Unconventional Resources and Basin Evolution

Objective

Discuss some regional scale controls (plate to basin) on unconventional resources.

Illustrate with five examples (source rock, tight sand and CBM reservoirs).

Outline

Types of Unconventional Resources – Review

Global Screening Analysis of a Few Regional Factors

Selected Examples

Reservoir Deposition and Characteristics

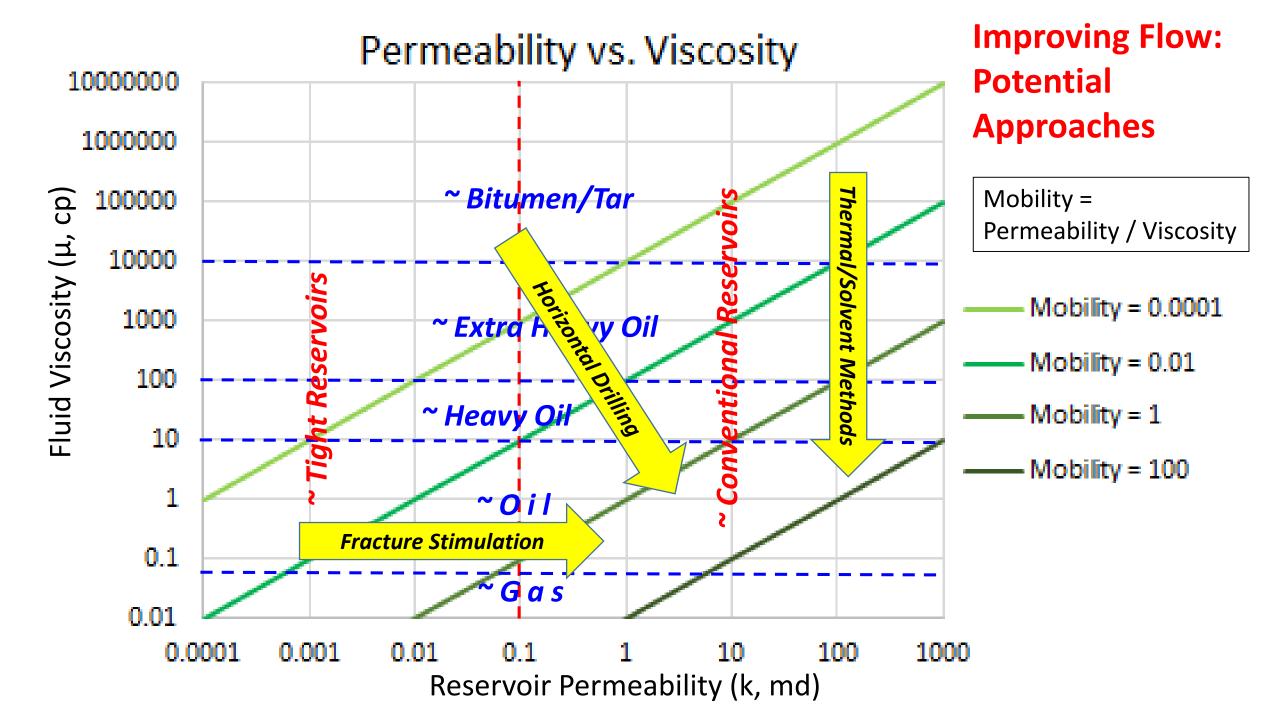
Burial – Maturation and Diagenesis

Uplift and Exhumation

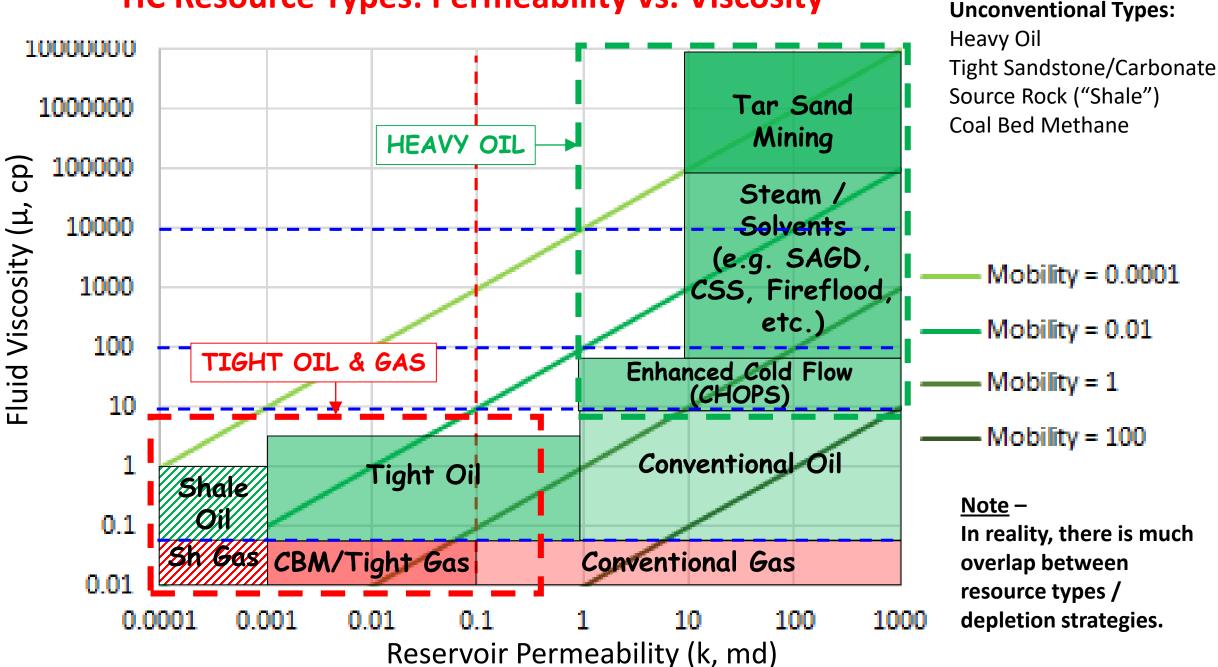
Closing Remarks

Unconventional Resources –

Categories

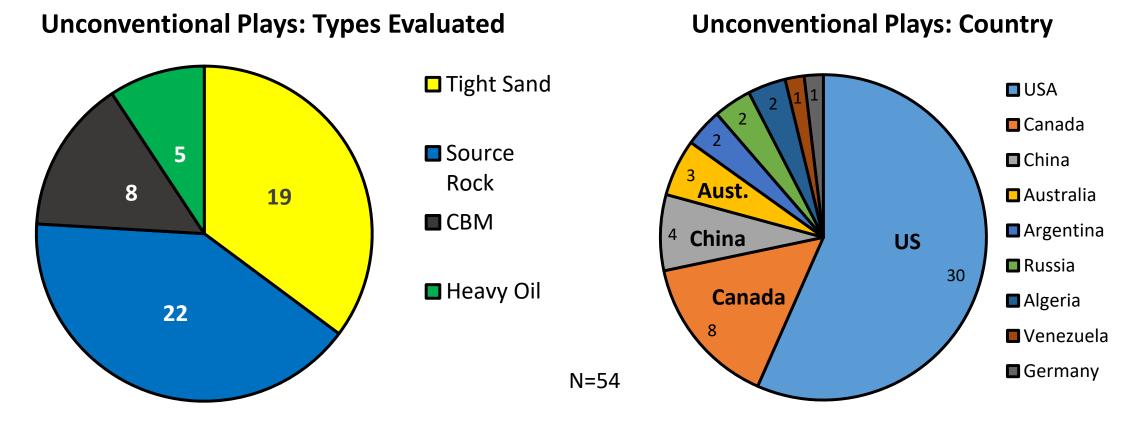


HC Resource Types: Permeability vs. Viscosity



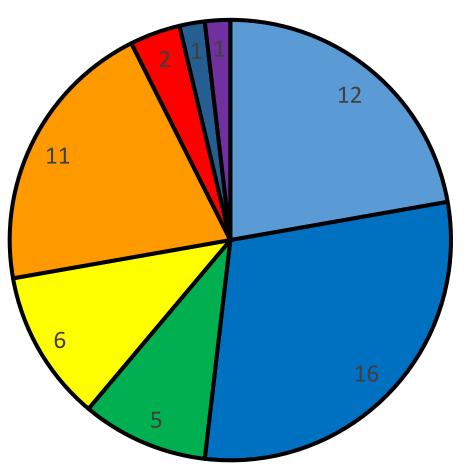
Global Screening Analysis of Basin Factors

Regional/Basin Controls on Unconventional Resources - Database



- 87 unconventional plays screened. 54 further analyzed based on materiality and maturity.
- Of these 54, 45 plays are significantly commercialized (e.g., Permian Wolfcamp); 9 are emerging with commercial promise (e.g., Nequen Vaca Muerta).
- Representative, but not necessarily comprehensive.
- Dominated by US/Canada because of commercial/infrastructure/regulatory considerations (and favorable geology).

