

Finding and Protecting Energy Assets With Geochemical Tools

David Seneshen – Vice President

John Fontana - President



Golden, Colorado

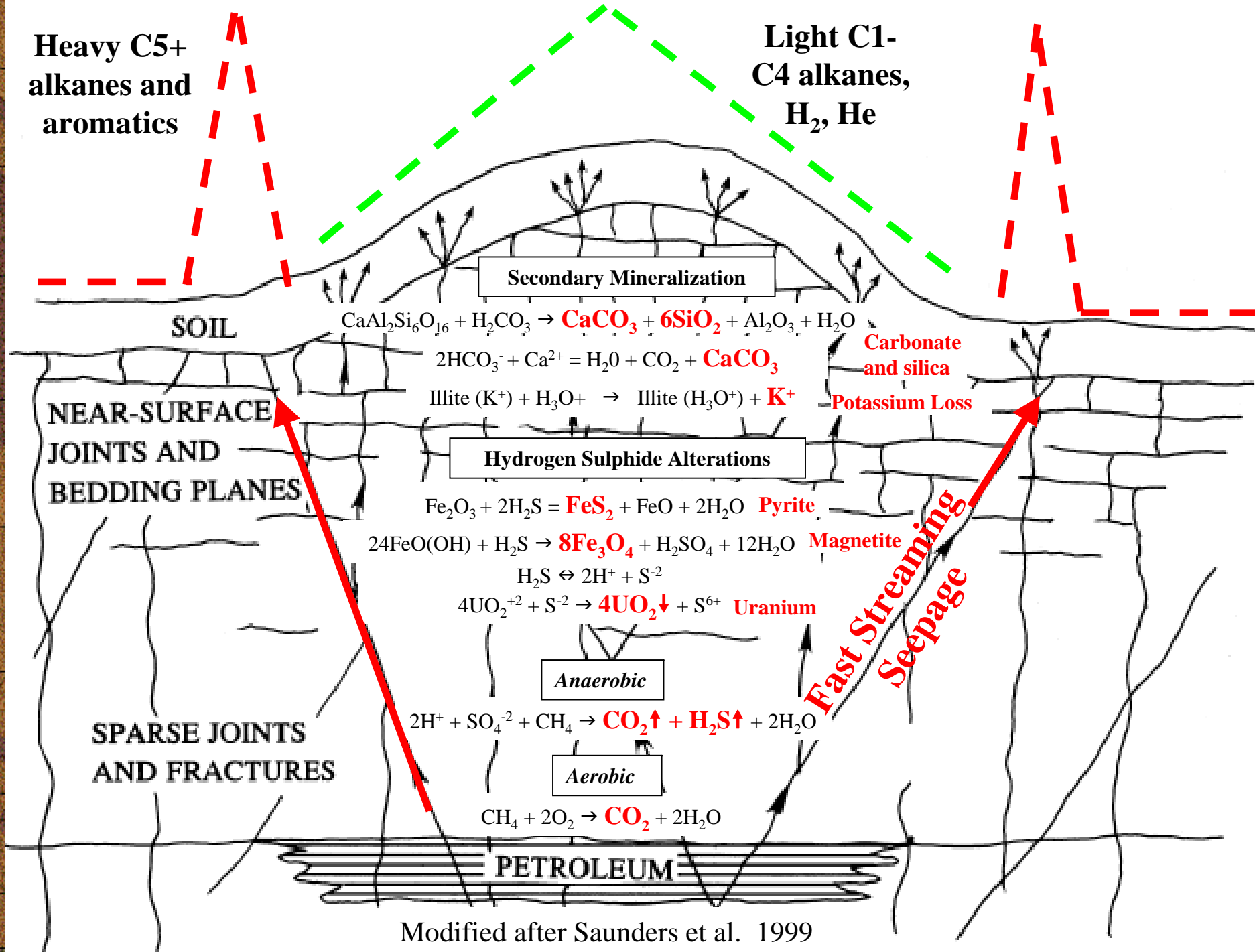
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Outline of Presentation

- *Types of Anomalies Over Oil & Gas Fields*
 - *Sampling and Analysis*
- *Finding Energy Assets With Geochemical Tools*
 - ✓ *Grant Canyon Oil Field (Great Basin, Nevada)*
 - ✓ *Matapedia (Gaspe Peninsula)*
 - ✓ *Jonah Gas Field (Green River Basin, WY)*
 - ✓ *Fractured Trenton Dry Gas (Appalachian Basin, NY)*
- *Protecting Energy Assets With Geochemical Tools*

Heavy C5+
alkanes and
aromatics

Light C1-
C4 alkanes,
H₂, He



Modified after Saunders et al. 1999

Sampling Surface Media For Hydrocarbon and Metals Analysis

Shallow Soils



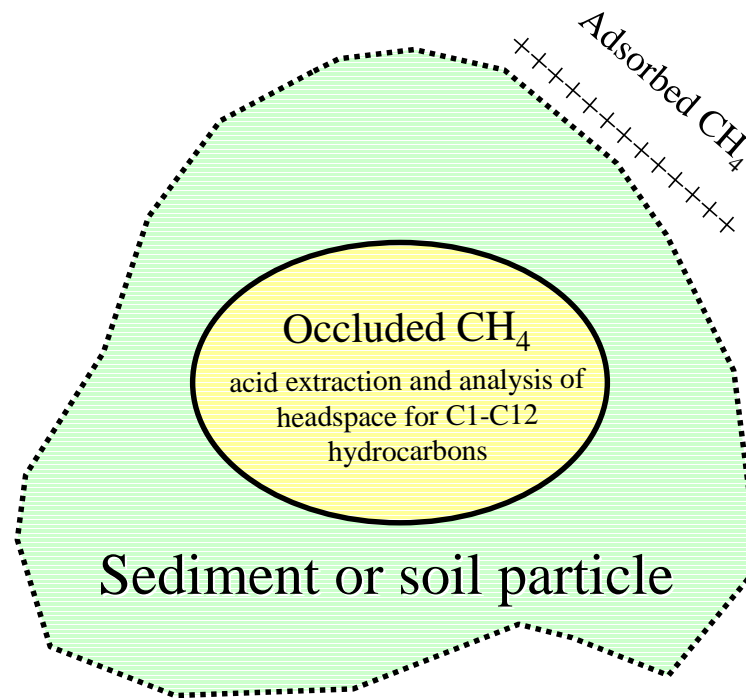
Shot-hole Sediments



Lake Sediments



Deep Soils



HC Extraction Methods

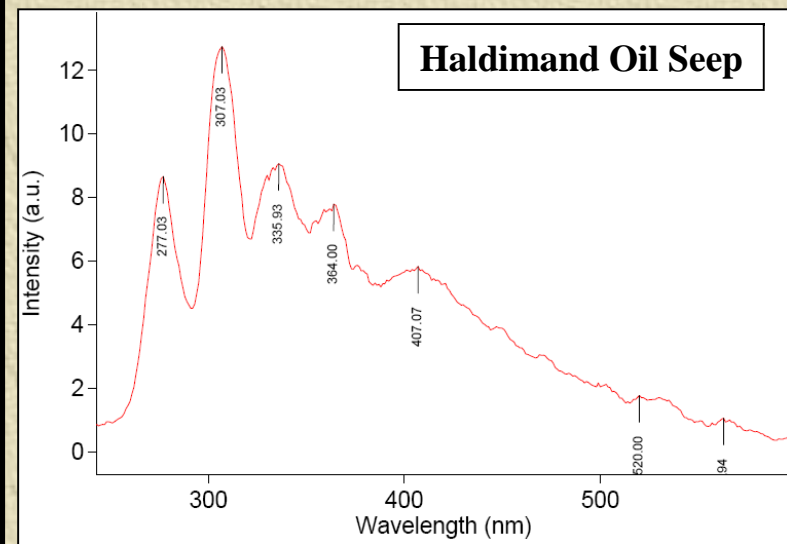
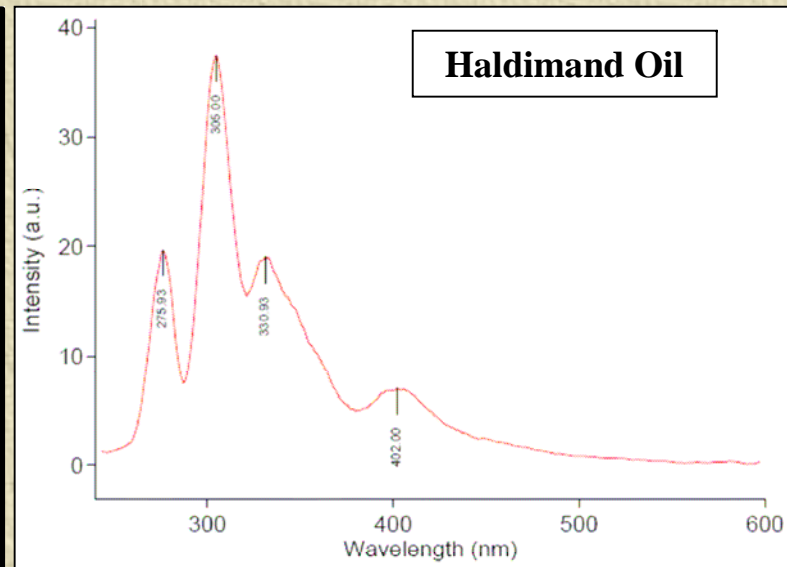
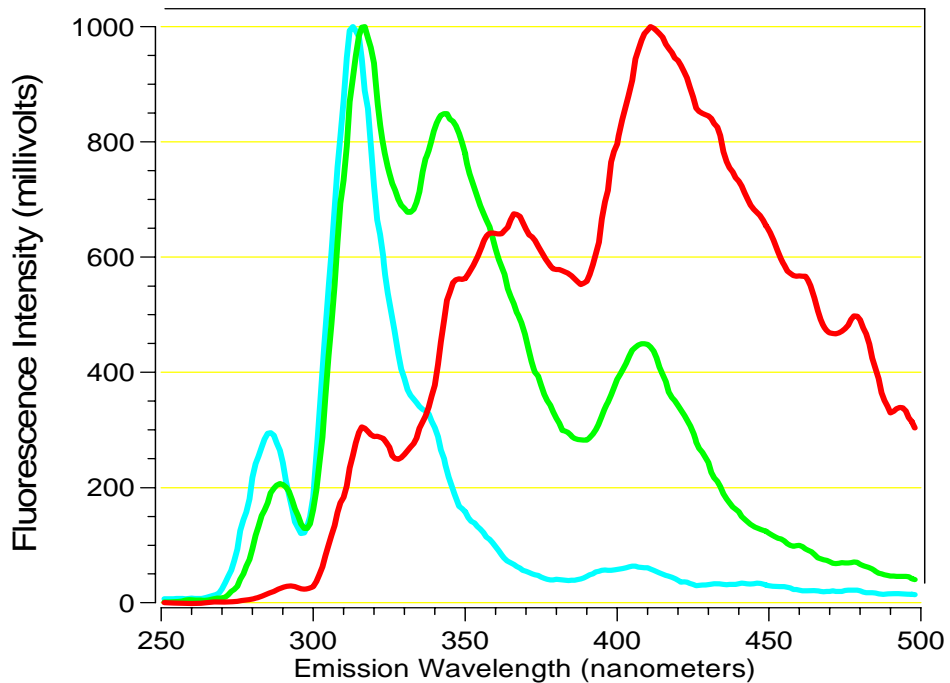
- Heat
- Acid
- Organic Solvent

