Williams Fork, Piceance Basin: Flowback Water Reuse – Quality and Quantity

Jill E. Cooper

Encana Oil & Gas (USA) Inc.

March 30, 2011



Williams Fork, Piceance Basin Water Strategy Presentation Outline

Piceance Overview

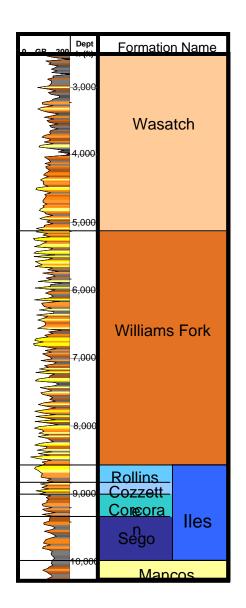
- Geology and Fracturing Necessities
- Current Water Quality and Infrastructure
- Source Inflow Volumes of Water
- Outflows of Water



Piceance Basin – Williams Fork

Geology

- Overpressure Reservoir
- 3000' Vertical Section
- Shale, Sandstone, Coal Deposition
- Avg Porosity 6%
- Avg Permeability 7µD
- Avg Water Saturation 65%
- Frac Gradient 0.5-0.75 psi/ft
- Frac Characteristics
 - Highly Naturally Fractured
 - High-Perm Formation Created When Hydraulically Fractured





Why Produced Water

Formation Needs

- Proppant
 - High Perm Fractured Environment
 - Low/No Proppant
- Gels
 - Cause Damage to Formation
 - Not Needed For Proppant Transport
 - Not Needed For Fracture Height Growth
- Water
 - Clay Swelling Not an Issue
 - Very Little Fines Migration
 - Compatibility

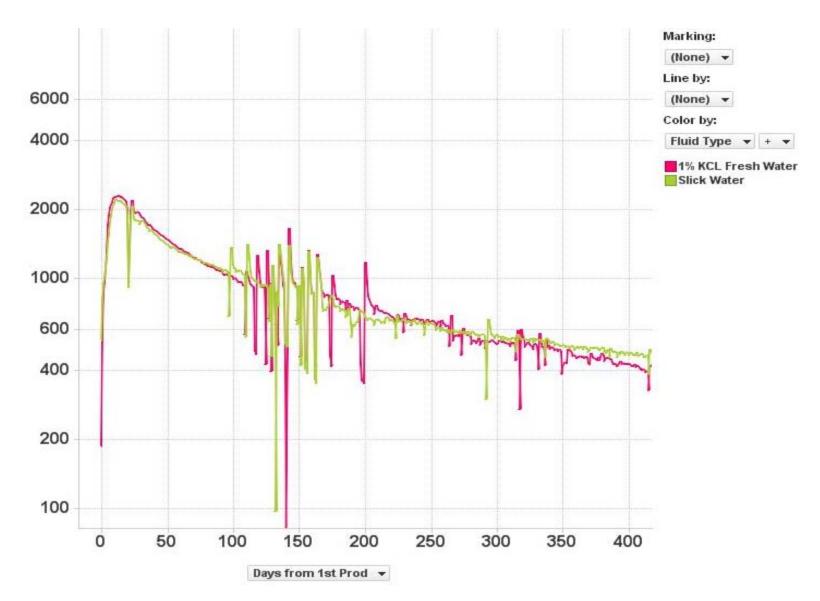


Example: Fracturing Fluid Composition

- "Slickwater" fracturing fluid
 - Water: 98.9% to 99.2% (average 100,000 bbl/well)
 - Sand (proppant): 0.7% to 1%
 - Other additives (combined): <0.09%</p>
- Fluid and water flowed back is either recycled and used as frac fluid (reducing fresh water usage) or disposed of in permitted injection wells



