

Key messages

- Rangely has produced over 900 MMBO.
- Current recovery is focused on CO₂ EOR.
- Successful conformance control is an important piece of flood management.
- Water Alternating Gas (WAG) management is the ongoing focus on conformance control at Rangely.
- Planning and execution of the WAG program at Rangely is intensive and complex for both the technical staff and operations.
- Starting in 2012 new injection equipment, WAG skids, were installed across the field to improve the WAG program.
- Benefits of installation of new WAG skids:
 - Enhancing conformance and improving production
 - Supplying better data to enhance decisions
 - Improving control of the WAG process
 - Lowering safety and environmental risks



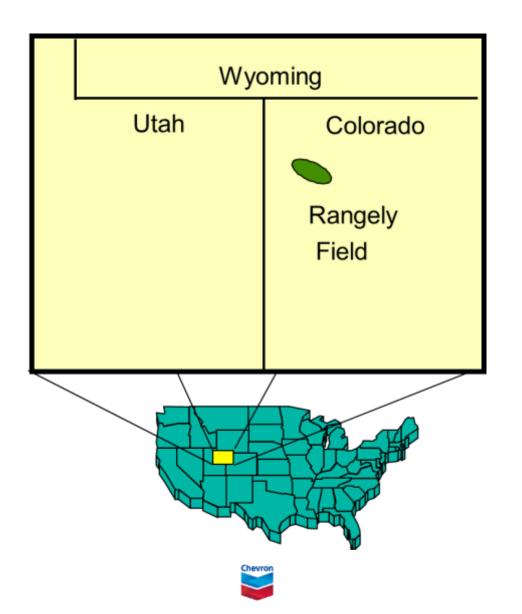
Outline

- Field overview
- 2. Conformance control and WAG management
- 3. WAG management history
- 4. Yearly WAG management planning
- 5. WAG plan execution
- 6. Legacy WAG equipment vs. new WAG skid
- 7. WAG optimization with new WAG skids
- 8. Results of WAG optimization



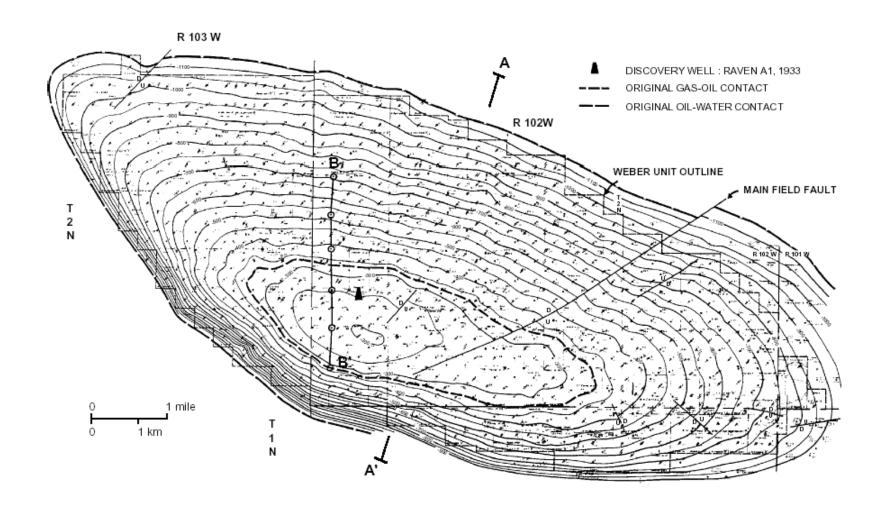
Rangely Weber Sand Unit (RWSU) location

Northwest Colorado near the town of Rangely



RWSU top structural contour map

Faulted anticline with four-way closure





RWSU type log

Six productive zones in the Weber

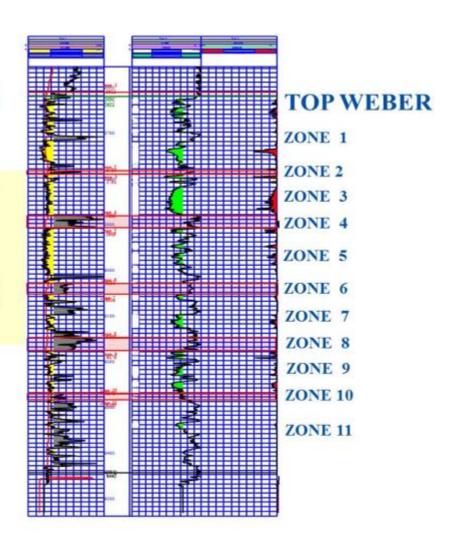
TYPE WEBER LOG RANGELY FIELD U.P. 139Y-28