SYNCHRONOUS SCANNED UV-FLUORESCENCE

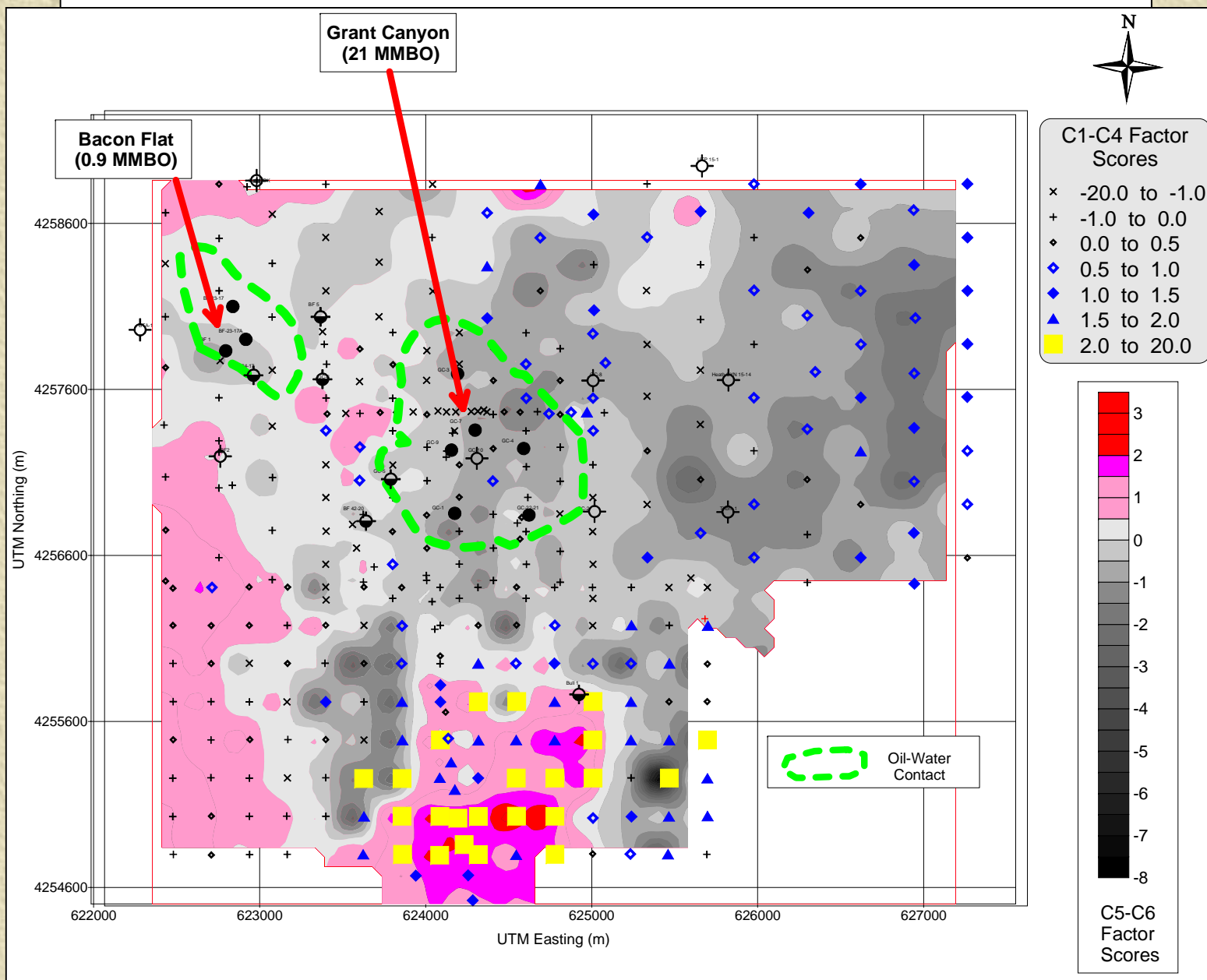
Spectra of Three Oils with Different Gravities

- High Gravity Cretaceous Condensate
- Medium Gravity Cretaceous Oil, Colorado
- Low Gravity Paleozoic Oil, Nevada

