The Marcellus and Fracturing (or fracking)

The Fiction and the Facts

Greg Kozera- Superior Well Services



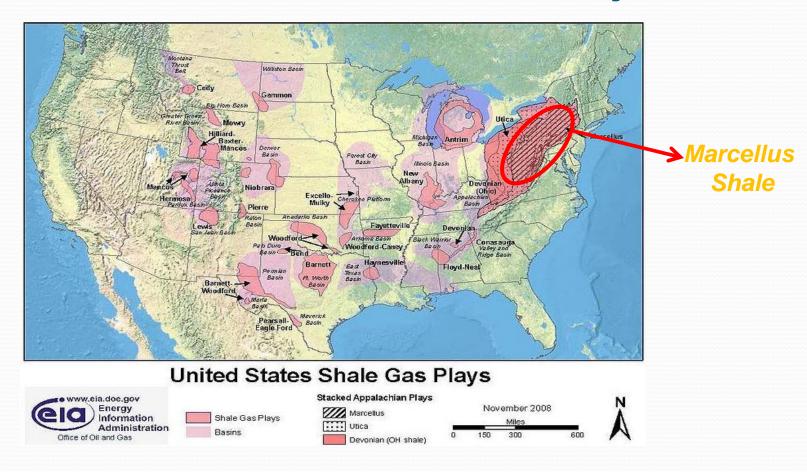






Navy Chief Master At Arms Corey M. Kozera is with Riverine Group ONE. This photograph was taken on May 31, 2011, at Fort Knox, Ky., while conducting high-risk live fire "boots on ground" training for a Riverine Detachment prior to deployment.

