Oklahoma Shale Gas and Oil Workshop November 20, 2013

Overview of Oklahoma Shale Resource Plays



Brian J. Cardott Oklahoma Geological Survey

Outline of Presentation

- Basic parameters needed for shale resource plays
- Known hydrocarbon source rocks of Oklahoma
- > Oklahoma Shale Gas and Oil Wells
- Evaluation (oldest to youngest) of Sylvan, Arkansas Novaculite, Woodford, Caney, Barnett, Atoka, and Pennsylvanian shales

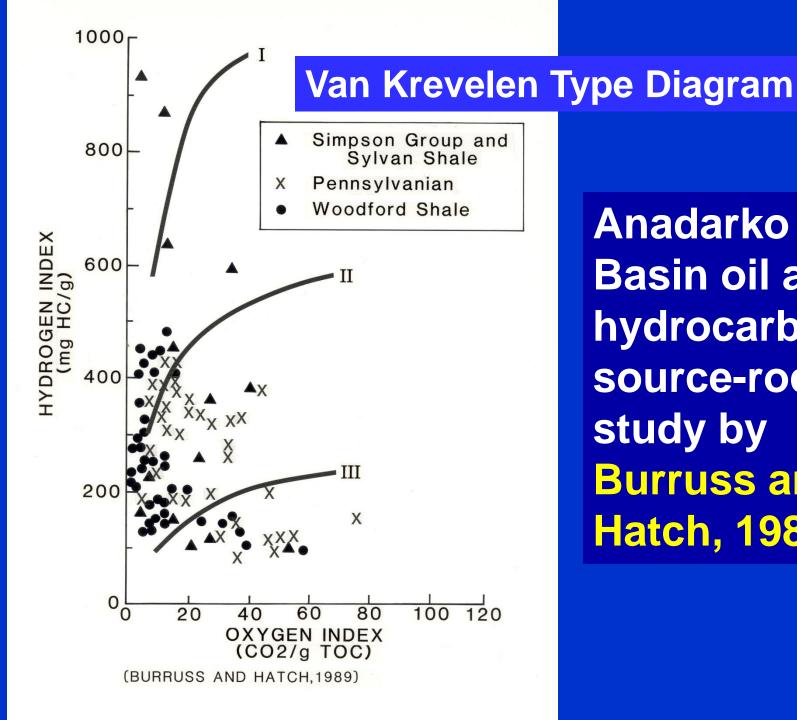
Conventional Wisdom [Non-Negotiable Parameters] **Necessary for Shale Gas and Oil** Hydrocarbon Source Rock (Hydrocarbon Generation, Storage, and Preservation) Brittle lithology to generate fractures (permeability) or "conventional" reservoir lithology

Hydrocarbon Generation: Organic-Rich Black <u>Shale</u>

- Organic Matter Type:
 - Type II (oil generative) Kerogen [All gas shales have Type II Kerogen]
- Organic Matter Quantity: minimum of 2% TOC (Total Organic Carbon content depends on thermal maturity since TOC decreases with increasing thermal maturity)
- Thermal Maturity: oil, condensate, or dry gas windows

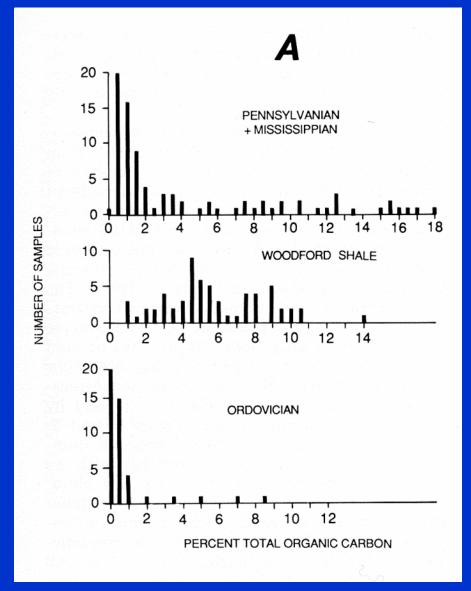
Known Hydrocarbon Source Rocks of **Oklahoma**

SYSTEM	PRODUCING INTERVAL	HYDROCARBON- SOURCE ROCK	KEROGEN TYPE	тос %	
PERMIAN	PERMIAN (UNDIFFERENTIATED)				
PENNSYLVANIAN	VIRGILIAN DESMOINESIAN ATOKAN	UPPER AND MIDDLE PENNSYLVANIAN	пш	<1-25	
and the set of a set of the set o	MORROWAN	MORROWAN	ш	0.5-3.4	
MISSISSIPPIAN	SPRINGER FORMATION PRE-CHESTER MISSISSIPPIAN (UNDIFFERENTIATED)	SPRINGER FORMATION Caney	III II	1-8	
DEVONIAN	HUNTON GROUP	WOODFORD SHALE	пш	<1-14	Best
SILURIAN					Ordovician
ORDOVICIAN	SIMPSON GROUP	SYLVAN SIMPSON GROUP	п	<1-9	samples ar from Kansa
UPPER CAMBRIAN	ARBUCKLE GROUP	Modified fror	n Johnso	on and	•

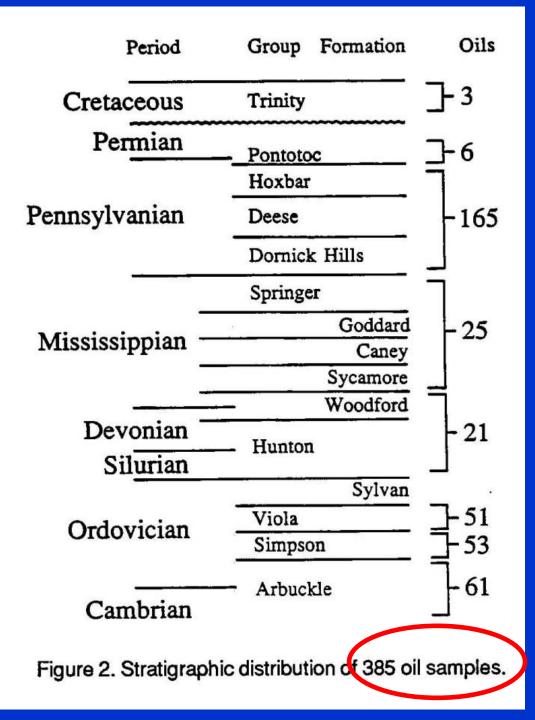


Anadarko **Basin oil and** hydrocarbon source-rock study by **Burruss** and Hatch, 1989

Anadarko Basin Source-Rock TOC

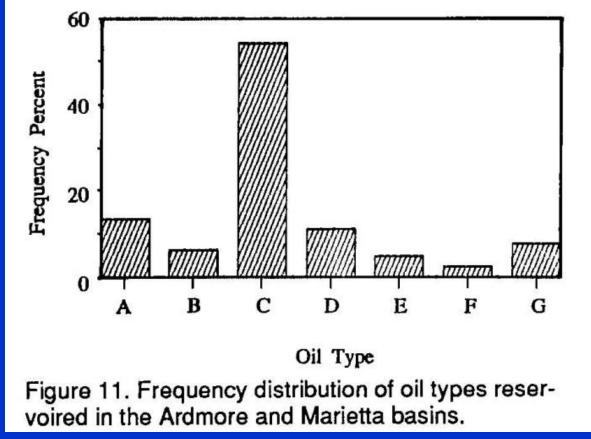


Burruss and Hatch, 1989



Wavrek, D.A., 1992, Characterization of oil types in the Ardmore and Marietta Basins, southern Oklahoma aulacogen: OGS Circular 93, p. 185-195.

Wavrek, 1992



Source Facies:

- A Pennsylvanian (Atoka?)
- B Mississippian (Goddard, Caney, Sycamore)
- C Devonian-Mississippian (Woodford)
- D Upper Ordovician (Viola Group)
- E Middle Ordovician (Simpson Group)
- F & G Mixed

Wavrek, 1992

Anadarko Basin Source Rock and Oil Study (Wang and Philp, 1997)

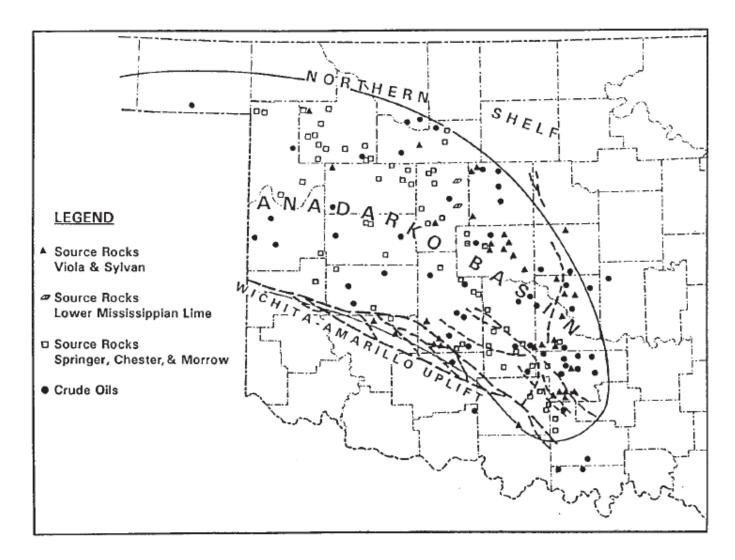


Figure 3—Map of the Anadarko basin within the state of Oklahoma showing the locations of source rock and oil samples collected for this study.