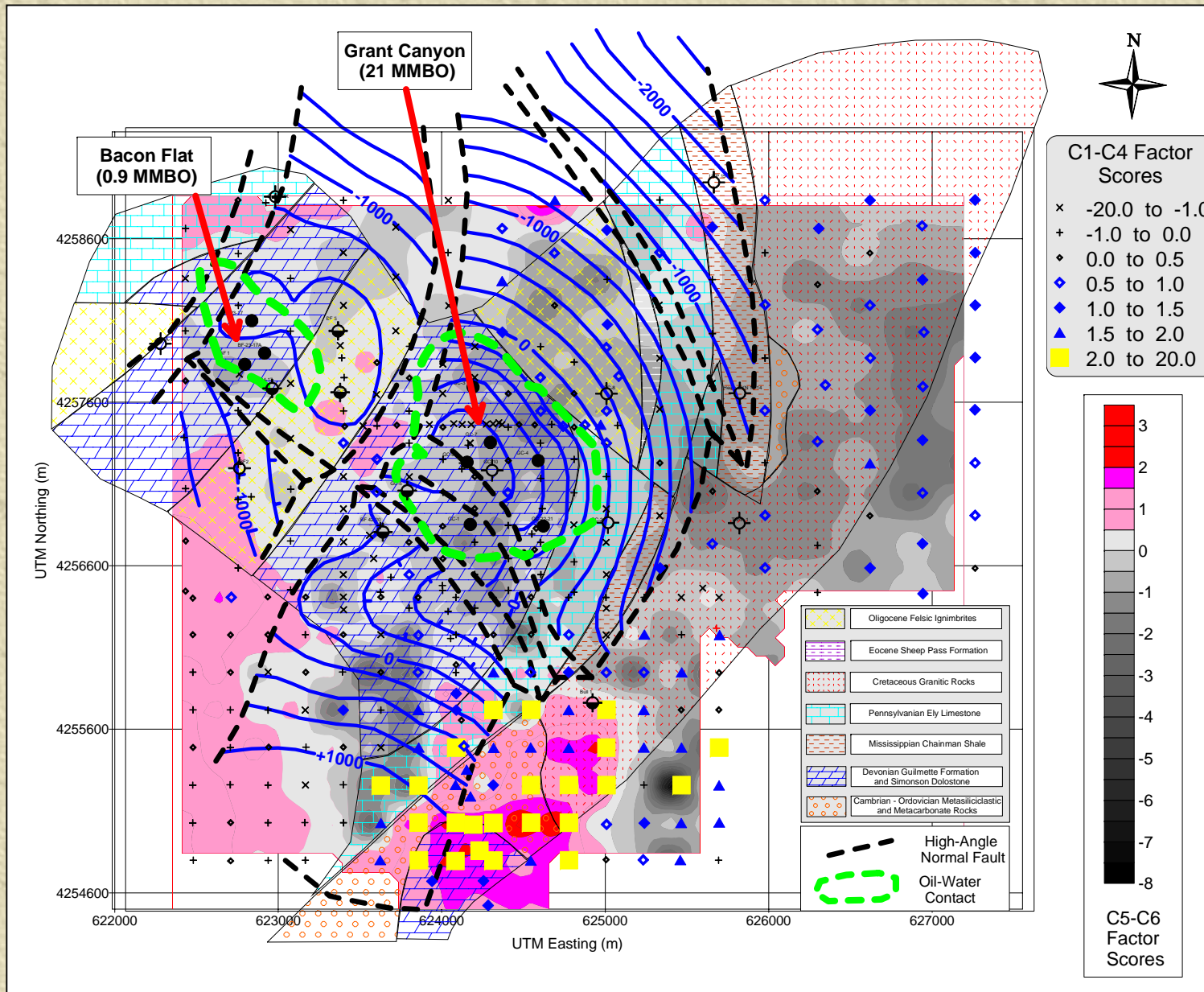
Aromatic Hydrocarbon Groupings



Soil Hydrocarbon Anomalies – Grant Canyon

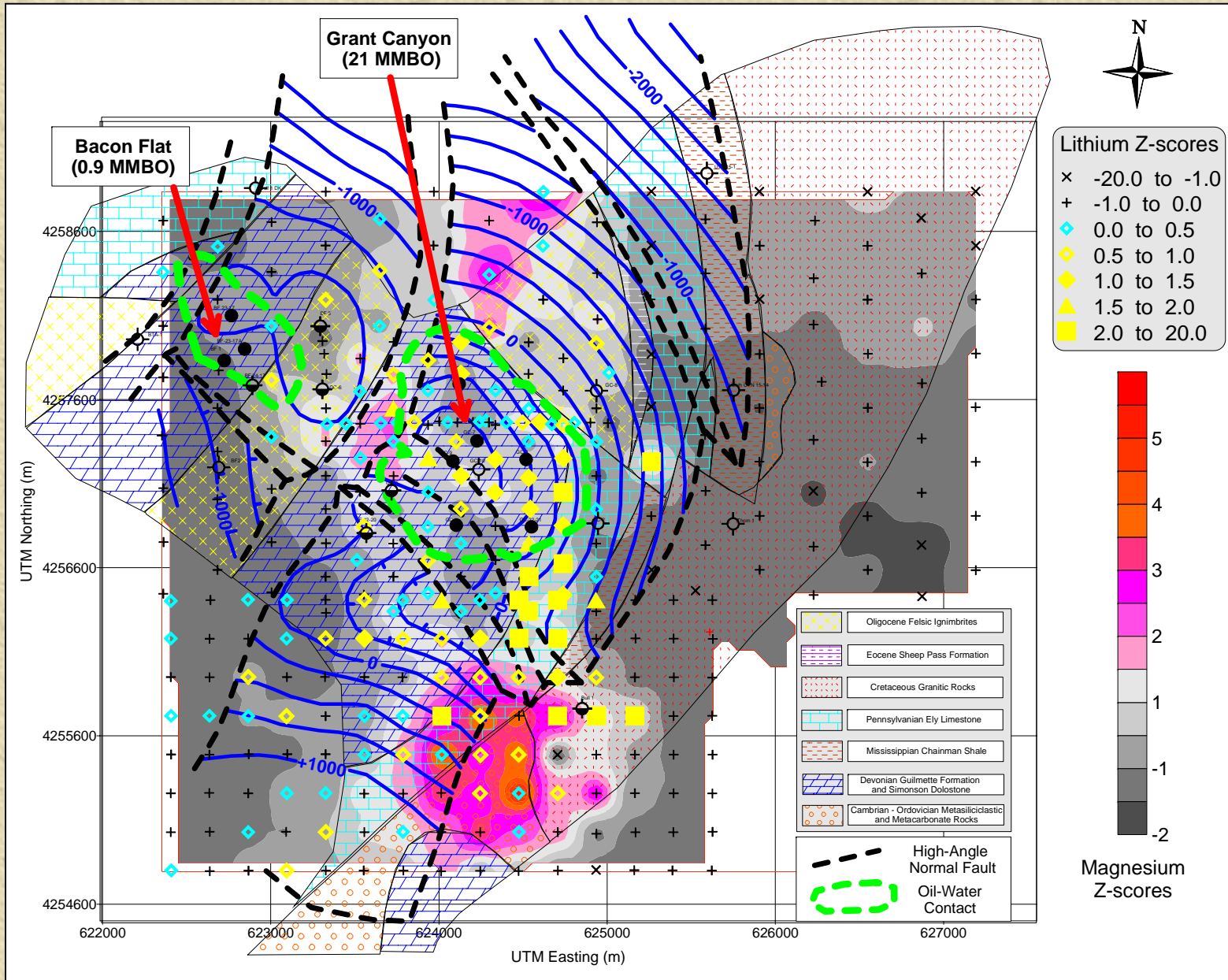


Why geology must be integrated with surface geochemistry!



Geology (Hulen et al. 1994) and structure (McCutcheon and Zogg, 1994)

Magnesium and Lithium Anomalies – Direct Link to Reservoir?



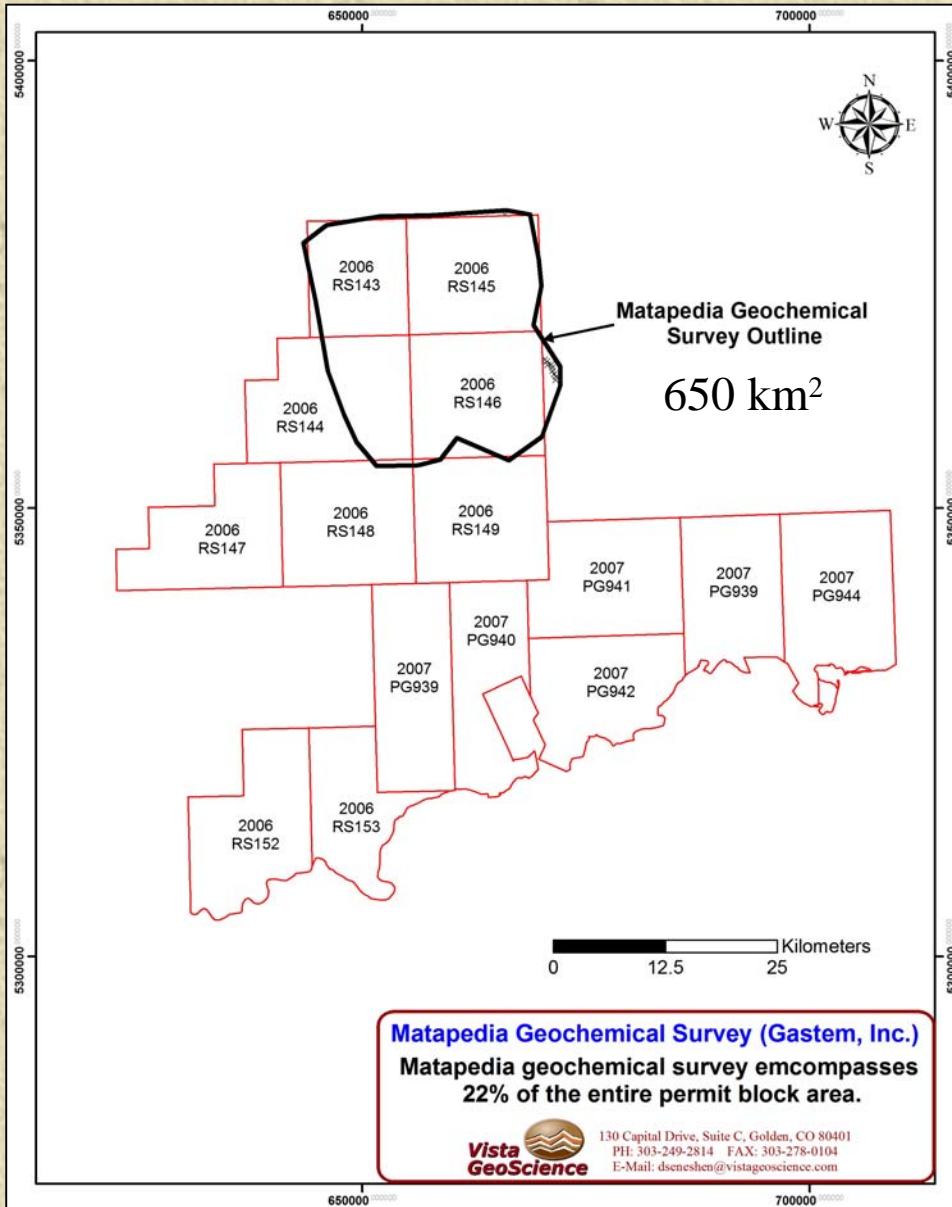
Geology (Hulen et al. 1994) and structure (McCutcheon and Zogg, 1994)

Composition of produced water from oil and dry wells – Grant Canyon

Hulen et al (1994)

Concentrations (mg/kg)	GC #3 Oil Well	WGC Dry Well 21-31
K	72	14.6
Ca	56.3	31.8
Mg	7.2	3.4
Sr	1.07	0.93
Br	4.86	0.63
Li	1.8	0.21
Cs	0.058	0.025
Rb	0.31	0.09

Matapedia Geochemical Survey (Gaspé Peninsula, Quebec)

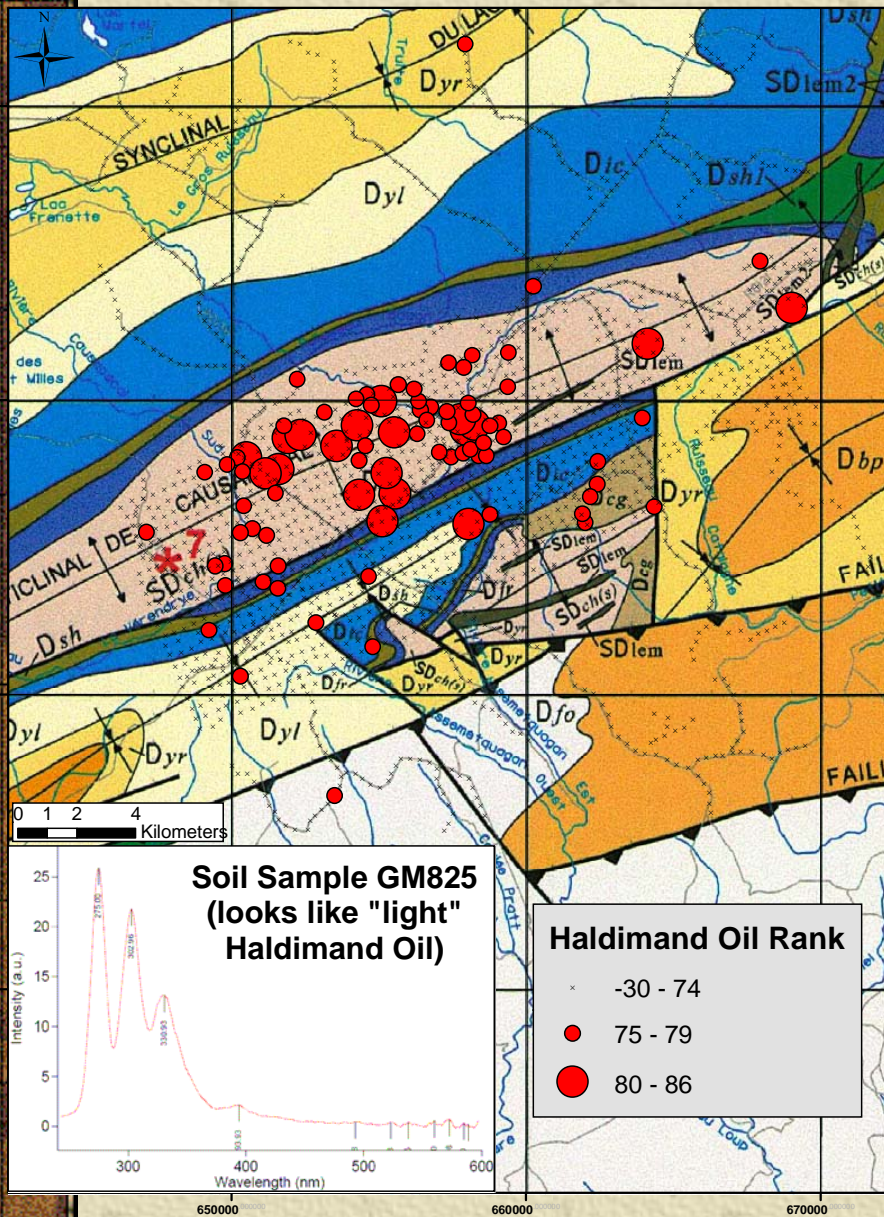


Matapedia Geochemical Survey (Gastem, Inc.)
 Matapedia geochemical survey encompasses 22% of the entire permit block area.