Odd Zones = Aeolian

PAY

Even Zones = Fluvial

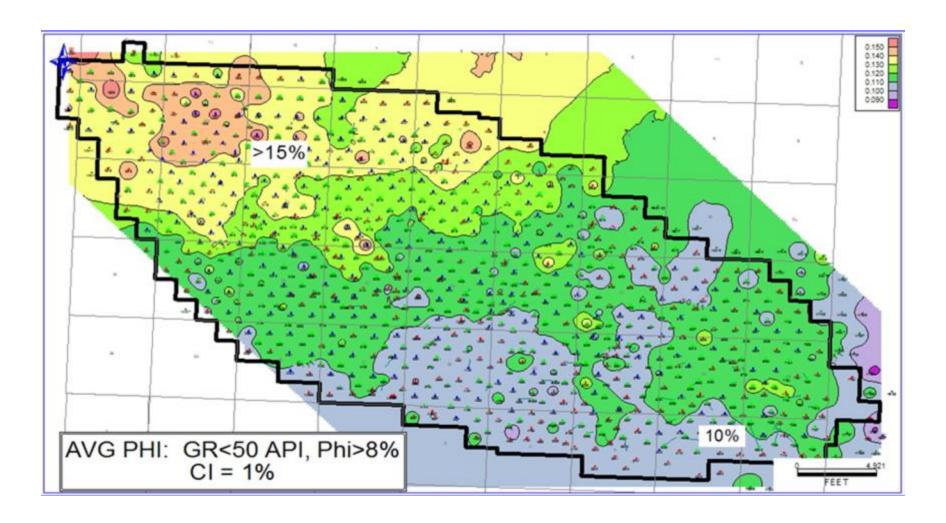
NON-PAY





Porosity map

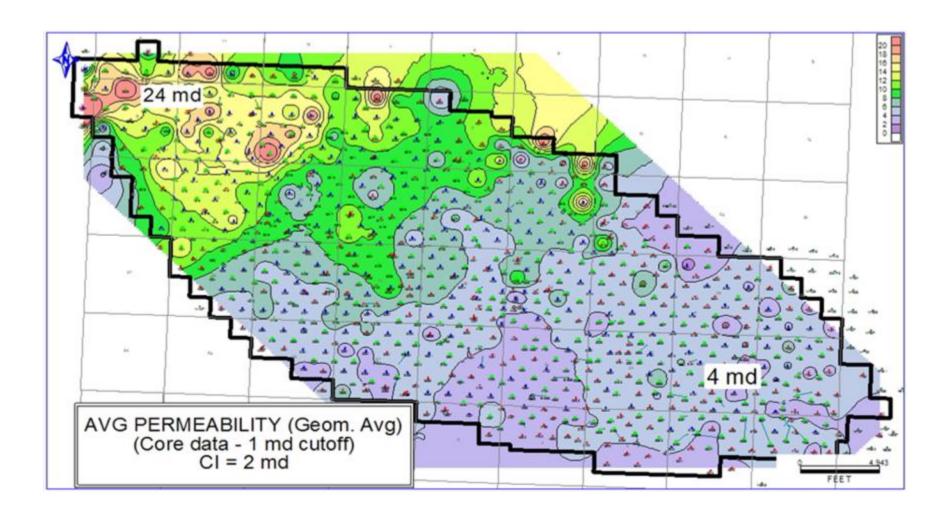
Varied sandstone lithology across the field





Permeability map

Varied sandstone lithology across the field





Average reservoir properties

- Average porosity: 12%
- Average permeability: 8 mD
- Reservoir temperature: 160 °F
- Oil gravity: 35°
- Oil viscosity: 1.7 cp
- OWC: -1150 ft (SS)
- Initial reservoir pressure: 2750 psia
- Current reservoir pressure: 2500-4000 psia
- Minimum miscibility pressure: 2750-3000 psia