United States Shale Gas Plays

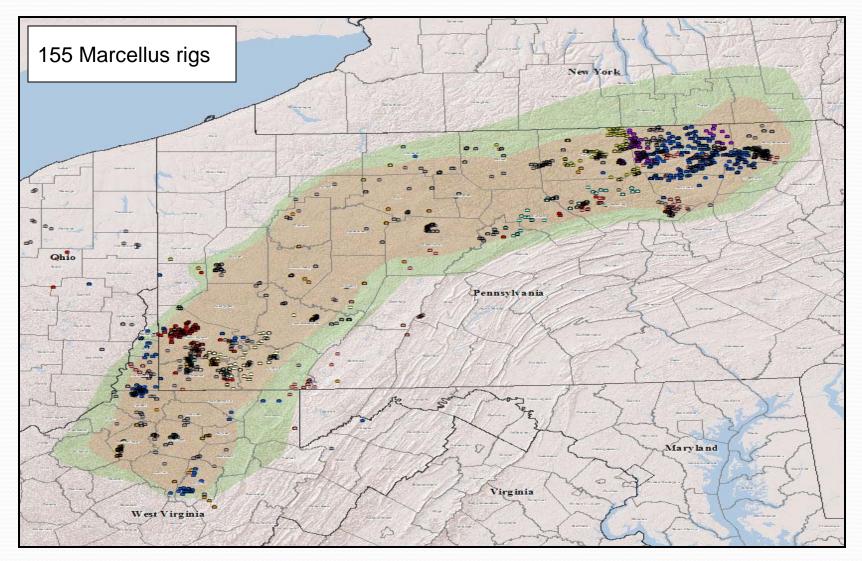


~600 TCF of Estimated

Gas in Place in the Marcellus Shale

False Evidence Appearing Real

Marcellus Activity – Active Drilling Rigs Across Play



The Fiction

Hydraulic Fracturing

Is Not a Drilling Technique

It is part of the well completion process

Is Not New

First Fracs were in the 1940s

Is Not Explosive

We create a crack in the rock hydraulically with fluid

Does Not Cause Breast Cancer

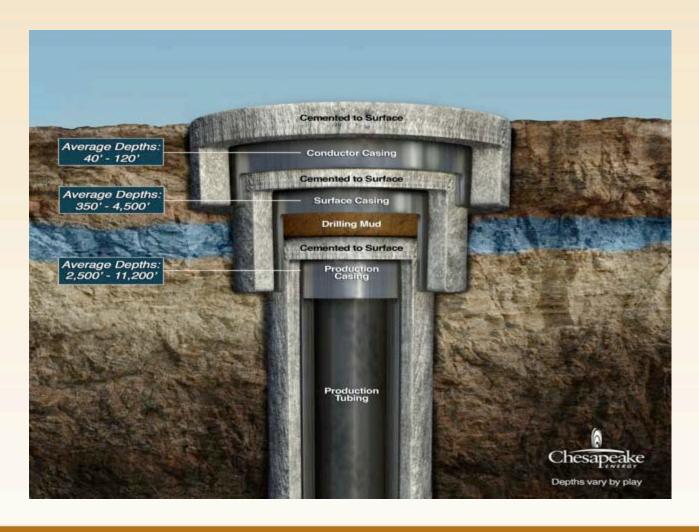
Does Not Cause Hair Loss

Does Not Cause Homosexuality

Does NOT Pollute Ground Water

A little science and logic proves it

Casing Off Water and Coal



Typical Well Schematic 13 3/8" Conductor Casing (30-60 feet) -0 feet -Fresh Water Zone 9 5/8" Water Protection Casing (at least 300 feet) Cemented to surface 7" Coal Protection Casing (2,000 - 3,000 feet) Cemented to surface -2,500 feet 4 1/2" Production Casing (5,000 - 6,000 feet) Cemented across gas zones 6,000 feet

Does NOT, Cause Earthquakes

After 60 years of fracturing, come on

Hydraulic Fracturing IS Regulated

THE FACTS DON'T COUNT

UNLESS...

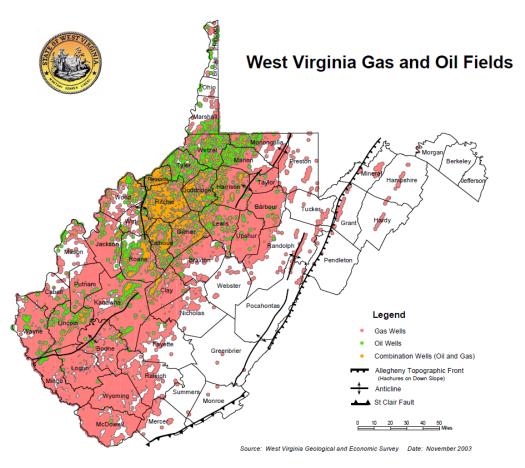
People Make Decisions on Emotion NOT Logic

Let's Replace Fear with Facts

The Facts about Hydraulic Fracturing...

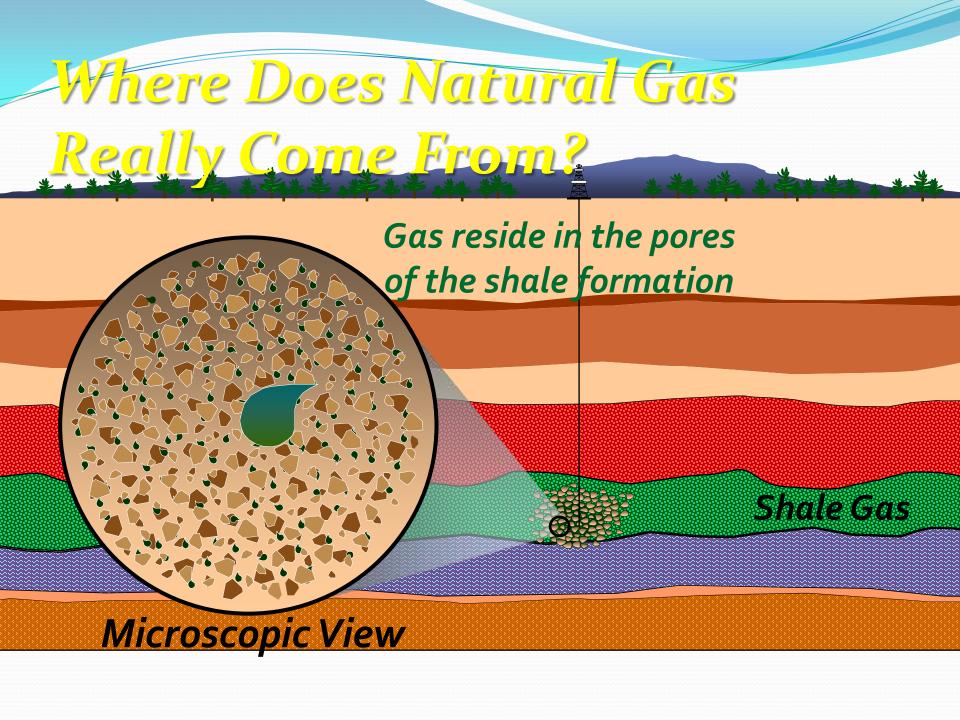
Over 90% of wells in the US require fracturing