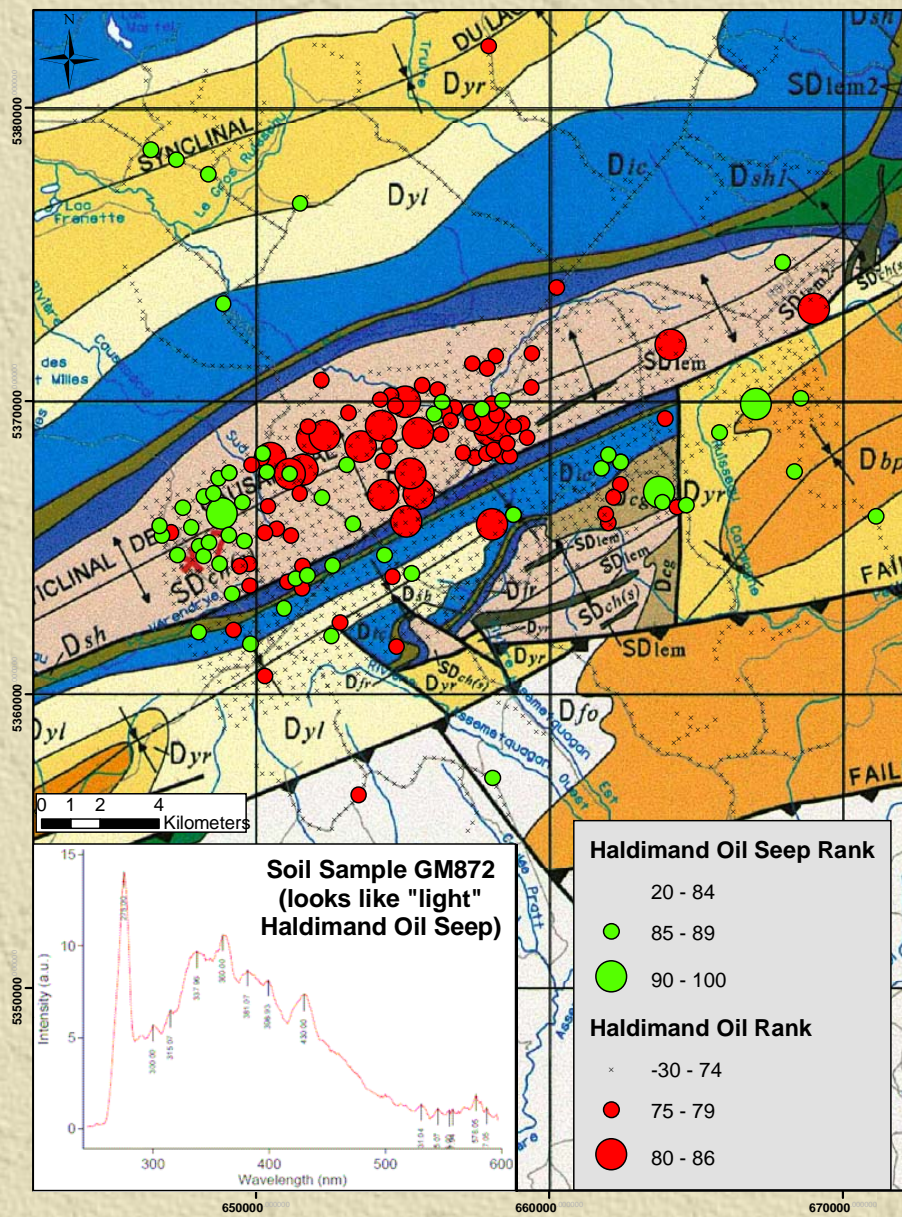
Vista GeoScience 130 Capital Drive, Suite C, Golden, CO 80401
 PH: 303-249-2814 FAX: 303-278-0104
 E-Mail: dsenesen@vistageoscience.com



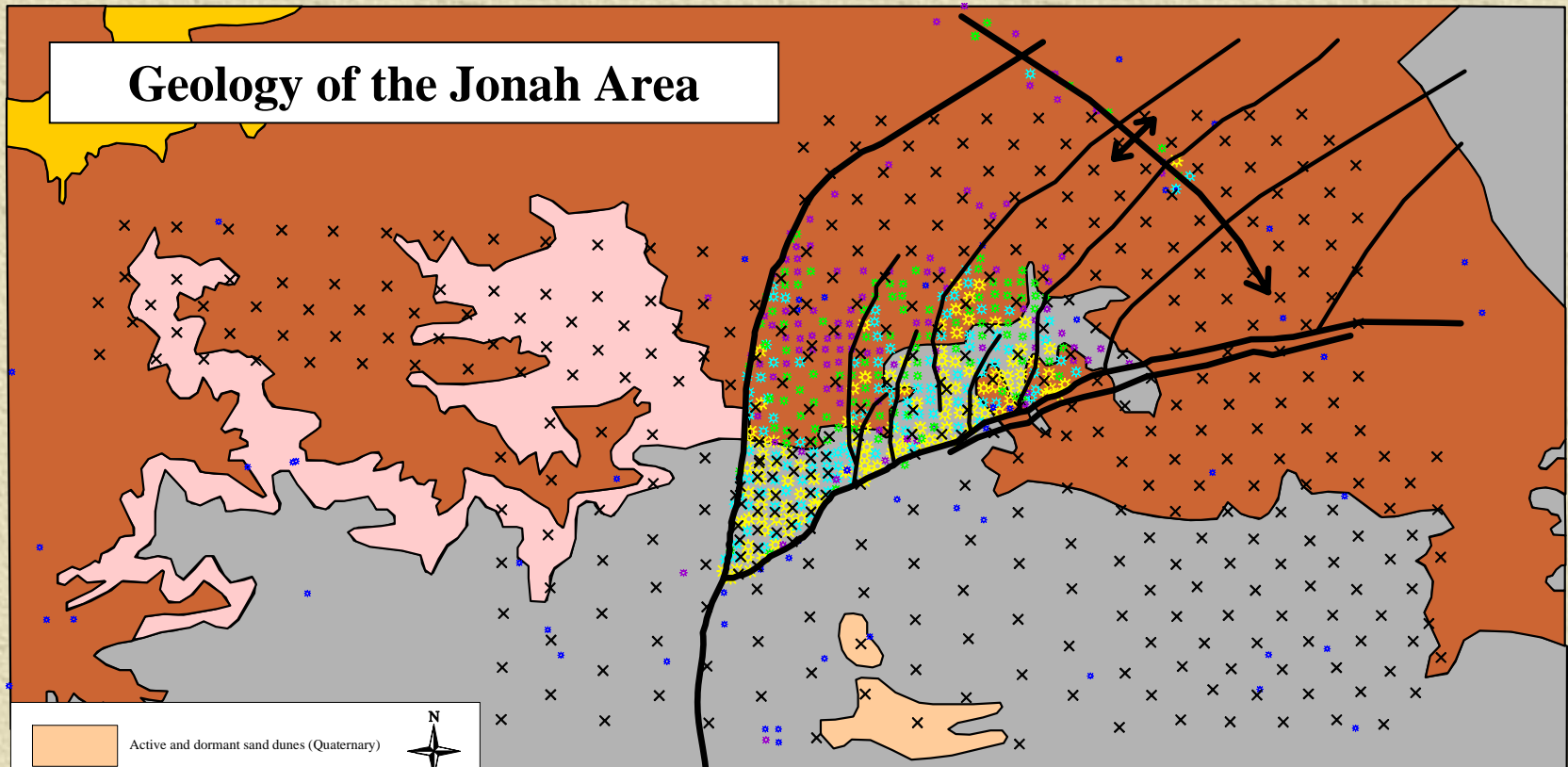
Haldimand Oil Rank



Haldimand Oil and Seep Rank



Geology of the Jonah Area



Active and dormant sand dunes (Quaternary)

Alluvium & Colluvium - clay, silt, sand, and gravel in flood plains, fans, terraces and slopes (Quaternary)

Laney Member of the Green River Formation - oil shale and marlstone (Tertiary ~45 Ma)

Wilkins Peak Member of the Green River Formation - green, brown and gray tuffaceous sandstone, shale and marlstone - contains evaporites in subsurface section (Tertiary ~49 Ma)

North Fork Tongue Member of the Wasatch Formation - dull red and green mudstone, brown sandstone, and thin limestone beds (Tertiary)

Wrench Fault

Thrust Fault

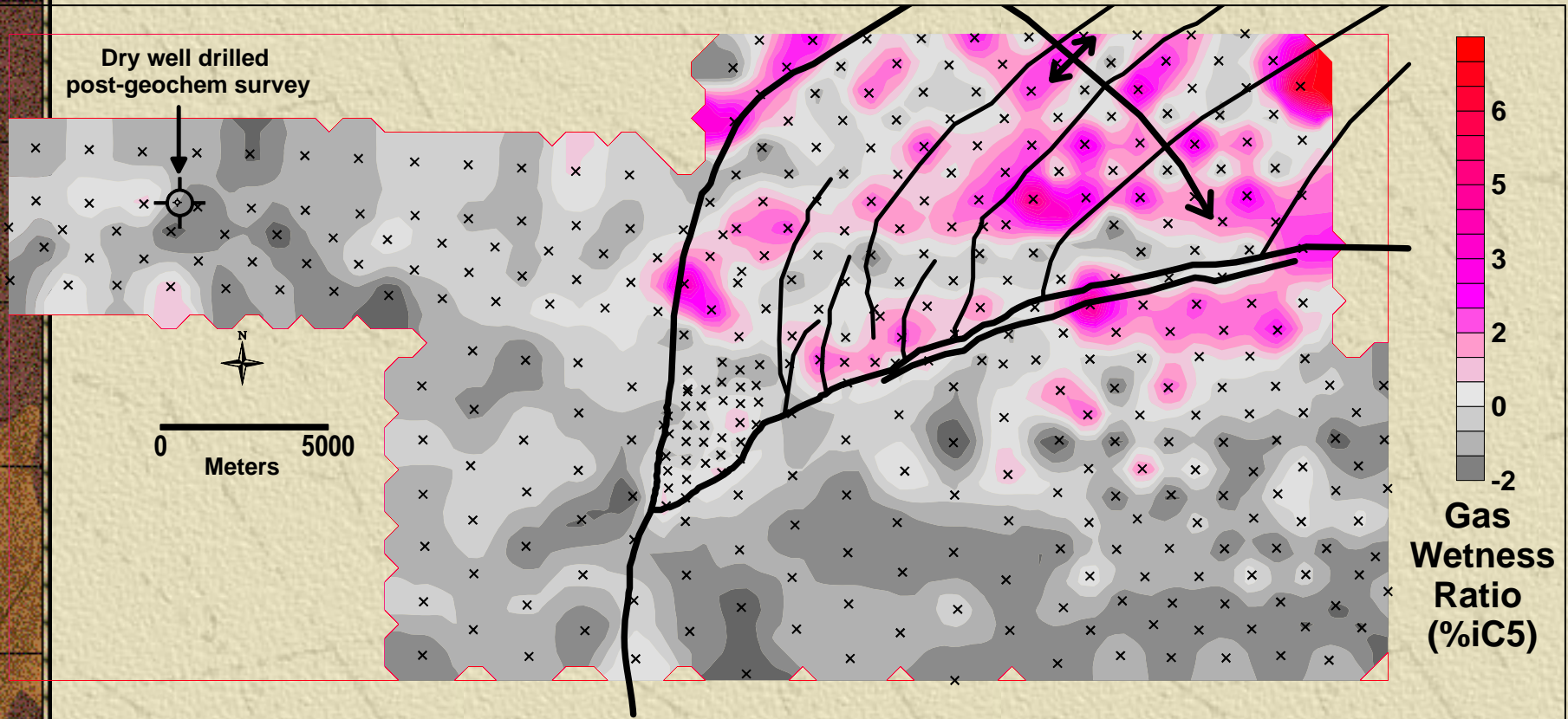
Normal Fault

0 Meters 5000

Produced Gas Composition (DuBois et al. 2004)

