

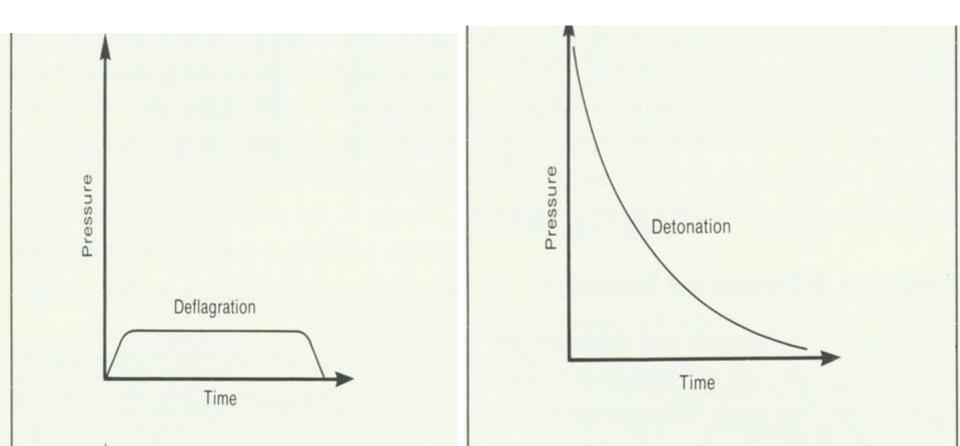
Petroleum Development Services - Free Zone

The GasGun[™] -- Stimulating Oil and Gas Wells with a Solid Propellant

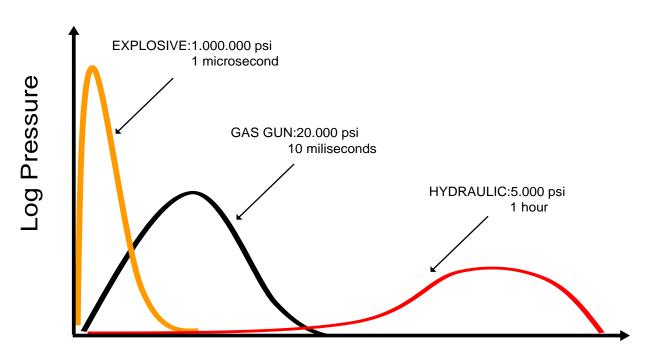
Multiple radial fractures created by a gas-generating progressively-burning propellant

- The GasGun is an advanced well stimulation technique based on high-pressure gas generation by propellant combustion
- The GasGun designed to enhance existing completion methods, and in many applications provide a more cost-efficient alternative.
- The propellant used in GasGun device do not detonate supersonically, it deflagrate at subsonic velocities.
- Deflagration can be simply explained as a burning process that takes place without an outside source of oxygen.
- The GasGun uses solid propellant, often referred to as a low explosive, to generate high pressure gas at a rapid rate.
- Propellants have energy densities approximating <u>those of high</u> <u>explosives</u>, and are thus more compact than any other prime energy source other than nuclear.

	COM	DEF	DET
Velocity (m/s)	10 ⁻²	1	>10 ³
Energy (cal/g)	10 ³	10 ³	10 ³
Gas Volume(I/g)	1	1	1