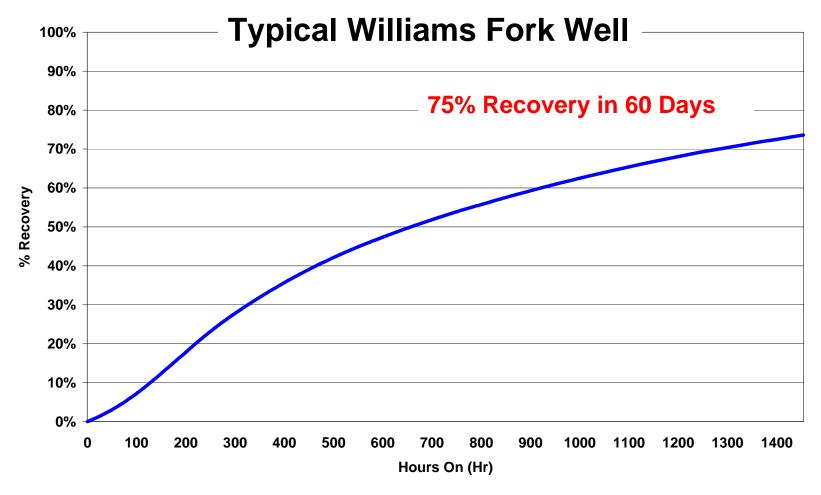
Fresh vs Produced Water Study





Avg(GAS) + +

Flowback Water Recovery



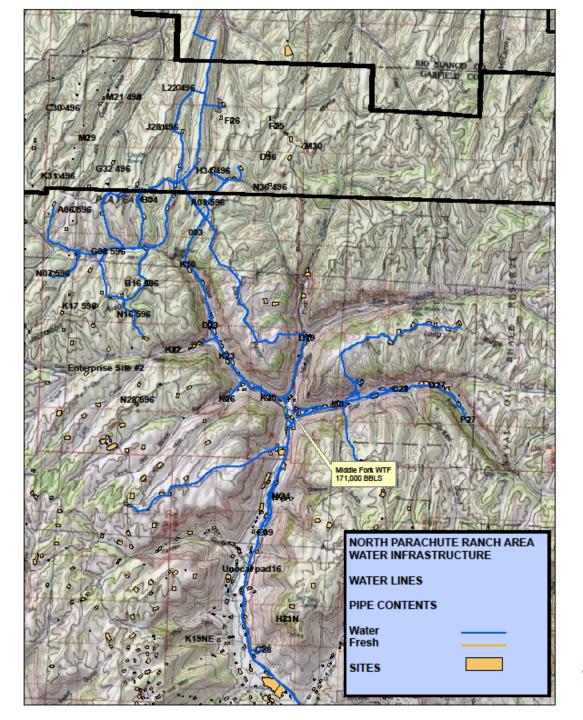
100% Recovery over Life of Well



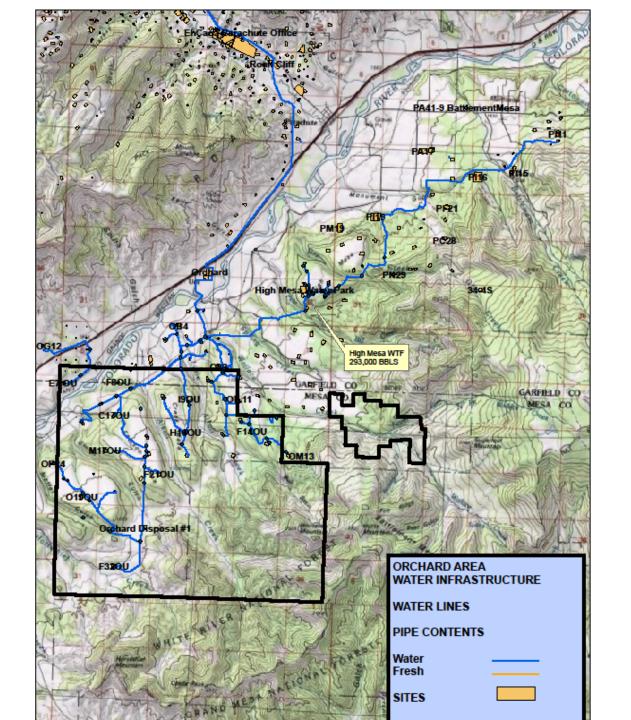
Piceance Basin Water Strategy Water Recycling Composition

