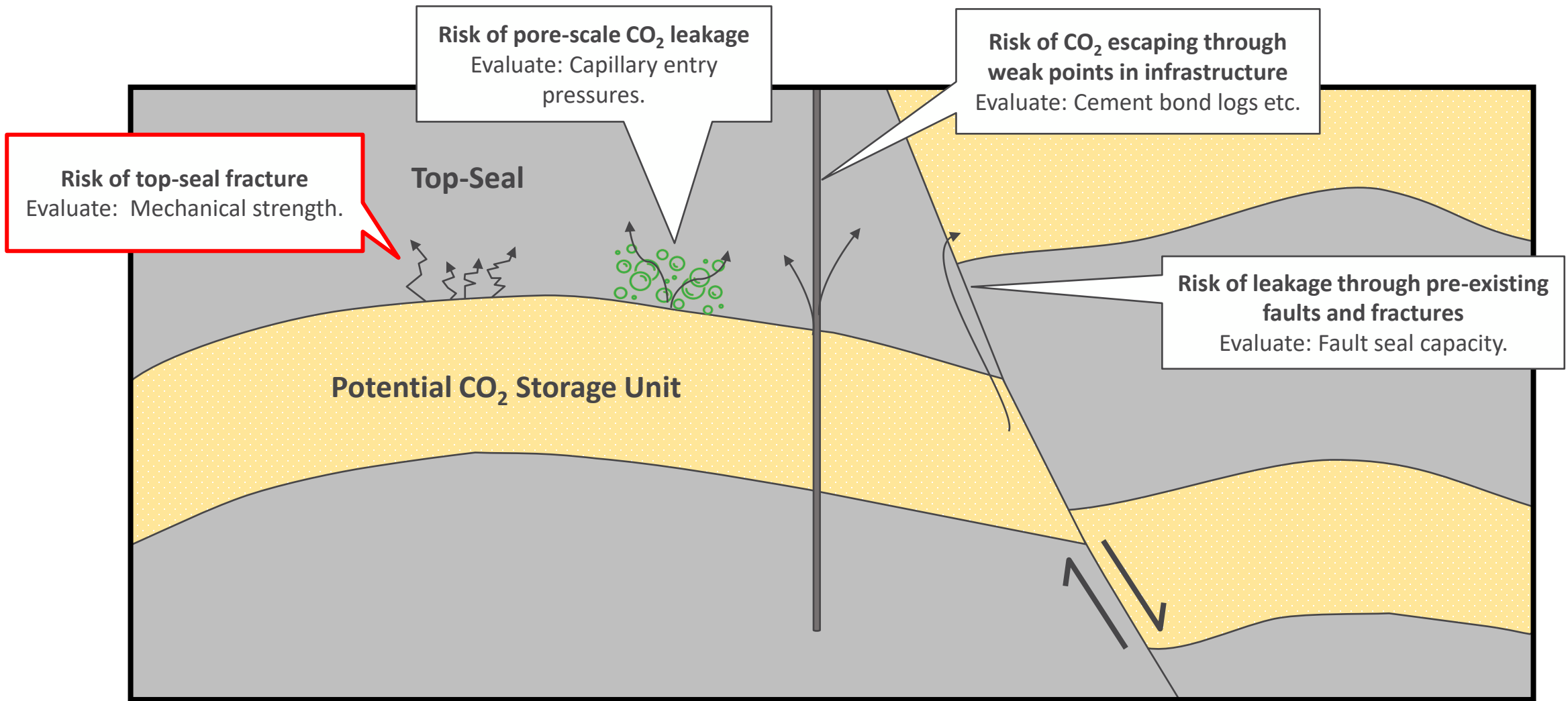
Disclaimer

- I. Merlin Energy Resources Ltd (MERL) has made every effort to ensure that the interpretations, conclusions and recommendations presented herein are accurate and reliable in accordance with good industry practice. MERL does not, however, guarantee the correctness of any such interpretations and shall not be liable or responsible for any loss, costs, damages or expenses incurred or sustained by anyone resulting from any interpretation or recommendation made by any of its officers, agents or employees.
- II. Without prejudice to the foregoing paragraph, MERL has made every reasonable effort to ensure that this report has been prepared in accordance with generally accepted industry practices and based upon the data and information supplied by the Company (Client) for whom, and for whose exclusive and confidential use, this report is made. Any use made of the report shall be solely based on the Client's own judgement and MERL shall not be liable or responsible for any consequential loss or damages arising out of the use of the report.
- III. The copyright of this document remains the property of MERL. It has been provided to the Client for the purpose of providing an independent expert opinion into the data and results provided by the Client for MERL to review.
- IV. The recipient should note that this document is being provided on the express terms that, it is not to be copied in part or as a whole, used or disclosed in any manner or by any means unless as authorised in writing by MERL. In particular, this document does not constitute a 'Competent Persons Report' (or similar) in the context of public disclosure and/or submission to stock exchanges such as AIM (or similar) and should not be used for such a purpose.
- V. Where MERL has been asked to provide an opinion, analysis and/or valuation based upon data provided by the Client or a third party directed by the Client, the accuracy of this report, data, interpretations, opinions and conclusions contained within the report, represents the best judgement of MERL, based on and subject to the limitations of the supplied data and time constraints of the project. If the data supplied is incomplete, non-relevant, false, out of date or inaccurate, then this will affect the accuracy of the interpretations, opinions and conclusions contained within the report.
- VI. It is not MERL's responsibility to check the veracity and accuracy of data provided by the Client or any third party.
- VII. It is assumed that the Client has title to the data supplied to MERL. The Client will indemnify MERL against any action by a third party for breach of that third party's intellectual property rights in relation to the supply of data by the Client to MERL.
- VIII. In order to fully understand the nature of the information and conclusions contained within the report it is strongly recommended that it should be read in its entirety.
- IX. MERL has not physically visited the geographical location of the sites of the wells, fields or reservoirs which are the subject matter of the report. MERL has conducted a remote desk top analysis of the data provided in relation to such locations
- X. This report is for the use only of the Client to whom it is addressed and no responsibility is accepted to any third party for their reliance on whole or any part of its content.
- XI. Without prejudice to this first point of this disclaimer, MERL shall have no liability for any use made by the Client of the terms of this report other than for the purpose for which this report was originally commissioned.

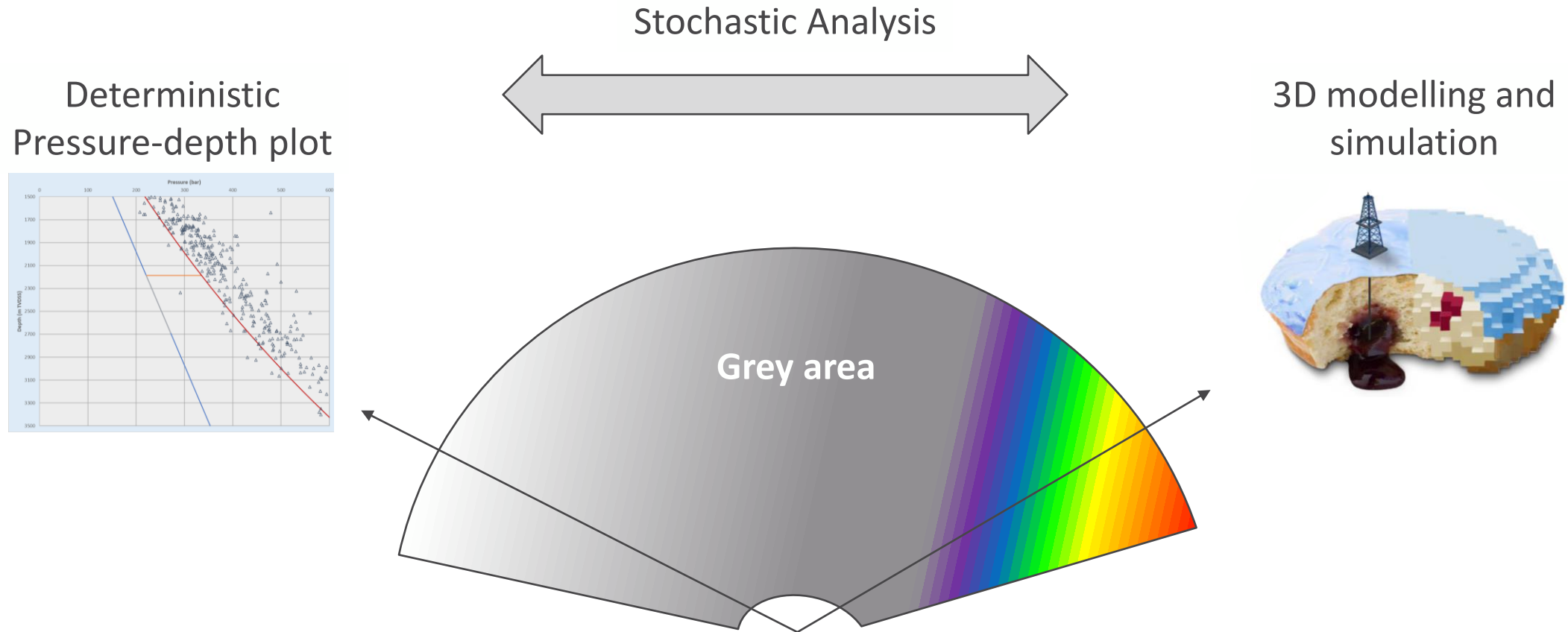
Outline

- Background
- Modifying the deterministic evaluation of mechanical top-seal strength
- Case Studies
 - In Salah, Algeria
 - Aurora, Norway
 - Smeaheia, Norway
- Conclusions