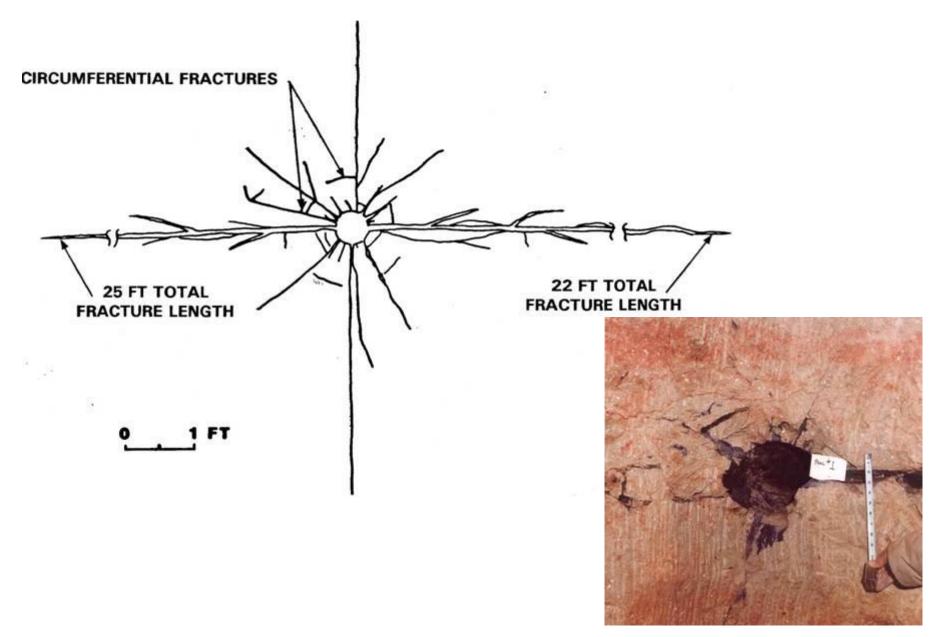


- The propellant type devices typically produce a high pressure event lasting on the order of a few milliseconds to perhaps a few hundred milliseconds, as opposed to a few microseconds for high explosive well shots.
- This longer event time is the secret to producing multiple fractures and avoiding stress cage damage.

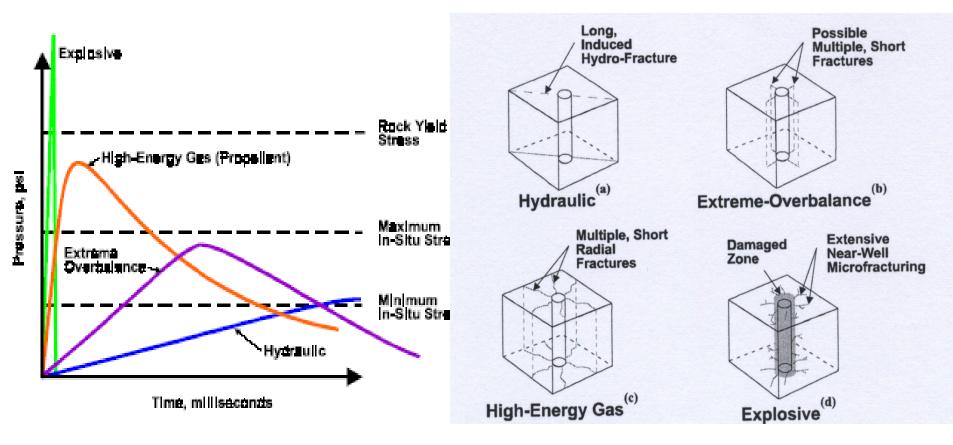


Log Time

- This process permits simultaneous initiation of numerous multi-oriented fractures at most well depths and conditions.
- Activated in-zone under a liquid column, the system acts as its own high capacity pump, and generates its own stimulation in the form of gas.
- The rate is tailored to the formation characteristics to be rapid enough to create multiple fractures radiating 10 to 30 feet from the wellbore.
- The star-shaped pattern of multiple fractures removes wellbore damage or blockage and increases the formation permeability near the wellbore.

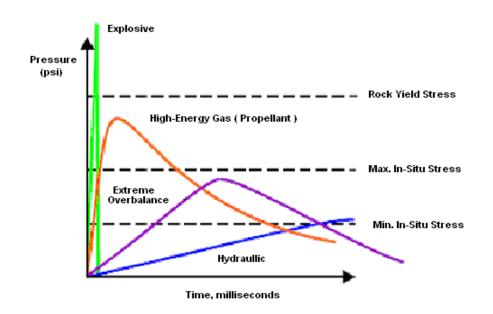


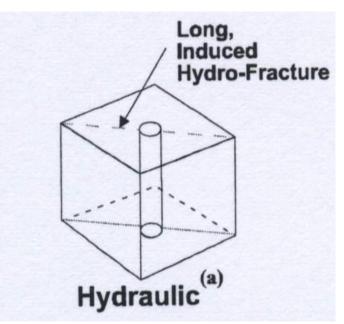
Classifications of various fracturing processes



 Fracture stimulation technologies can generally be categorized according to the rate at which energy is applied to the target horizon to induce fracturing.