Regional/Basin Controls on Unconventional Resources - Depositional Basin



ForelandComplex Foreland

- **Cratonic Sag**
- **Extensional**
- Passive Margin
- Back-Arc
- Fore-Arc

Transpressional

Unconventional plays occur in all kinds of basins – many pathways to success.

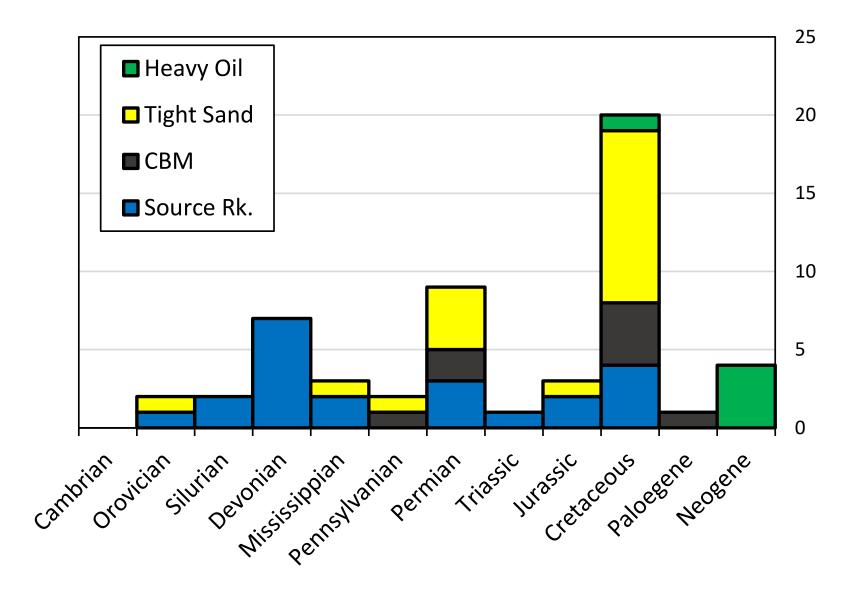
Forelands are the most important.

The prominence of forelands, in part, probably includes a bias related to commercial considerations – unconventional developments generally require an onshore setting.

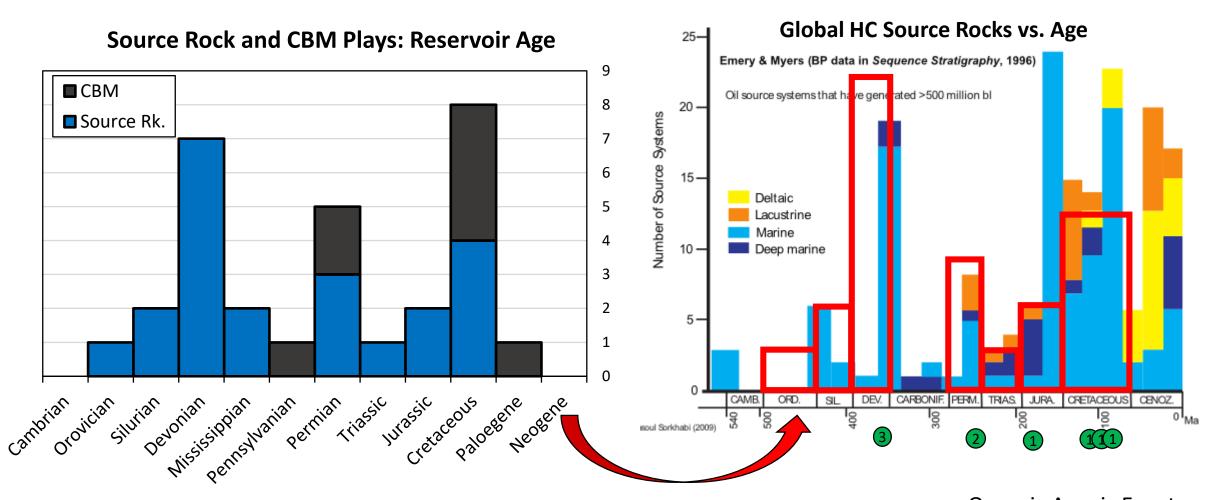
But also, rapid flexural subsidence in foreland basins is often associated with thick source rocks ("shale reservoirs") and tight reservoir sandstones – discussed later.

Lastly, volcanic arc association may be an additional source of nutrients.

Regional/Basin Controls on Unconventional Resources - Reservoir Age



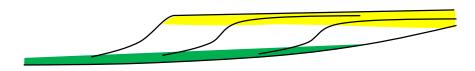
Source Rock and CBM Plays – Age

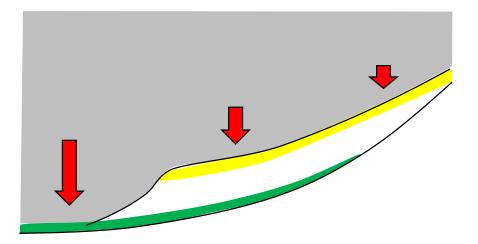


Source Rock Reservoir Plays Only

Oceanic Anoxic Events 1 Jenkyns (2010) 2 Brennecka (2011) 3 Algeo et al. (1994)

Basin Evolution and Unconventional Play Elements



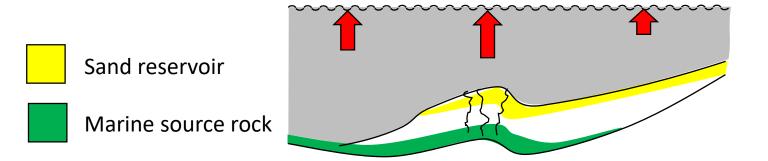


Deposition:

Reservoir Presence / Mineralogy Organic Richness

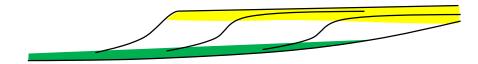
Burial:

Reservoir Compaction/Diagenesis Source Maturation Pressure Development



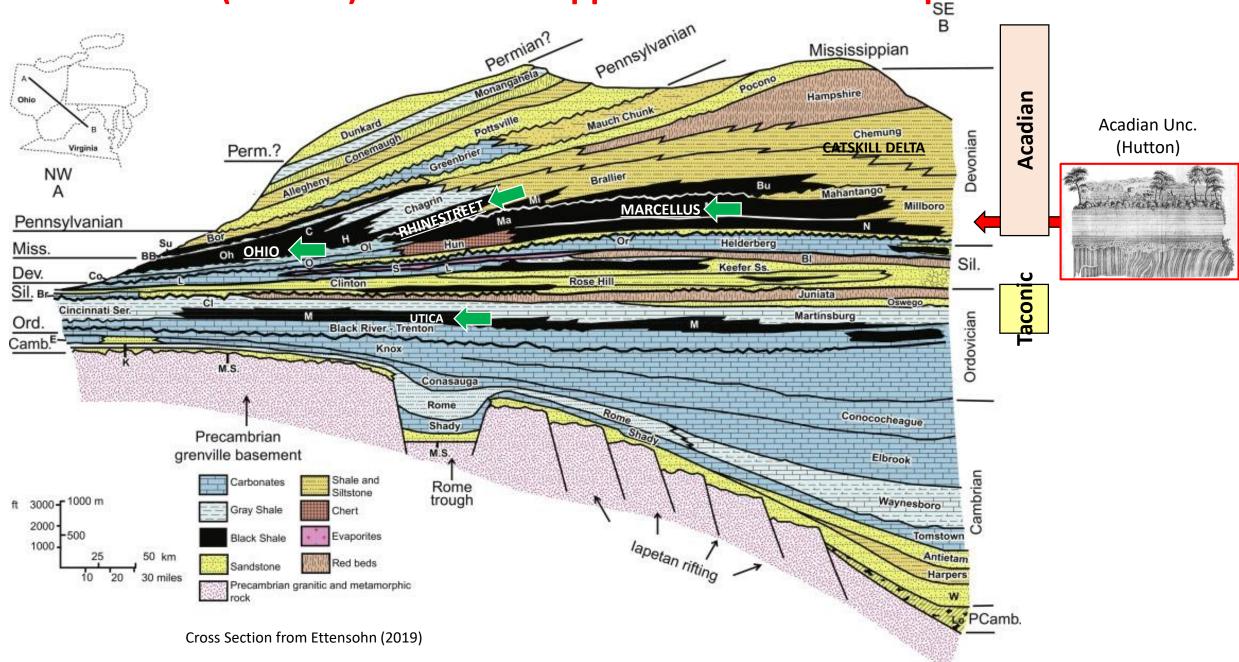
Exhumation & Deformation: Folding/Faulting Natural Fractures Oil Biodegradation Pressure Modification Drilling Depth

