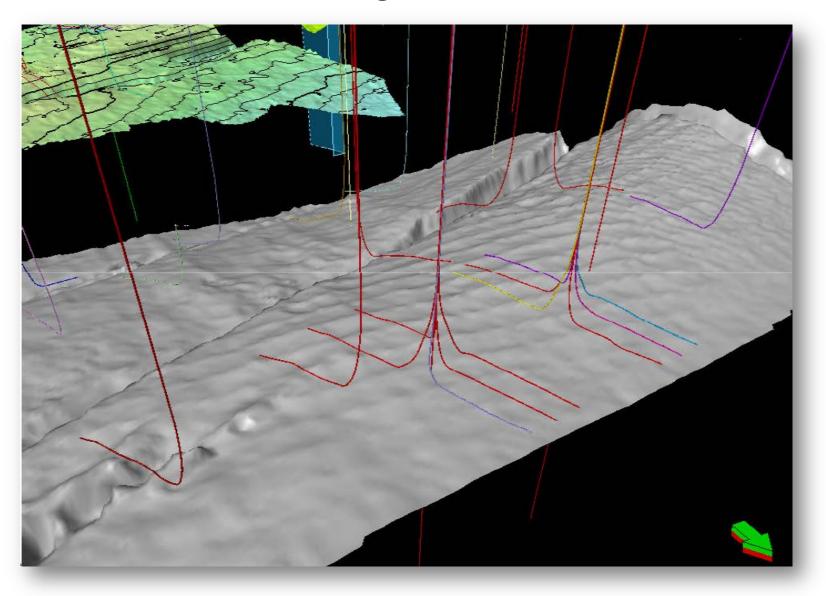




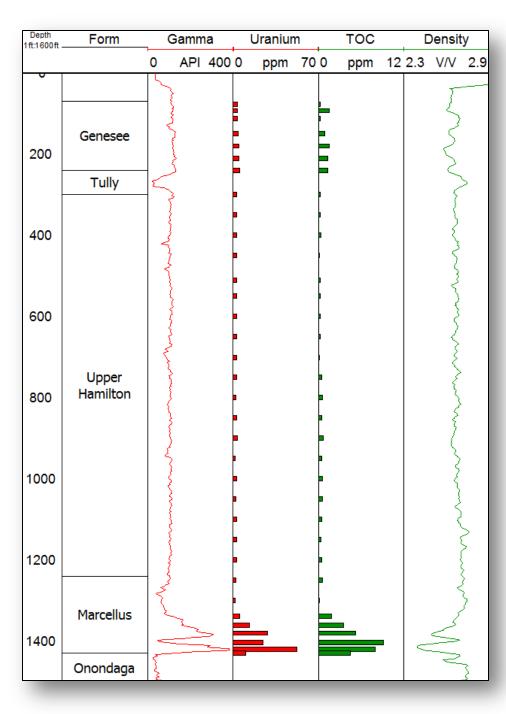
Horizontal wells target basal Marcellus Shale



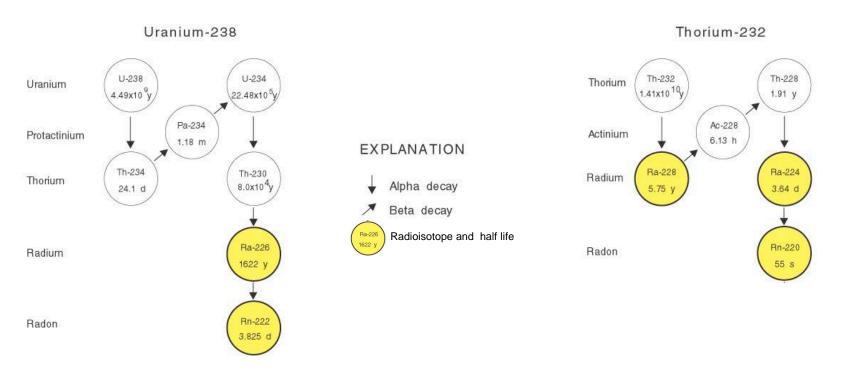
High TOC and elevated radioactivity in basal Marcellus Shale