C1	C2	C3	iC4	nC4
91.56	4.96	1.54	0.34	0.33
iC5	nC5	C6+	N2	CO2
0.12	0.10	0.08	0.20	0.77

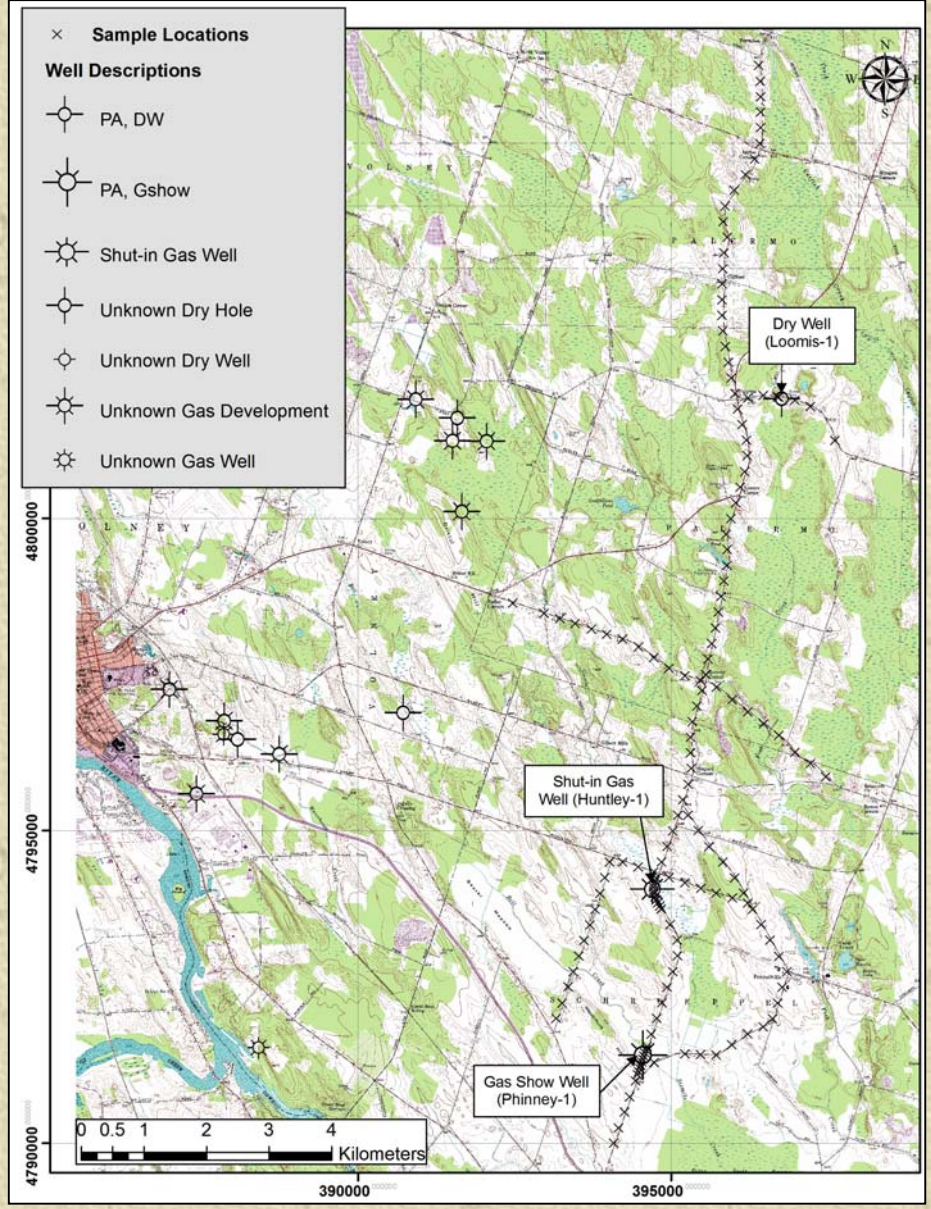
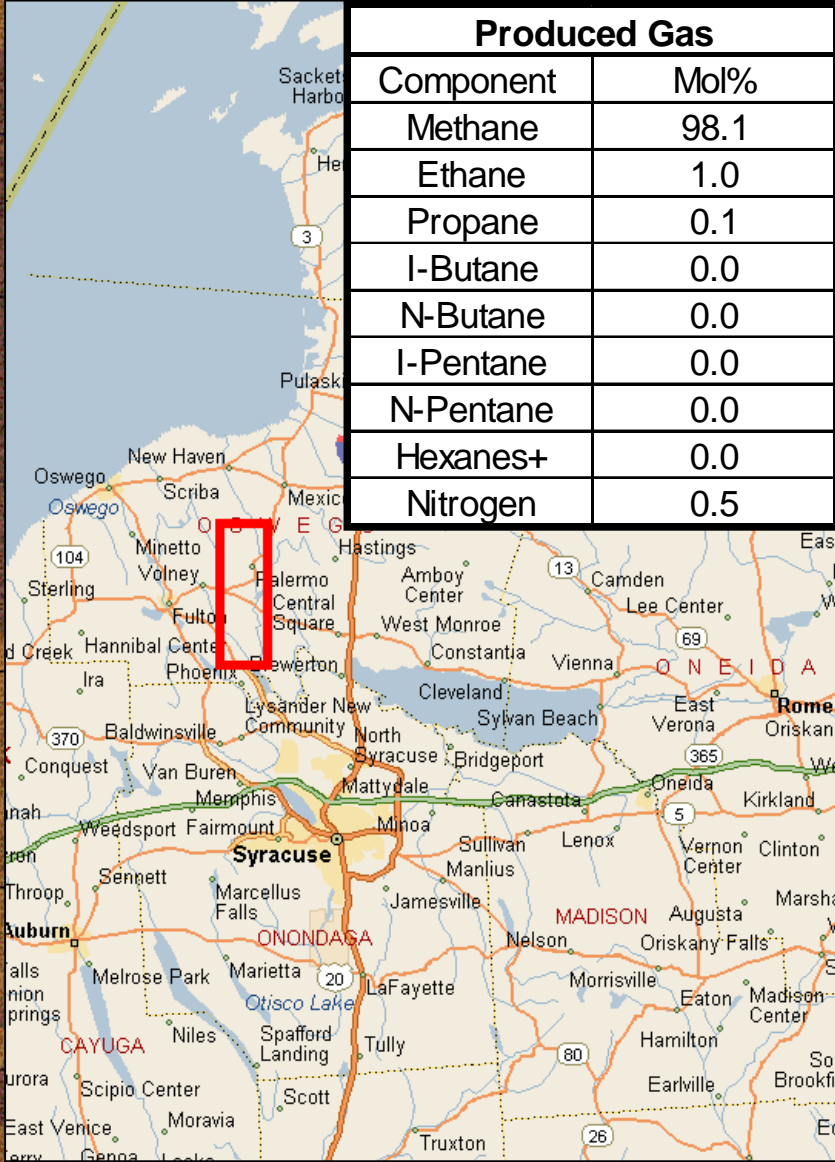
Spatial Correlation of Hydrocarbon Anomalies and Overpressure



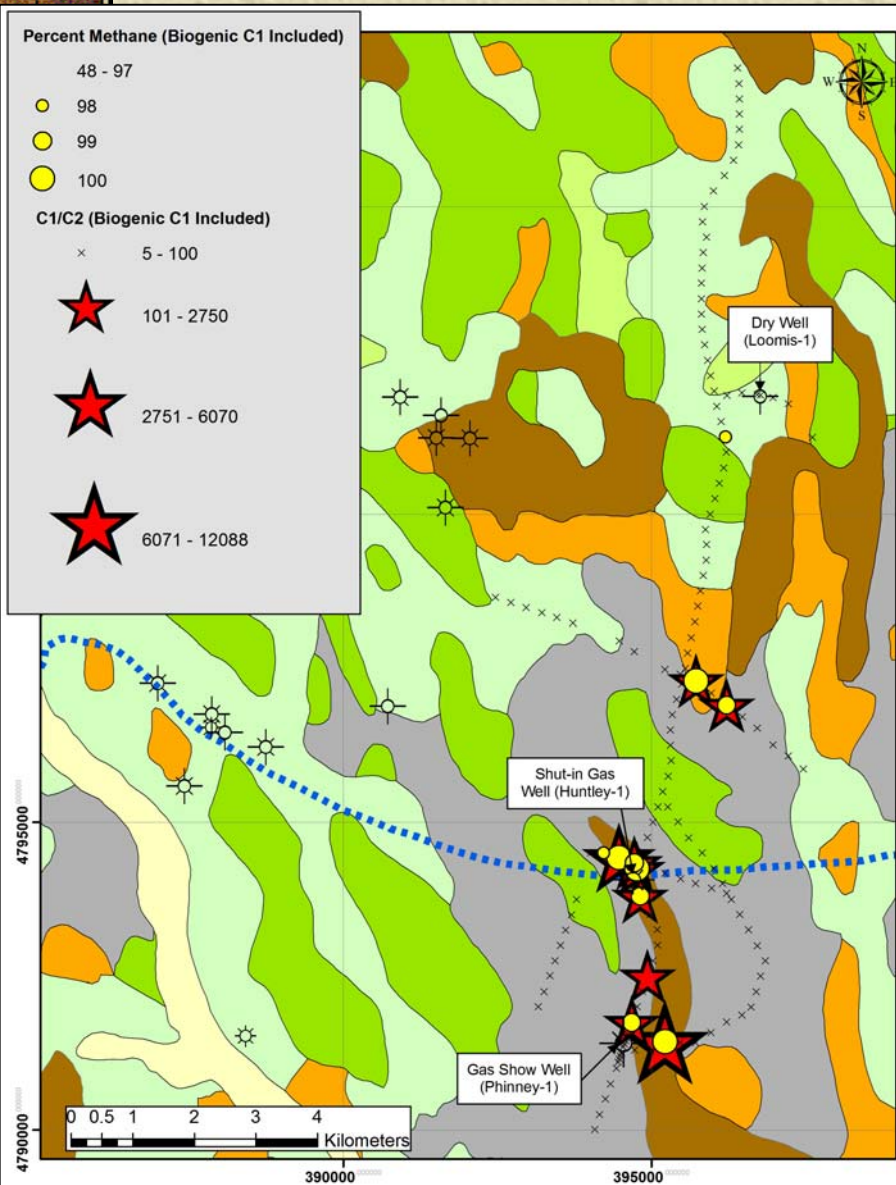
Structural Geology (Hanson et al. 2004)