- North and South Piceance operations are interconnected
- Produced and flowback water taken to central water facility by pipeline (where available) or water truck
- Water is treated for reuse
 - Solids, iron and hydrocarbon levels decreased
 - Stored in tanks or large facility ponds
 - Water is chemically treated for scaling and to break emulsions
- Water reused in completions operations
 - Transport by pipeline or truck, within geologic basin
 - Disposal minimized where possible
- On average 90% 95%, of the water used in Piceance operations is recycled; the balance is fresh water used in drilling

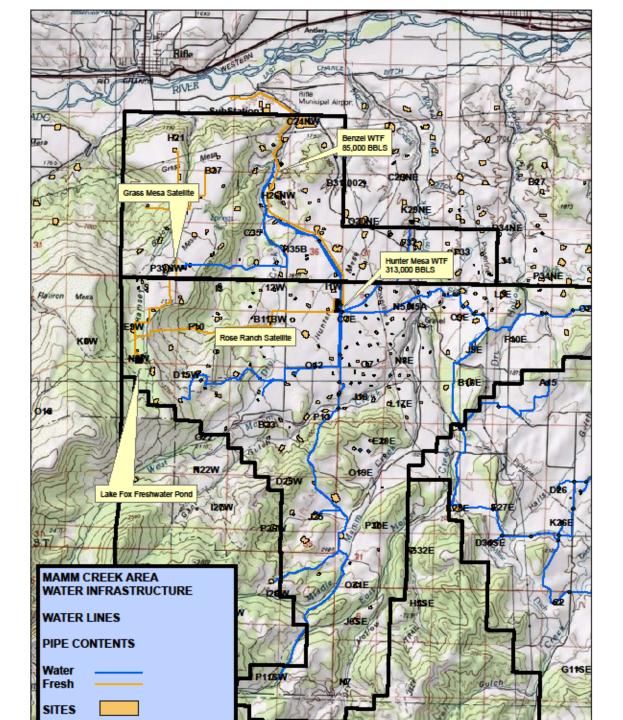














Piceance Basin Water Strategy Current Infrastructure (estimates)

Hunter Mesa Water Treatment Facility

- 40 miles of connected pipeline
- 2 high pressure pumps
- 310,000 bbl storage pond (13 million gallons ~ 40 acre-ft)

Benzel Water Treatment Facility

- 4 Miles of connected pipeline
- 85,000 bbl storage pond (3.6 million gallons ~ 11 acre-ft)

High Mesa Water Treatment Facility

- 40 miles of connected pipeline
- 1 high pressure pumps
- 208,000 bbl storage pond (8.7 million gallons ~ 27 acre-ft)