Anadarko Basin Source Rock Samples (Wang and Philp, 1997)

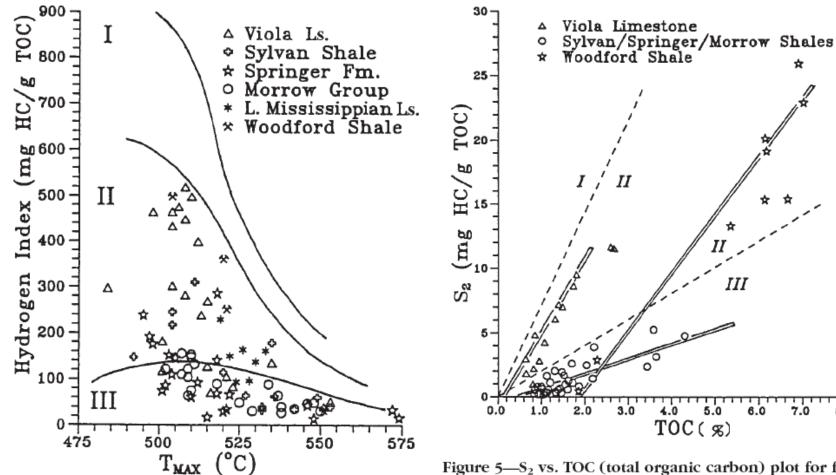


Figure 4—Kerogen typing using HI vs. T_{max} of Pyran Level-I pyrolysis system. The T_{max} value of Pyran is systematically 85°C higher than that of Rock-Eval pyrolysis, but the principles are the same.

Figure 5— S_2 vs. TOC (total organic carbon) plot for five formations or groups. The Sylvan, Springer, and Morrow shales have similar slopes and their data are plotted together.

8.0

Oklahoma Oil/Condensate/Gas Production Caveat

Gas production is reported by the Oklahoma Corporation Commission by WELL.

Oil/condensate production is reported by the Oklahoma Tax Commission by LEASE [production by well is only on single-well leases]

(Production data supplied by PI/Dwights LLC, © 2013, IHS Energy Group)

Shale Oil Plays

The Bakken Shale (Late Devonian-Early Mississippian; North Dakota & Montana) is the analog for shale oil plays. However, the reservoir of the Bakken is a permeable, non-shale middle member.

Other formations considered shale oil plays (mostly carbonates) are the Eagle Ford Shale (Late Cretaceous; Texas) and Niobrara Shale (Late Cretaceous; Rocky Mountains).

"The preferred rock type for a shale-oil play is a hybrid—that is, a formation with a good mix of nonshale lithologies, particularly carbonates"

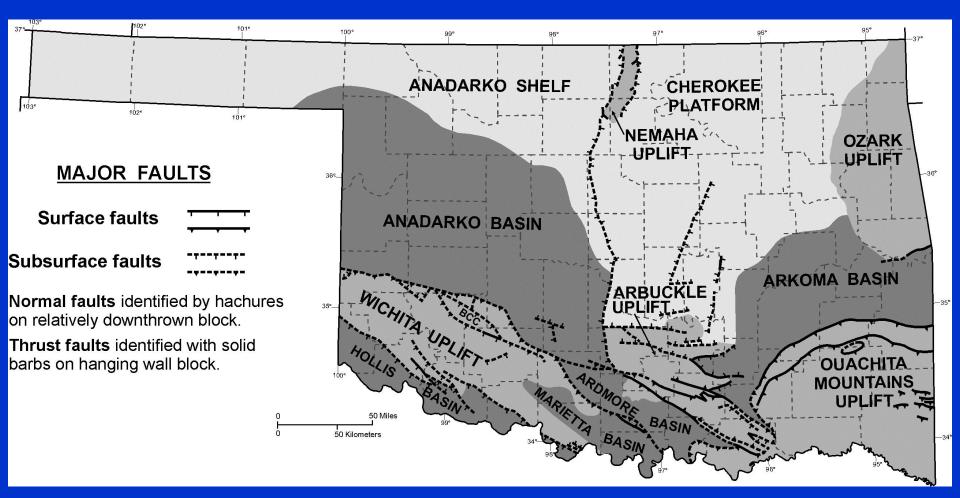
(Darbonne, 2011)

Eagle Ford Shale Porosity and Permeability

"The greater connectivity of interparticle pores in limestones is important to higher hydrocarbon producibility in these rocks relative to mudstones, which is why the limestones are critical components of overall hydrocarbon fluid transmissivity system in the formation. Furthermore, the abundant authigenic calcite in the limestones provided the overall brittle mechanical nature of the limestones compared to the more TOC-rich and ductile mudstones."

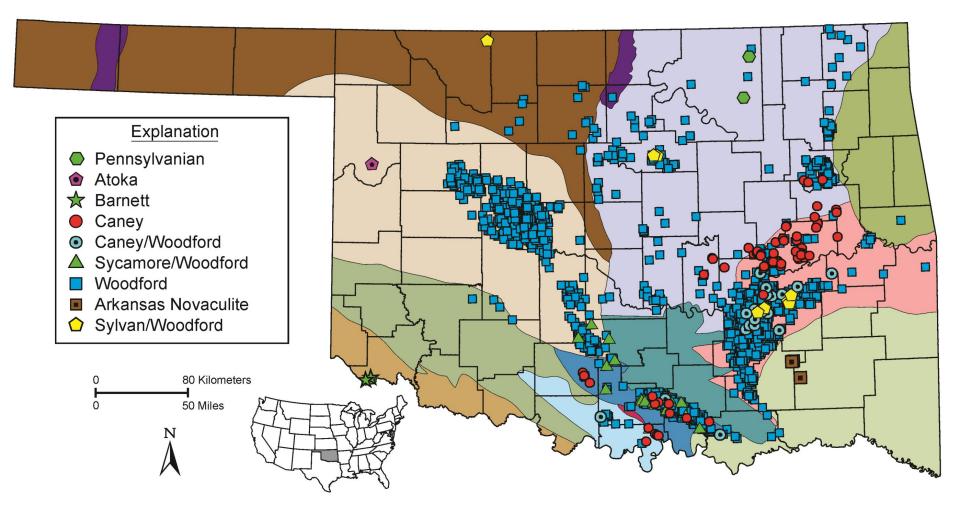
Fishman and others, 2013

Oklahoma Geologic Provinces



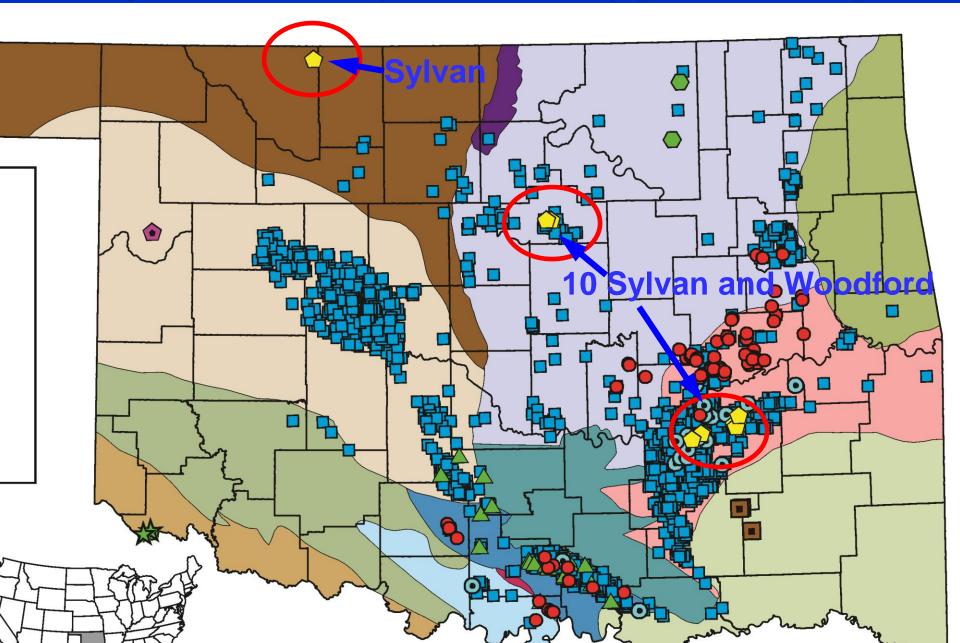
Geologic provinces from Northcutt and Campbell, 1995

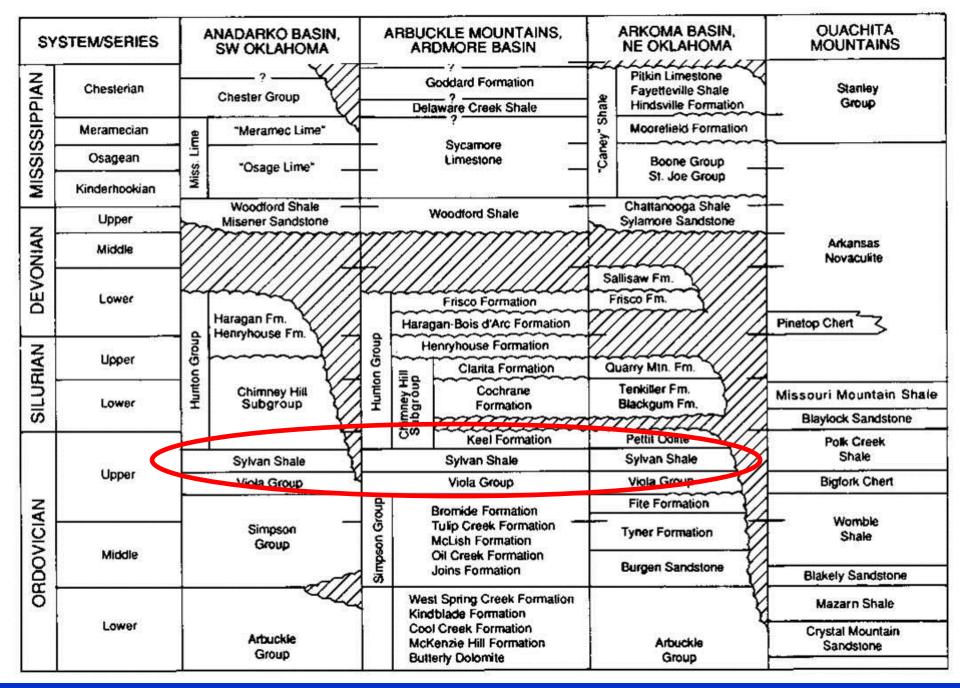
Oklahoma Shale Gas/Oil Completions (1939-2013)