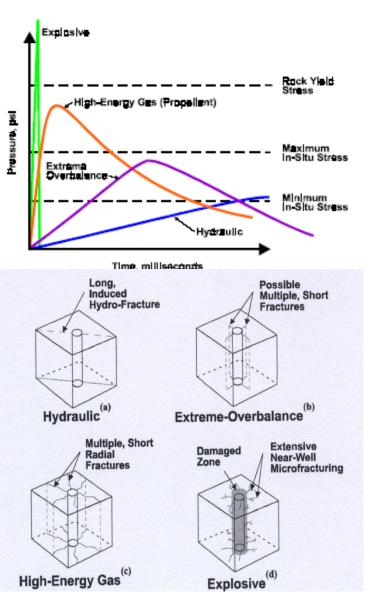
Classifications of various fracturing processeshydraulic fracturing





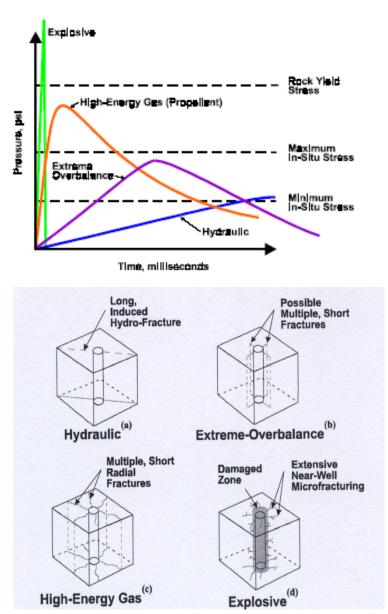
- low rate of loading
- *two-winged vertical* fracture extending outward from a well
- oriented perpendicular to the least principal rock stress.
- max pressure will slightly exceed the min in-situ rock stress.
- the fracture opens and closes without any lateral shift.

Classifications of various fracturing processes-explosive fracturing



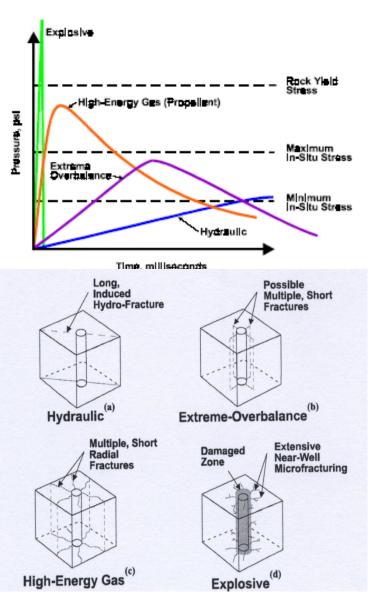
- On the other extreme, explosive fracturing involves a very rapid loading of the target formation resulting in a highly fractured zone around the wellbore
- Because the peak pressures exceed both the minimum and maximum in-situ stress, fractures in all three dimensions are created.
- the peak pressure can also exceed the rock yield strength which, when coupled with the high induced compressive stresses in the vicinity of the wellbore, cause compaction to such a degree that permeability is actually decreased in the near-wellbore region, resulting in a damaged zone..

Classifications of various fracturing processes-solid propellant fracturing



- The solid-propellant fracturing tool generates high-pressure gases at rate that creates fractures dramatically different from either high explosives or hydraulic fracturing.
- The solid-propellant fracturing is characterized by peak pressures exceeding both the maximum and minimum in- situ stresses, but not to a level that exceeds the rock yield strength

Classifications of various fracturing processes-solid propellant fracturing



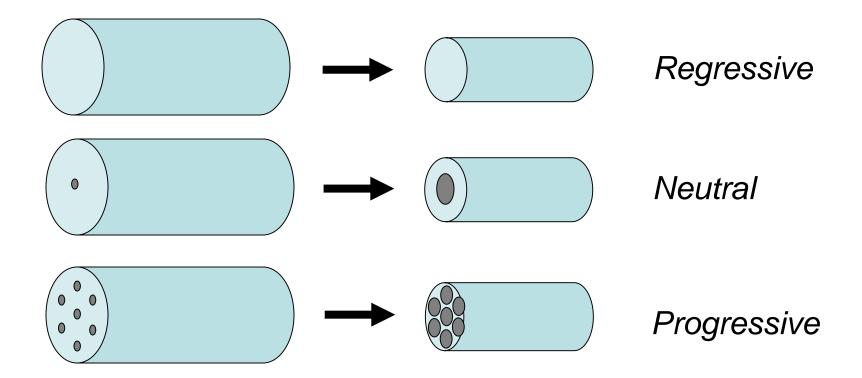
- The pressure from the propellant burn is above the tensile strength of the formation, but below the formation's shear strength.
- This produces fracturing rather than crushing or grain shattering.
- The stimulation occurs within a few 100's of a ms; fast enough to insure a preferential path is not followed
- all perforations are presented with a relatively equal pressure differential.