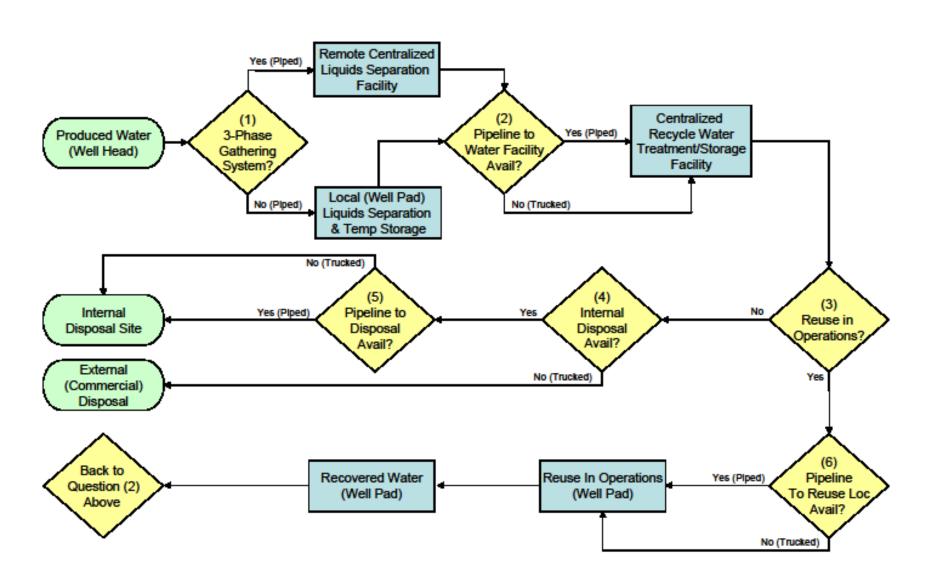
Middle Fork Water Facility

- 17 miles connected pipeline
- 4 high pressure pumps
- 217,000 bbl storage pond (9.1 million gallons ~ 28 acre-ft)

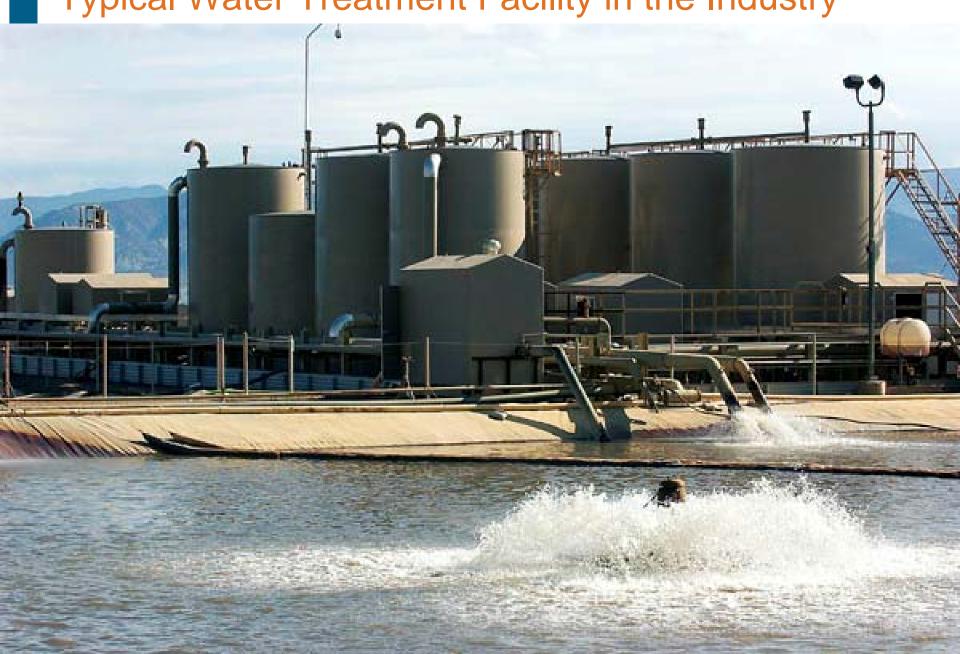




Piceance Produced Water Process Flowchart



Water Quality & Treatment
Typical Water Treatment Facility in the Industry



Piceance Water Basin Strategy Secondary Water/Condensate/Solids Separation

- Dissolved Air Flotation Solids and hydrocarbon removal step
- Oil/Water Separator Hydrocarbon removal step





Piceance Basin Challenges & Opportunities **Dissolved Air Flotation Results**

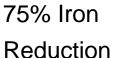


90% Solids Reduction 50% BOD Reduction



80% Hydrocarbon Reduction







Questions?