2,996 completions

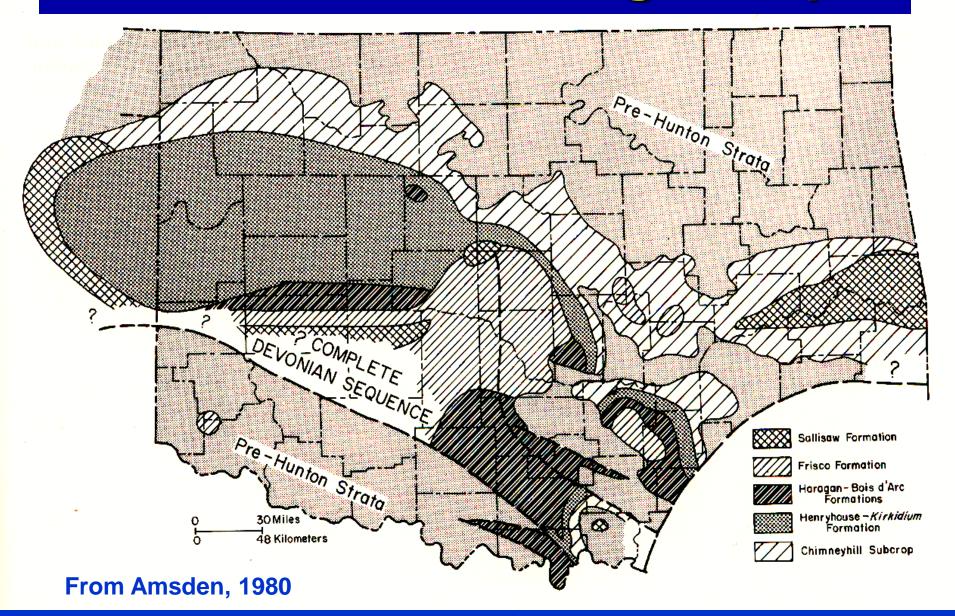
Sylvan Shale (Ordovician) [2008-2013]

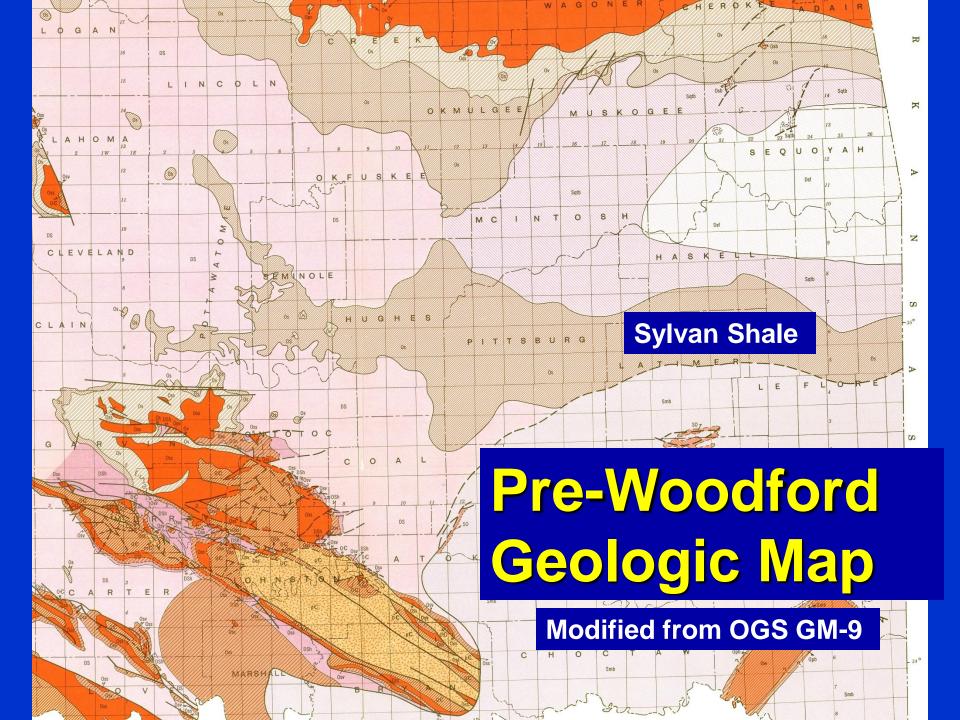




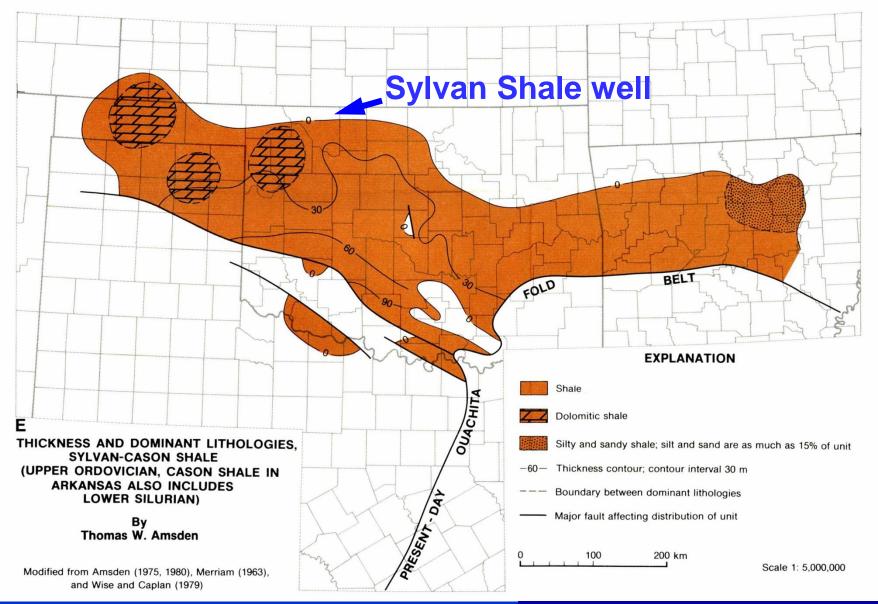
Modified from Johnson and Cardott, 1992

Pre-Woodford Geologic Map





Sylvan Shale Isopach Map (in meters)



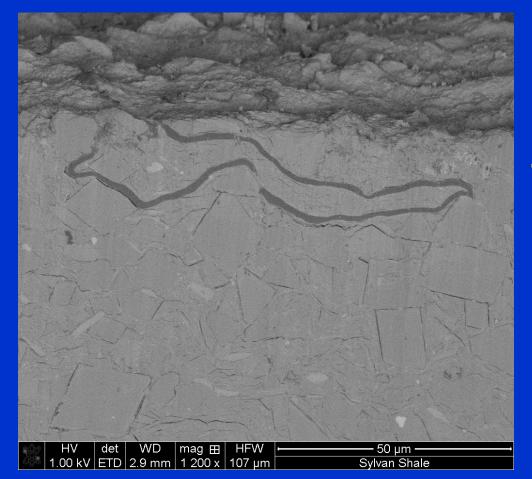
From Johnson and others, 1989

Outcrop of Sylvan Shale in Arbuckle Mountains

Weathered Clay-Rich Sylvan Shale

Example of Poor Gas Shale (but Good Frac Barrier)

Abundant dolomite; organic matter type?

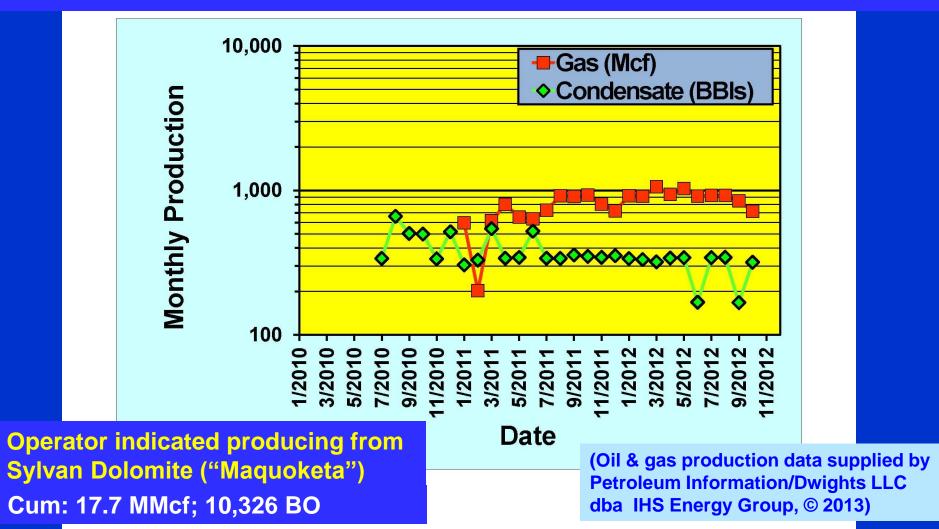


Organic-Walled Fossils of the Sylvan Shale Acritarchs Chitinozoa Conodonts Graptolites Scolecodonts

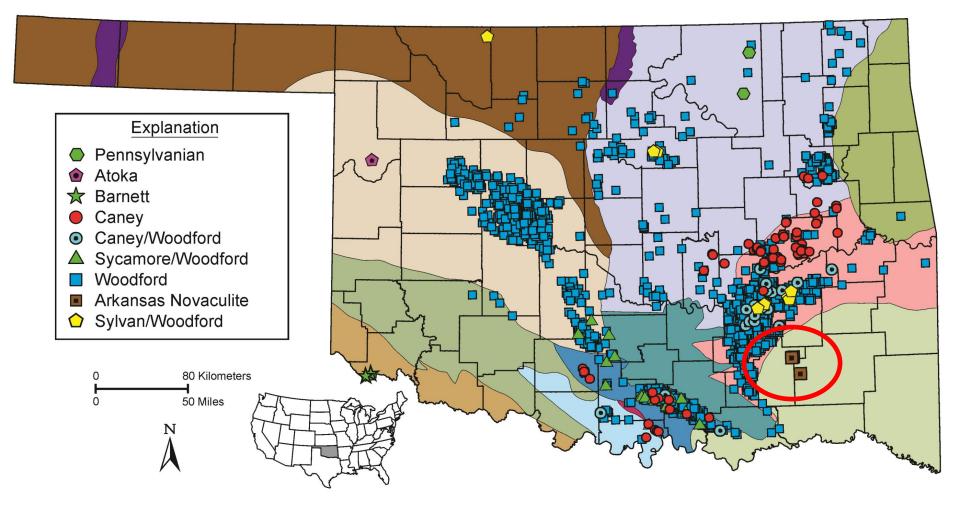
Sylvan Shale (Ordovician)

Wang (1993): Sylvan Shale is generally organic lean (<1% TOC); mainly Type III kerogen.