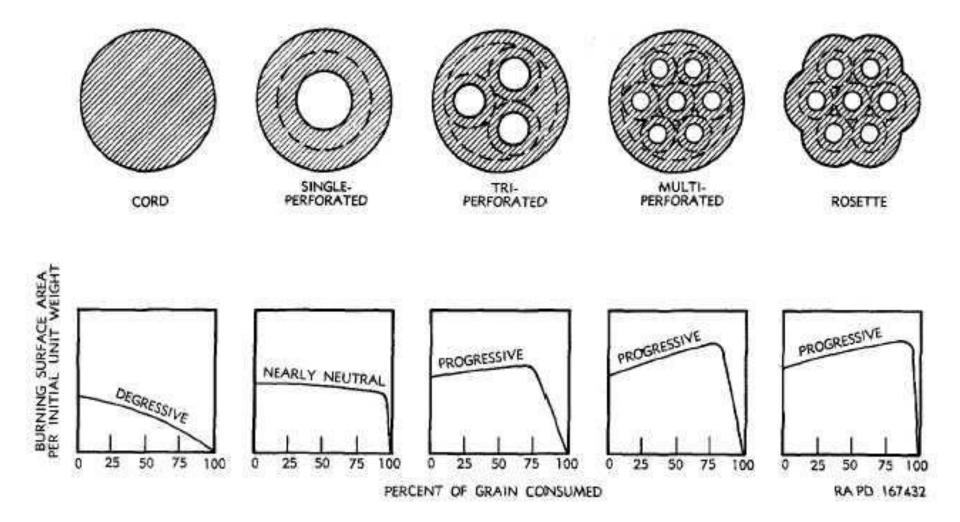
Progressive burning-secret of Gas Gun effectiveness

- the GasGun incorporates a vastly improved design with progressively burning propellants
- Progressive burning have been proven by independent research to be many times more effective in creating fractures and increasing formation permeability.
- Progressive burning means that gas is produced faster as the material is consumed, saving energy until late in the fracturing process when needed to drive the fractures deep into the formation.
- The progressive burning is much more effective in controlling peak pressures and advancing the fractures late in the process when crack volumes are the greatest.
- Independent research bears this out.

- In a study conducted by Sandia National Laboratories (USA), a multi-perforated propellant was 300 times more effective in enhancing formation permeability than a standard solid propellant in a direct side-by-side comparison.
- progressive burning also provides an important benefit allows us to put more propellant energy in the tool
- producing more gas volumen and longer fractures, while keeping the pressure from getting too excessive, which would damage casing.

Speed of burn front $r = a p^n$



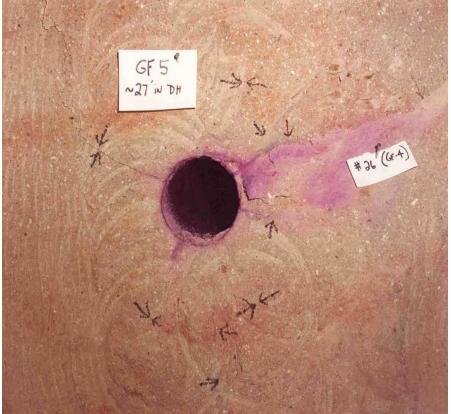


The magic of multi-perforated propellants

- peak pressures controlled
- no energy wasted in rock compaction
- *no energy wasted in creation of short fractures*
- majority of energy and gas production saved for fracture extension

Photographs of the multiple fractures created by progressive and regressive burning propellant