Reservoir Deposition / Characteristics



Reservoir Presence / Mineralogy Organic Richness

Source Rock ("Shale") Reservoirs: Appalachian Basin Example

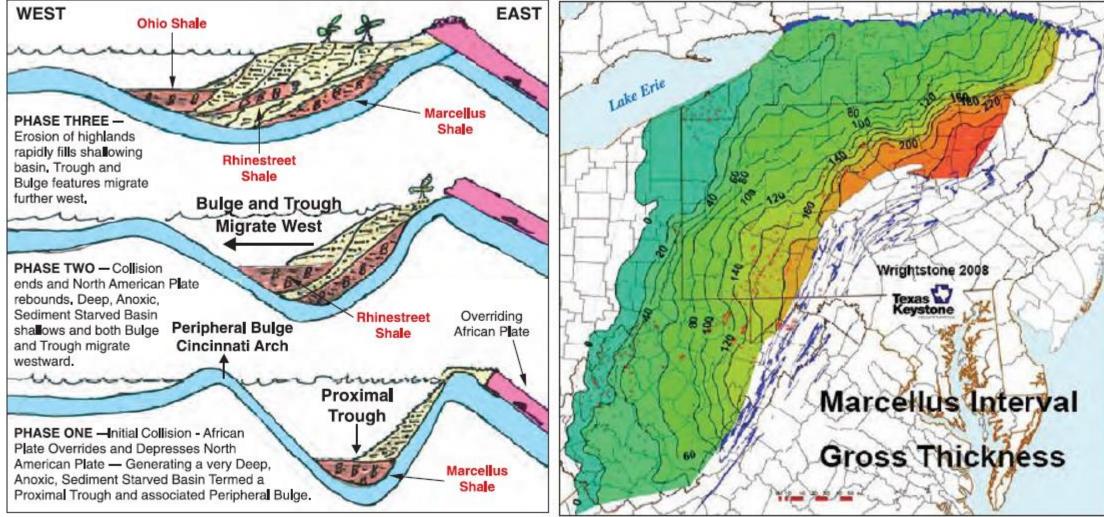


Age (Ma) 270 250 510 490 470 450 430 410 390 370 350 330 310 290 0 **Rhinestreet Shale Marcellus Sha Ohio Shale** 1000 2000 Depth (m) **Jtica Shale** 3000 4000 5000 6000 **Fold Belt** Early Collision OROGENY Acadian **Faconic** Alleghany

Appalachian Basin: Subsidence History, Shale Reservoirs and Orogenies

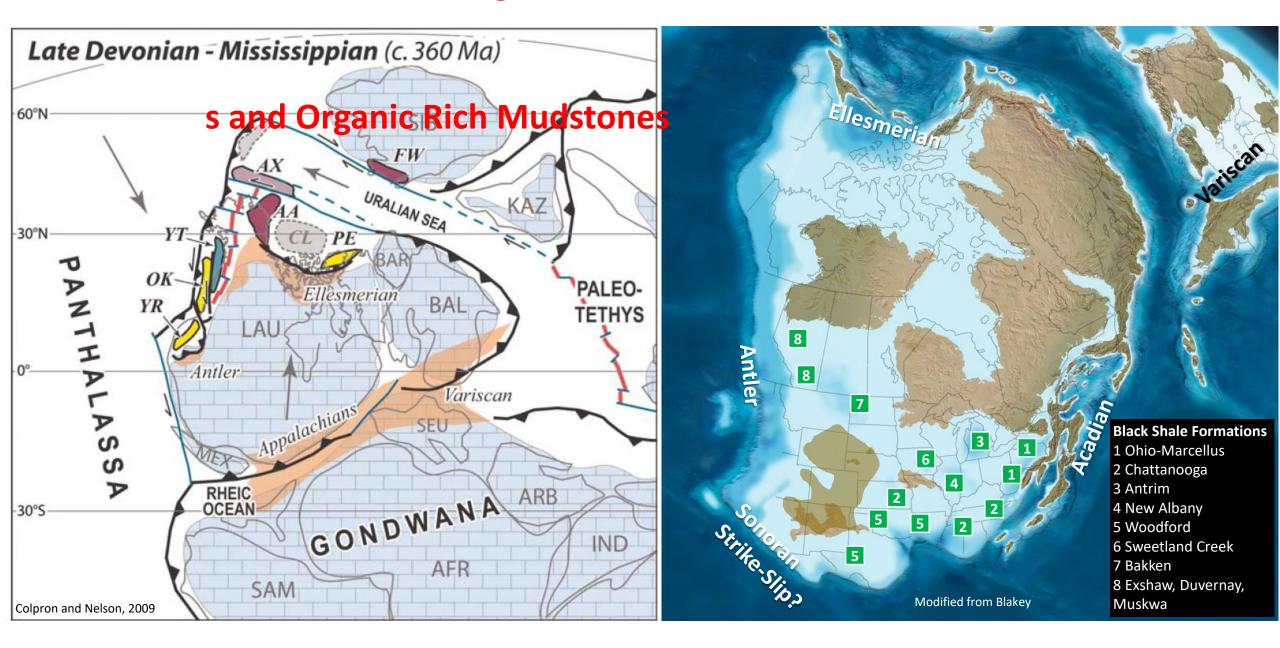
Acadian Unconformity

Devonian Source Rocks and Migration of Acadian Foredeep

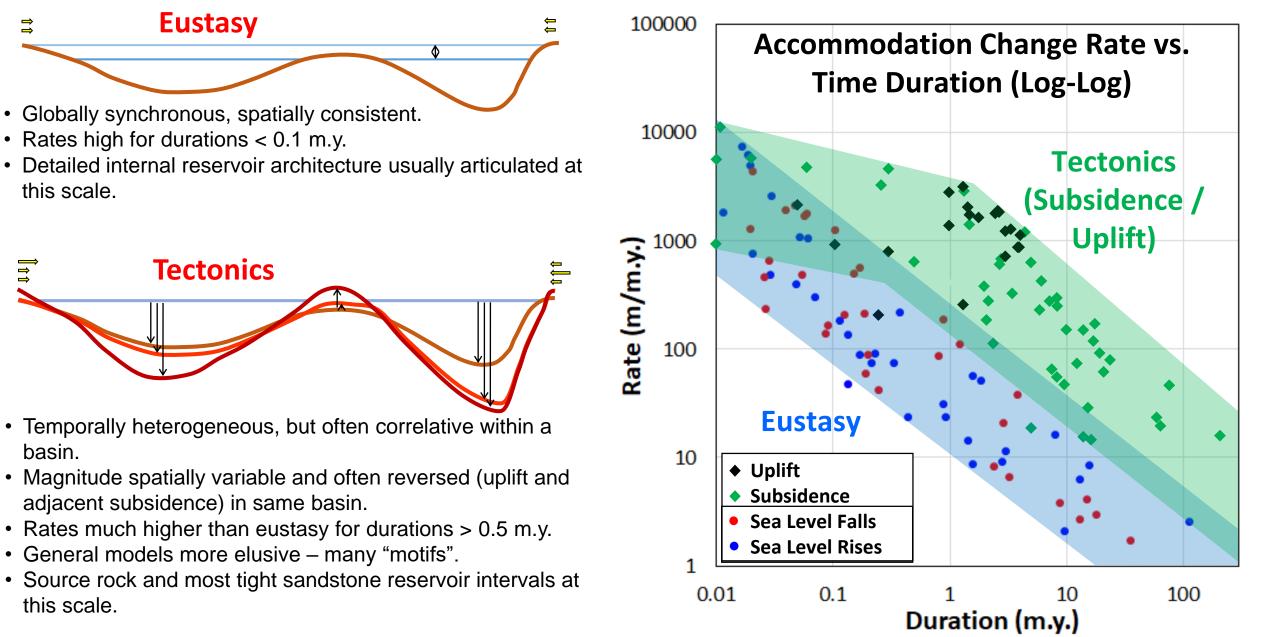


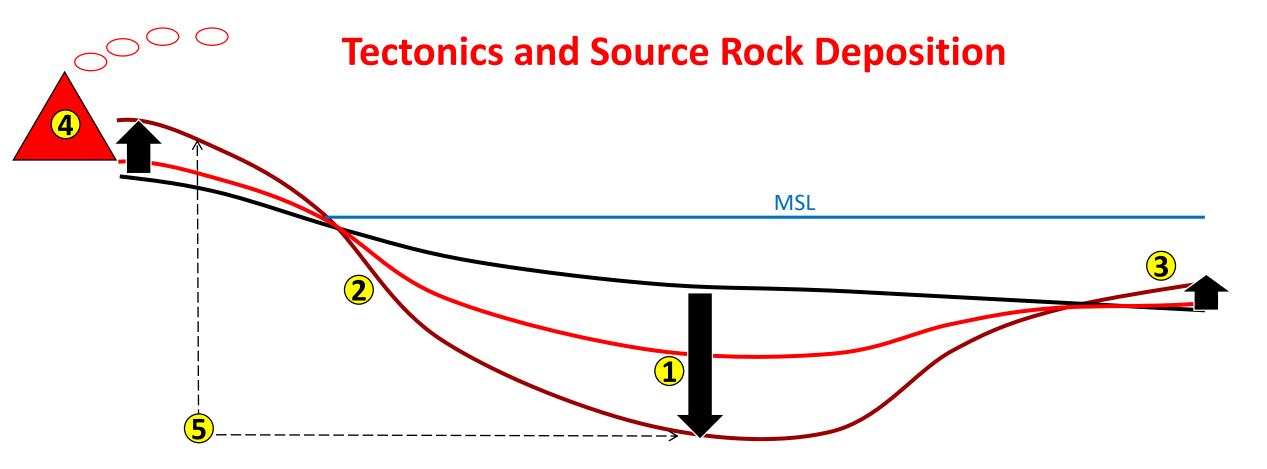
Bruner and Smosner, 2011 (DOE)