Wang and Philp (1997): "The Sylvan Shale is thin and organically lean in the Anadarko Basin, and probably NOT a source rock in the basin." There are 10 horizontal Woodford/Sylvan wells in Hughes, Pittsburg, and Payne counties; One Sylvan-Shale-only vertical well in Woods County: Chesapeake Operating 1-2 RK Farms (2-28N-13W): completed 8/15/2010 from 5,411-5,460 ft; IP 28 MCFD, 20 BOPD.



Arkansas Novaculite/Bigfork Chert wells (2009-2010)



Arkansas Novaculite Scratch Hill Section, Atoka, OK)

Exploration for the Arkansas Novaculite Reservoir, in the Southern Ouachita Mountains, Arkansas*

Theodore J. Godo¹, Peng Li², and Michael E. Ratchford²

Search and Discovery Article #10337 (2011) Posted July 12, 2011

*Adapted from oral presentation at AAPG Annual Convention and Exhibition, Houston, Texas, USA, April 10-13, 2011

¹Shell Exploration and Production Company, Houston, TX (<u>ted.godo@shell.com</u>) ²Arkansas Geological Survey, Little Rock, AR.

Abstract

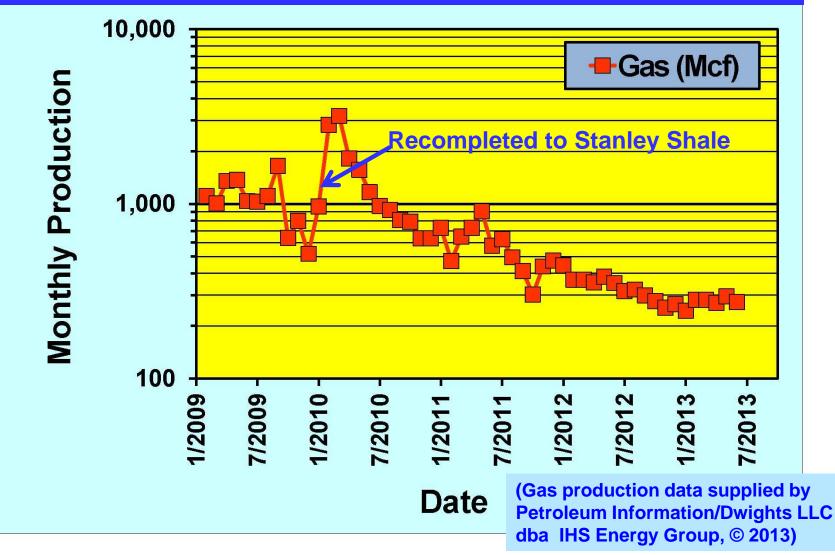
The Arkansas Novaculite, famous for its whetstone characteristic, is also an oil and gas reservoir in the Ouachita overthrust belt of Oklahoma and Texas (Caballos Novaculite). Oil and gas fields such as Isom Springs in Oklahoma and McKay Creek, Pinion and Thistle fields in West Texas found reservoirs in this chert section some 30 years ago. The chert reservoir has shown to be productive when it is highly fractured in complex thrust faults. In Arkansas, outcrops of this chert present along the southern side of the Benton uplift often contain a considerable amount of carbonate. The carbonate can be identified at times as highly abraded fossil fragments but otherwise are found as individual calcium carbonate concretion-like masses and also single dolomite momos, when leached, it is referred to tripolitic chert and can have porosity measurements ranging to over 50% percent. Assuming the carbonate is leached in the subsurface, the Arkansas Novaculite would have matrix porosity with fractures, which was the concept for the Shell exploration well that drilled Prospect Rattler.

Prospect Rattler was drilled by Shell with the well named the 1-26 Arivett and is located in Pike County, Arkansas. The Arivett 1-26 well spudded in the Mississippian Stanley Shale and reached a total depth of 10,570 in the Silurian Blaylock Sandstone. The well penetrated a complete section of all three members of the Arkansas Novaculite, as described in the type section at Caddo Gap, Arkansas. This formation has very low dips in an otherwise non-internally faulted section. The well was air/mist drilled and flared several gas shows in sands and novaculite. The upper member of the Arkansas Novaculite contains an unleached carbonate-rich chert section based on cuttings, core analysis, and wireline logging. The results reveal little matrix porosity in the Arkansas Novaculite. However, small amounts of thermally "dead" oil residues or anthraxolite is present in some fractures and some micropores of leached carbonate material. This indicates that a hydrocarbon charge migrated through the Arkansas Novaculite but never accumulated. The vitrinite equivalent reflectance of the Arkansas Novaculite is 3.5%. Even at this high thermal maturity, the middle member shale has up to 4% total organic carbon content and is considered a major source rock. The failure mechanism was most likely a poor reservoir and a poor charge/timing as peak charge occurred before the trap was formed.

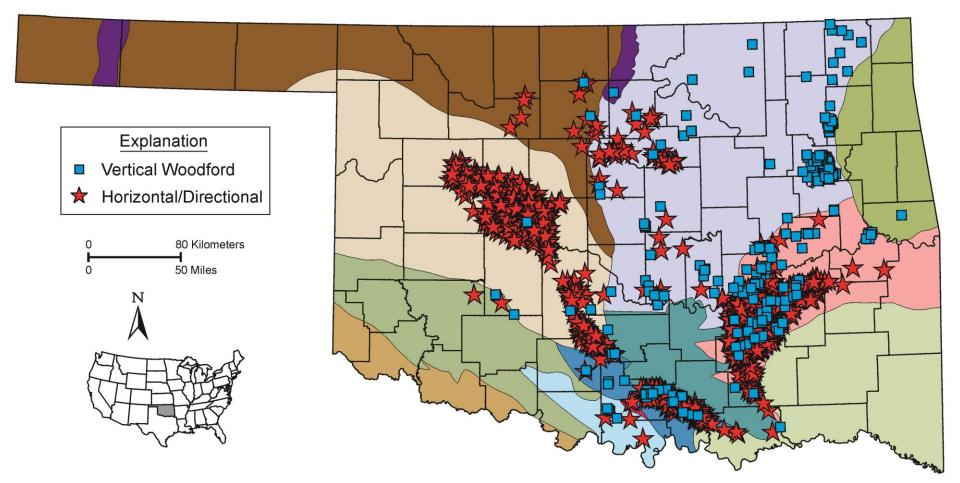
<u>Arkansas Novaculite (AN)/Bigfork Chert</u> (BC) wells

- RKI E&P 2-9 Denton-Perrin (1/2009; 9-2S-15E; 6,250 ft; IP 243 Mcf) [AN]
- Longfellow Energy LP 26-3 Wyrick (2/2010; 26-1N-14E; 8,104 ft; IP 2,926 Mcf; cum 1,109 MMcf) [AN/BC]
- Longfellow Energy LP 35-3 Ertman Unit (4/2010; 35-1N-14E; 8,890 ft; IP 2,762 Mcf; cum 282 MMcf) [AN/BC]

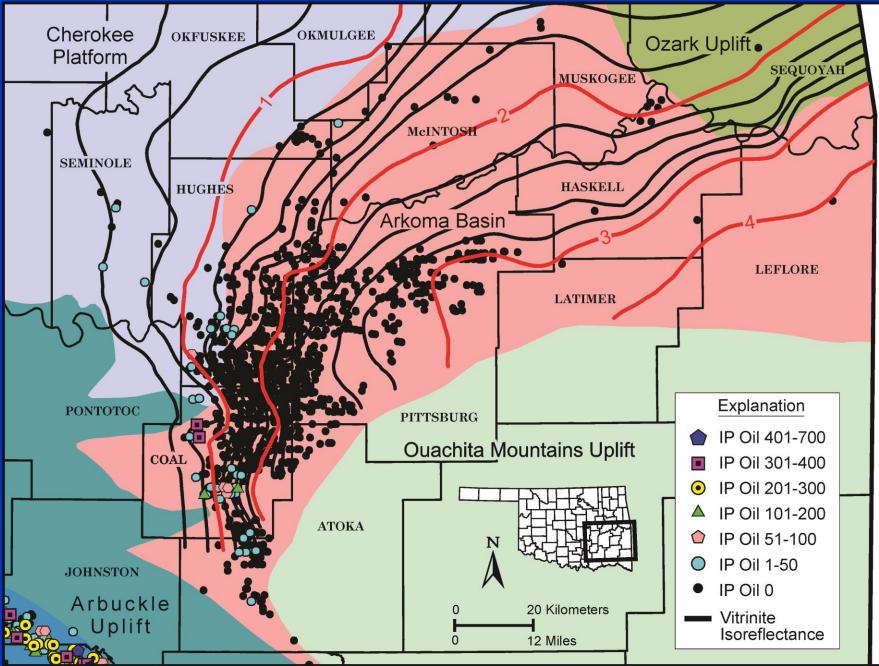
Arkansas Novaculite gas well: RKI E&P 2-9 Denton-Perrin (Pushmataha Co.; 9-2S-15E): completed 5/2009 from 6,250-6,311 ft; IP 243 MCFD; recompleted to Stanley Shale in 3/2010



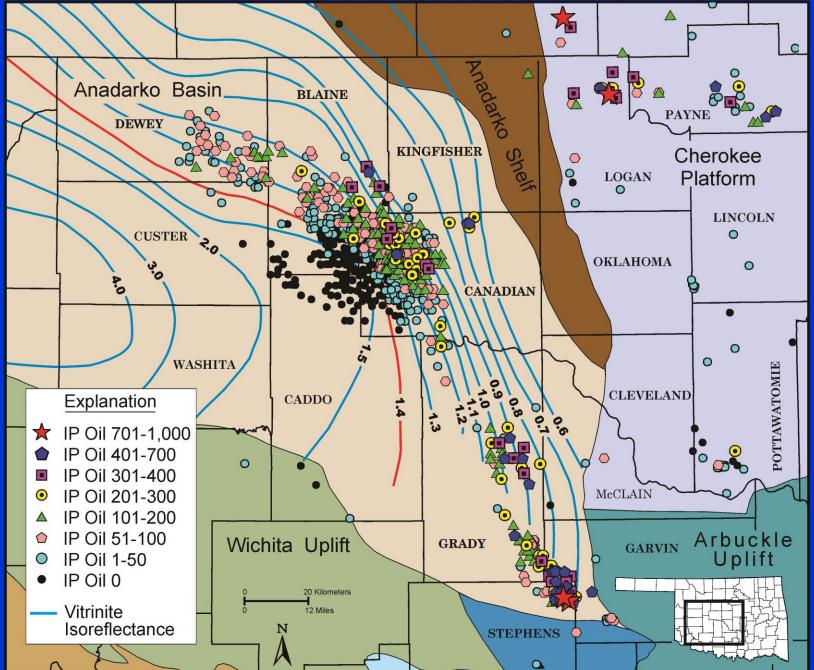
Woodford Shale (2004-2013)