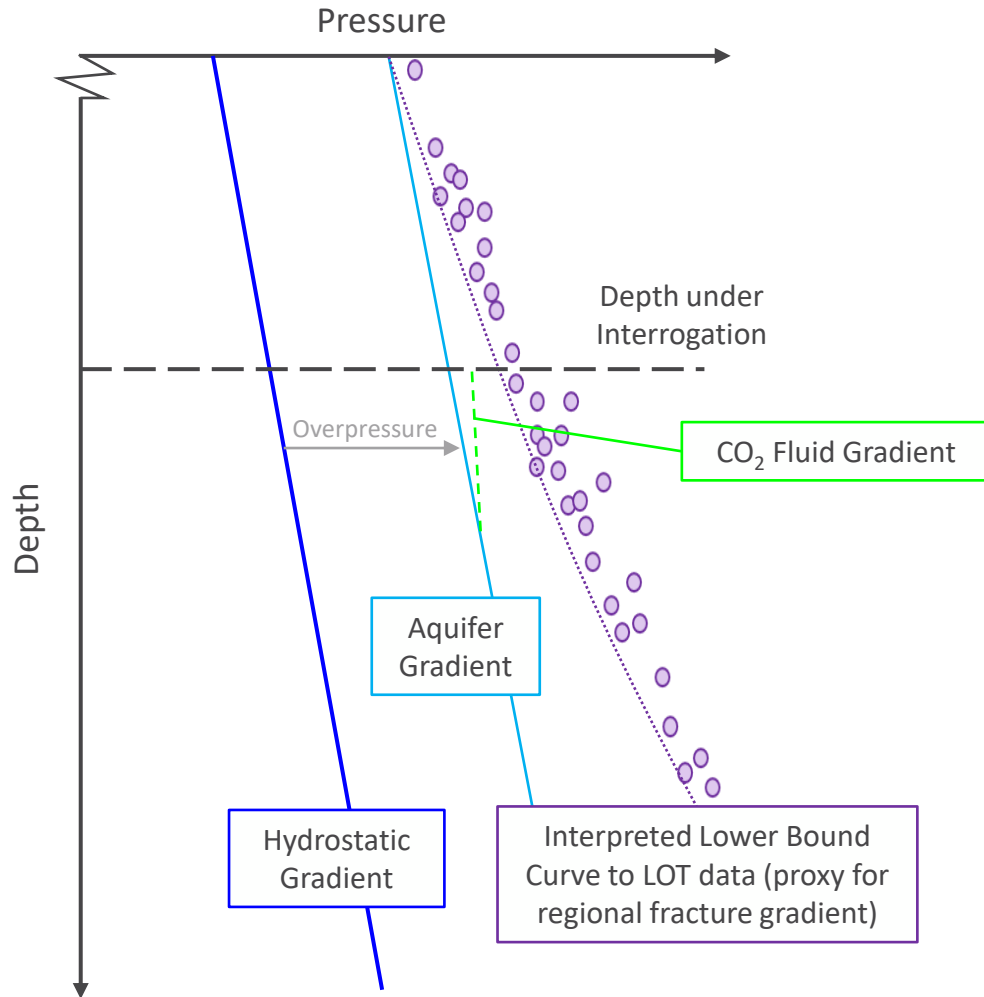
Containment Risk



Methods of Assessing Mechanical Top-Seal Strength



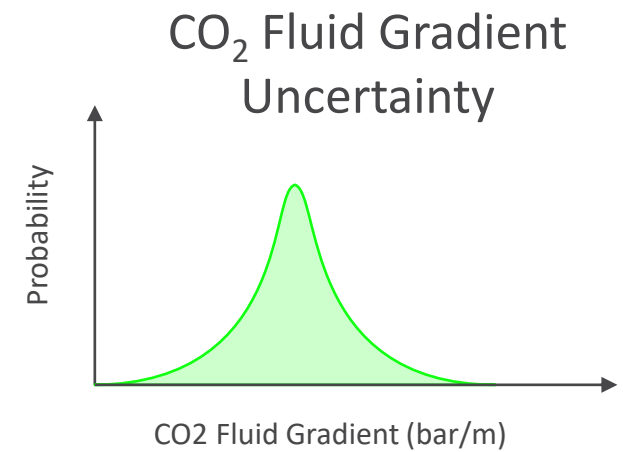
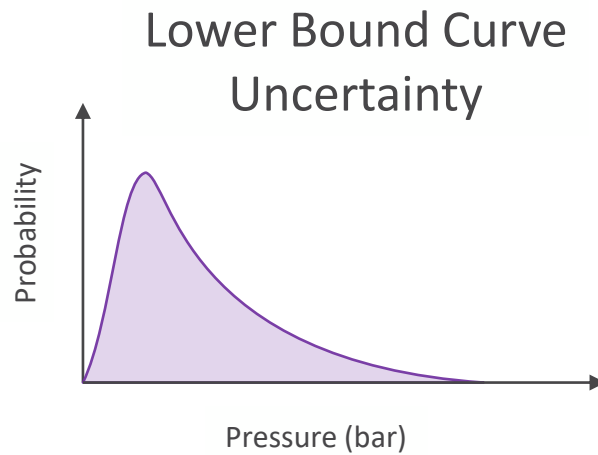
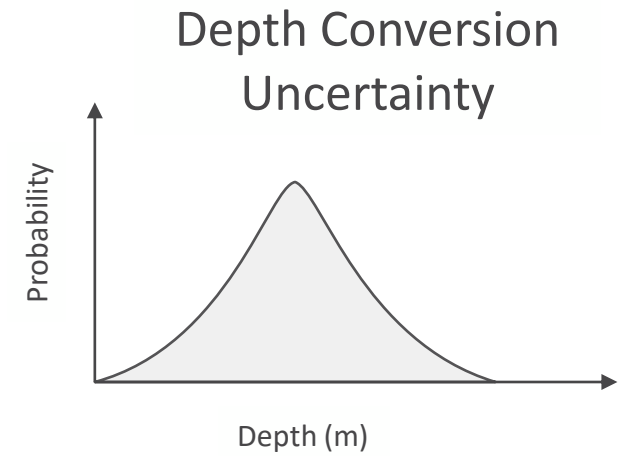
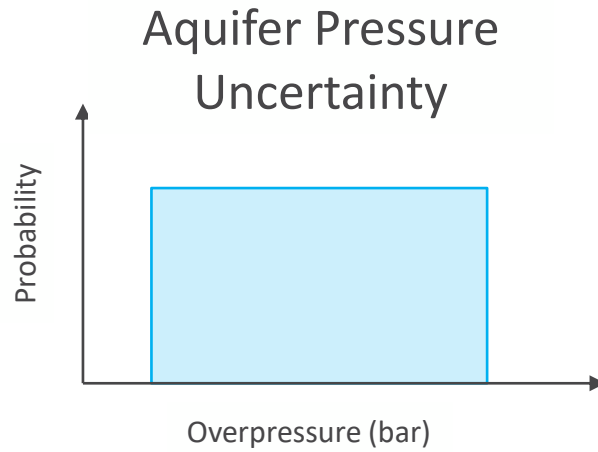
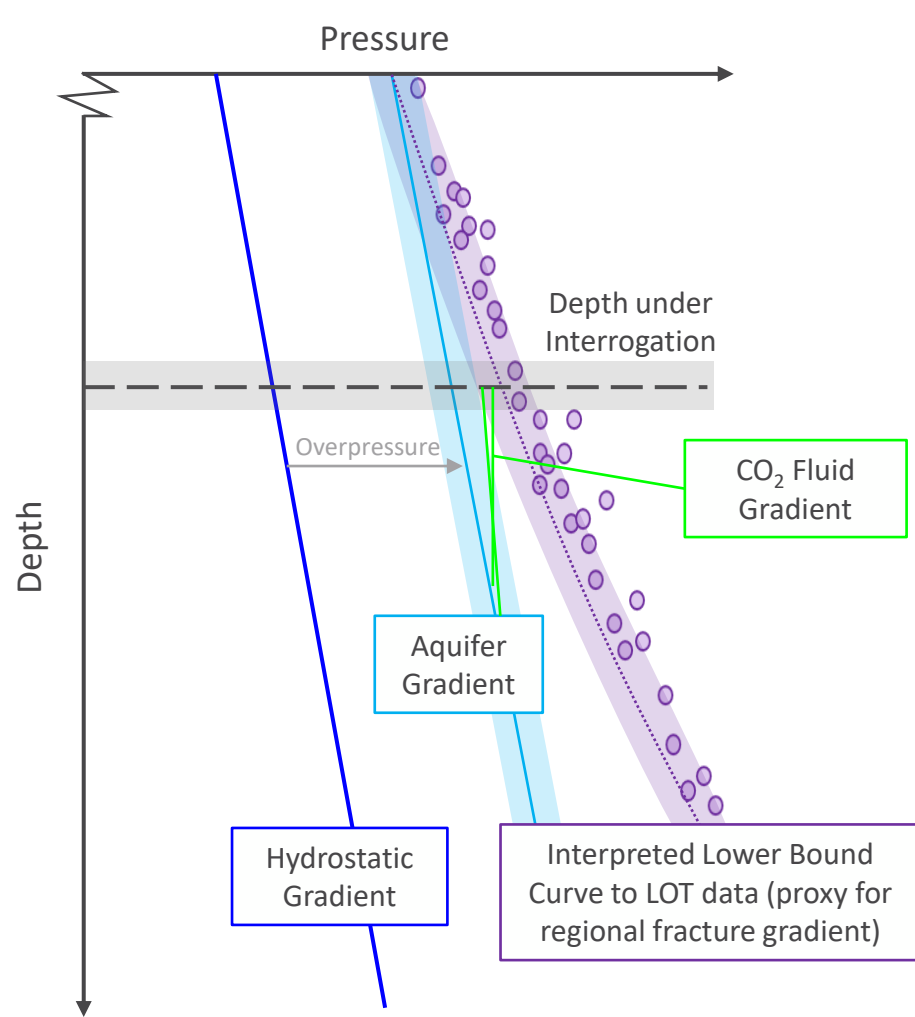
Deterministic Approach to Top-Seal Strength



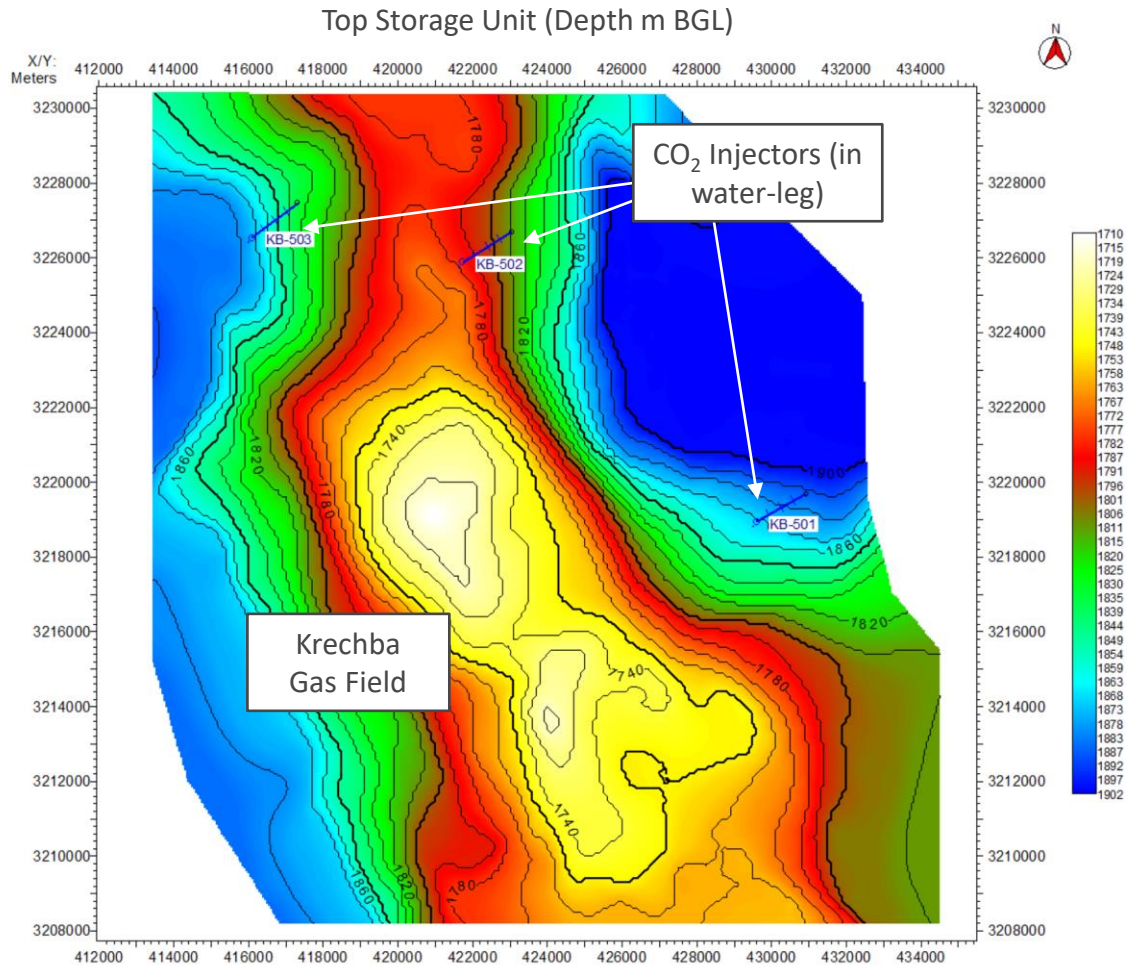
Approach published by Gaarenstroom et al., 1993