Late Devonian Orogenie



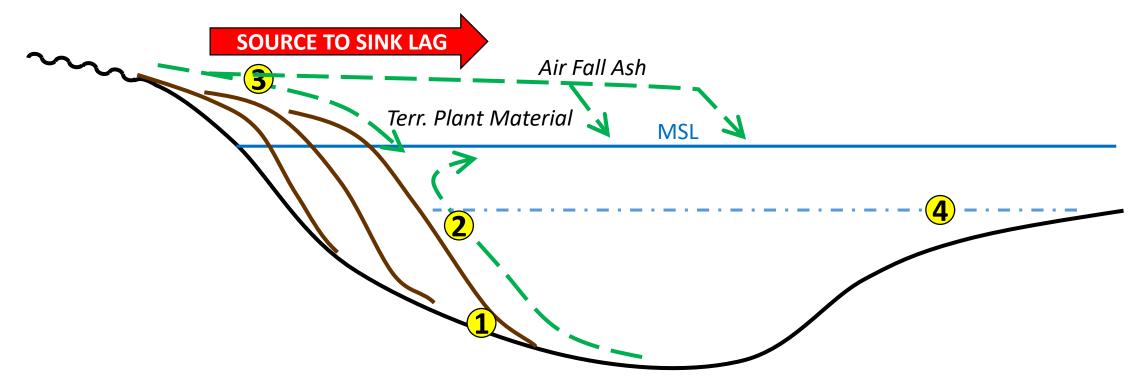
Accommodation Controls – Eustasy vs. Tectonics





- 1. Increase in subsidence-related accommodation.
- 2. Steepening of depositional profile.
- 3. Differentiation / partitioning of basin.
- 4. Arc volcanism for retroarc foreland basins.
- 5. At basin-scale, 2nd order unconformities in updip may be ~equivalent to MFS in downdip areas.

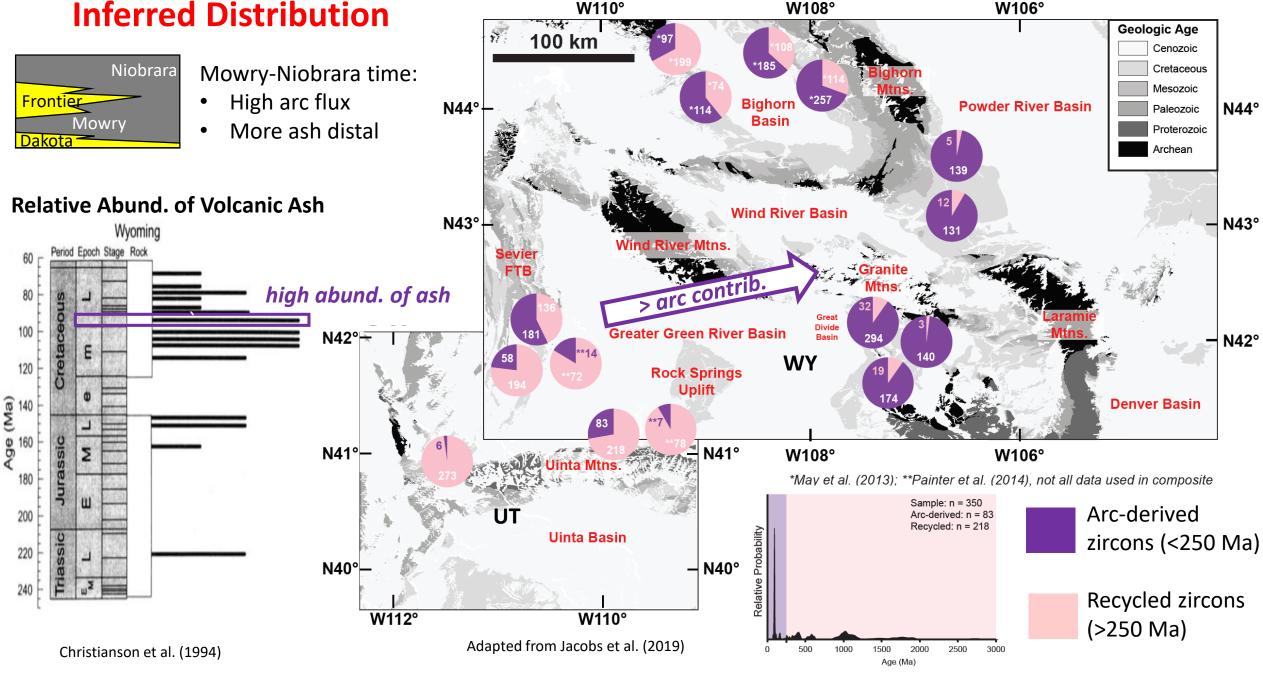
Tectonics and Source Rock Deposition: Possible Elements



- 1. Condensed section driven by subsidence (concentration of organic matter).
- 2. Steepened profile, enhancing upwelling (organic productivity)
- 3. Constructional coastal plain, enhanced terrestrial productivity. Nutrient transport (land plants, volcanic ash).
- 4. Differentiation of basin, potential silling of water column (dysoxia/preservation)

Volcanic Ash Deposition: Inferred Distribution

Detrital Zircons: Frontier Fm., U. Cenomanian to L. Coniacian

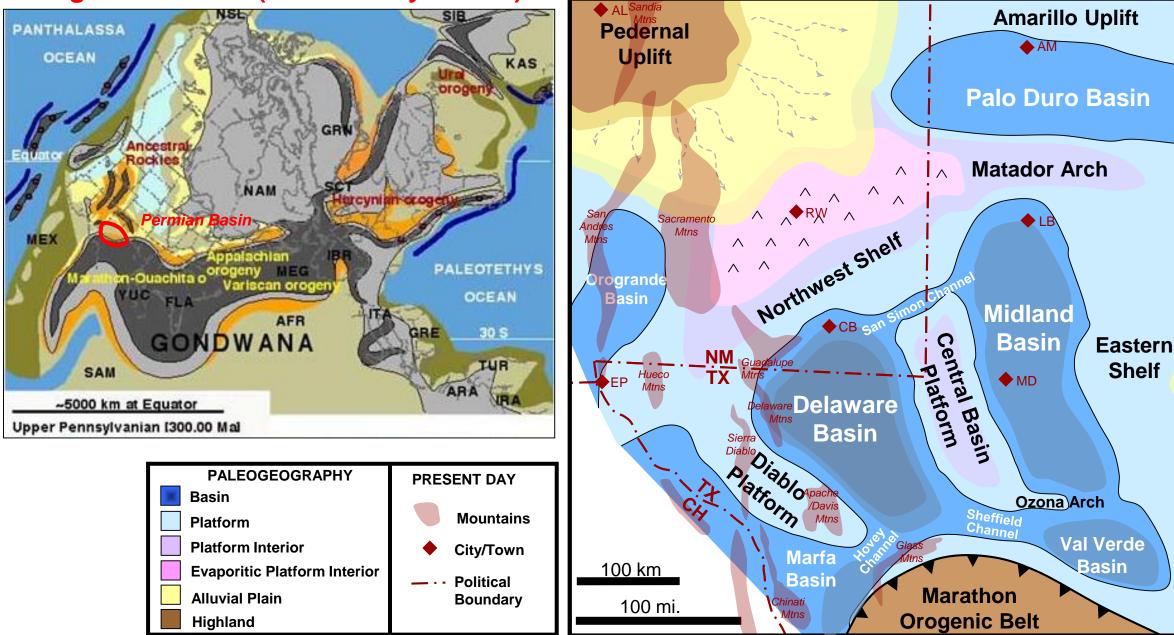


Ancestral Rockies and Marathon/Ouachita Orogenies 300 Ma (Late Pennsylvanian)