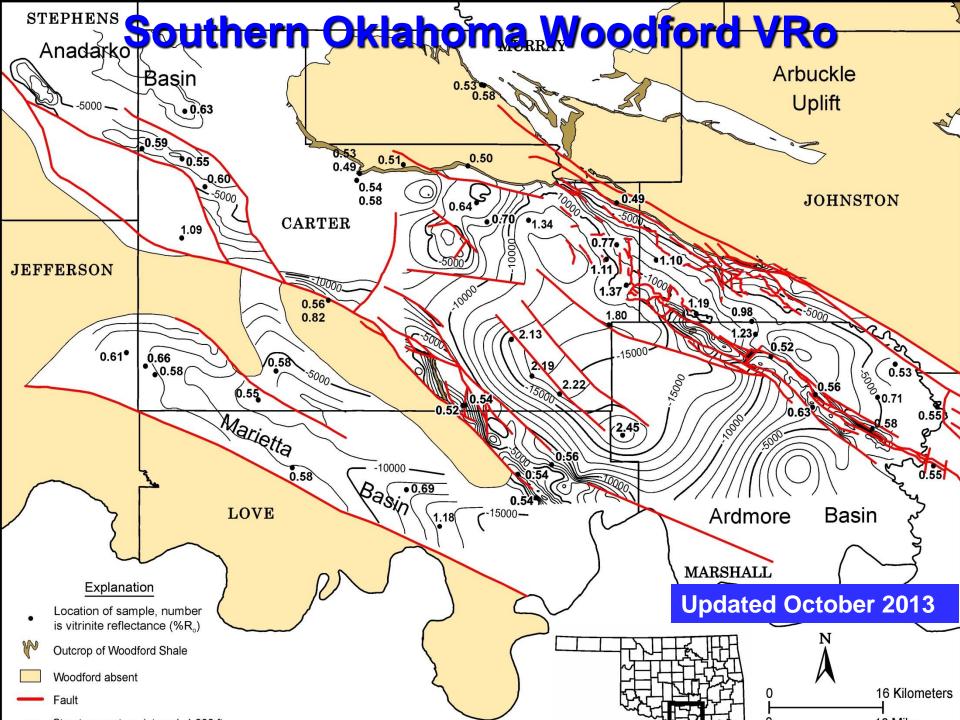


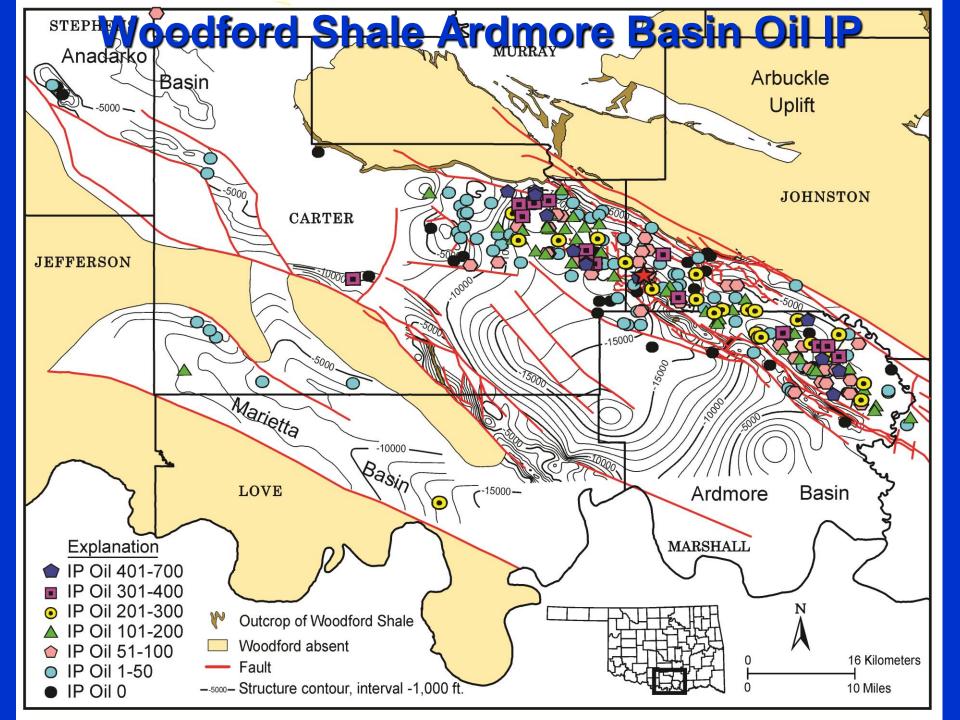
Woodford Shale Arkoma Basin Oil IP



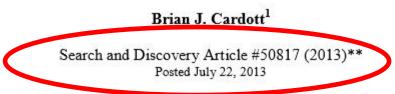
<u>Woodford Shale Anadarko Basin Oil IP</u>







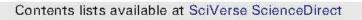
Woodford Shale: From Hydrocarbon Source Rock to Reservoir*



*Adapted from oral presentation given at AAPG Education Directorate Woodford Shale Forum, Oklahoma City, Oklahoma, April 11, 2013. **AAPG©2013 Serial rights given by author. For all other rights contact author directly.

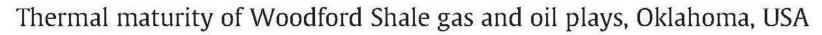
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journal homepage: www.elsevier.com/locate/ijcoalgeo



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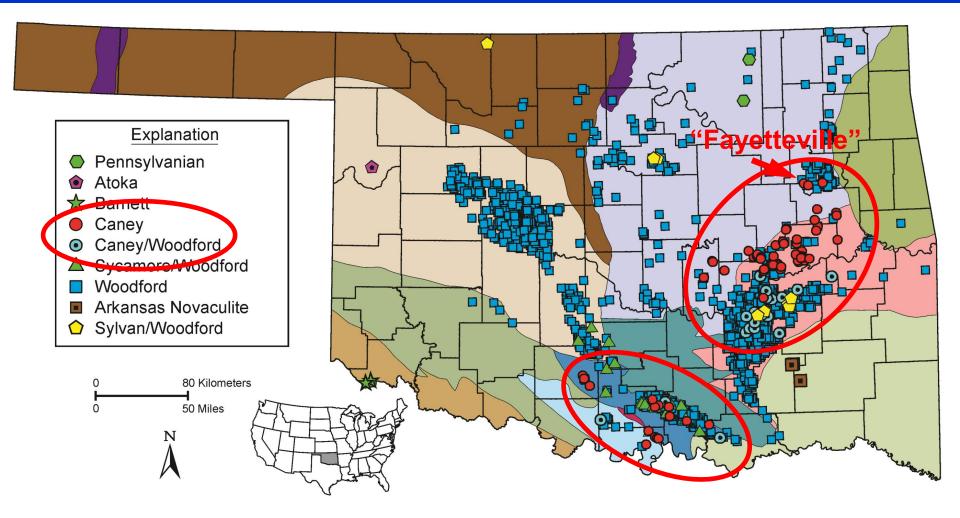
ARTICLE INFO

Article history: Received 8 December 2011 Received in revised form 15 June 2012 Accepted 16 June 2012