Geochemical Survey Over Fractured Trenton Gas Play, Northern New York

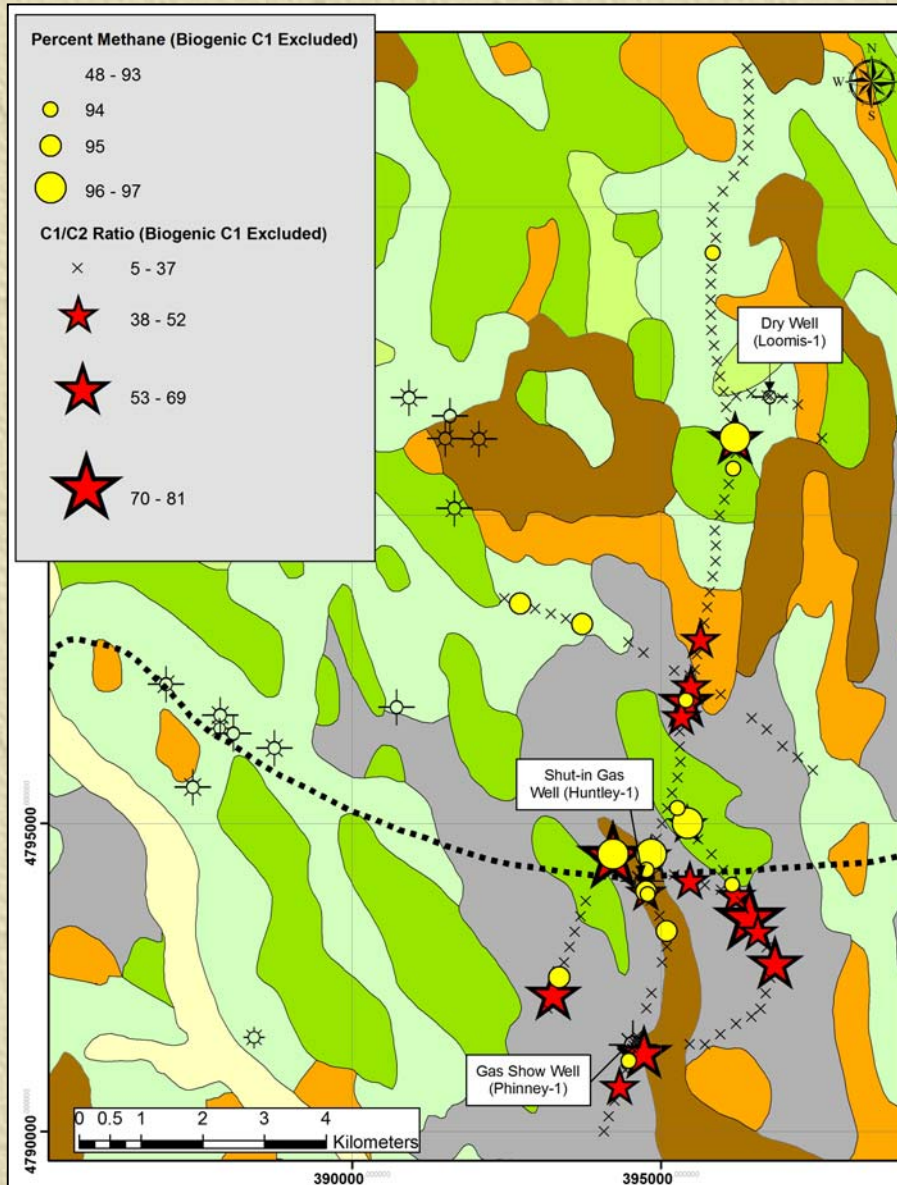
Produced Gas	
Component	Mol%
Methane	98.1
Ethane	1.0
Propane	0.1
I-Butane	0.0
N-Butane	0.0
I-Pentane	0.0
N-Pentane	0.0
Hexanes+	0.0
Nitrogen	0.5



Biogenic Methane – Deep Soils



Thermogenic Methane – Deep Soils



Problems “Attributed” to Oil & Gas Development

- ✦ **Loss Of Property Value**
- ✦ **Declining Water Well Quality**
 - ◆ **Sulphurous smell**
 - ◆ **Corrosive to Plumbing**
 - ◆ **Discolored, Tastes Bad**
- ✦ **Declining Water Well Yields**
- ✦ **Dissolved & Free Methane or BTEX in Water Well**
- ✦ **Greatest Public Concern/Fears Regarding:**
 - ◆ **HYDRAULIC FRACTURING – Communication With Surface**
 - ◆ **METHANE EXPLOSIONS**
 - ◆ **SURFACE DISPOSAL OF PRODUCED WATER (Coal Bed Methane Production)**

What is a Baseline Survey?

- ✦ Documents Environmental Conditions Prior to Drilling & Monitors Changes During Development or Exploration
- ✦ Provides Opportunity to Document & Gain Valuable Information
 - ◆ Natural Gas Seeps
 - ◆ Water wells (static water levels and quality)
 - ◆ Capture Local/Traditional Knowledge
- ✦ Provides Basis For Managing Complaints
 - ◆ Assign Accountability and Responsibility
 - ◆ Legal Recourse
- ✦ Requires Consistent Sampling Protocols And QA/QC
 - ◆ Reliable Forensics Depends On It
 - ◆ Legally Defendable

Benefits to Oil & Gas Producers

- ✦ **“Insurance” for Potential Litigation Following Development**
- ✦ **Ensure Safe Drilling Sites**
 - ✦ (i.e. Find Explosive Levels of Methane)
- ✦ **Improve Community Relations**
- ✦ **Save \$\$\$\$ on Lost Gas Production from Leaky Infrastructure**

Baseline Measurements

✦ Air Photo Anomalies Inventoried

- ◆ Stressed Vegetation
- ◆ Lineaments

✦ Soil Gas Seep Surveys

- ◆ Oil/Gas Wells & Infrastructure Leaks
- ◆ Infrared Ambient Air Surveys
- ◆ Foot FID/PID Ambient/Ground Seep Surveys

✦ Surface & Ground Water Observations

- ◆ Domestic Well Chemistry
- ◆ Natural Spring Chemistry
- ◆ Surface Water (Streams, Ponds) Observations








Baseline Survey Progression

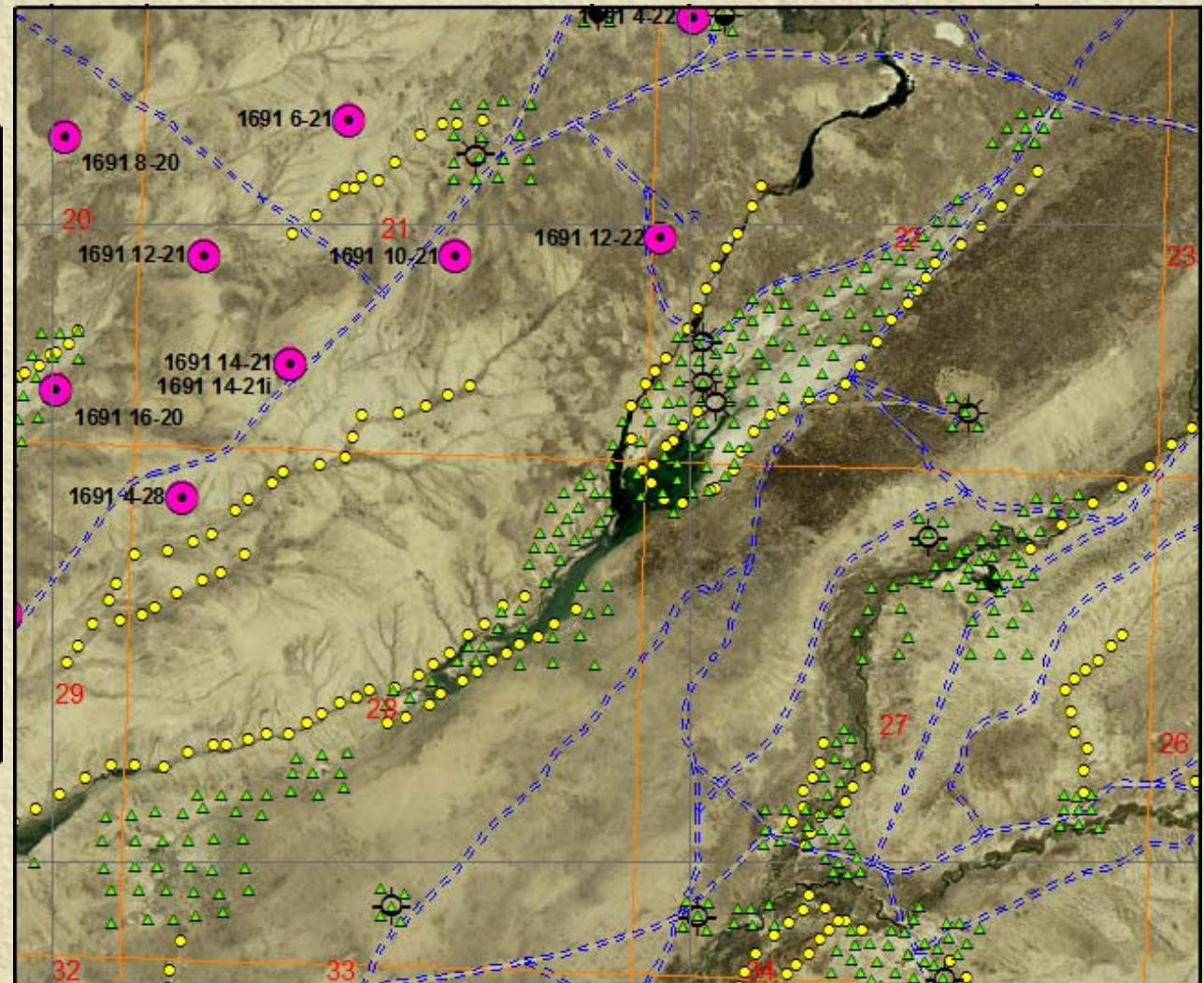
Identify Targets from Aerial Photography

Legend

Old_Well_Sites

Status

-  D&A
-  D&A-G
-  D&A-OG
-  GAS
-  Proposed Well Pads
-  Areas of Interest
-  Linear Features