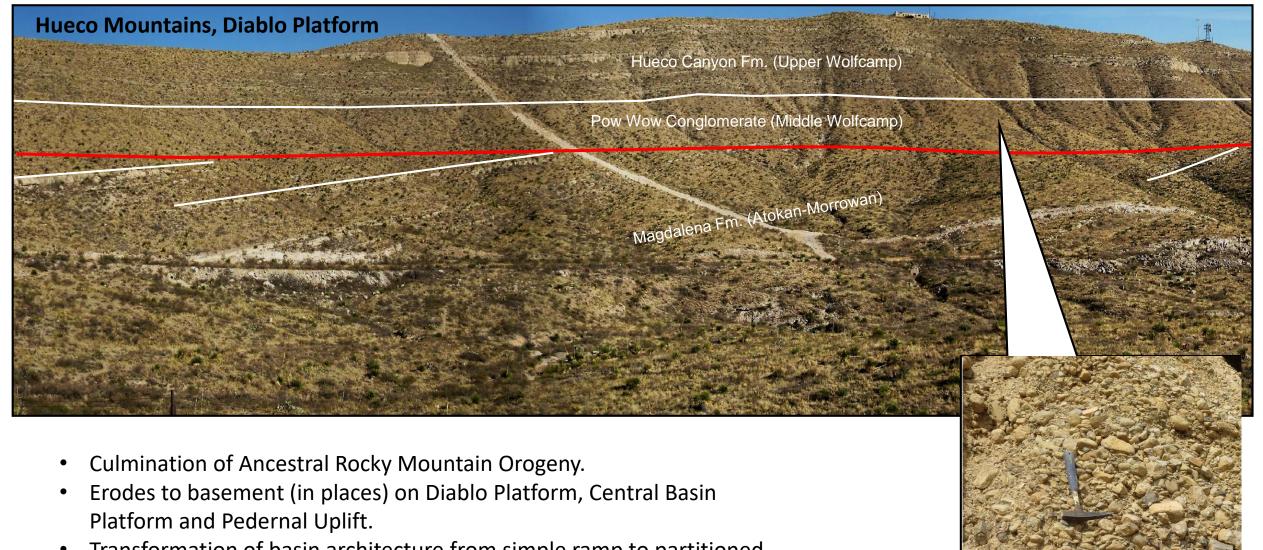
Permian Basin Paleogeography

10K

AB

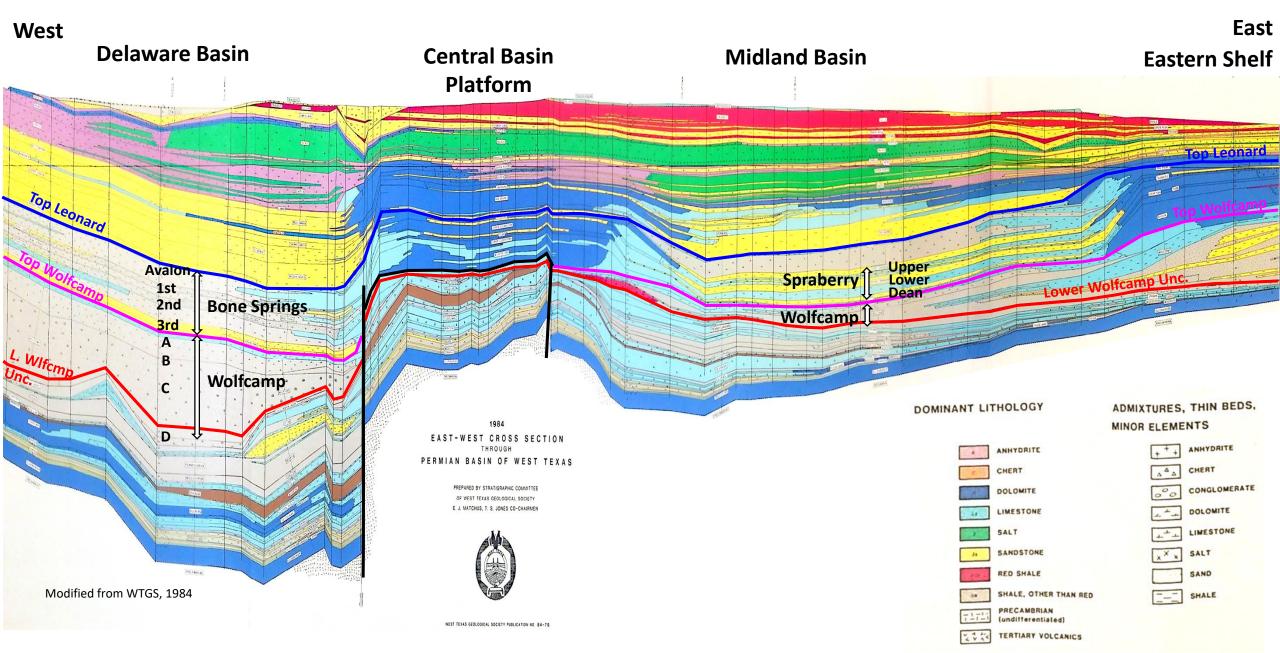


Lower Wolfcamp Unconformity

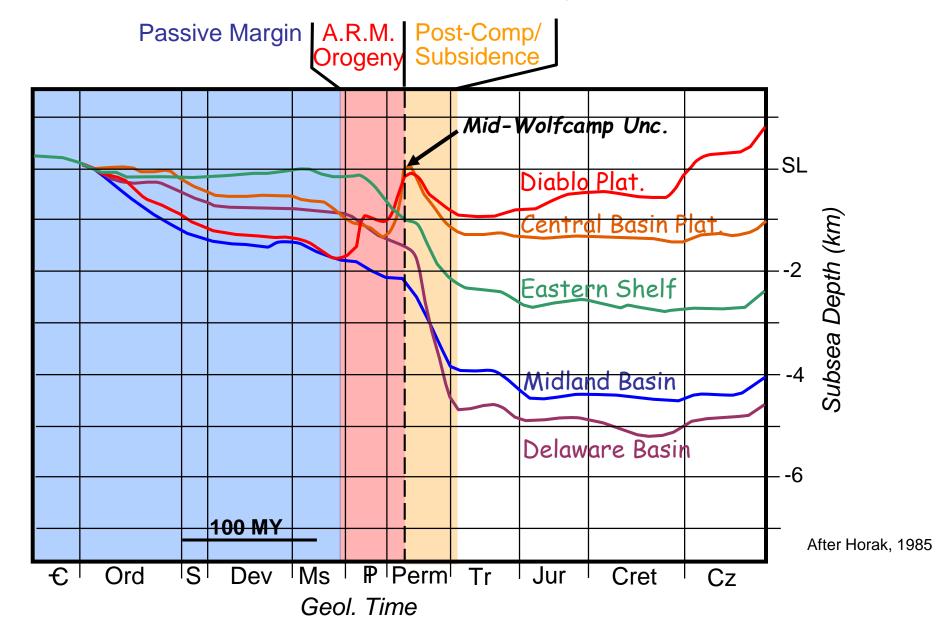


Transformation of basin architecture from simple ramp to partitioned uplifts and deep basins (Pennsylvanian to Lower Wolfcamp).