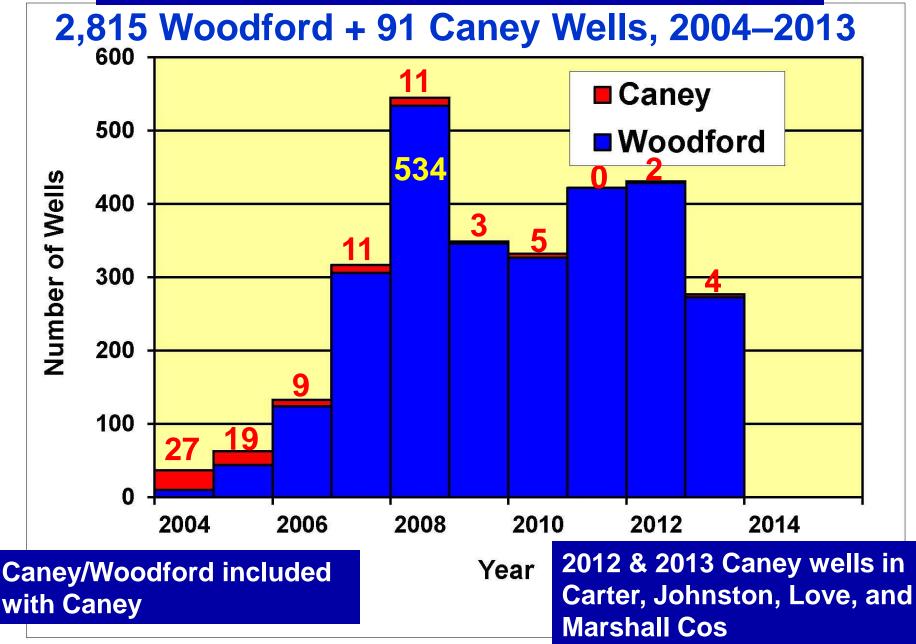
ABSTRACT

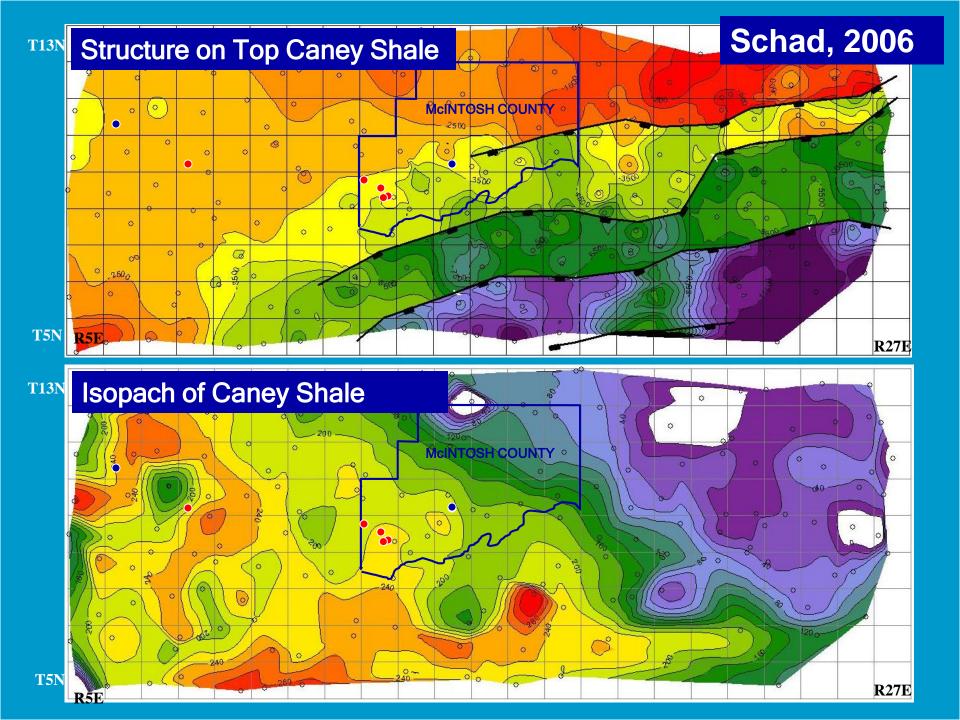
Being a hydrocarbon source rock and having a brittle (silica-rich) lithologic character makes the Woodford Shale (Late Devonian to Early Mississippian) an important oil and gas shale in Oklahoma. Since 2004 Woodford Shale plays have expanded from producing primarily thermogenic methane in one geologic prov

Caney Shale (1982 to 2013) [age equivalent to the Barnett Shale and Fayetteville Shale]

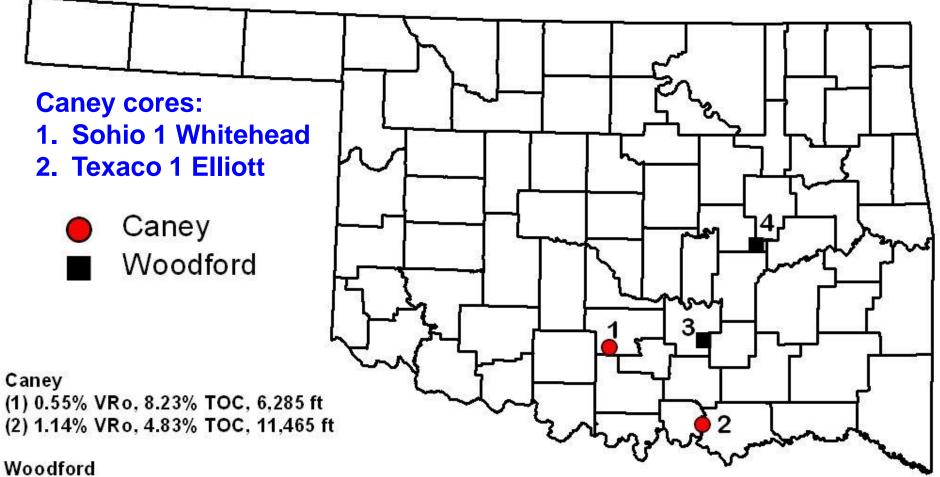


Oklahoma Shale-Gas Well History





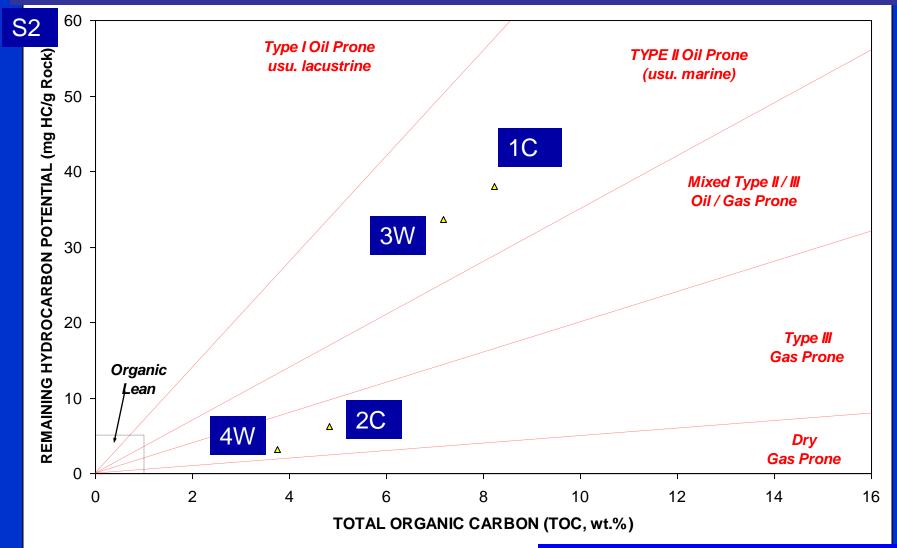
Rock-Eval Pyrolysis Data from OPIC Cores



(3) 0.50% VRo, 7.18% TOC, 3,266 ft (4) 1.23% VRo, 3.76% TOC, 3,709 ft

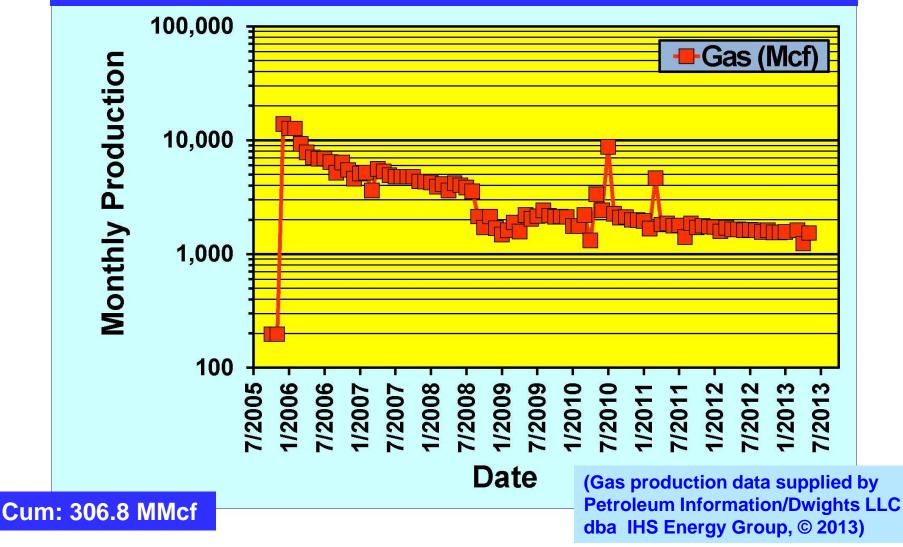
Rock-Eval data compliments of Humble Geochemical Services

Rock-Eval Pyrolysis Data from OPIC Cores

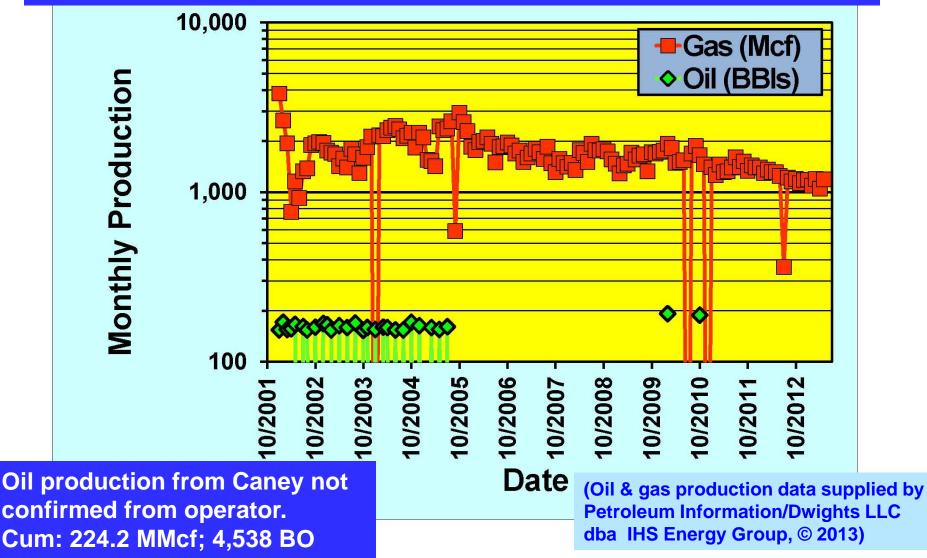


Rock-Eval data compliments of Humble Geochemical Services

Southern Oklahoma Vertical Caney Gas Well: Newfield Exploration 4D F.M. Wood (Stephens Co.; 26-1S-5W): recompleted to Caney 9/2005 from 2,766-2,830 ft; IP 743 MCFD

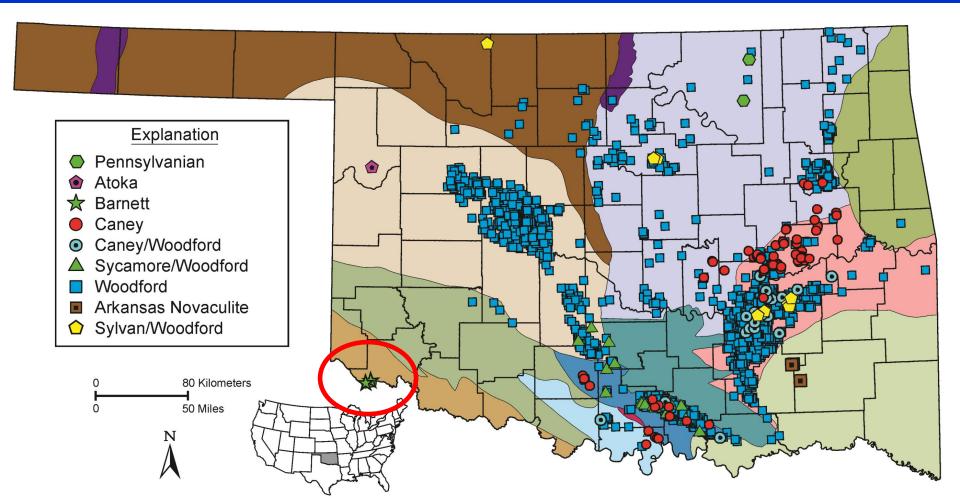


Southern Oklahoma Vertical Caney Well: Star Resources LLC 3-8 Terri Twin (Love Co.; 8-6S-2E): recompleted to Caney 12/2001 from 4,471-4,498 ft; IP 180 MCFD