Progressive-GasGun

Regressive-other propellant tools

Study conduced by Sandia National Laboratories

GasGun progressive burningsurface test



Self propping

- fracture propping characteristics of solid propellant stimulations occur from two sources:
- The violence of the event produces some debris that is propelled into the fractures,
- there is some degree of "self propping" that occurs from shear motions on fractures that are not aligned with the principal in situ stresses.
- Hydraulic fractures orient themselves perpendicular to the least principal stress, taking the path of least resistance.
- That plane will have no shear stress on it, so the fracture opens and closes without any lateral shift.
- Solid propellant fracturing, when formulated correctly, produces multiple fractures, some of which are oriented at angles to the principal stress directions.
- These fracture planes have shear stresses acting on them, meaning that the fractures will shift slightly sideways while they are open.
- That way, as they close, the "jigsaw puzzle" does not fit back together neatly, and the fractures will remain partly open.

Self propping

 The best field evidence that these propping mechanisms actually work is the fact that production improvements from GasGun stimulations are typically long lasting.



What the Gas Gun can do for your wells

- Remove skin and damage from drilling fines, paraffin, mud cake, cement, etc.
- Stimulate lenticular sands
- Improve effectiveness of acidizing
- Prepare well for hydraulic fracturing
- Increase injection and withdrawal rates in gas storage wells
- Improve waterflood efficiency
- Stimulate naturally fractured reservoirs

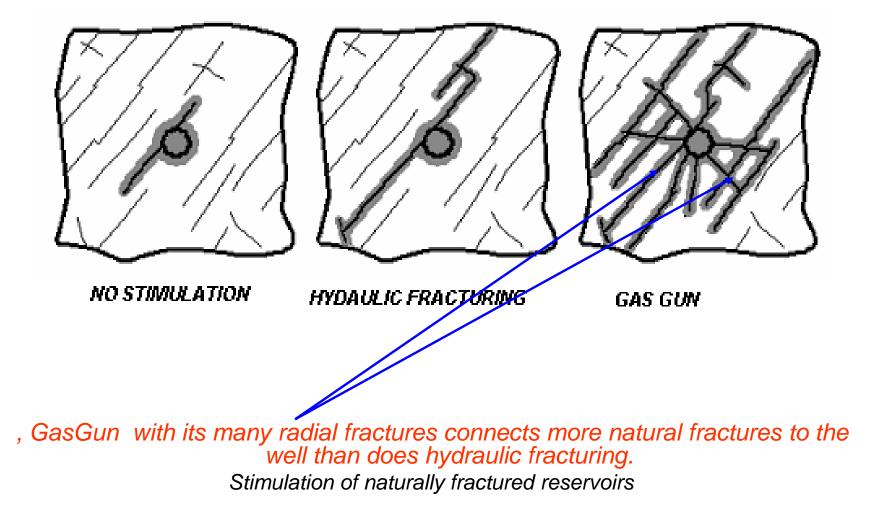
How does the GasGun compare with hydraulic fracturing?

- hydraulic fracturing creates a single fracture oriented perpendicular to the least principal in situ stress.
- the fracture propagates vertically as well as laterally seeking the path of least resistance.
- many hydraulic fractures have been known to break out of the producing formation and into aquifers and thief zones.
- While the fractures produced by the GasGun are more limited in length, gas pressures overpower in situ state of stress, creating multiple radial fractures with minimal vertical growth.

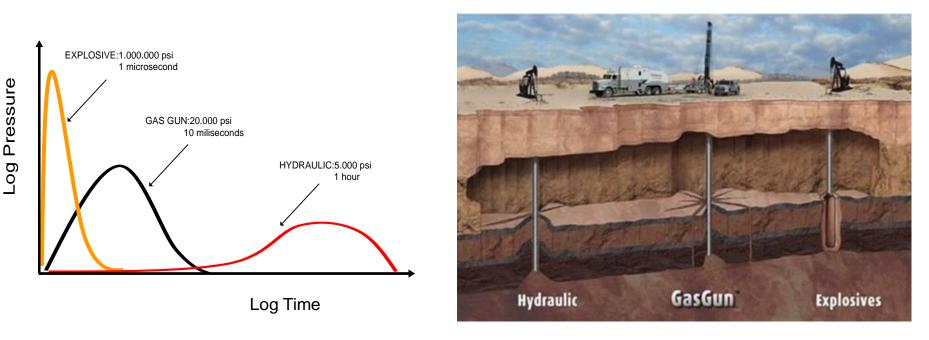
How does the GasGun compare with hydraulic fracturing?