Location of the Core	Uranium Content (ppm)		
Allegheny, NY	8.9 – 67.7		
Tompkins County, NY	25 – 53		
Livingston County, NY	16.6 – 83.7		

Levanthal and others (1981)



Uranium & Thorium to Radium & Radon Radioactive Decay Series



High TOC and abundant pyrite in basal Marcellus Shale

Gamma Log

Drill Core Sample Analysis

TOC (weight %)

Pyrite (%)

TOC (weight %)

TOC (weight

Lash and Engelder (2009)

Drill Cuttings

- Elevated uranium and abundant pyrite in high-TOC black shale
- Multi-horizontal well site will generate more than 500 times the volume of shale cuttings than single-vertical well site



Core of target interval



Drill cuttings

Drilling Fluids and Cuttings



Lined pit



Closed-loop system



Mixed with sawdust



Offsite disposal in landfill

TABLE 1. Flowback water analysis (Case 1)

11,000

0

260

57

53,000

9,062

6,840

381

341 18,500

7.3

995

0.6 157

0.27

15,000

104,000

12,830

544

805

70.2 1,837

3.3

78

9,720

27,600

0 160

24

Flowback, bbl	500	2,500	6,000
Anions			
P alkalinity, mg/L as CaCO ₃	0	0	0
M alkalinity, mg/L as CaCO ₃	580	560	360
Chloride, mg/L as Cl ⁻	2,000	5,800	16,400
Sulfate, mg/L as SO4 ²⁻	1,115	910	588
Cations			
Sodium, mg/L as Na ¹⁺	714	1,470	2,671
Potassium, mg/L as K ¹⁺	27	40	105
Calcium, mg/L as Ca ²⁺	240	536	1,960
Magnesium, mg/L as Mg ²⁺	44	73	171
Total hardness, mg/L as CaCO ₃	780	1,640	5,600
Barium, mg/L as Ba ²⁺	0.4	0.5	2.1
Strontium, mg/L as Sr ²⁺	16.5	48.4	211
Ferrous iron, mg/L as Fe	1.8	8.0	0.4
Total iron, mg/L as Fe	42	27	38
Miscellaneous			
рН	7.25	8.31	OEA
Total suspended solids, mg/L	90	20	
Specific gravity, g/ml	1.001	1.016	1
Conductivity, μΩ	7,160	16,800	37
Δ ATP (microbiological content), relative			
light units	5	6	
Microbiological content	Low	Low	
Langelier saturation index (LSI)	1.02	2.37	
Langelier potential scaling	Scaling	Scaling	Sca

Blauch (2010)

Positive

Positive

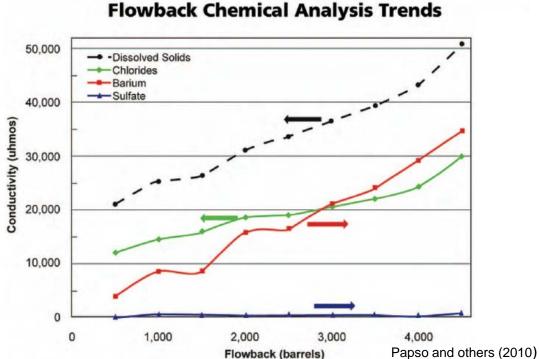
Pos

Calcium sulfate scaling potential

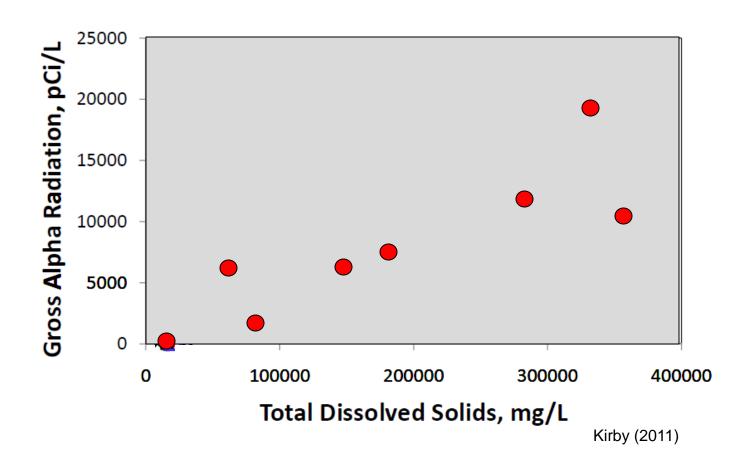
WORLD OIL JULY 2010

Flowback

Contains elevated TDS, chlorides, barium, and radioisotopes whose concentrations increase during the flowback period approaching formation brine