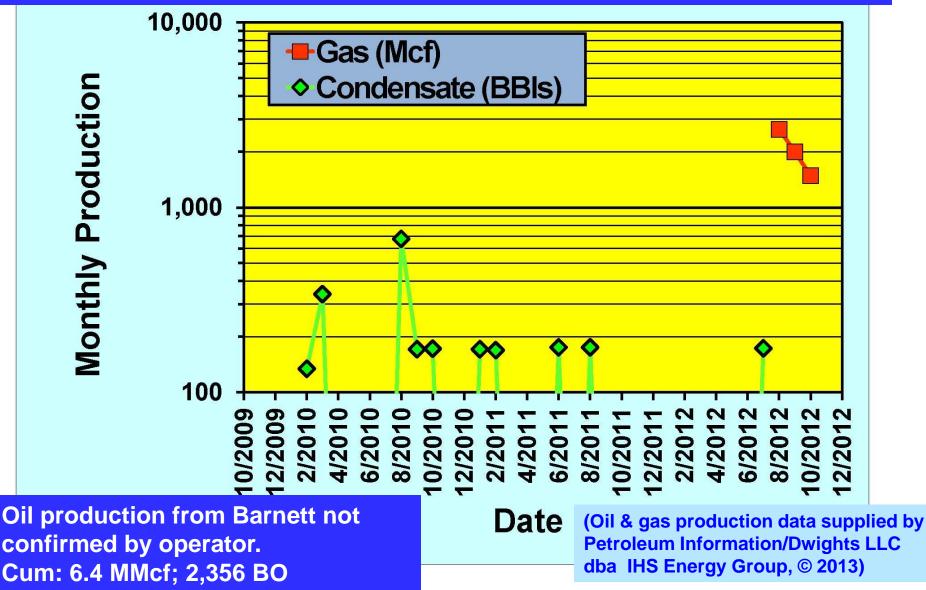


Barnett Shale (1) GLB Exploration 1-29 Hatch well; 29-1S-23W; Jackson Co.; 7,966 TVD; 4/17/2010 (2) Texas Energy Operations 1 Lane well; 2-2S-24W;

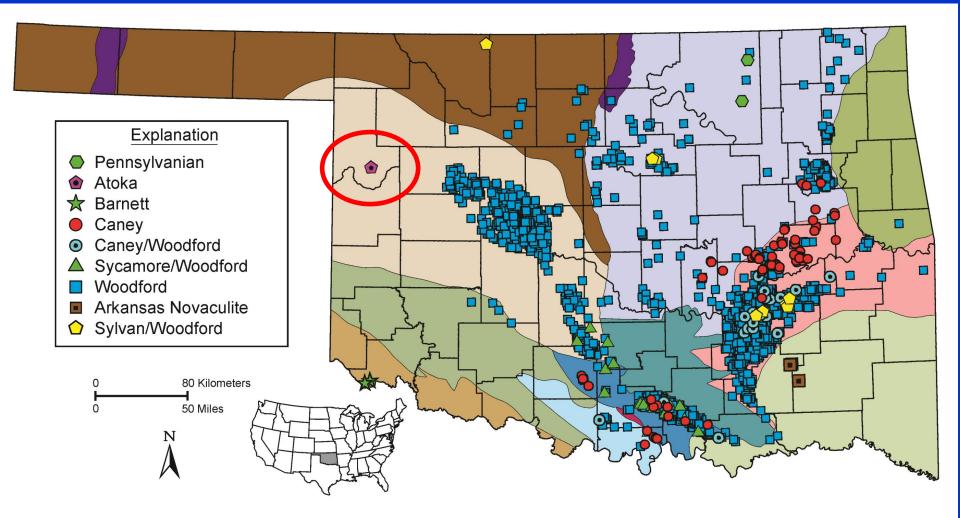
Jackson Co.; 7,830 TVD; recompleted 4/20/2012



Horizontal Barnett Shale Oil Well GLB Exploration 1-29 Hatch (Jackson Co.; 29-1S-23W): completed 4/17/2010 to 7,966 TVD; IP 1.1 MMcfd; 216 BO



Atokan Series Continental Resources 1-22H Shrewder well; 22-18N-23W; Ellis Co.; <u>"Atoka Shale"</u>; 10,926 TVD

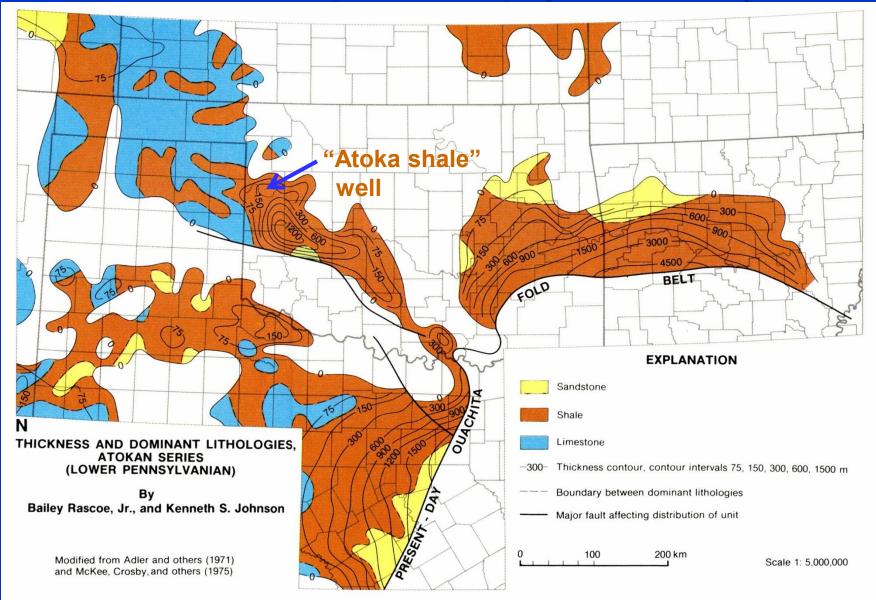


IHS Energy News

An unconventional gas resource play in **Pennsylvanian Atoka shale** is emerging in the **Anadarko** basin in the Texas Panhandle and far western **Oklahoma**. **Continental Resources Inc.**, Enid, Okla., says it has 34,000 net acres in the play as of mid-December 2008. The play stretches about 85 miles from Peek Field in Ellis County, Okla., west to Lipscomb, Ochiltree, eastern Hansford, northeastern Roberts, and northernmost Hemphill counties in the Texas Panhandle. Continental says **EOG Resources Inc.**, Houston, has completed 26 horizontal wells at as much as 7 MMcf/d per well and attributed 400 Bcf of Atoka recovery potential to its 60,000 net acres. **January 7, 2009**

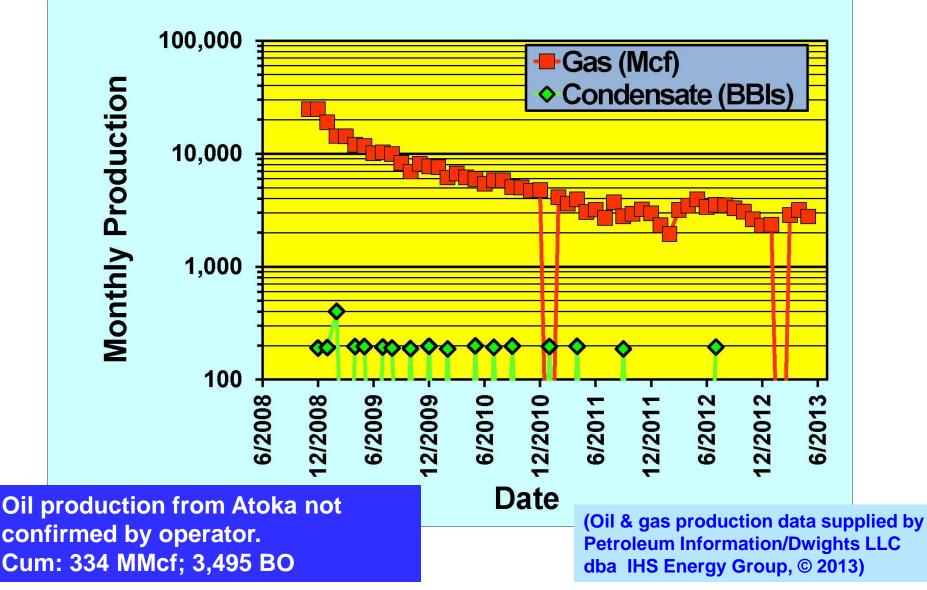
A geologist at Continental Resources indicated the well was completed in the Novi, a dolomite-rich member in the Atoka.