- A pressure-depth plot can be created to understand the top-seal strength at a depth of interest. This requires knowledge of:
 - Expected aquifer gradient and pressure in the storage unit.
 - Fracture gradient.
 - Depth structure.
 - Pressure and temperature conditions.
- There is usually considerable uncertainty on all of these parameters.
- We need to be able to evaluate the significance of these uncertainties and how they relate to containment risk, as well as project economics.
- How many deterministic models would it take to fully capture all of the uncertainties?

Stochastic Modification



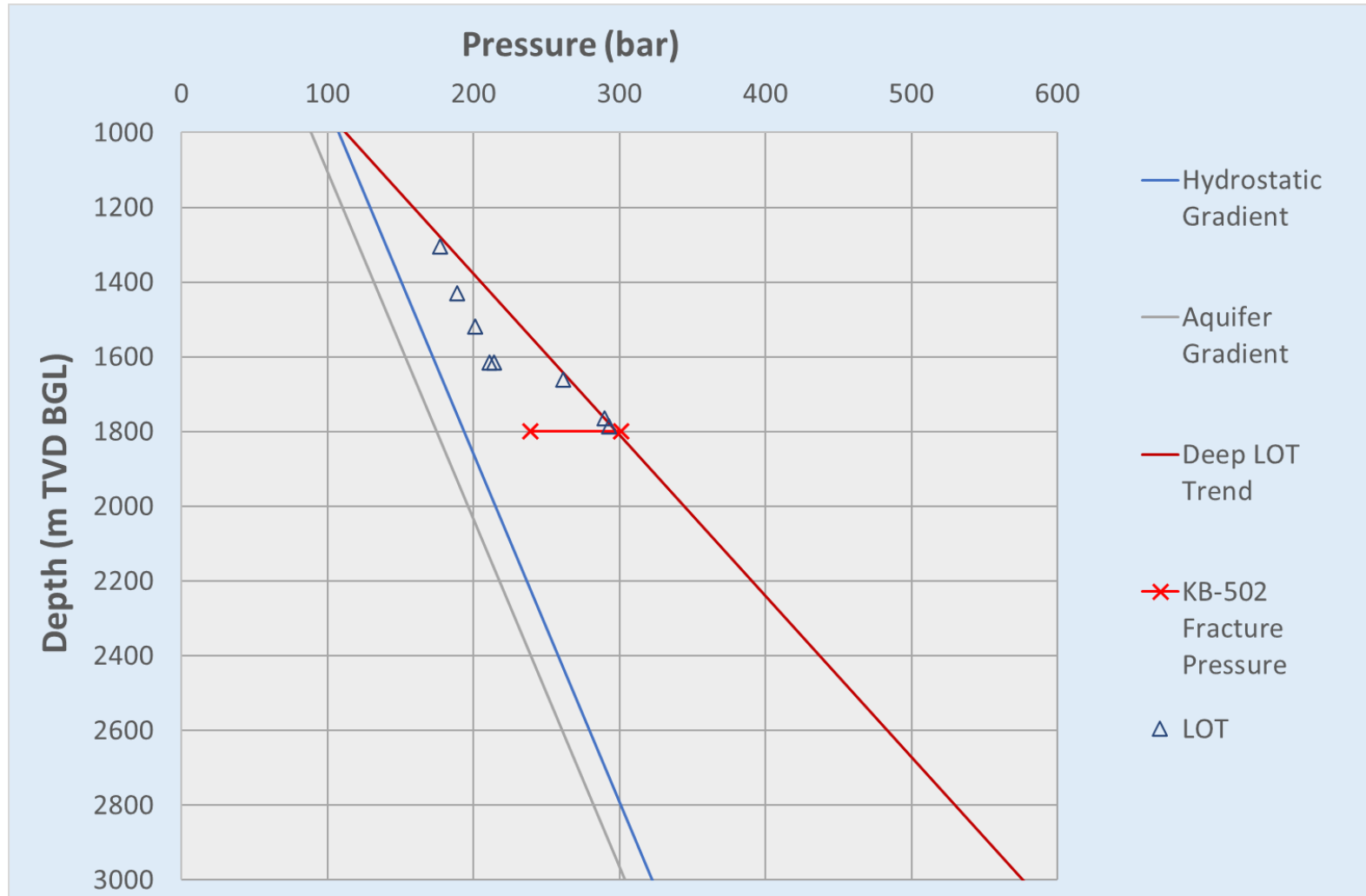
In Salah, Algeria



After Vasco et al., (2018)

- In Salah provides a case example where the answers are known.
- The learnings can be applied for modelling mechanical top-seal risk when we don't have the answers.
- The storage unit is Carboniferous Tournaisian sandstones, down-dip from the producing Krechba gas field.
- This storage unit has relatively low permeability, resulting in a significant rise in pore pressure during injection.
- Top-seal is provided by Carboniferous Visean shales. The lower-most portion of the caprock is a silty shale with pre-existing fractures.
- 3.8 Mt CO₂ were injected into In Salah between 2004 and 2011.
- Injection was stopped in 2011 because monitoring suggested CO₂ had migrated vertically into the lower part of the top-seal.

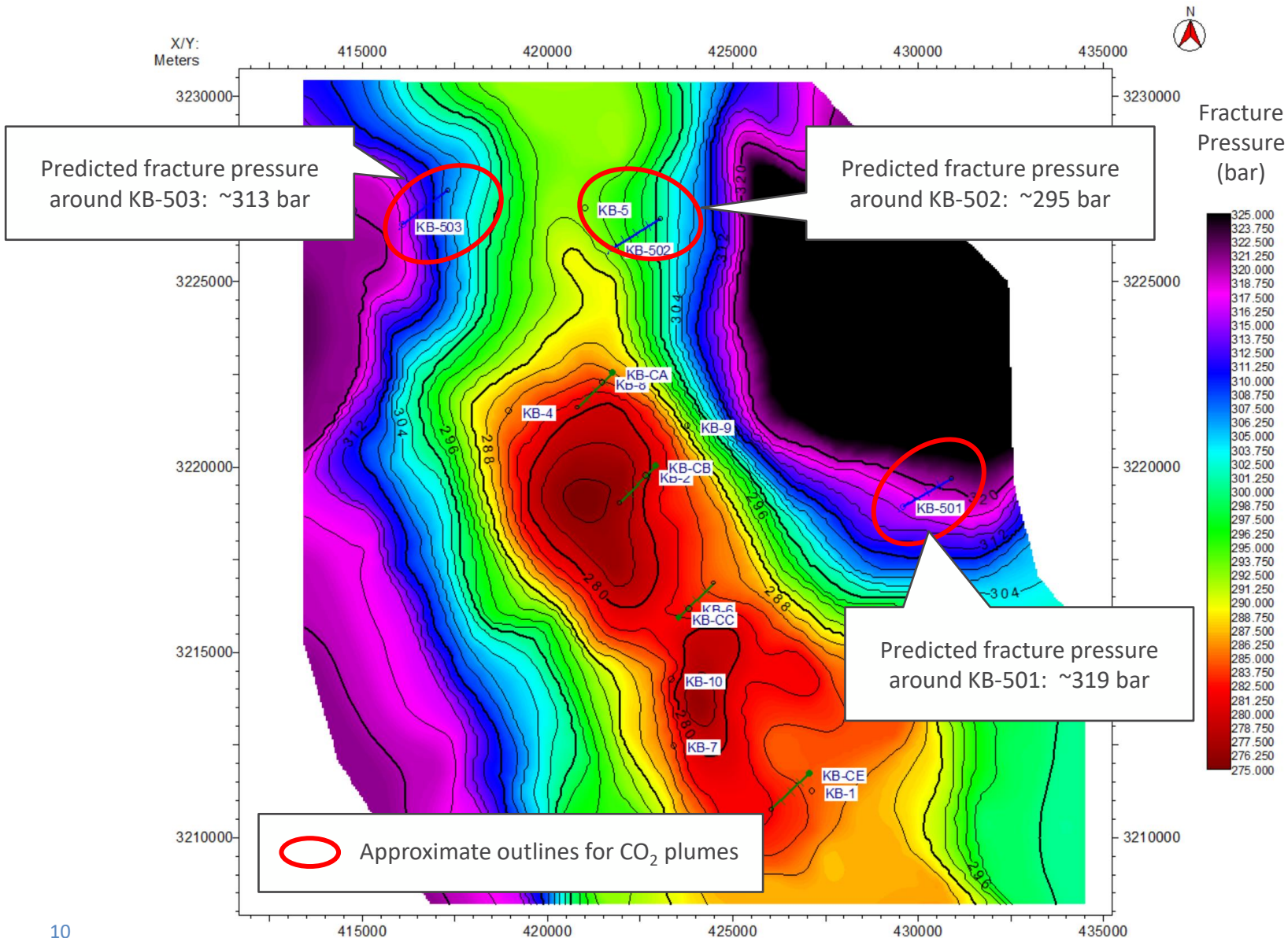
In Salah Pressure Context



- LOT data from the cap-rock shows two distinct trends.
- Due to infrastructure limitations, no downhole pressure gauges were installed in the In Salah injector wells.
- During injection, downhole pressure had to be estimated from well-head pressure gauges, leading to significant uncertainty on pressures within the storage unit.
- Because of this uncertainty, a range of fracture pressures has been published for KB-502, the shallowest injector (red line).
- These fracture pressures have all been calculated using various methodologies. The stronger end of this range is consistent with LOT data from the lower portion of the caprock.