Wells drilled in West Virginia



Over 140,000 wells in WV

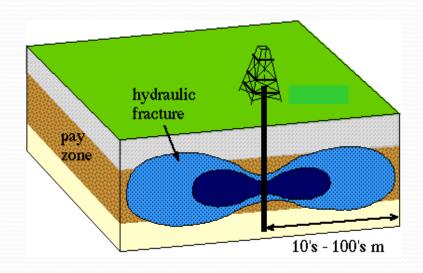
Shallow wells hydraulically fractured

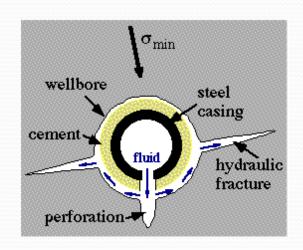


Why do we frac?

Hydraulic Fracturing

- The process of injecting a fluid under pressure through wellbore to overcome native stresses and create a fracture or a fracture system in a porous medium.
- Generally a propping agent is also injected along with the fluid since hydraulically formed fractures tend to heal after parting pressure is released.





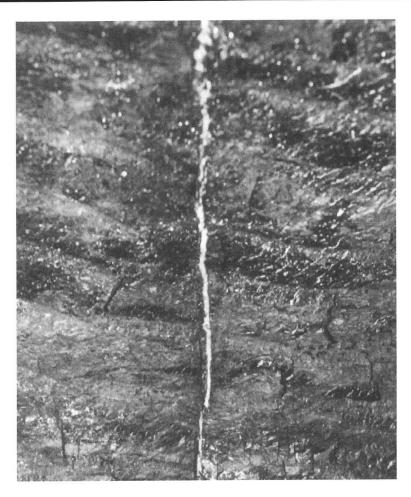
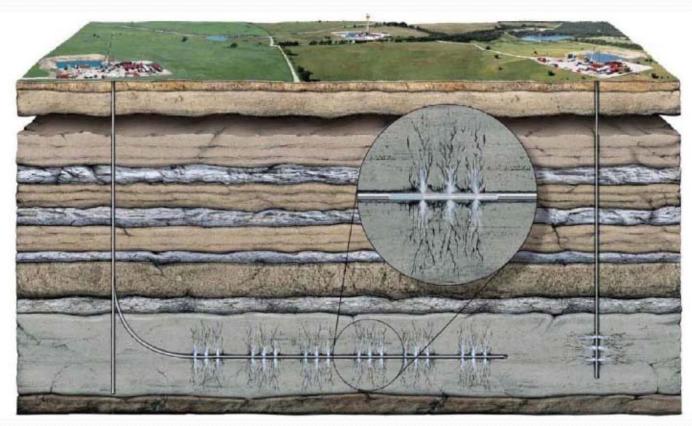


Photo 1 A hydraulic fracture propped with white sand in the roof coal at Dartbrook Coal Mine, NSW.

Hydraulically Fractured Horizontal Well



Horizontal drilling has enabled higher well efficiencies despite the higher costs versus traditional vertical wells

Fracturing Fluids

- **≻**Water
- > Foam
- ➤ Crosslinked foam or water
- ➤ Nitrogen
- **≻**Other





Treatment Control Center



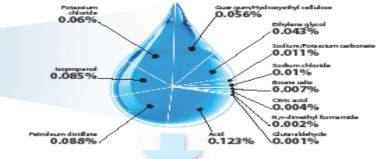


What about those chemicals?

A FLUID SITUATION:

TYPICAL SOLUTION* USED IN HYDRAULIC FRACTURING

0.49% ADDITIVES*



99.51% WATER AND SAND

On average, 99.5% of fracturing fluids are comprised of freshwater and compounds are injected into deep shale gas formations and are typically confined by many thousands of feet or rock layers.

