Update on the Berea Sandstone Oil Play in Kentucky

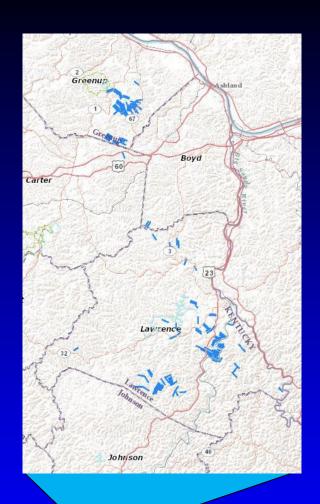
Stephen F. Greb, David C. Harris, Thomas M. (Marty) Parris, and Cortland F. Eble

> Kentucky Geological Survey, University of Kentucky

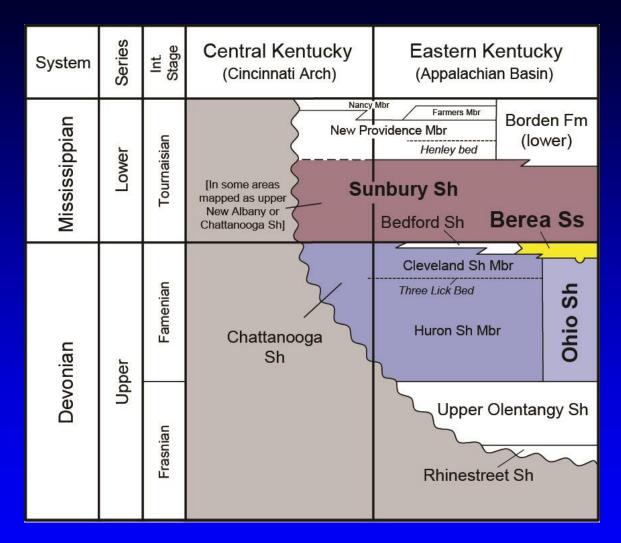


Update on the Berea Ss

- Berea Ss background
- Recent KY production trends
- Greenup and Lawrence County activity
- Research questions raised by recent activity
- Berea Sandstone Consortium







- The Berea Ss is an upper Devonian
 - (siltstone across much of KY)
- Interfingers with Bedford Sh
- Overlain by the Sunbury Sh and underlain by the Ohio Sh (potential source rocks)







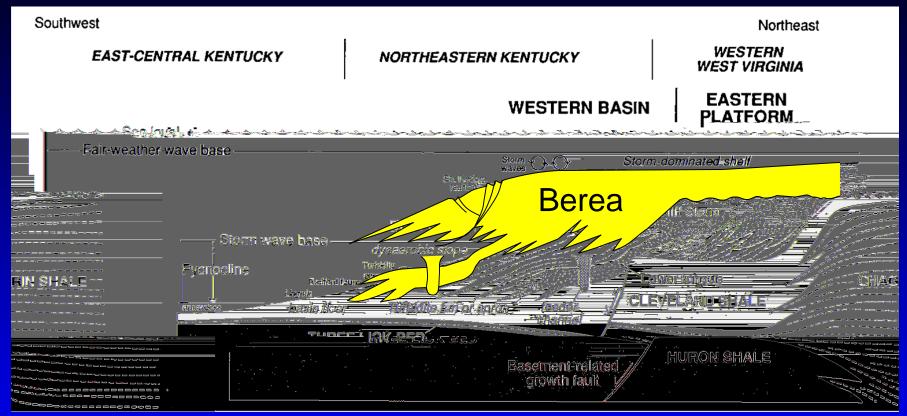










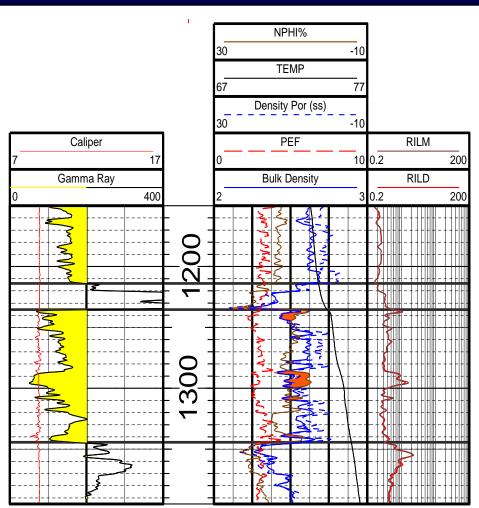


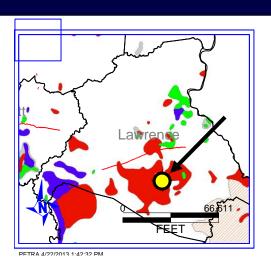
(from Pashin and Ettensohn, 1995)