Development history

Weber sand discovered 1933

40-acre development started 1944

HC gas injection 1950-1959

Unitized 1957

Waterflood expansions 1958-1983

20-acre infill development 1963-1985

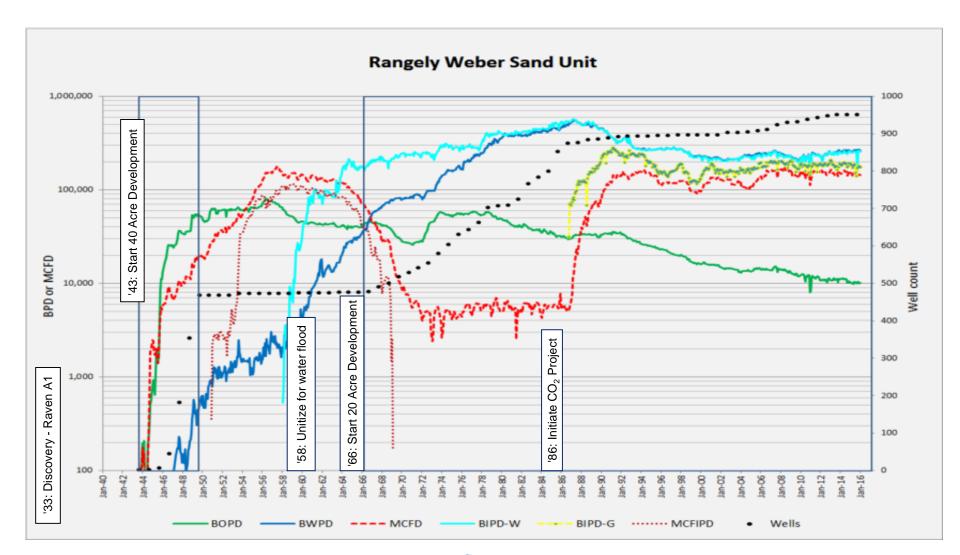
10-acre infill pilots 1983-present

CO₂ flood starts 1986

Edge CO₂ expansions & targeted infills 1999-present



Development history





Well data – 2016

Wide range of well and completion types

Active producers	418
Electric submersible pumps	
Flowing wells	42
Rod pumps	67
Active injectors	282
Total active wells	700



Conformance control

Challenging but key to success

- Effective CO₂ EOR flood management at Rangely requires good pressure maintenance and **conformance control**.
- Conformance control consists of methods devised to evenly and thoroughly process the reservoir, to maximize hydrocarbon recovery and minimize waste of injection fluids.
- Conformance can be vertical, areal, or both.
- Methods at Rangely:
 - Pattern realignment
 - Targeted sidetracks
 - Selective injection equipment
 - Chemical treatments
 - WAG management



WAG management

Favored conformance control method with strong results

WAG = Water Alternating Gas - the process of injecting water and gas in alternating periods

WAG management is a favored form of conformance control due to:

- Ease of implementation
- Controllable, non-permanent, and reversible
- Quick results success or failure seen within weeks or months.
- Low cost

Good WAG management should:

- Optimize and possibly reduce gas production minimizing compression costs
- Optimize makeup volumes water and CO₂ purchases
- Maximize oil recovery



WAG management history at RWSU

Reservoir response and other factors drive continuing changes

Initial Design	<u>Current</u>
1:1	Tapered
1.5% HCPV	Varies
30%	55% (current)
120 MMCFD	165 MMCFD
200 MMCFD	150 MMCFD
670 BCF	600 BCF
NO	YES
	1:1 1.5% HCPV 30% 120 MMCFD 200 MMCFD 670 BCF

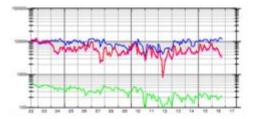


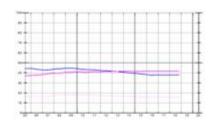
WAG management planning

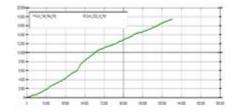
Large data set (with uncertainties) driving decisions

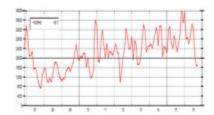
Yearly process to design the optimal schedule based on recent performance

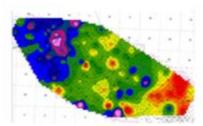
- Data reviewed includes:
 - Production/injection trends
 - Dimensionless recovery curves
 - Gas produced to gas injected ratio
 - Voidage replacement ratio
 - Gas oil ratio
 - CO₂ utilization
 - Reservoir pressure
 - System constraints
 - Injectivity
 - Injection lines
 - Flowlines
 - CO₂ plant
 - Water plants
 - CO₂ makeup
 - Disposal capacity
 - Wellbore availability
 - Org. capability (e.g. manpower)