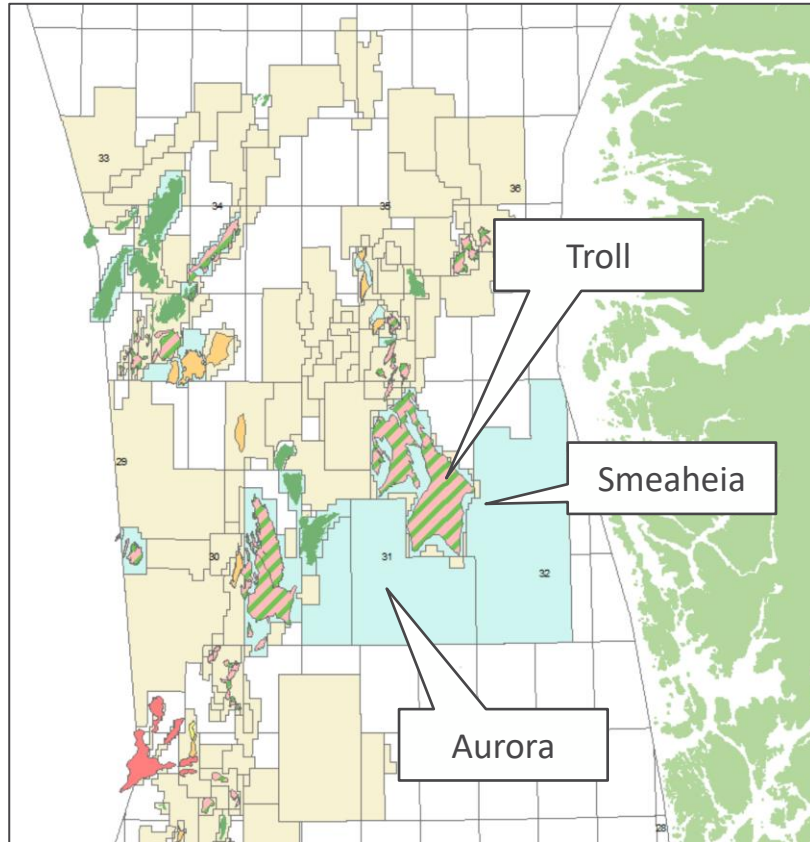
LOT data from Vasco et al., (2018)
Fracture pressure data at KB-502 from White et al., (2014)

Fracture Pressure Map (Deeper LOT Trend)



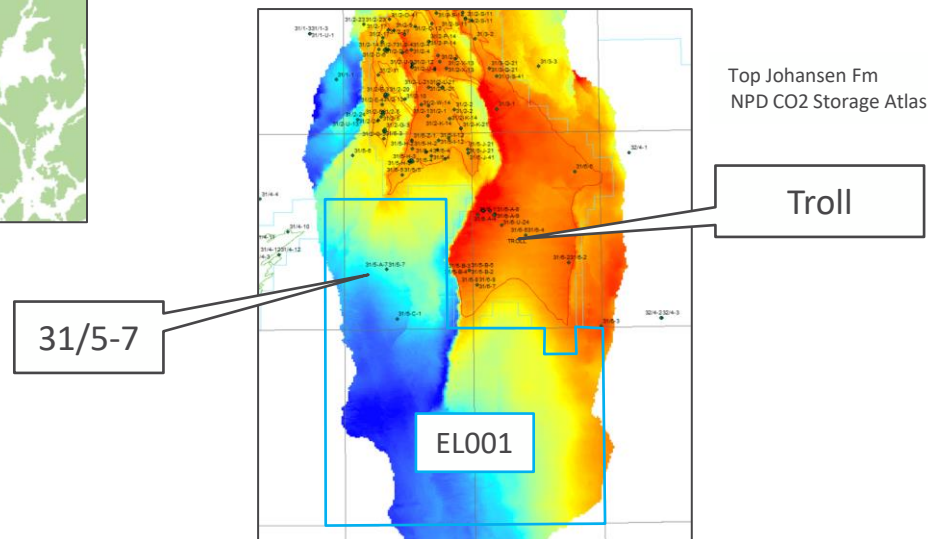
- Due to its shallower depth, KB-502 has the weakest fracture pressure of all the injector wells (~295 bar).
- Injection pressures in KB-502 reached an estimated 330 bar, and the immediate caprock is believed to have fractured.
- This highlights the importance of understanding what the fracture pressure is, as well as the ability to monitor when this limit is being approached, so that action can be taken.
- The top-seals above KB-501 and KB-503 are not believed to have fractured during injection.
- These wells are deeper so their predicted fracture pressures are greater
- Other factors (such as lithological variations in the cap-rock) can also influence fracture pressure at any given location.

Aurora (Northern Lights), Norway

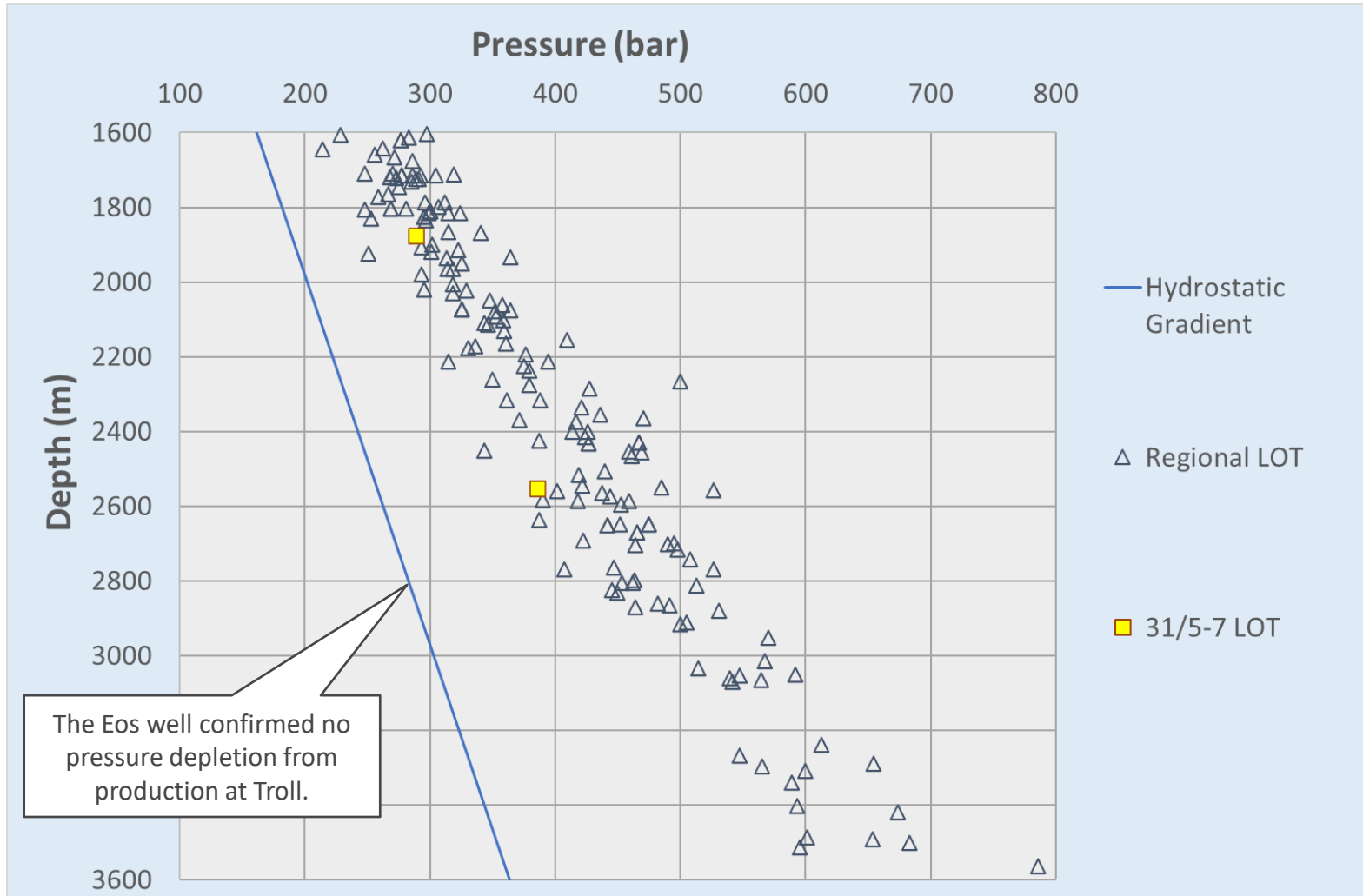


Shapefiles from NPD

- The storage complex at Aurora is the Lower Jurassic Dunlin Group.
- Injection will be into the gently sloping aquifers of the Johansen and Cook Formations.
- Shales of the Drake Formation provide the primary seal.
- Up to 1.5 Mt CO₂ is planned to be injected per year for the first 10 years of the project.
- The Eos well (31/5-7) was drilled in 2019/20 to gather information for de-risking the Aurora site for CO₂ storage.