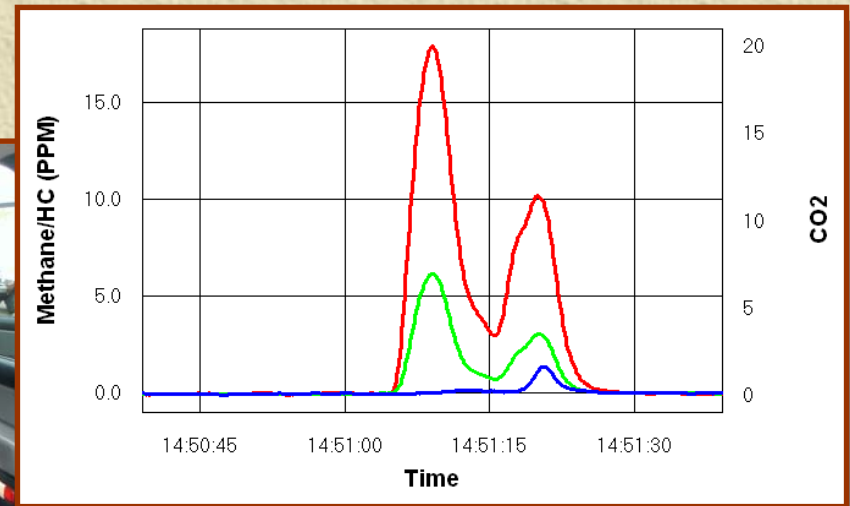


Ambient Air Methods

Mobile Infra-Red Spectroscopy

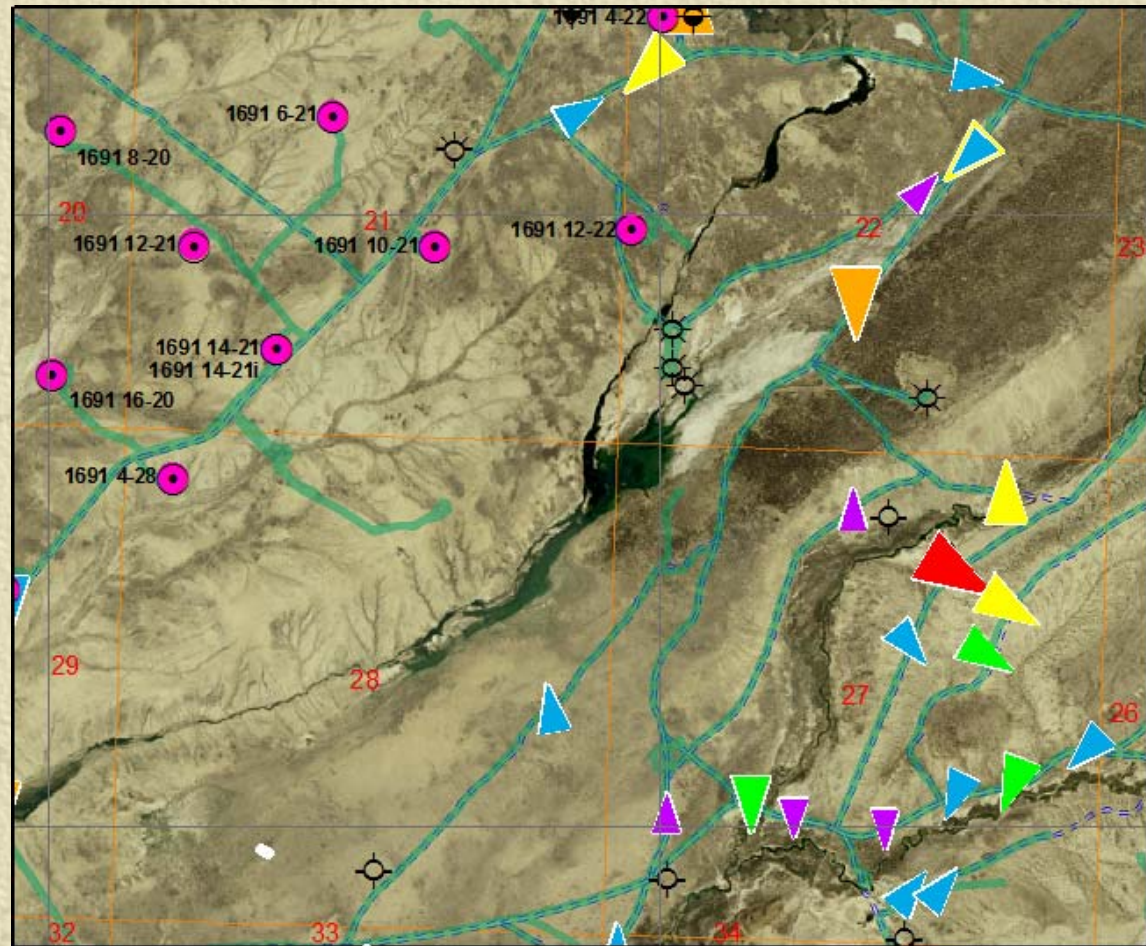
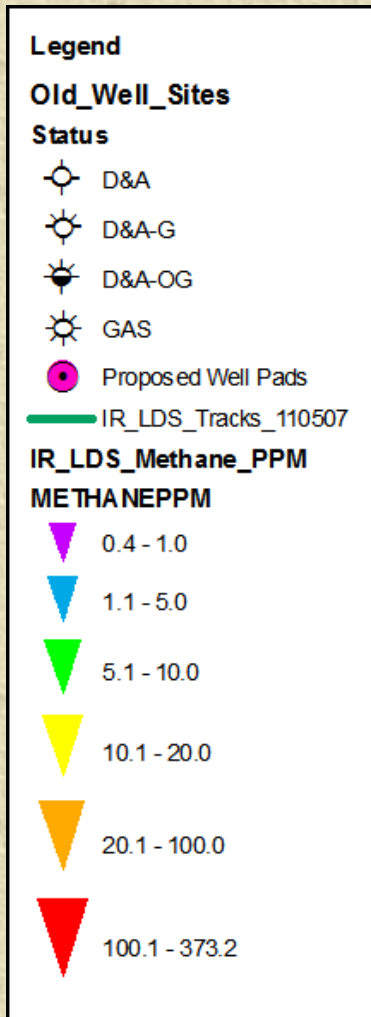


- ✦ Real-time sub-ppm airborne CH_4 , C_2+ , CO_2
- ✦ <1-ppm sensitivity



Baseline Survey Progression

Truck-mounted infra-red sensor survey



Ambient Air Methods

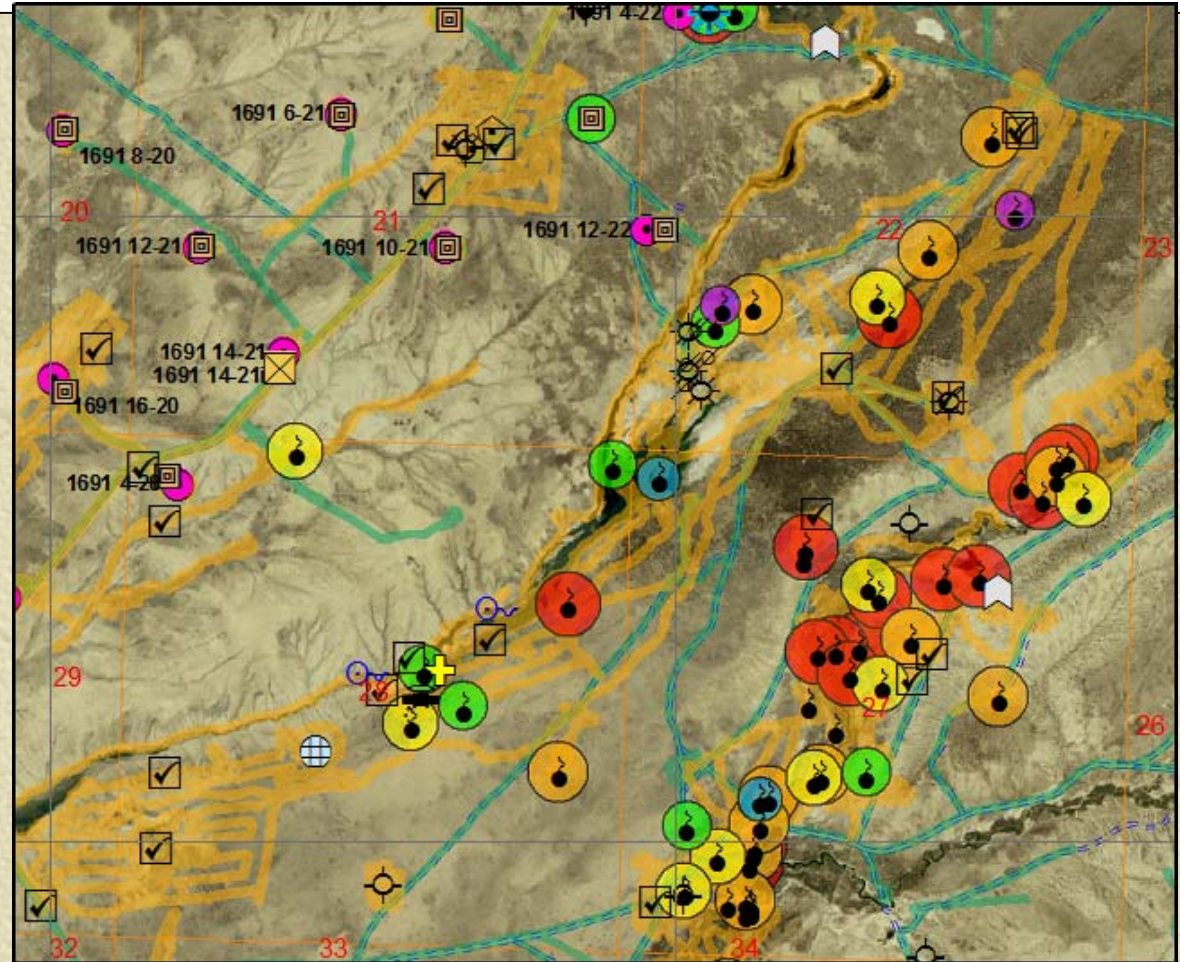
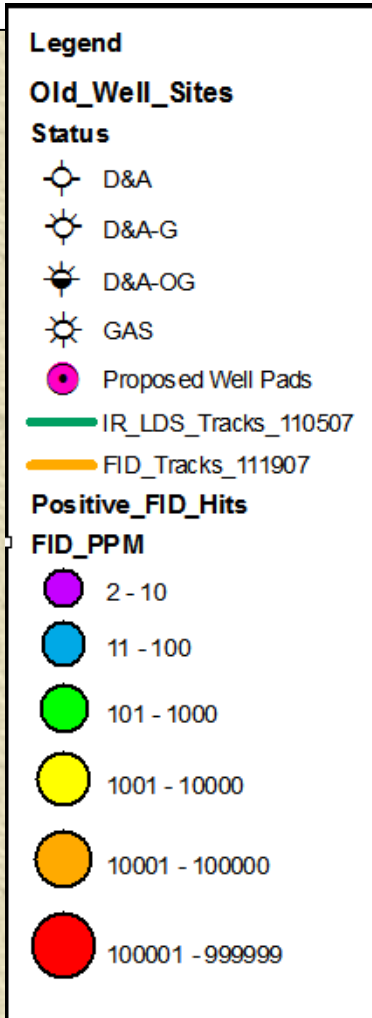
FID/PID Survey