WAG management planning

Large data set (with uncertainties) driving decisions

Yearly process to design the optimal schedule based on recent performance

Results focused on efficient CO₂ utilization

Outputs for each pattern:

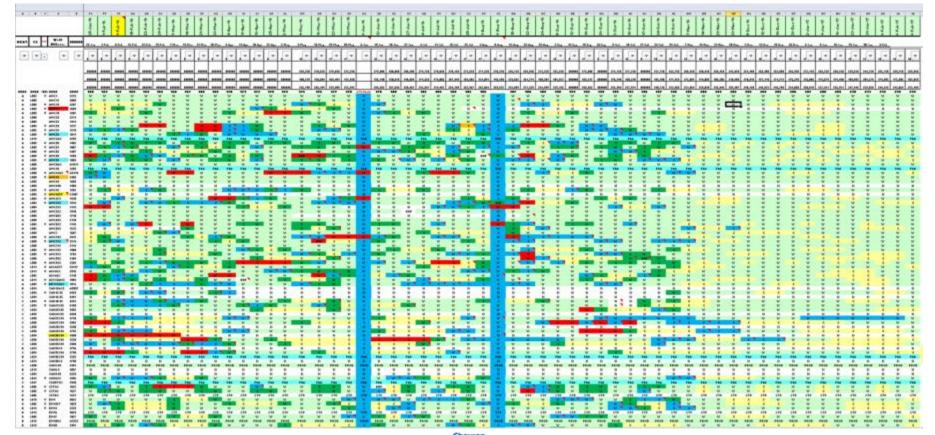
- CO₂ slug size
- WAG ratio
- Target injection rate
- Weekly WAG schedule



WAG plan execution

Time intensive process, teamwork is key to success

- WAGs occur on an ongoing basis, ~2400 completed year-to-date in 2016!
- The planned WAG schedule requires weekly updating to maintain system balance with ongoing operations





WAG skid installation project Summary

- Two long standing opportunities:
 - 1. Enhanced data acquisition on injectors
 - 2. Operational improvement of the WAG process
- A project was started in 2012 to ensure both opportunities were addressed in an optimal way.
- The goal of the WAG skid project is to improve the production and ultimate recovery of the Rangely field through implementation of an improved WAG process and data acquisition from the injectors.



WAG skid installation project

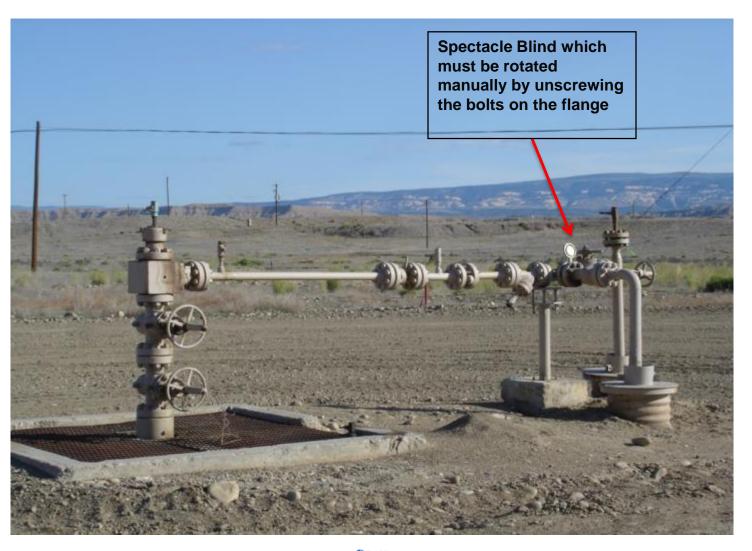
Operational significance

- Enhanced ability to increase the number of WAGs per week above the current capabilities as needed for reservoir management
- Access to real time data to provide the ability to make more timely decision in regards to reservoir management i.e. injection rates, cycles, VRR, line maintenance, casing pressures, leak detection, etc.
- Ensured standardization of injection well upgrades
- Leverage expertise currently in place from FE, Ops, EIS & Technical Team
- Lowering safety and environmental risks