Source: DOE, GWPC: Modern Gas Shale Development in the United States: A Primer (2009)

Compound*	Purpose	Common application
Acids	Helps dissolve minerals and initiate fissure in rock (pre-fracture)	Swimming pool deaner
Glutaraldehyde	Eliminates bacteria in the water	Disinfectant; Sterlitzer for medical and dental equipment
Sodium Chloride	Allows a delayed break down of the gel polymer chains	Table Salt
N, n-Dimethyl formamide	Prevents the corrosion of the pipe	Used in pharmaceuticals, acrylic fibers and plastics
Borate salts	Maintains fluid viscosity as temperature increases	Used in laundry detergents, hand soaps and cosmetics
Polyacrylamide	Minimizes friction between fluid and pipe	Watertreatment, soll conditioner
Petroleum distillates	"Slicks" the water to minimize friction	Make-up remover, lacatives, and candy
Guargum	Thickens the water to suspend the sand	Thickener used in cosmetics, baked goods, ice cream, tooth- paste, sauces, and salad dressing
Citric Acid	Prevents precipitation of metal oxides	Food additive; food and beverages; lemon Juice
Potassium chioride	Creates a brine carrier fluid	Low sodium table salt substitute
Ammonium bisulfite	Removes oxygen from the water to protect the pipe from corrosion	Cosmetics, food and beverage processing, water treatment
Sodium or potassium carbonate	Maintains the effectiveness of other components, such as crosslinkers	Washing soda, detergents, soap, water softener, glass and ceramics
Proppant	Allows the fissures to remain open so the gas can escape	Drinking water filtration, play sand
Ethylene glycol	Prevents scale deposits in the pipe	Automotive antifreeze, household cleansers, deloing, and caulk
Isopropanol	Used to increase the viscosity of the fracture fluid	Glass deaner, antiperspirant, and hair color

[&]quot;The specific compounds used in a given fracturing operation will very depending on source water quality and site, and specific characteristics of the target formation. The compounds listed above are representative of the major material components used in the hydraulic fracturing of natural gas shales. Compositions are approximate.





WFR-3B



- 2009 World Oil Award Winner
 - Best Drilling Completion and Production Fluid
- 2010 Hart Award for Innovation.
- Base Polymer has NSF Approval
- No EDC Issues
- Patented FR chemical
- Thermal Stability

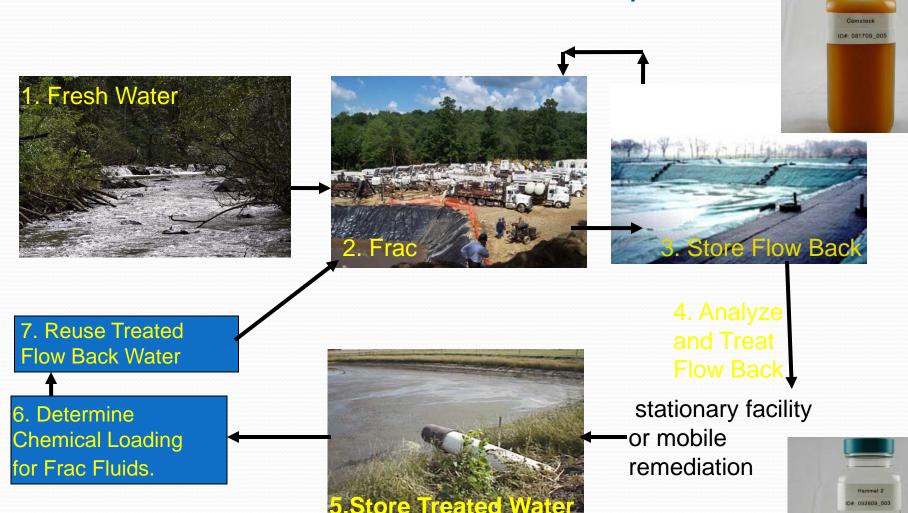


 Designed to be used in flow back water so subsequent jobs requires less fresh water withdraw from environment





Reuse of Flow Back Water Flow Summary



Mobil remediation strategy for flow back water reuse

- Reuse rather than release
- Transportation savings





As Americans we have access to unlimited information

For the Sake of our Children and Grandchildren shouldn't we make sure what we believe is true?





We are Americans

Anything is Possible!

Special Thanks to

Energy in Depth
IPAA
Just Beneath the Surface
Superior Well Services
The Virginia Oil & Gas Assoc.
WVONGA
WVU Petroleum Engineering