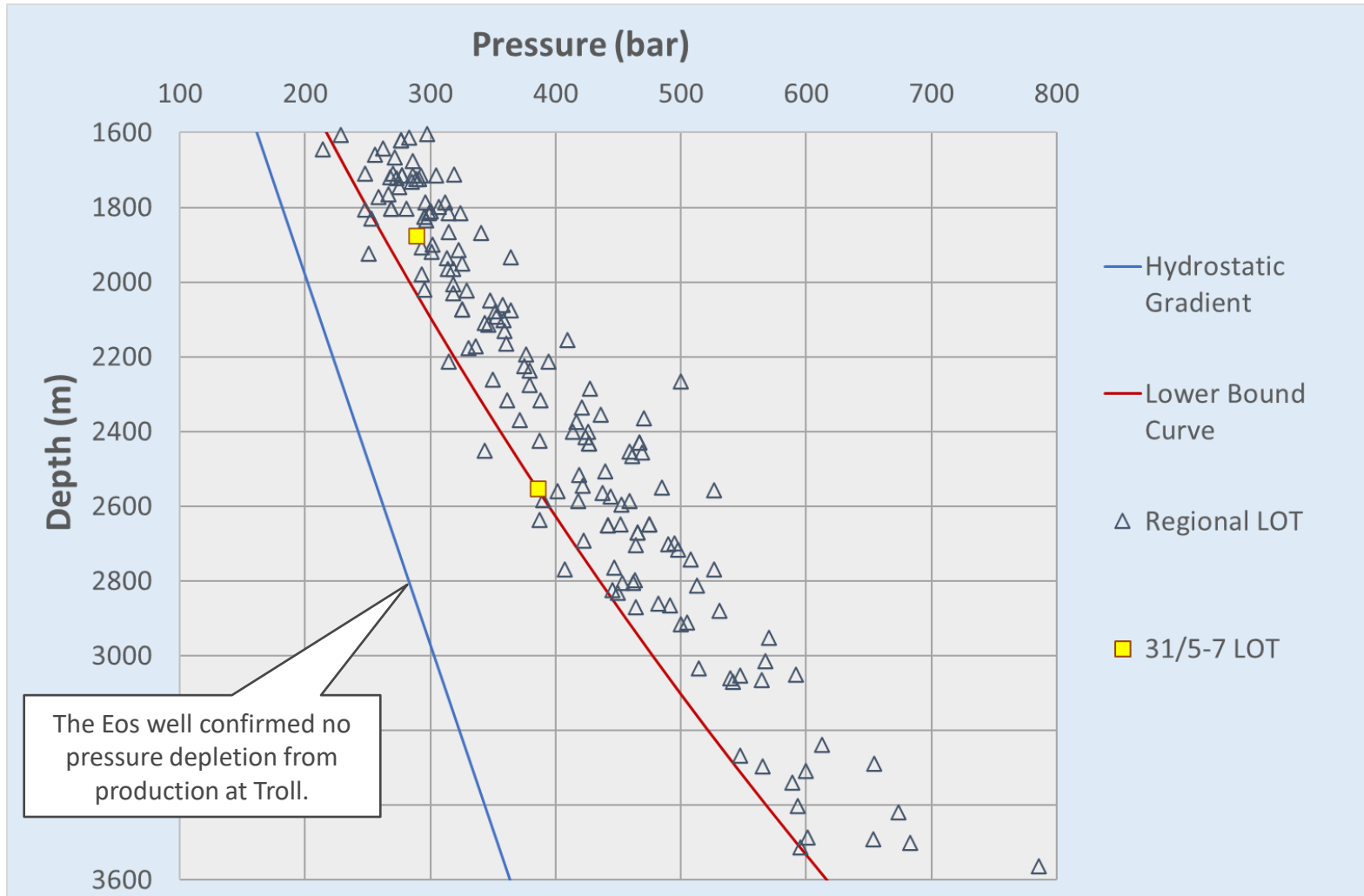
Aurora Pressure Context



- The Eos well confirmed production at Troll has not caused pressure depletion.
- LOTs were carried out in the Eos well to test the top-seal strength (yellow squares).
- Each LOT is only able to sample a pinpoint location in the caprock and, as such, is unable to capture geological variability or measurement uncertainty.
- Regional LOT data from surrounding blocks is also shown (from the NPD database).
- The scatter from the regional LOT data can be used to model uncertainty around the fracture gradient, rather than pinning a deterministic analysis to the LOT from Eos alone.

LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

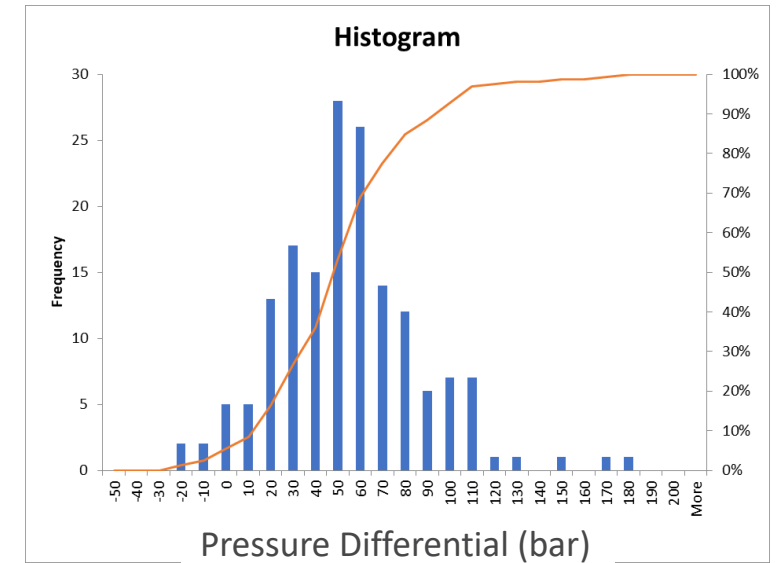
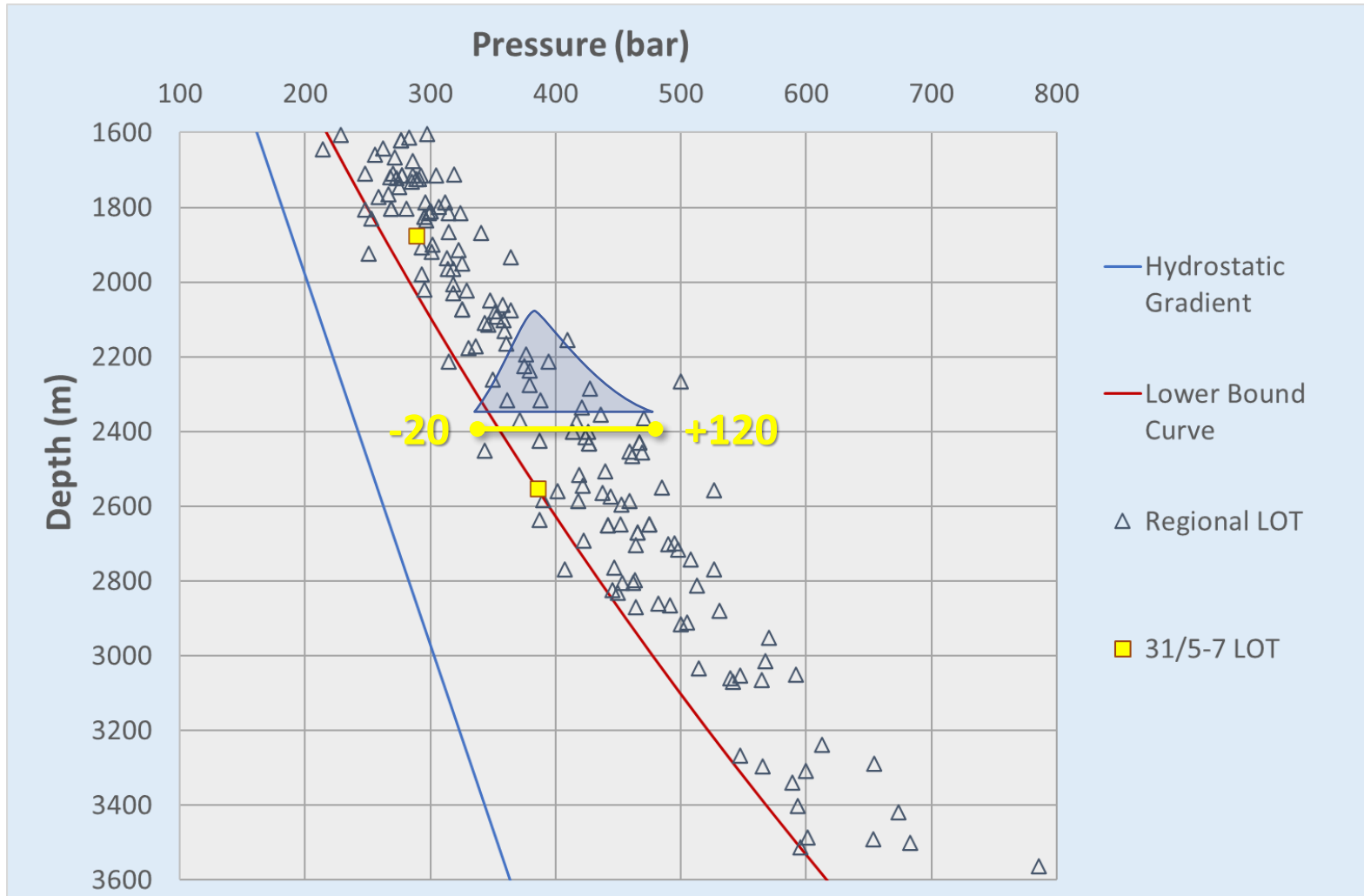
Aurora Pressure Context



- Here, a Lower bound curve has been interpreted from the regional LOT data (maroon).
- This curve is consistent with the LOT measured in the Drake in the Eos well.
- To capture the uncertainty on this curve (and thus the fracture gradient) we can look at the amount of scatter on the regional LOT data.

LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

Defining an Uncertainty Range on the LBC

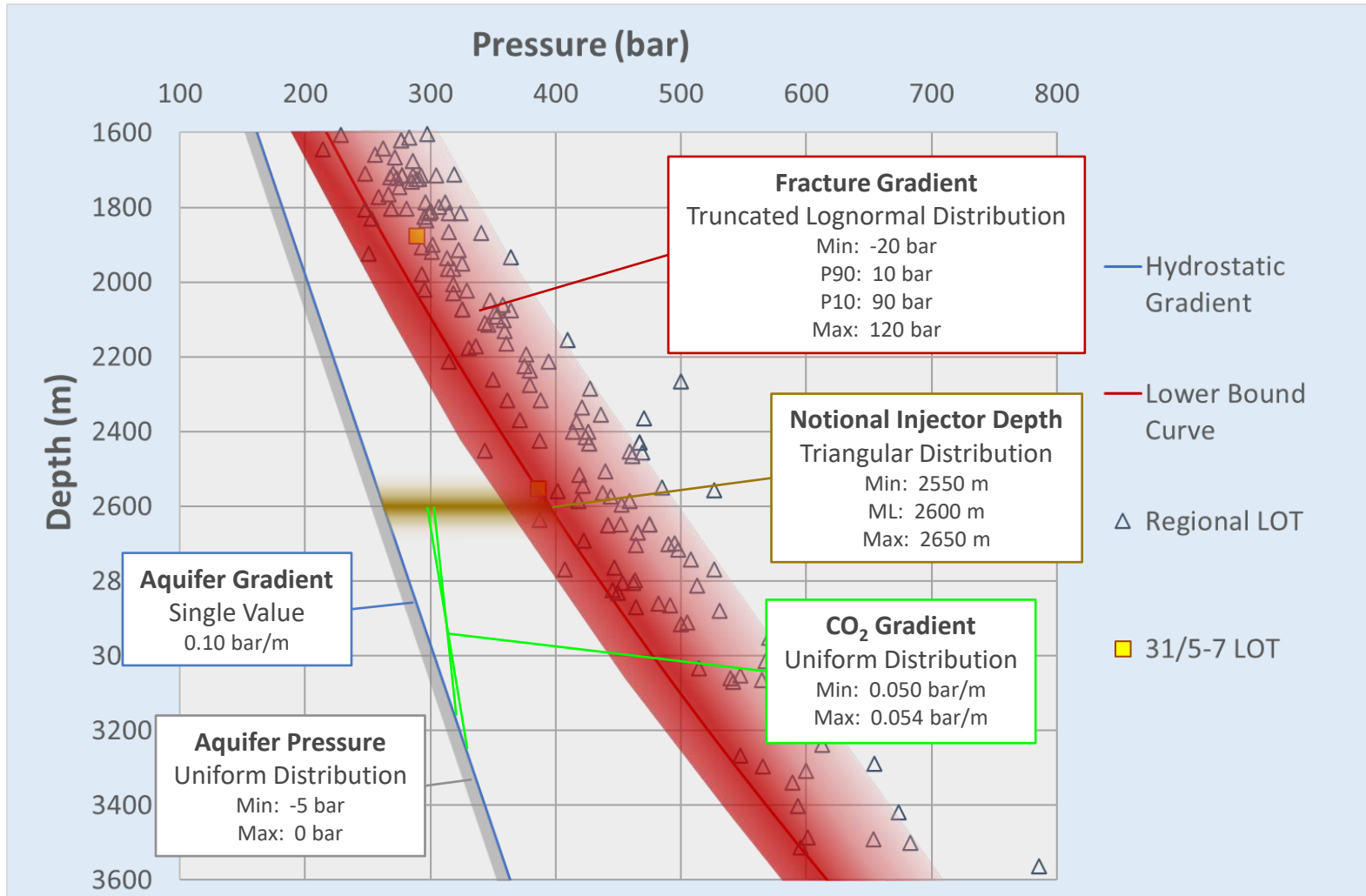


Histogram of the pressure differential between measured LOT and the LBC.

By examining the shape of the histogram, a bespoke distribution can be designed for modelling the pressure uncertainty on the LBC (which is a proxy for fracture gradient).

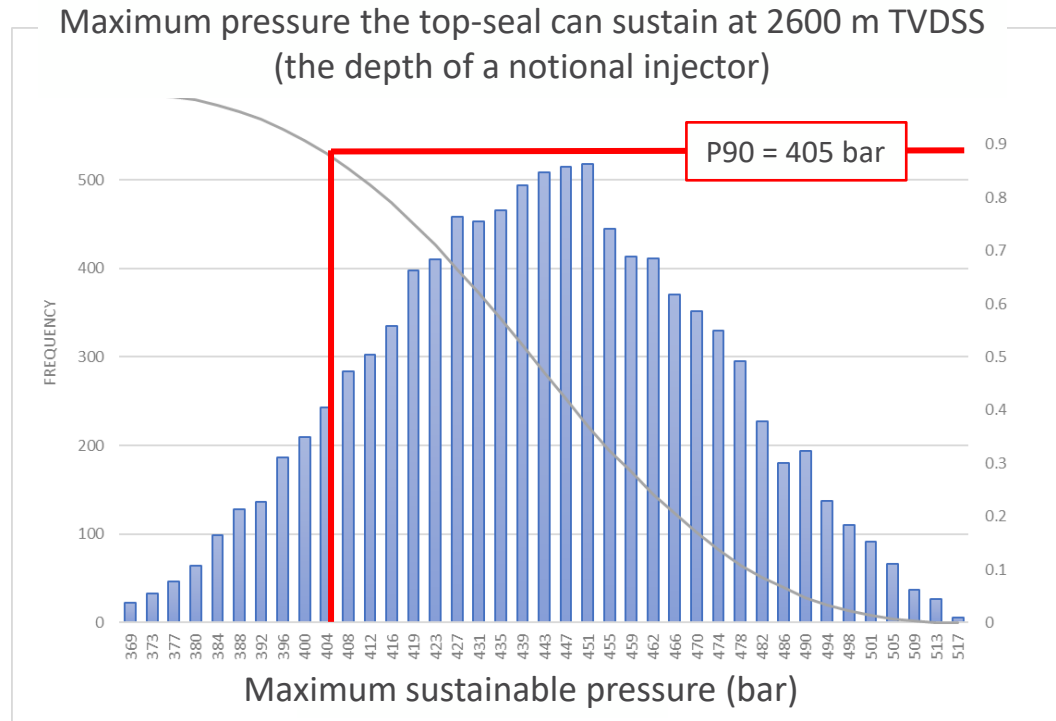
LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

Model Inputs (Aurora)



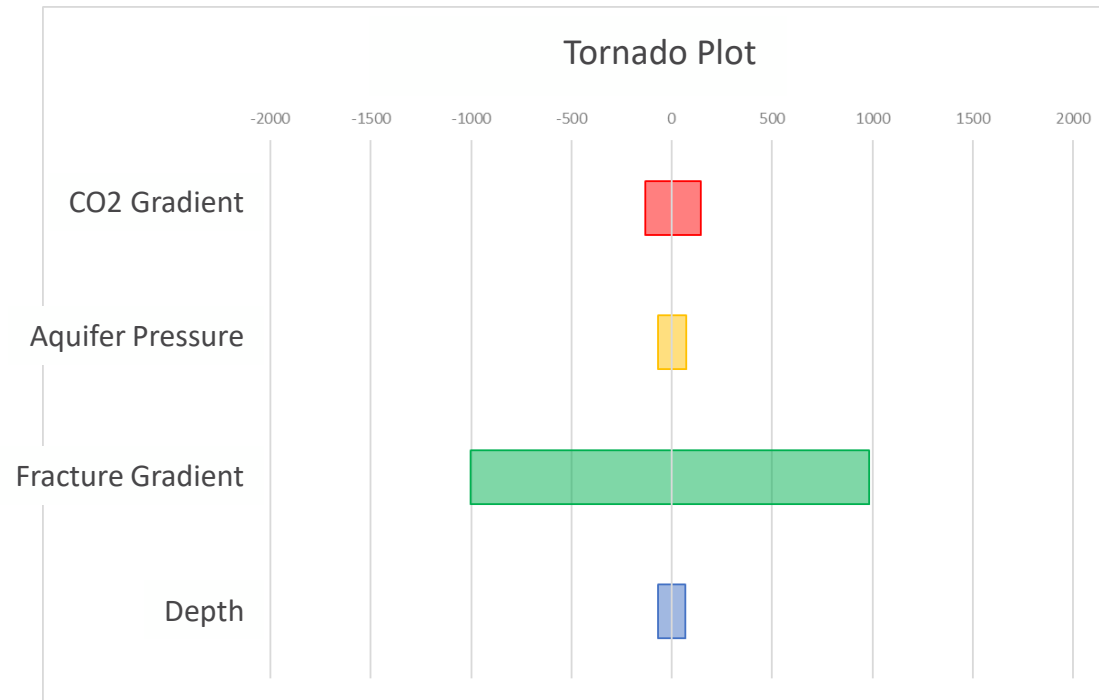
LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

Stochastic Results



405 bar is the P90 pressure the top-seal is able to sustain for a notional injector penetrating the Cook at 2600 m.

This threshold can be used to constrain injectivity rate modelling and ensure that an economic rate can be safely achieved.

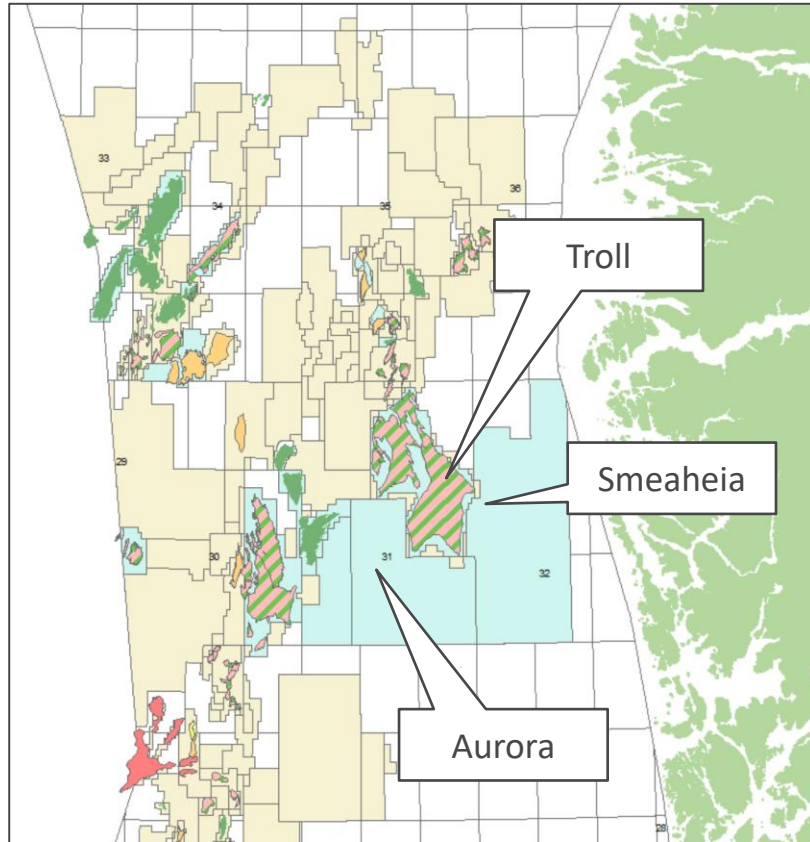


The most sensitive parameter is the uncertainty around the Lower Bound Curve (i.e. fracture gradient).

This information can be used to optimise an appraisal programme.

In this case, a more targeted group of LOTs (perhaps focused on the relevant stratigraphic interval) could reduce the fracture gradient uncertainty.