- as a result GasGun fractures are much less likely to wander out of the producing zone.
- The multiple fractures created by the GasGun may also be much more effective than hydraulic fracturing in naturally fractured reservoirs.
- Hydraulic fractures commonly propagate parallel to most of the existing fractures or "with the grain".
- Multiple fractures may not extend as far, but may link the well to more of the natural fractures.

GasGun vs. Hydraulic fracturing stimulation of naturally fractured reservoirs



How does the GasGun compare with hydraulic fracturing?



- the GasGun is not replacement for large hydraulic fracturing
- large hydraulic fracture treatments can create a fracture hundreds, if not thousands, of feet in length
- but many small pay zones in depleted or low debit wells cannot justify the expense of these treatments
- the GasGun can be a very economical alternative and requires much less equipment for fielding

Advantages - GasGun vs. hydraulic fracturing

- minimal vertical growth out of pay
- *multiple fractures*
- entire zone stimulated no need to "ball off"
- *minimal formation damage from incompatible fluids*
- homogeneous permeability for injection wells
- *minimal on-site equipment needed*
- much lower cost

Advantages - GasGun vs. other propellant tools

- full-bore charge for maximum energy density and gas volume
- progressive burning for maximum fracture penetration
- *lower peak pressures reduce peripheral damage*
- better propping characteristics
- technology proven by independent research

Advantages;GasGun vs. other propellant tools



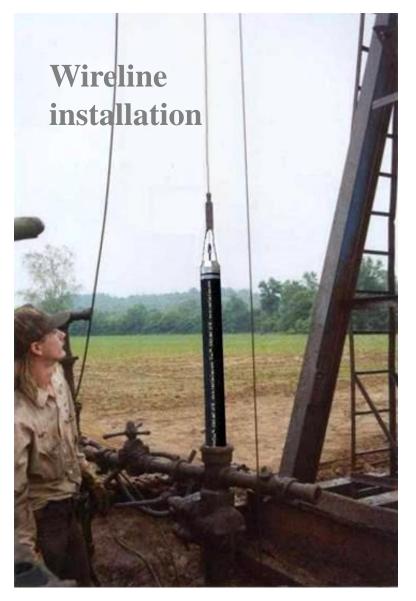
Progressive-GasGun

Regressive-other propellant tools

Study conduced by Sandia National Laboratories

GasGun-field operation

- Wireline conveyed
- Initiated with detonator similar to perforating gun
- Cased or open hole
- Compatible with lubricator, CCL, sinker bar, etc.
- 100 to 5500 meter fluid tamp
- HSC GasGun is conveyed similar as casing gun
- Can be deployed using TCP technique