Legacy WAG equipment

Labor intensive, limited data





New WAG skid design

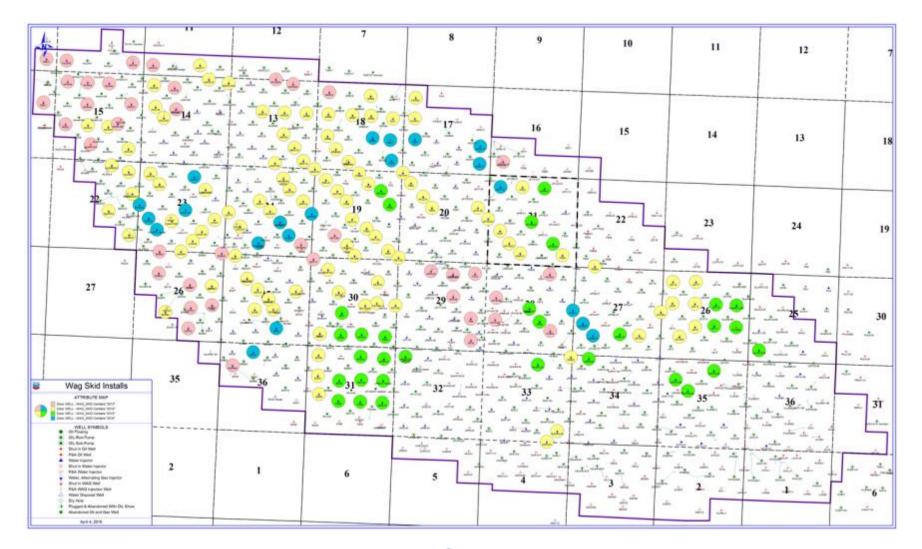
Streamlined operation with increased data and limited automation





Current WAG skid installations

Yearly bulk installations gain from manufacturing efficiencies





Changes to WAG management

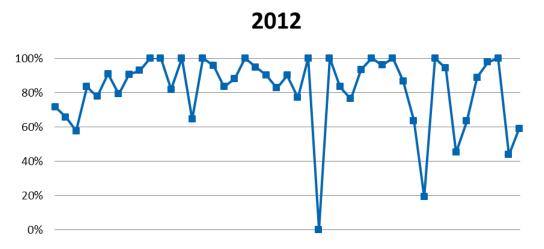
More WAGs in less time with better control

- Time to WAG a well went from ~45 minutes (possibly 2 operators) to less than
 10 minutes
- Auto choke capability rates are managed through a controller with a rate set point, requiring less operator intervention
- Decreased reliance on WAG ratio tapering to manage gas control
 - Slug sizes are can be reduced down to ~0.25 HCPVi CO₂
 - Some areas were successfully reverse tapered
- 2,450 WAGs in 2011 to 3,300 WAGs in 2016
- Increased WAG execution efficiency
- Increased target rate compliance

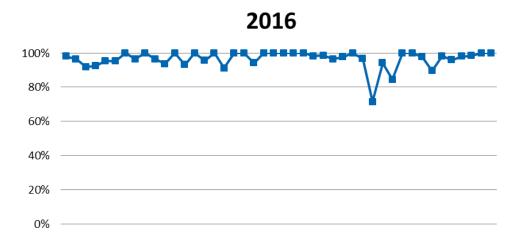


WAG execution efficiency

Maintaining schedule consistently with all injectors



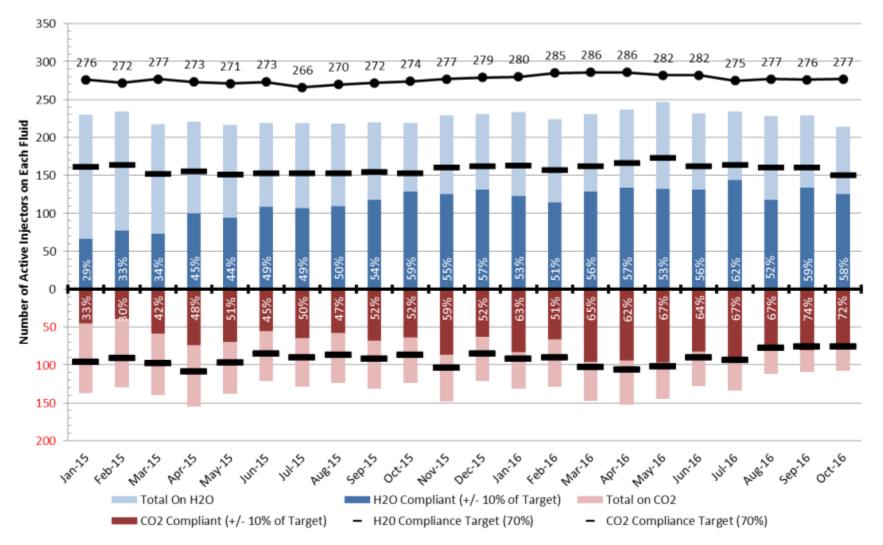
Percent of scheduled WAGs completed each week