Atokan Isopach Map (in meters)

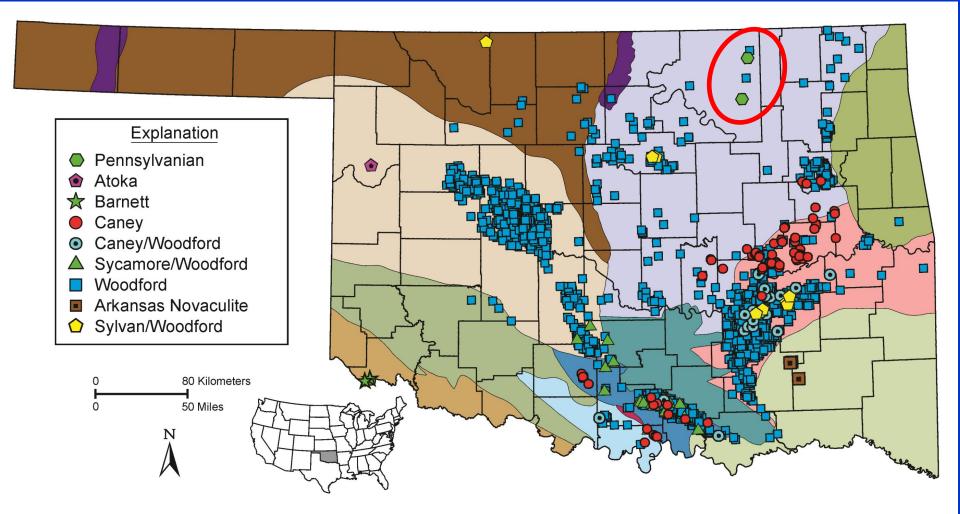


From Johnson and others, 1989

Continental Resources 1-22H Shrewder well; 22-18N-23W; Ellis Co.; <u>"Atoka Shale"</u>; 10,926 TVD; IP 1.255 MMCFD



Pennsylvanian Shales (NE OK)



Osage County

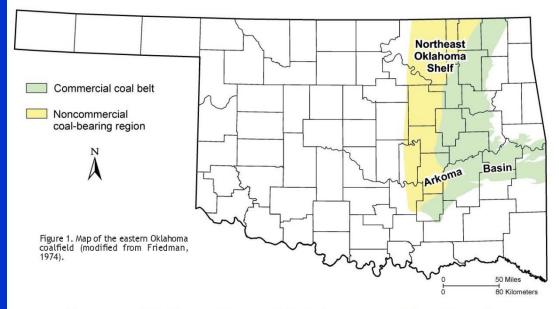
OPER:	S-T-R: 28-	FIELD: DOMES-POND CREEK; PROJ	DO
PERFORMANCE	27N-11E;	DEPTH: 1950; PROJ FM: CHAT; (PMT	STATUS:
OPERATING CO	SPOT: SE SW	APP'D 20101012) (FR:20101112 OKC	OIL;
LLC;	SE;	NAO/MER) LEASE TYPE:FEE TARGET	
WELL: 10-32	FOOTAGE:	OBJ: OIL; OPER ADD: P O BOX 628,	
EDMUNDSON	330 FSL 990	BARNSDALL, OK 740020628, (918)847-	
WEST;	FWL SE;	2531 EL: 858 GR; ;VERTICAL; L&L Surf:	
API: 35-113-44046;		36.782523131 -96.12146808; PREV OPER:	
		PERFORMANCE ENERGY R PREV	
		LEASE: EDMUNDSON W	

CONTR: THORNTON AIR, SPUD:20101027 CSG: 8 5/8 IN @ 42 W/8 SACK,4 1/2 IN @ 1761 W/230 SACK;LOG TOPS: JONES /SD/ 966-981, WAYSIDE 1040-1056, BIG LIME

1167-1194, OSWEGO 1331, SUMMIT 1362-1368, EXCELLO 1388; TD: 1820; (EXCELLO) (TD REACHED:20101029) PRODUCING INTERVALS DATA: # 01 PERF (EXCELLO) 1650-1654 W/ 8 SHOTS 1656-1660 W/ 8 SHOTS 1664-1672 W/ 16 SHOTS ; ACID (1650-1672) W/ 400 GAL ACID 15%; FRACTURING (1650-1672) W/ 390 BBL WATER 20000 LB MIXED SAND DETAILS: 1 GAL INH, 18 GAL, 300#, 2000# 20/40, 18000# 12/20 SD ADDITIVE: GELA, KCL OIL: 4 BPD WTR: 50 BBL DTD: 1820; COMPDATE: 20101113; (EST); # 01 IPP OIL: 4 BPD WTR: 50 BBL PROD ZONE: PERF (EXCELLO) 1650-1672 (GROSS) W/ 32 ; \$\$

Completion reported as Cherokee completion; NO PRODUCTION

Oklahoma CBM article was published in the 2010 Oklahoma **Geology Notes** (v. 70, p. 4-14)



Issues Related to Oklahoma Coalbed-Methane Activity, 1988–2008

Brian J. Cardott Oklahoma Geological Survey

Alabama in 1980. The United States

Internal Revenue Service (IRS) § 29

income tax credit further stimulated

interest in CBM (Phase I from 1980

through 1992, Phase II from 1993

INTRODUCTION

Numerous studies and tax incentives led to the development of coalhed methane (CBM) in Oklahom;

5. CBM with noncoal 6. "Pennsylvanian" CBM 7. Commingled CBM

sin of Colorado and New Mexico in 1977 and the Black Warrior Basin of

coal mining) and the noncommercial nian) in Haskell County. From 1988

coal-bearing region (area containing coal beds too thin or deep for mining; Figure 1). There are CBM wells in both areas. The coalfield is further divided into the northeast Oklaho-

> shelf ("shelf") and the Arkoma n ("basin"). Coal beds on the strike north-northeast and dip to the west; CBM wells occur of the outcrop belt. The coal in the basin are highly folded faulted (Cardott, 2002).

> first CBM wells in eastern Oklaa were drilled in 1988 to the

coal beds of commercial value for Hartshorne coal (middle Pennsylva-

1. Horizontal CBM 2. Gas fields by county 3. Pecompletions (OWWO) Mulky coal problem

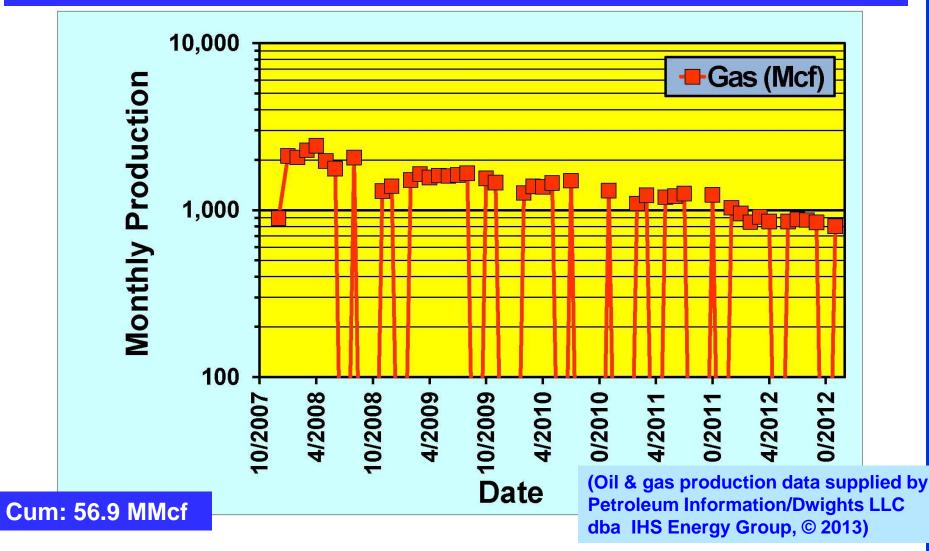
Excello Shale

Osage County

OPER: CEP MID-S-T-R: 12-FIELD: OSAGE COUNTY CBM GAS DG CONTINENT 23N-10E: AREA; PROJ DEPTH: 2100; PROJ FM: STATUS: LIMITED SPOT: NW MISSISSIPPIAN; (PMT APP'D 20070725) GAS-CB; LIABILITY CORP; SW SE: (FR:20070806 OKC RES) TARGET OBJ: WELL: 977 FOOTAGE: METH: OPER ADD: 1440 SOUTH HAYNIE. MARSHALL; 1177 FSL 2335 P O BOX 970, SKIATOOK, OK 74070, API: 35-113-42654; FEL SE: (918)396-0817 EL: 929 GR; ;VERTICAL; L&L Surf: 36.480474465 -96.181909434; PREV OPER: AMVEST OSAGE INC PREV LEASE: OSAGE

CONTR: PENSE BROTHERS DRILLING, SPUD:20070912 CSG: 7 IN @ 531,4 1/2 IN @

1722;LOG TOPS: CLEVELAND UPPER 1085, NUYAKA 1148, DAWSON UPPER 1153, CLEVELAND LOWER 1160, LITTLE OSAGE 1477, OSWEGO 1480, MULKY 1520, IRON POST 1533, VERDIGRIS 1587, OAKLEY COAL 1594, CROWEBERG 1599, MINERAL COAL 1652; TD: 1735; (MINERAL COAL) (TD REACHED:20070919) 1722 PBTD PRODUCING INTERVALS DATA: # 01 PERF (NUYAKA) 1150-1154 PERF (MULKY) 1522-1524 1531-1533 PERF (OAKLEY COAL) 1596-1599; ACID (1150-1154) W/ 500 GAL ACID 7 1/2% ADDITIVE: HCL; ACID (1522-1533) W/ 500 GAL ACID 7 1/2% ADDITIVE: HCL; ACID (1596-1599) W/ 500 GAL ACID 7 1/2% ADDITIVE: HCL; FRACTURING (1150-1154) W/ 145000 CF FOAM 10170 LB SAND DETAILS: 12837 GAL MAVFOAM C70 ADDITIVE: NTGN; FRACTURING (1522-1533) W/ 150000 CF FOAM 10000 LB SAND DETAILS 9740 GAL MAVFOAM C70 ADDITIVE: NTGN; FRACTURING (1596-1599) W/ 107000 CF FOAM 52000 LB SAND DETAILS: 7907 GAL MAVFOAM C70 ADDITIVE: NTGN GAS: 33 MCFD WTR: 160 BBL DTD: 1735; 1722 PB COMPDATE: 20080110; # 01 IPP GAS: 33 MCFD WTR: 160 BBL PROD ZONE: PERF (NUYAKA) 1150-1154 PERF (MULKY) 1522-1533 (GROSS) PERF (OAKLEY COAL) 1596-1599 COMMINGLED; \$\$ Pennsylvanian shale gas well: CEP Mid-Continent 977 Marshall (Osage Co.; 12-23N-10E): perforated Nuyaka shale, Mulky coal (Excello Shale), and Oakley shale on 1/10/2008; IP 33 Mcfd



THANK YOU

Fractured Woodford Shale in outcrop along Highway 77D in the Arbuckle Mountains.