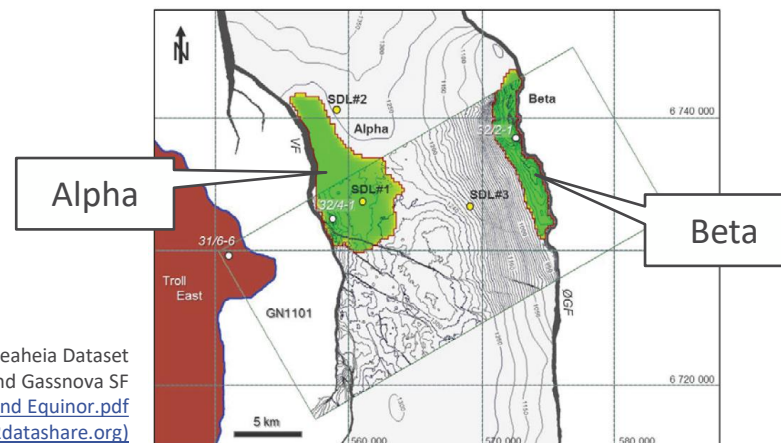
Smeaheia, Norway



Shapefiles from NPD

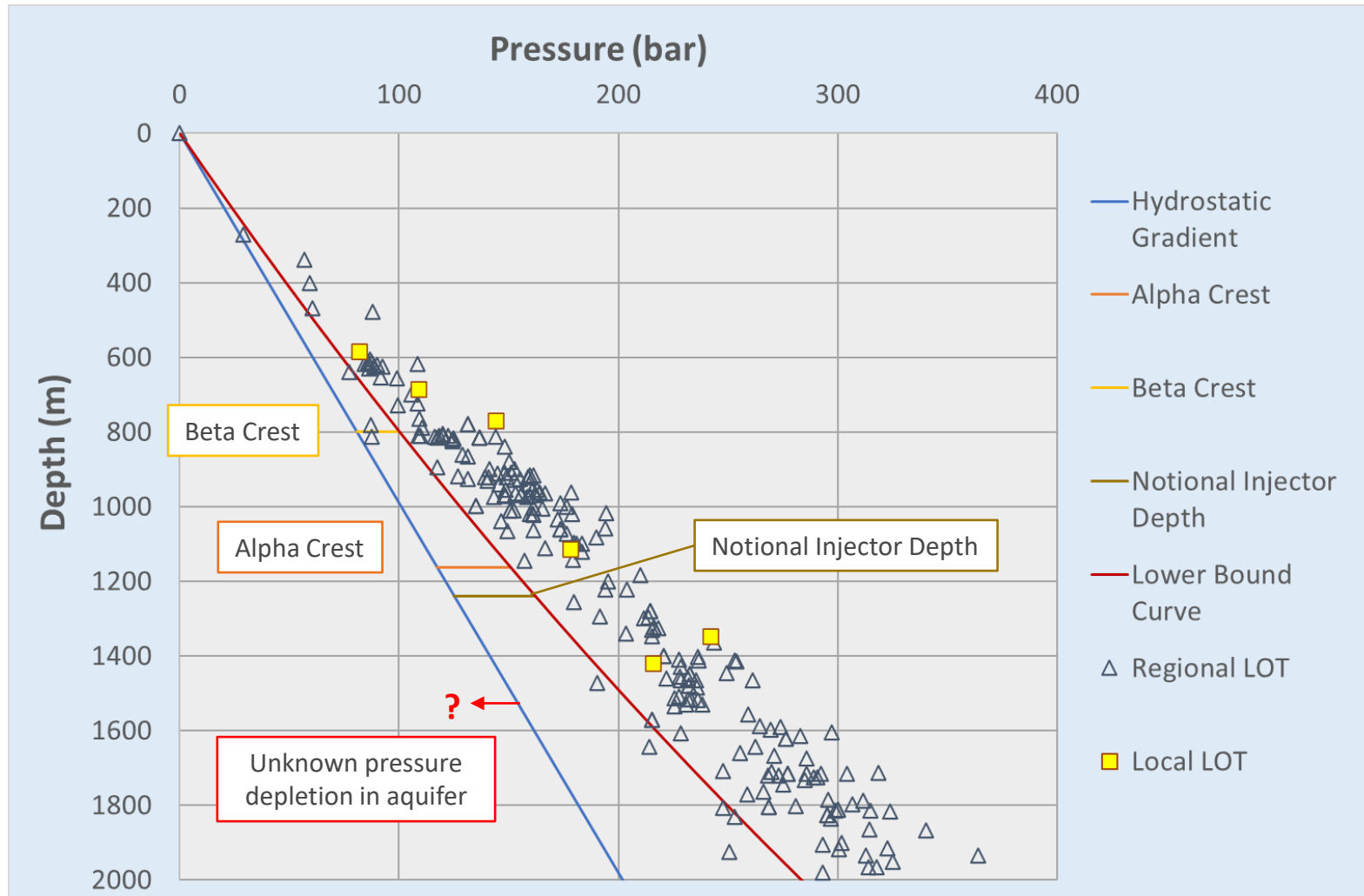
- Smeaheia consists of two structural culminations: Alpha and Beta.
- Injection would be into aquifers in the Sognefjord and Fensfjord Formations.
- Draupne Formation shales provide the primary seal.
- Both Alpha and Beta have been penetrated by pre-existing (dry) exploration wells.
- Each structure could store up to 100 Mt CO₂.

Statoil (2016)



From the CO₂ Storage Data Consortium, Smeaheia Dataset
Data Owners: Equinor ASA and Gassnova SF
License: [SMEAHEIA DATASET LICENSE](#) [Gassnova and Equinor.pdf](#)
(co2datashare.org)

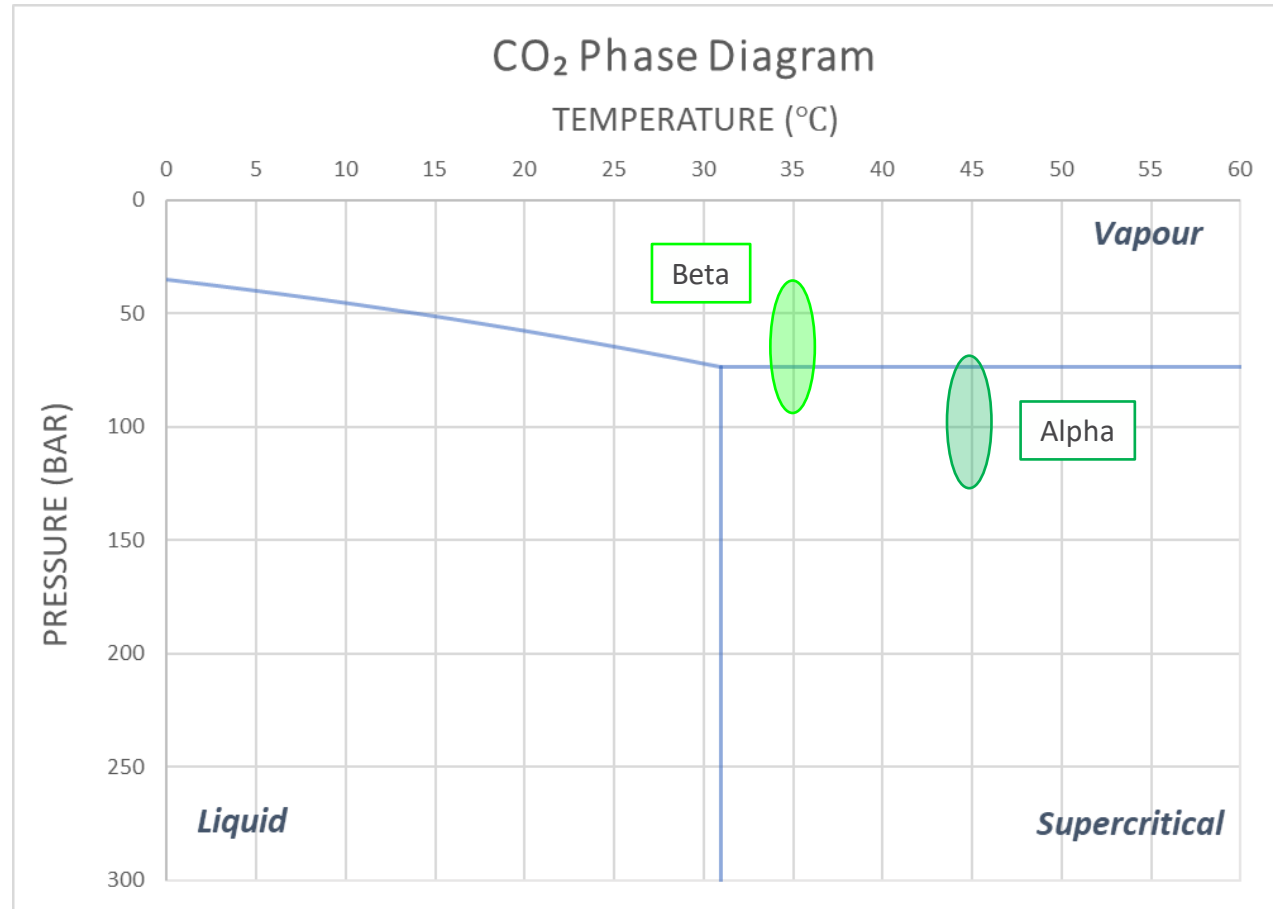
Smeaheia Pressure Context



- One of the biggest uncertainties for the Smeaheia project is the aquifer pressure.
- Depletion from production at Troll could mean the aquifer is under-pressured by up to 50 bar.

LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

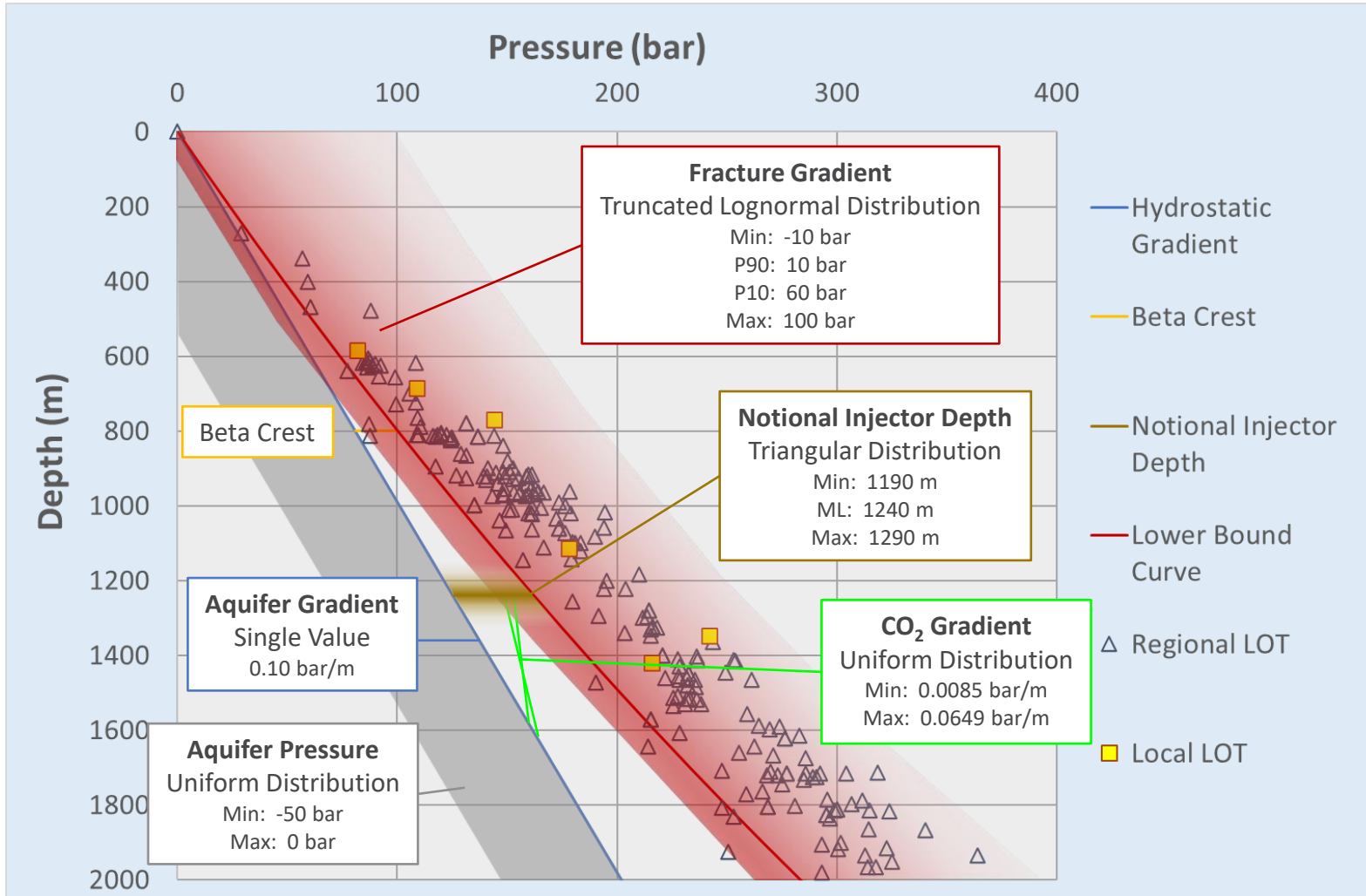
Impact of Uncertain Pressure and Temperature on CO₂ Properties