Target rate compliance

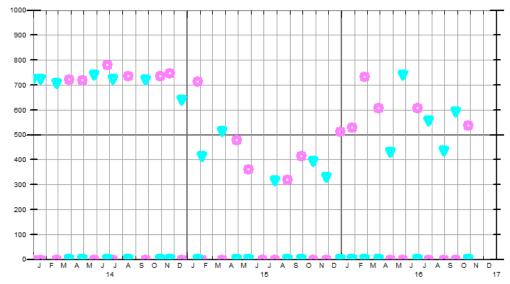
New metric - significant gains since 2014





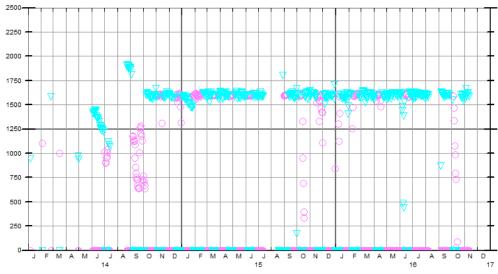
WAG well injection rate charts

More data, better rate control with new equipment



Legacy WAG equipment

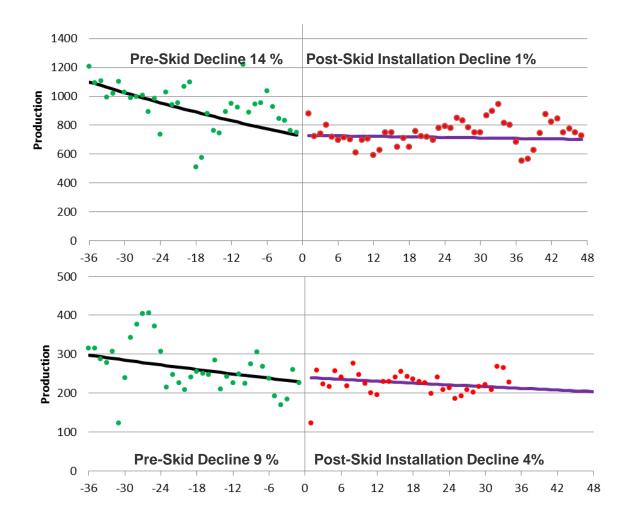
New WAG skid





Normalized production impact

Enhanced WAGs are adding incremental barrels in the tank

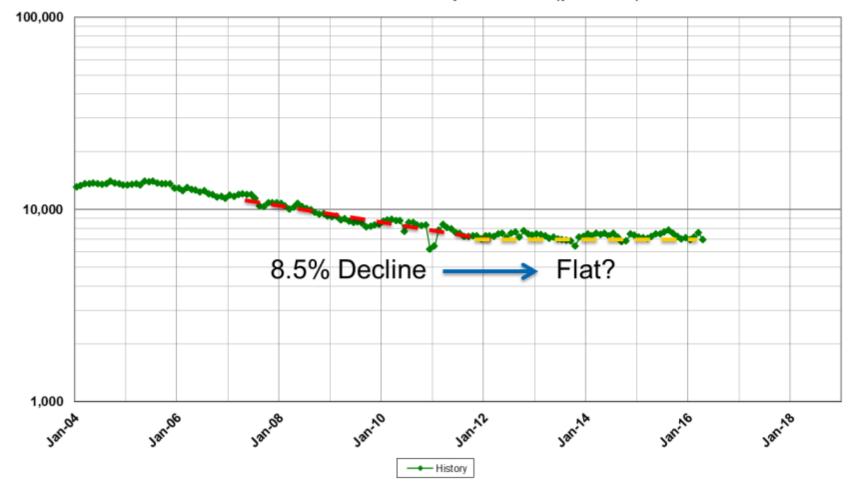




Current base impact

Significant full field production impact

Performance of base production (pre 2004)



Questions