Ky reservoirs are likely developed in storm shelf and slope deposits based on regional models (e.g., Pashin and Ettensohn, 1995)



Eastern KY type Log, Lawrence County





Sunbury Sh Berea Ss/Bedford Sh

Ohio Sh

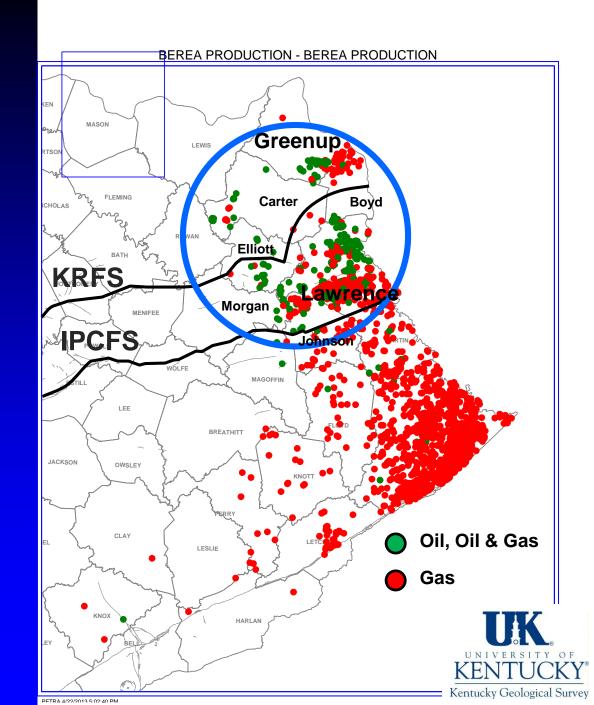
Berea is a classic low-permeability reservoir

137383 APP ENERGY 1 MOORE, C Lawrence KY



Berea Hydrocarbon Distribution

- Oil production limited to NE KY
- Shallower part of basin (north of Rome Trough)
- 1,898 Berea completions (mostly verticals) in KGS database
 - 58 horizontal oil completions since 2011



Greenup County

- Operator: Nytis Exploration
 - First completion in March, 2011
 - 51 horizontal wells permitted
 - Completion data submitted for 28 wells
- True vertical depths: 979-1362 ft (avg = 1132 ft)
- Stratigraphic traps
- Average lateral is 2,500 ft, oriented SE-NW (downdip)
- Multistage hydraulic fracture stimulation





Recent Production Trends Greenup County

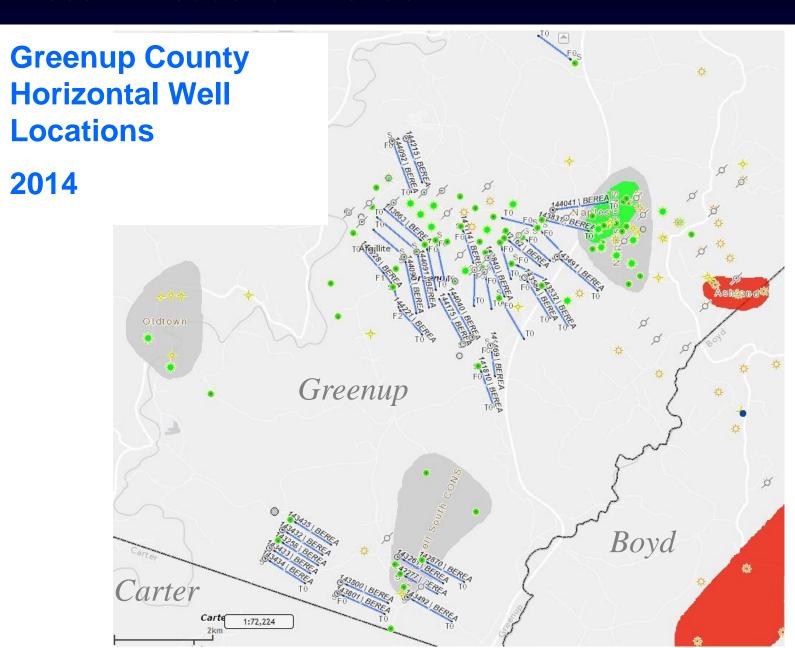
March, 2014

- 12-70 BOPD
- 7-37 MCFGD
- Water IP:
 - 15-114 bbl/day
- WOR (water/oil):
 - 1.3-6.0 (avg = 3)