Permian Basin: East-West Cross Section

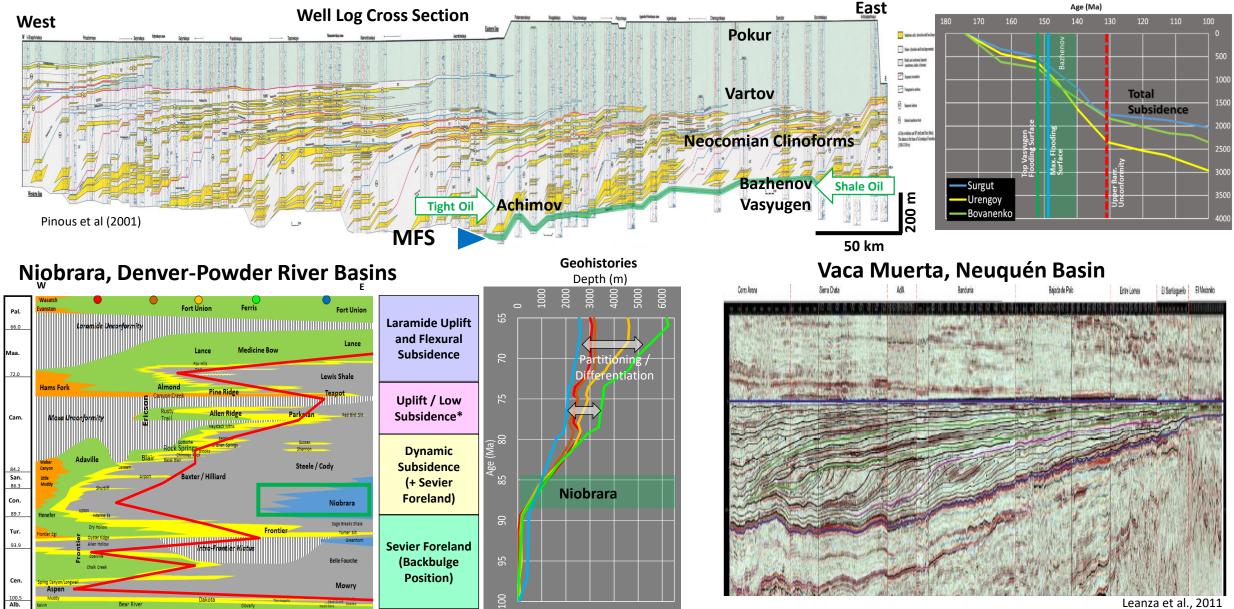


Permian Basin: Subsidence History & Tectonic Phases



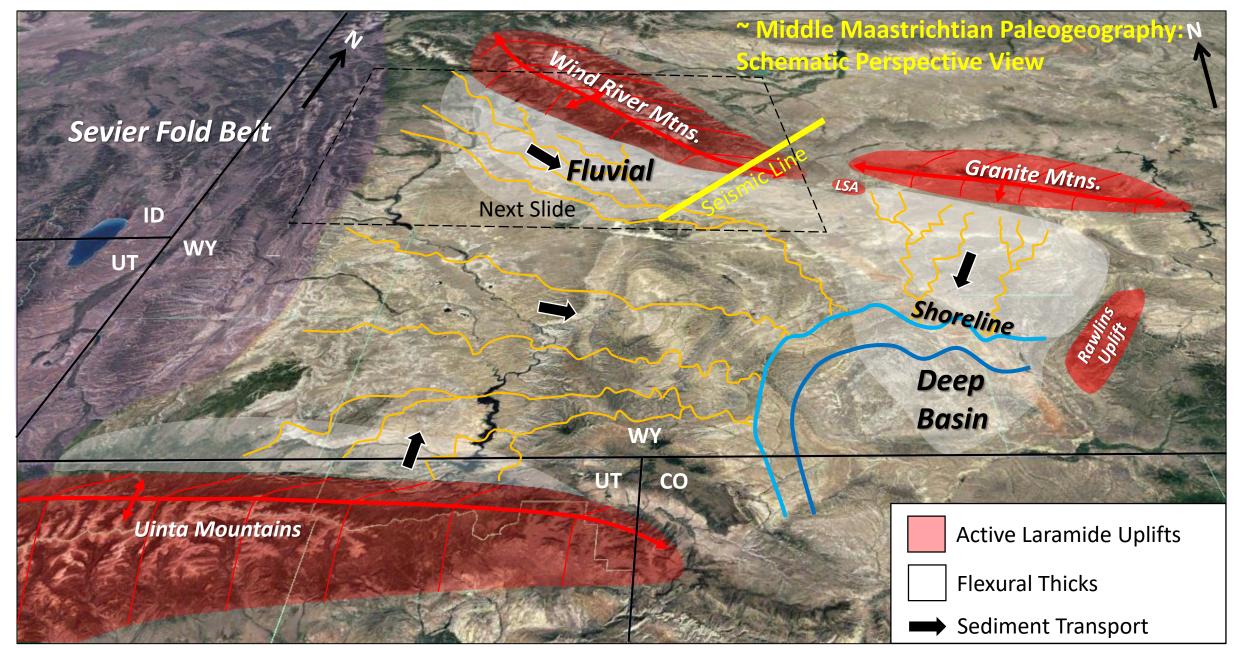
Other Examples of Source Rock Reservoirs Associated with Tectono-Subsidence

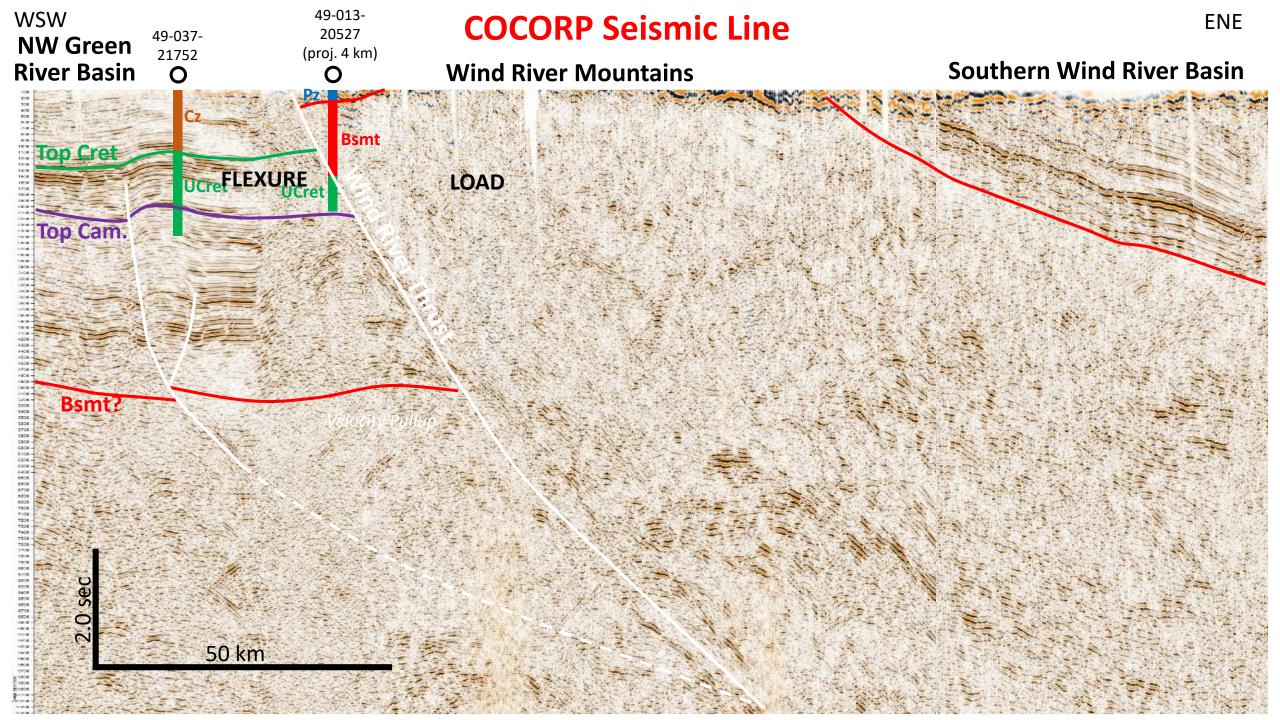
Bazhenov, West Siberia Basin



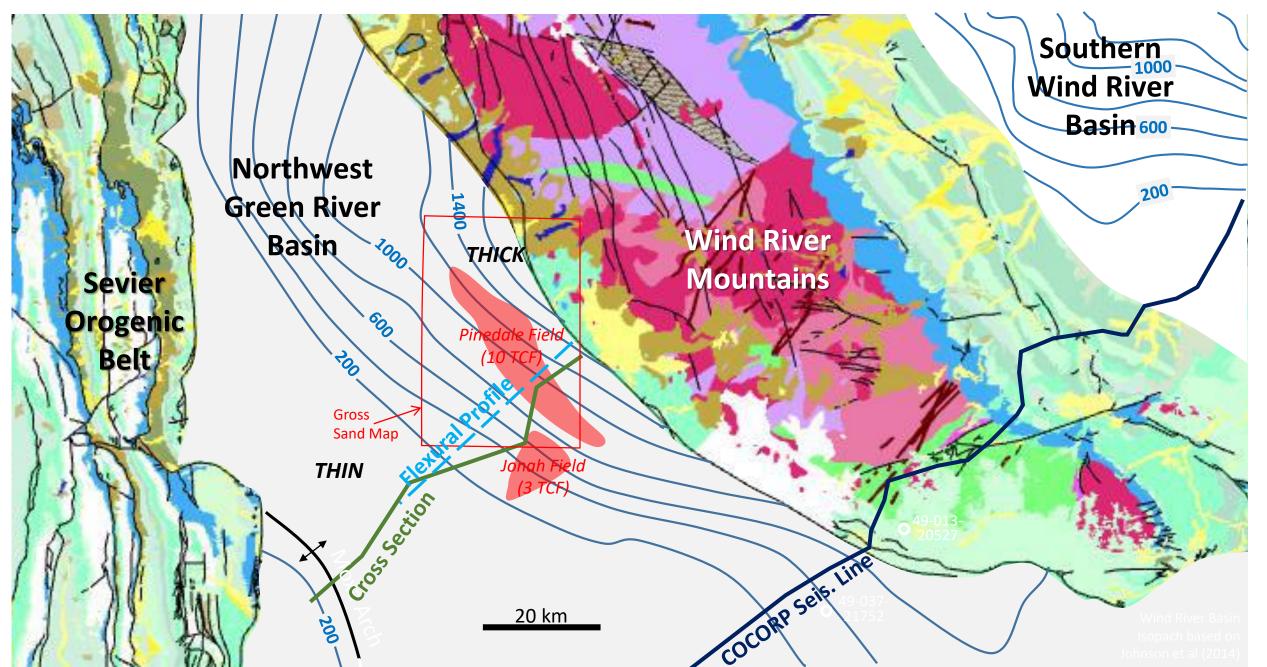
Modified from Rudolph et al (2015)