Pressure and Temperature from Statoil (2016)

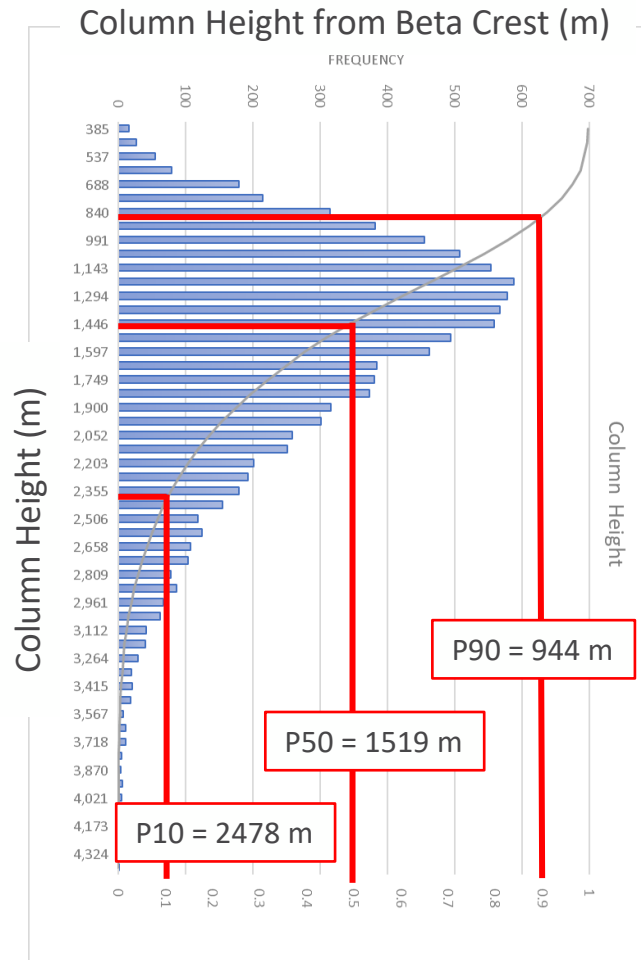
- Uncertainty on the pressure-temperature conditions at Smeaheia gives rise to uncertainty in the phase of injected CO₂.
- This puts a risk on the storage capacity if CO₂ is not in a supercritical (dense) phase.
- Also puts a large error bar onto the modelled CO₂ fluid gradient.

Model Inputs (Smeaheia Beta)



LOT from: <https://factpages.npd.no/en/wellbore/TableView/With/CasongAndLot>

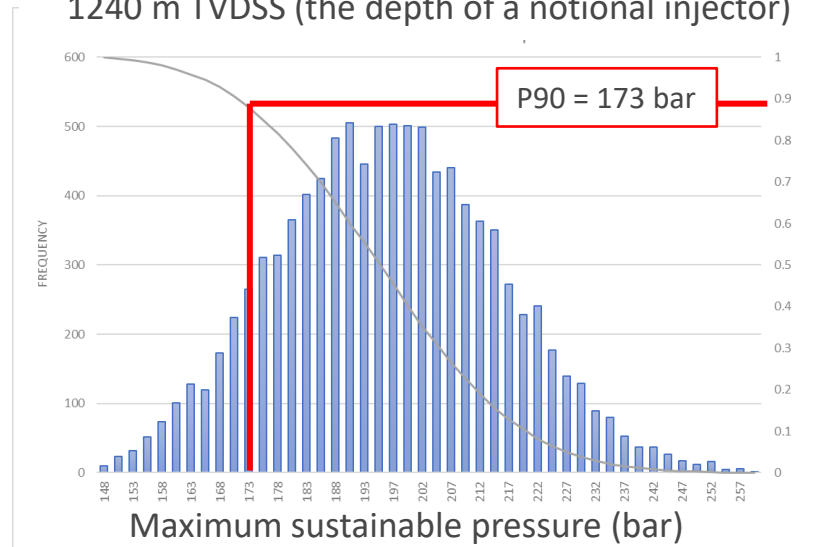
Stochastic Results (Smeaheia, Beta)



The top-seal at Beta is capable of retaining very tall CO₂ columns without fracturing.

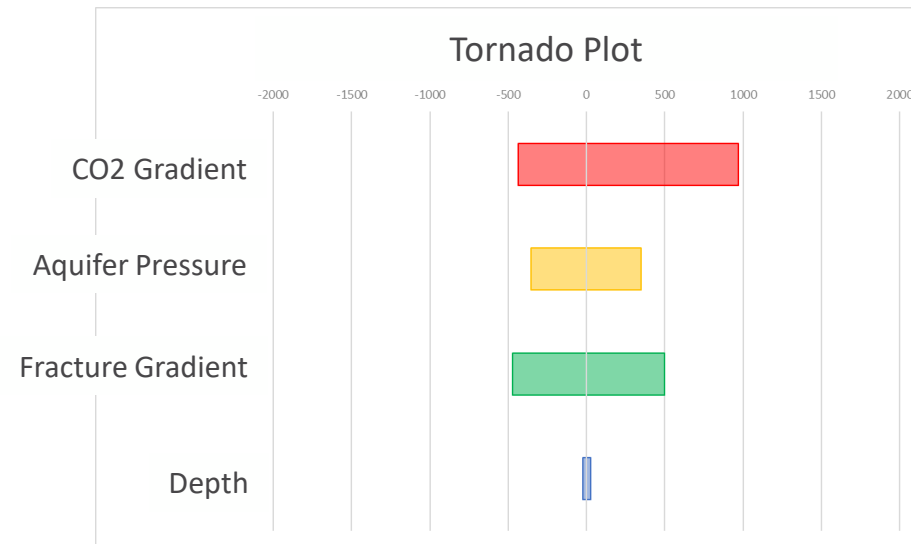
This provides a quick, early check to make sure the storage project is safe for an economically viable quantity of CO₂.

Maximum pressure the top-seal can sustain at the 1240 m TVDSS (the depth of a notional injector)



173 bar is the P90 pressure the top-seal is able to sustain for a notional injector penetrating the Sognefjord at 1240 m.

This threshold can be used to constrain injectivity rate modelling and ensure that an economic rate can be safely achieved.



The most sensitive parameter at Smeaheia is CO₂ gradient (related to uncertainty in the aquifer pressure).

This sensitivity could be reduced by drilling an appraisal well, like the Eos well at Aurora.

Conclusions

- Understanding the risk of top-seal fracture is a key part of evaluating the containment risk of a potential CO₂ storage site.
- A stochastic modification to the deterministic pressure workflow can be used for projects which aren't yet mature enough to warrant 3D modelling, but which would benefit from a more sophisticated approach than the simple deterministic method.
- Stochastic modelling can be used to identify:

The likelihood that the top-seal at a potential CO₂ storage site is strong enough to sustain an economic quantity of CO₂.

Can make or break a project at the screening stage.

The pressure increase a caprock is able to sustain before the risk of fracture becomes too high.

Used to ensure an economic rate of CO₂ can be safely injected.

Which input parameters contribute the most uncertainty to the outputs.

Appraisal budgets can be targeted more effectively.

References

- T. I. BJORNARA, B. BOHLOLI and J. PARK, 2018. *Field-data analysis and hydromechanical modeling of CO2 storage at In Salah, Algeria. International Journal of Greenhouse Gas Control, Vol 79, pp 61-72.*
- EQUINOR, *Northern Lights FEED Report, 2020. Northern Lights Joint Venture.*
- L. GAARENSTROOM, R. A. J. TROMP, M. C. de JONG, and A. M. BRANDENBURG, 1993. *Overpressures in the Central North Sea: implications for trap integrity and drilling safety. Geol. Soc. Lon. Petroleum Geology Conference Series, Vol 4, pp 1305-1313.*
- R. MENEGUOLO, T. MALBAKKEN, L. GALVANI, S. KASSOLD, D. A. VASQUEZ ANZOLA, 2020. *Subsurface contributions to the Northern Lights CO2 storage project sanction: Planning for success in an unexplored license. SPE Aberdeen*
- J. Q. SHI, S DURUCAN, A. KORRE, P. RINGROSE and A. MATHIESON, 2019. *History matching and pressure analysis with stress-dependent permeability using the In Salah CO2 storage case study. International Journal of Greenhouse Gas Control, Vol 91.*
- STATOIL (2016) *Selected Extracts from Statoil internal report on Subsurface Evaluation of Smeaheia as part of 2016 Feasibility study on CO2 storage in the Norwegian Continental shelf. CO2 Storage Data Consortium, Smeaheia Dataset. Data Owned by Equinor ASA and Gassnova SF. License: SMEAHEIA DATASET LICENSE_Gassnova and Equinor.pdf (co2datashare.org)*
- D. W. VASCO et al., 2018. *Monitoring and modeling caprock integrity at the In Salah Carbon Dioxide storage site, Algeria. In book: Geological Carbon Storage, ch12, pp 243-269.*
- J. A. WHITE, L. CHIARAMONTE, S. EZZEDINE, W. FOXALL, Y. HAO, A RAMIREZ and W. MCNAB, 2014. *Geomechanical behaviour of the reservoir and caprock system at the In Salah CO2 storage project. PNAS, Vol 111, No 24, pp 8747-8752.*



Newberry House, New Street,
Ledbury, HR8 2EJ, U.K.



www.merlinenergy.co.uk
www.merlin-datawise.co.uk



info@merlinenergy.co.uk



+44 (0) 1531 636000