Recent Production Trends Greenup County



Production data available for two wells:

Brice Sheperd 1 Emory Patton Heirs 2

Mean bbls/month	First 6 months bbls/month	Since bbls/month
389	389	389
695	614	744

Avg = 542 bbls/month



Lawrence County

- Operators: Eagle and others,
 Nytis Exploration, Hay
 Exploration, App Energy
 - First completion in October, 2012
 - 98 horizontal wells permitted
 - Completion data submitted for 30 wells
- True vertical depths: 1115-1862 ft (avg = 1517 ft)
- Stratigraphic traps
- Average lateral is 2,600 ft., variable orientations
- Multistage hydraulic fracture stimulation





Lawrence County

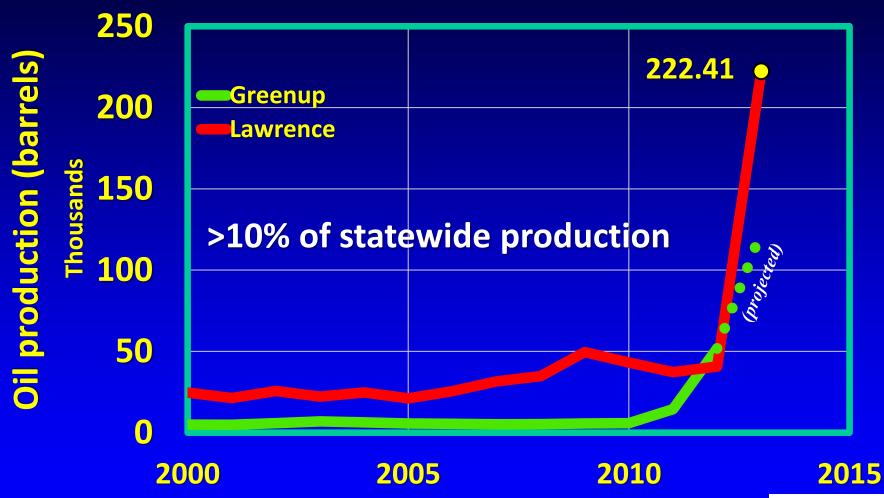
- 8-44 BOPD, avg. = 25 BOPD
- 12 MCFGD
- Water IP (for 1 well):
 - 10 bbl/day
- WOR (for 1 well)):
 - **0.33**
- No public production data available yet





Recent Production Trends Lawrence County Horizontal Well Locations Fallsburg 2014 Burgess Branch Burgess Branch CONS Burges Branch Daniels Orgeek School Daniels Cast School CONS Daniels Co. Lawrence dbus to Oo Johnson 3km 1:144,448 Kentucky Geological Survey Ulysses

Recent Berea Oil Production, East Kentucky



2013 production volume for Greenup County is confidential (3 or fewer respondents)

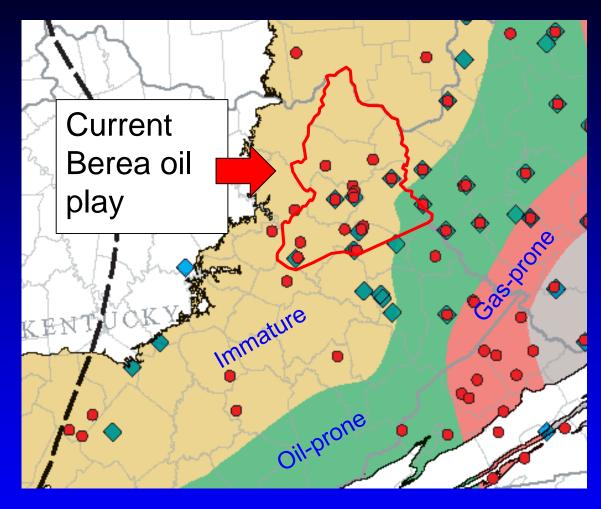


Summary

- Initial data shows horizontal drilling has been a technical success in shallow tight Berea reservoirs
 - Horizontal drilling has dramatically increased Berea oil production in KY
 - Dramatic increases in Greenup and Lawrence
 County oil production (and for EKY as a whole)
 - Berea horizontal play spreading into neighboring Boyd and Johnson counties
 - Shallow depths (lower costs) part of the interest