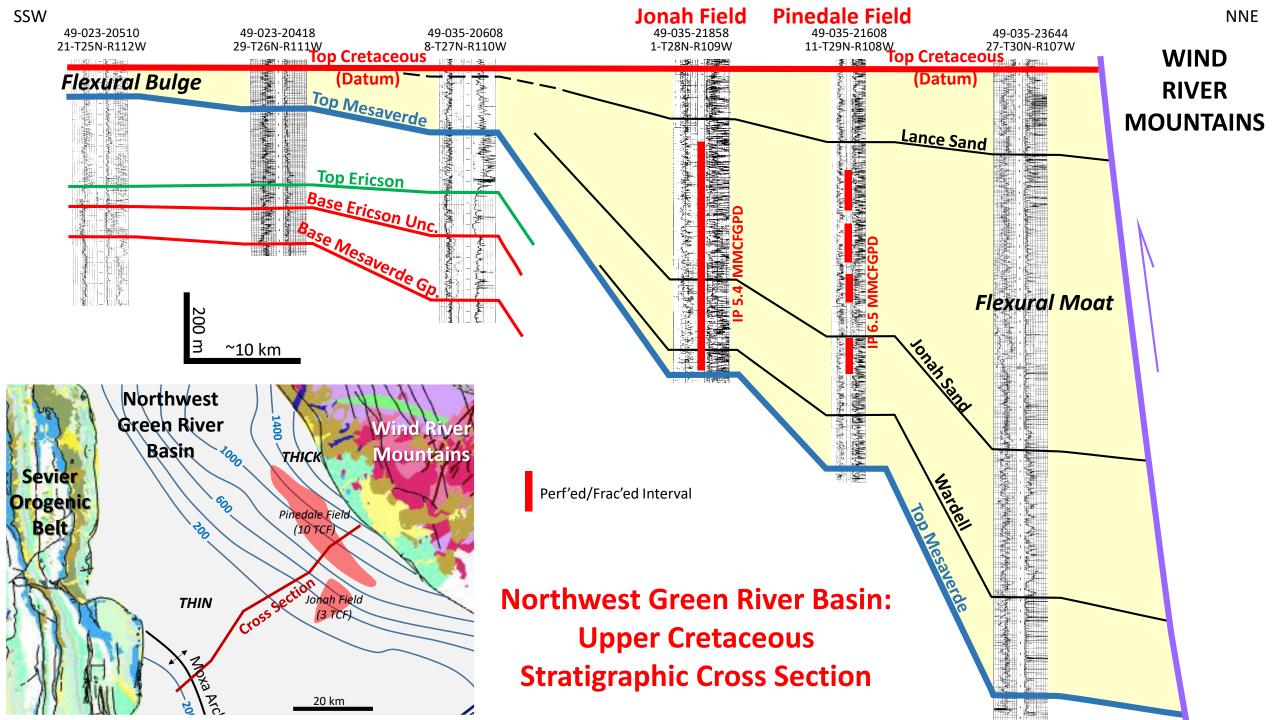
Tight Sandstone Reservoirs: Green River Basin Example



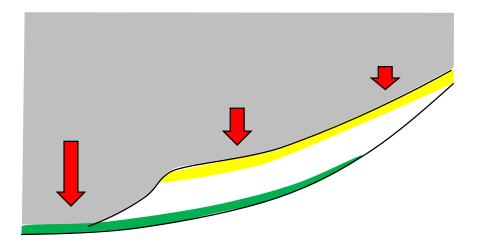


NW Green River Basin: Surface Geology and Lance (~Maastrichtian) Isopach

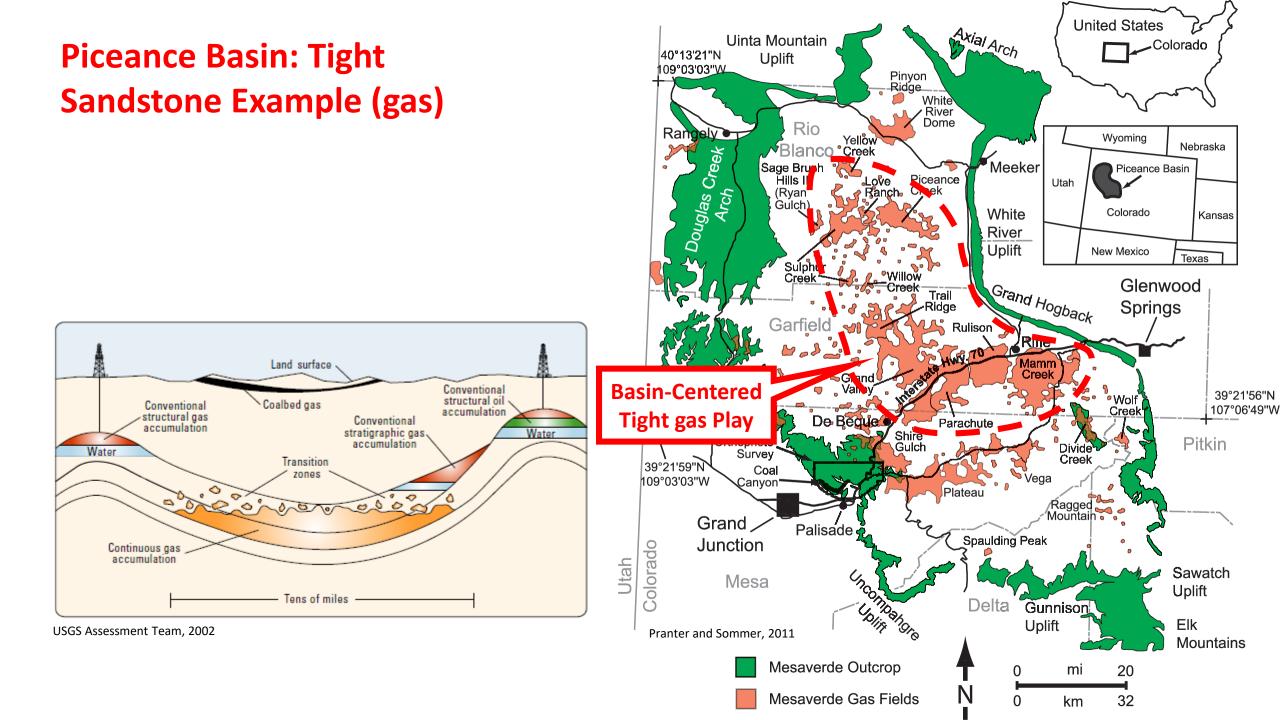




Burial / Maturation



Reservoir Compaction/Diagenesis Source Maturation Pressure Development



Piceance Basin: Isopachs (km)

Flexural thick developed west of a major Laramide uplift (White River Mountains).

Provides space for deposition of thick non-marine reservoir interval (Upper Cretaceous).

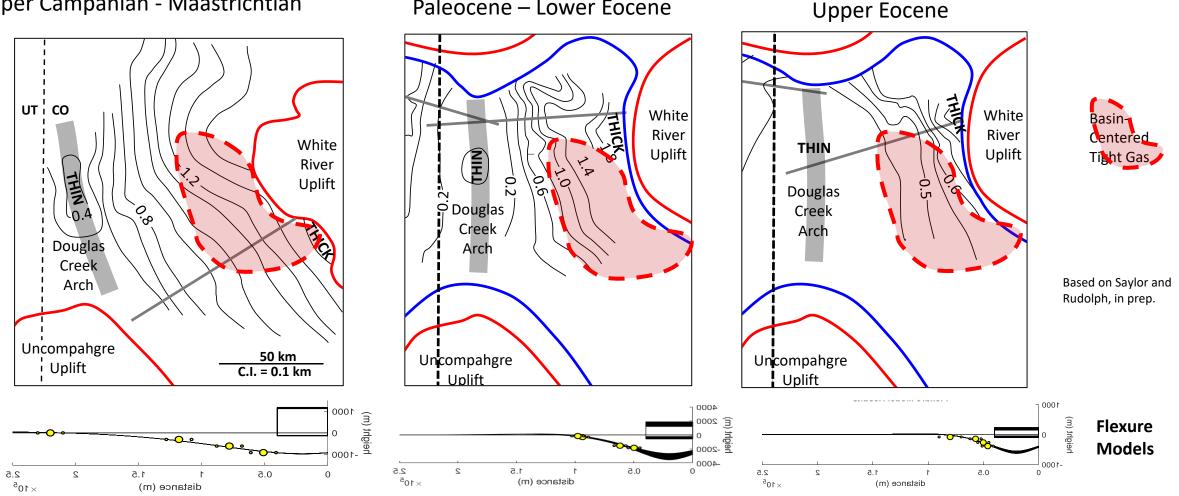
Deposition of overburden (Paleoc.-Eoc.) that matures coaly gas sources and develops capillary seal of tight sandstones.