- ✦ FID/PID Gas Seep Surveys
- ✦ Unique & Rapid Method
- ✦ 1 ppm CH₄ Sensitivity



Baseline Survey Progression

FID/PID Survey



Soil Gas Sampling Methods

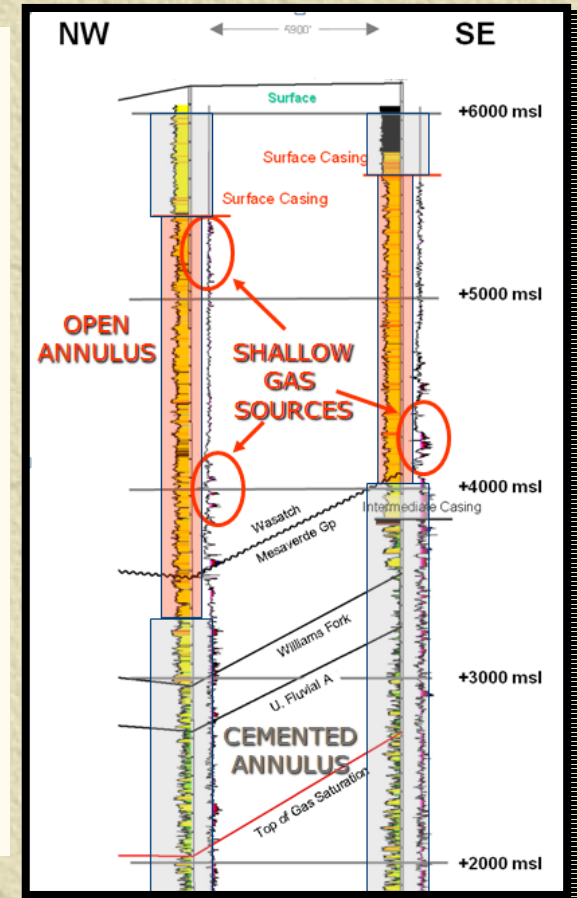
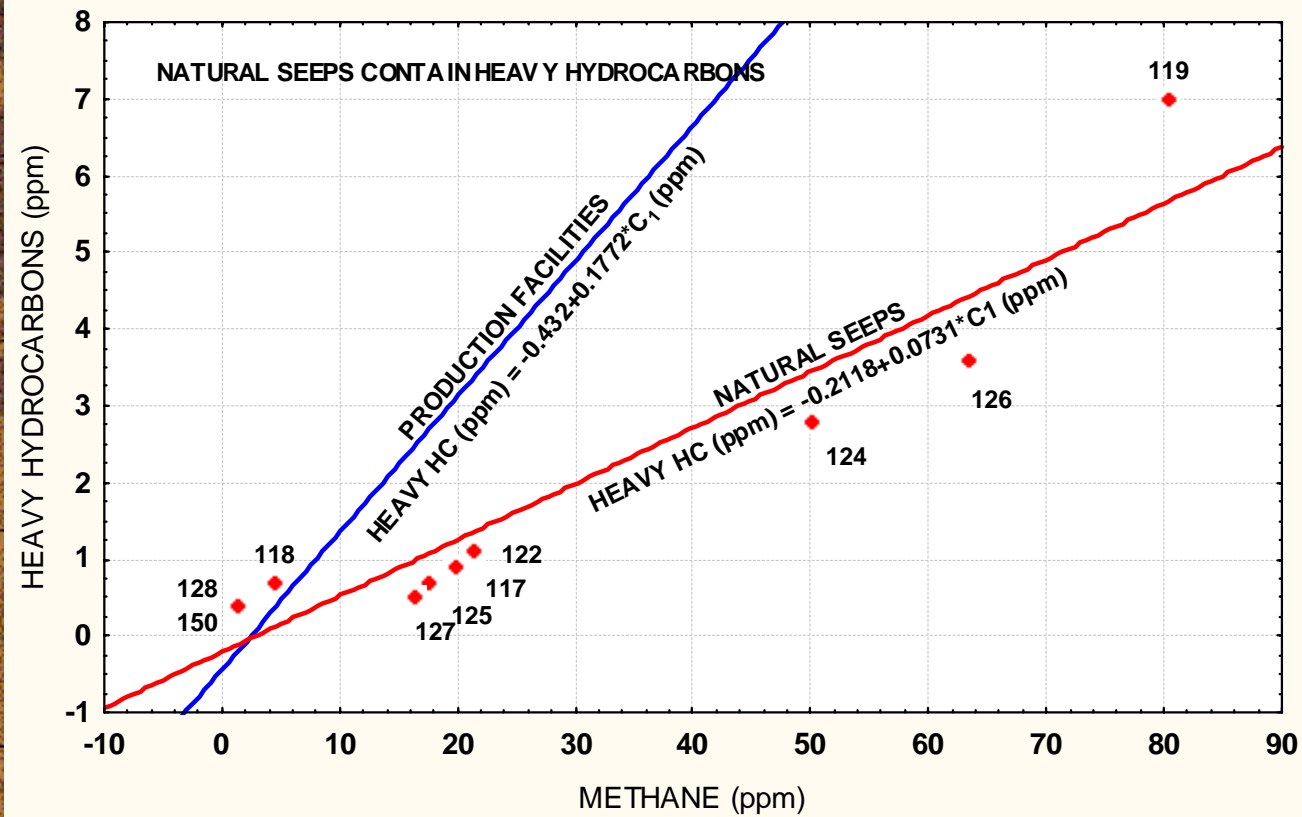
✦ Hand Probe

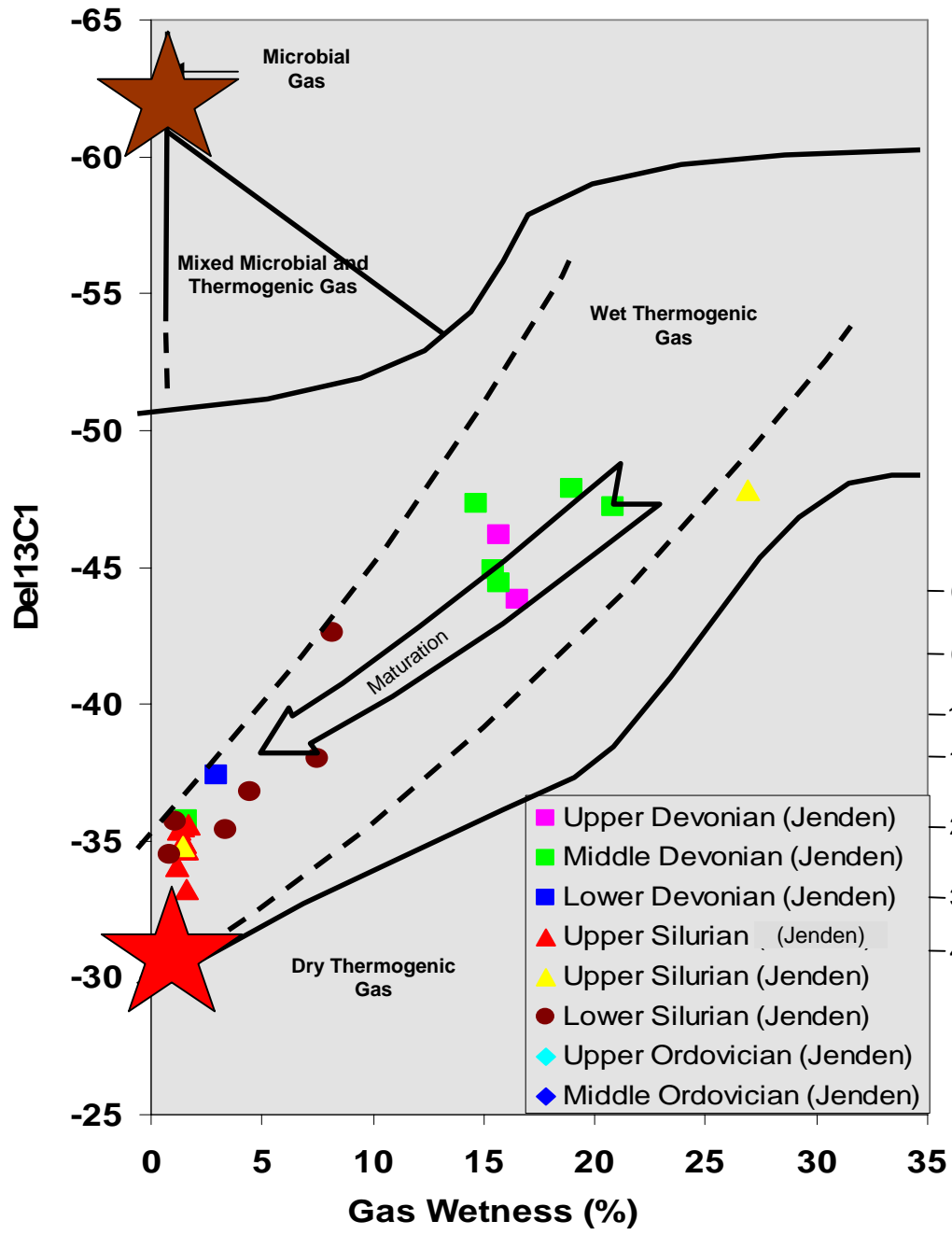


✦ Hydraulic GeoProbe



Source of gas seeps?





Composition of Appalachian Basin Gas



Biogenic surface gas seep



Thermogenic surface gas seep

Source Rock R_0 (%)

Summary

- *Geochemical surveys are complementary tools to reduce oil & gas exploration risk.*
 - *Sample intervals are a function of target size.*
 - *Wet gas and oil seeps over oil/gas fields.*
 - *Oil-field Brines in HTD (Li, Mg, Sr, Ca, Br).*
 - *Thermogenic methane seeps over dry gas fields.*
- *Baseline monitoring documents gas seeps and water quality prior to and during development, and it provides an “insurance policy” for oil & gas companies.*