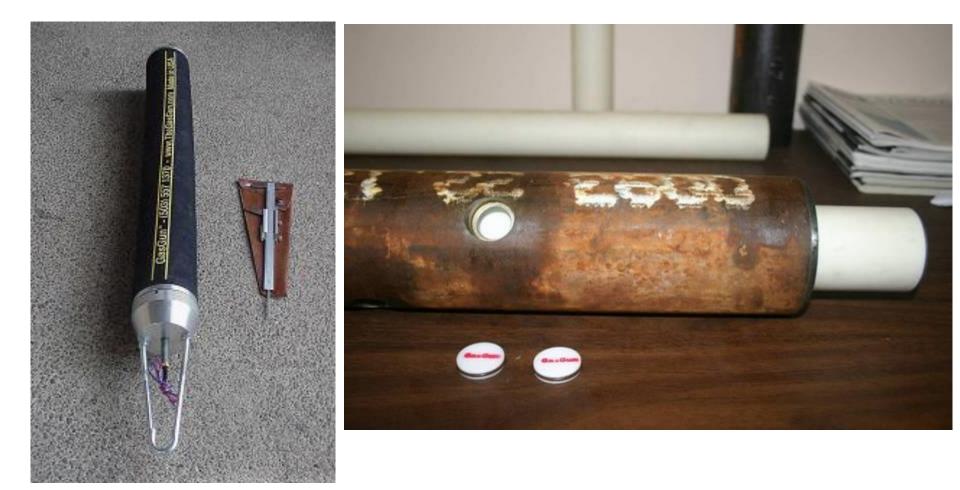
Field operation

- The fluid can be anything compatible with the formation such as fresh water, brine, oil, solvent.
- The tool is ignited while being suspended at the correct depth.
- Pressure control equipment, such as a lubricator, can be used when needed.
- Perforated casing must be of good quality and have perforation density at least 13 shots per m with a 12,7 mm entry hole diameter or 18 shots per foot with a 9,5 mm entry hole to allow sufficient area for the high pressure gas to exit the pipe.

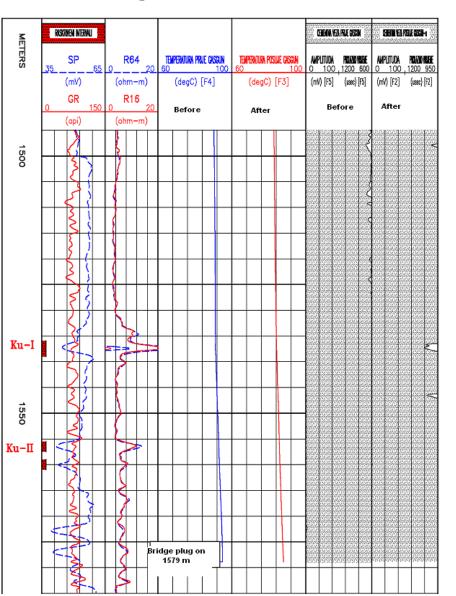
Gas Gun Tool-rubber cylinder or hollow steel carrier

Rubber canister tool

Hollow steel carrier tool-for enhanced pressure and temperature resistance



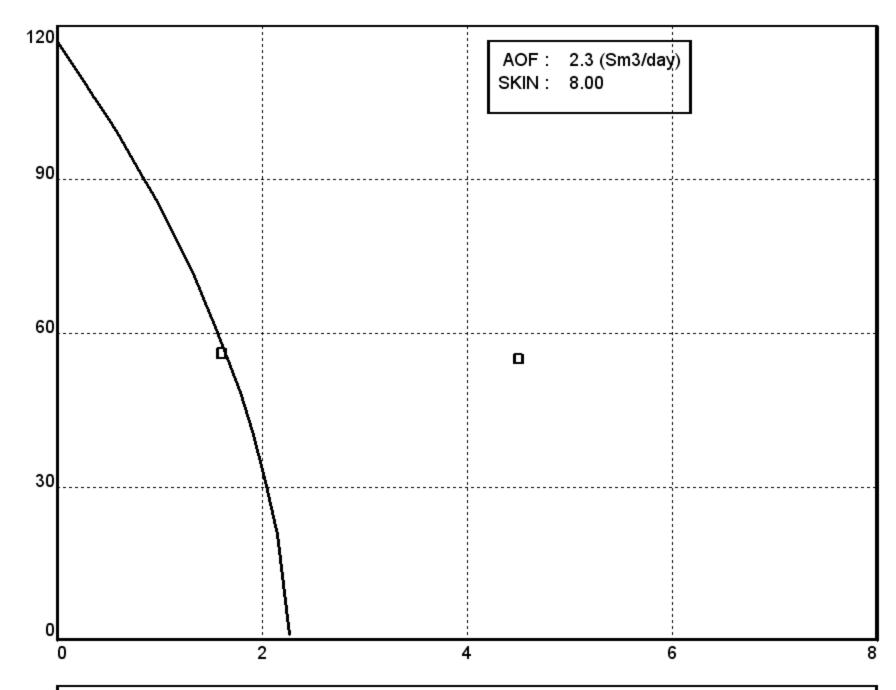
The analysis of detrimental effects of gas gun activation – cement bond quality



WELL Lip 173-Croatia Job performed 20. 10. 2004.

- CBL which had been performed after clearing run showed that there wasn't any sign of change regard to the logging before the stimulation job.
- It means that gas gun stimulation didn't cause any changes on cement bond quality

IFR plot Dalcy (Lip-175 10 May 05 15.44)



IFR PIOL Daily (LIP-175 10 May 05 10.41)