Paleocene – Lower Eocene

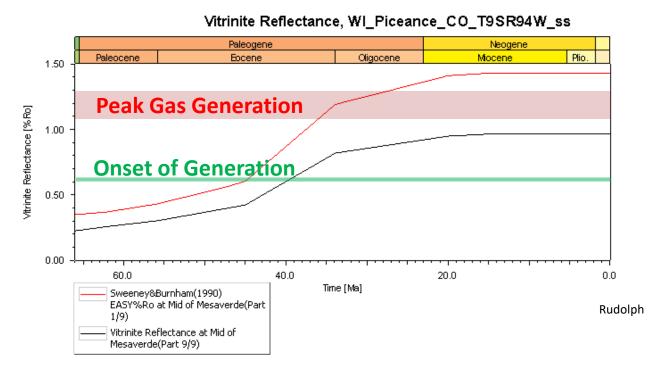
Burial – Source Maturity and Porosity Evolution

Reservoir Deposition

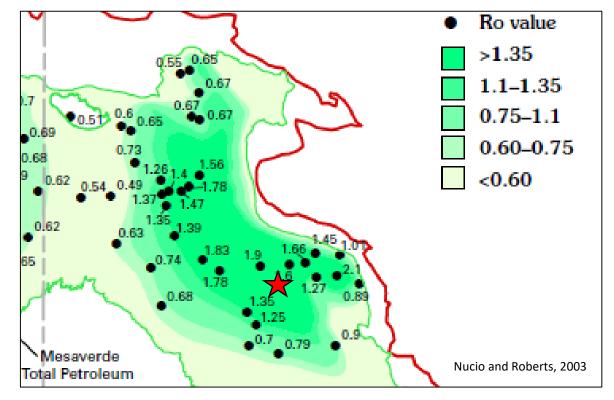
Upper Campanian - Maastrichtian



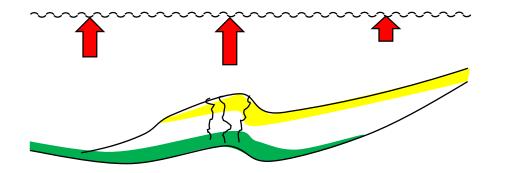
Piceance Basin: Mesaverde Coal Maturity (Gas Source)



Vitrinite Reflectance (Ro) at base of Mesaverde Gp.

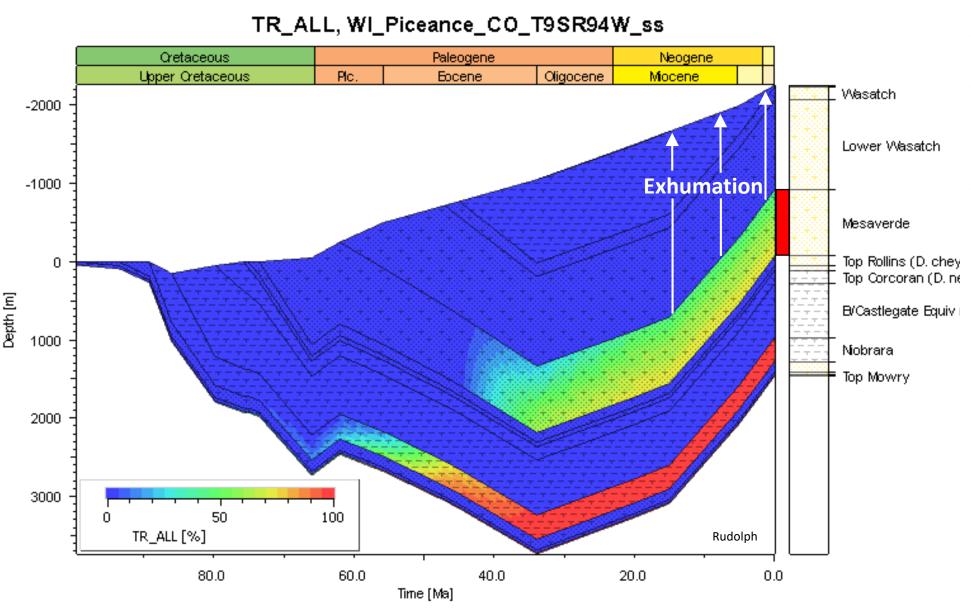


Deformation and Exhumation



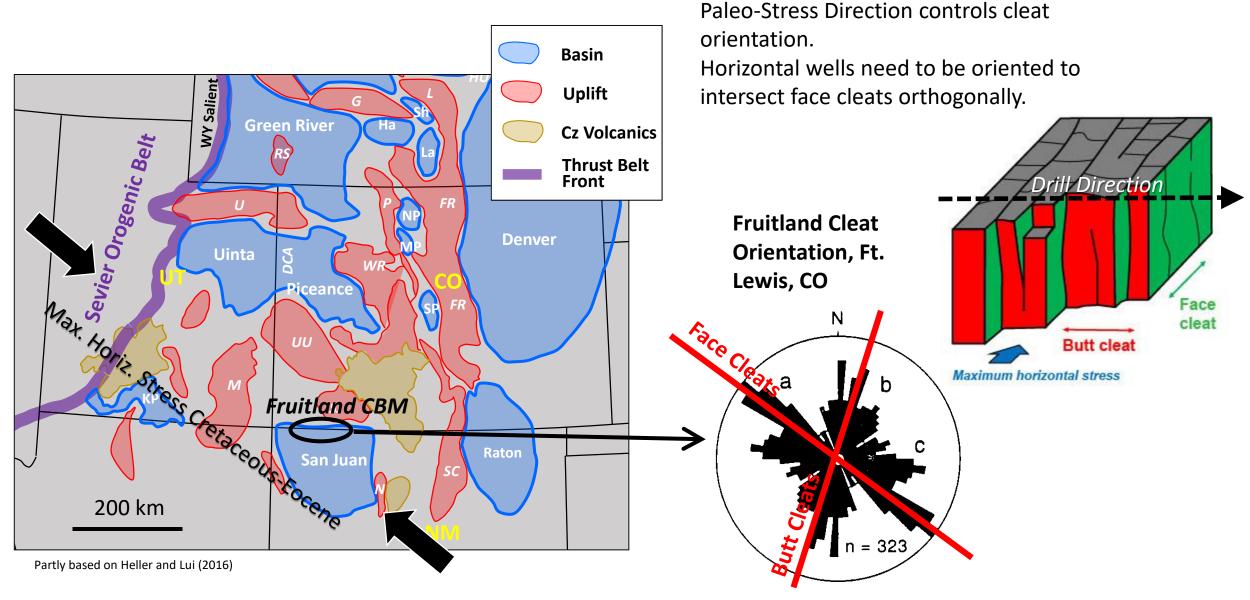
Oil Biodegradation Pressure Modification Natural Fractures Drilling Depth

Piceance Basin: Burial History



- Approximately 1.2 km of exhumation in Neogene.
- Related to uplift of Colorado Plateau and more widespread epeirogenic uplift of western North America.
- Potential implications of exhumation:
 - Shallower drilling targets
 - End of gas generation
 - Overpressure
 - Microfractures via unloading

Fracture Example: Fruitland Coal Bed Methane, San Juan Basin, NM



Tremain et al. (1994)

Research Questions of Industry Interest

Understanding the original porosity and permeability in tight unconventional reservoirs: Quantitative and accurate estimates of organo-porosity, inter-particle, intra-particle and adsorbed gas. Role of natural microfractures for permeability.

What is the impact of exhumation, which is common to many unconventional plays? Under what circumstances are hydrocarbons and pressure retained? What geologic histories lead to capillary entrapment (basin-centered gas) and can we reliably predict its occurrence?

What is the correct way to understand and model aggregate properties ("scale-up") relative to flow. The fine-scale matters, but as it composites over ~50m frac height and 3 km lateral? Appropriate sequence stratigraphy models at the basin-wide, 2nd order scale (i.e., not LST-TST-HST schema)

What is the induced <u>propped</u> fracture network and can we better predict it? Microseismic only gives us a rough picture of the entire fracture network, most of which does not contain proppant.

Is there an environmentally more benign way to extract heavy oil, which makes up a large portion of remaining oil resources, but has a large carbon footprint.

Influence of volcanism on organic productivity.

Closing Comments

Predicting, understanding and developing unconventional petroleum reservoirs has historically relied on empirical indicators, direct analysis/interpretation and field experimentation.

However, the same basin-scale controls that are germane to conventional resources are also relevant to unconventional resources.

While these controls are unlikely to provide important commercial insights in established unconventional plays, they should be understood and utilized in poorly-constrained ("frontier") settings.

Just as in conventional resources, there is not one (or even a few) success factors – there are many pathways to success (and even more to failure!).

So beware of purported general models, including what you have heard thus far - a consistent, integrated technical approach is more important.