Kentucky Geological Survey

 Determining economic success will require longer term production data



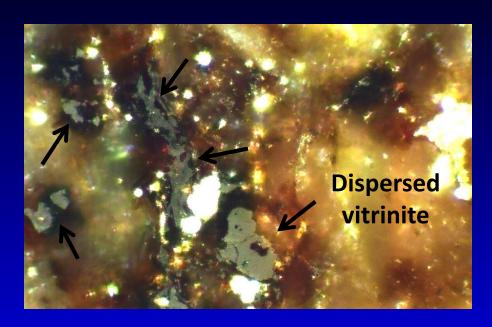
1) Why does the Berea produce oil and gas in areas where the surrounding source rocks are interpreted as thermally immature?

- Thermally immature
- Prolific oil generation
- Thermal gas generation

USGS Thermal Maturity Map (East and others, SIM 3214, 2012)



- 1a) Is vitrinite suppression responsible for the apparent source rock immaturity?
- ▶ Or is some of the vitrinite from Devonian shales actually bitumen with a different R₀ and different relationship to maturity?

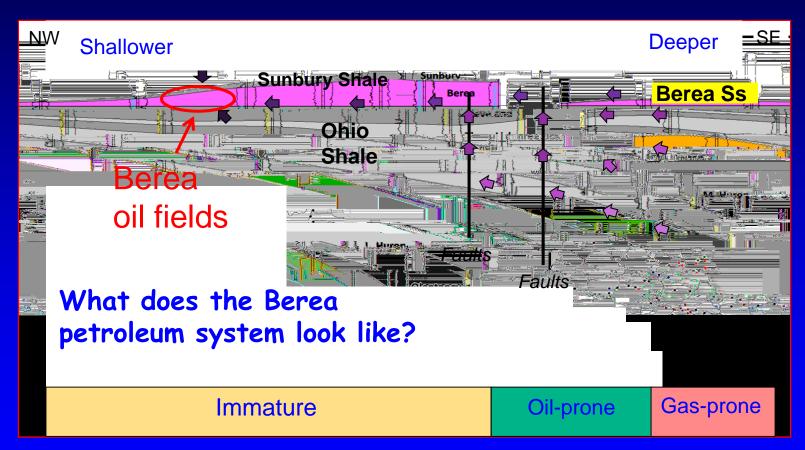


Petrographic slide of dispersed vitrinite from the Ohio Shale under white light

➤ Can we examine possible Berea sources using different laboratory techniques to better understand R_o and thermal maturity in the basin?

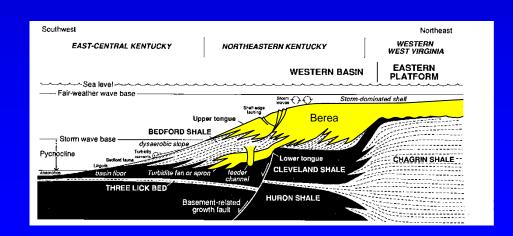


2) Is the Berea hydrocarbon source local, or has it migrated from the deeper (more mature) parts of the basin?





- 3) What are some of the controls on pay zones, porosity, and permeability in the Berea in Kentucky?
 - Regional trends in thickness?
 - Sandstone architecture and facies in producing fields (lateral and vertical variability)?
 - Any structural influences on facies?
 - Any structural influences on oil/gas/water saturations?







Berea Sandstone Consortium Project

- KGS, USGS, OGS, and 7 industry partners
- 18-month study of the Berea petroleum system
- Collect and analyze samples of source rocks for TOC, Rock-Eval pyrolisis, and reflectance to evaluate thermal maturity
- Collect and analyze samples of Berea oil and gas to geochemically tie the produced hydrocarbons to their source
 - Advance geochemical analyses including liquid and gas chromotography-mass spectroscopy of bitumen for biomarker analyses and stable carbon isotope composition



Berea Consortium Project

- KGS, USGS, OGS, and 7 industry partners
- 18-month study of the Berea petroleum system
- Generate cross sections, and detailed stratigraphic and structure maps of the Berea in KY
- Compare geophysical logs, cores, and outcrops to better characterize the Berea petroleum system
 - Project updates will be posted on the KGS website and a report will be published 1 year after the project is completed



Thank you

KGS Berea Play Web Page:
www.uky.edu/KGS/emsweb/berea_ss/
Upper_Devonian_Berea_SS.htm