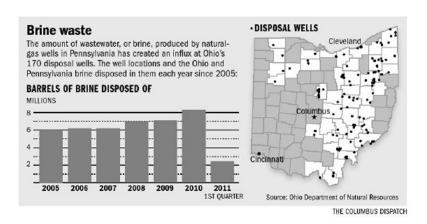
TDS and Radioactivity of Flowback Water



Ra-226 increases relative to Ra-228 in the later higher TDS flowback consistent with a U-rich source for the water such as the Marcellus shale (Engle and others, 2011)

Municipal wastewater treatment plants not designed to handle flowback chemistry



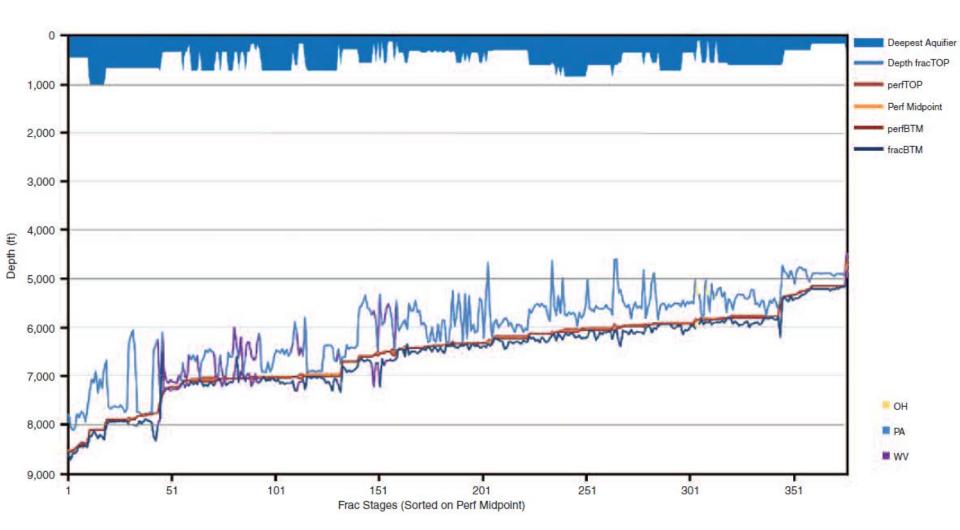


Limited number of disposal wells in Ohio

Reuse flowback, onsite treatment for solids / blend with 70 % freshwater



Microseismic Mapped Frac Tops and Bottoms Marcellus Shale



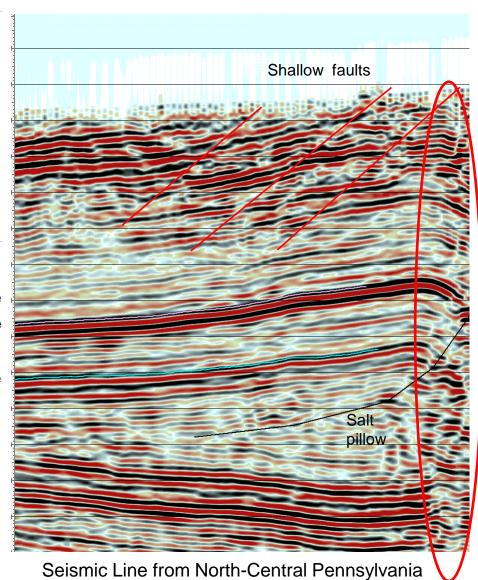
Faults and Fractures

Upper Devonian bedrock containing freshwater aquifers above sandstone gas reservoirs.

> Burkett Shale Tully Limestone

Marcellus Shale Onondaga Limestone

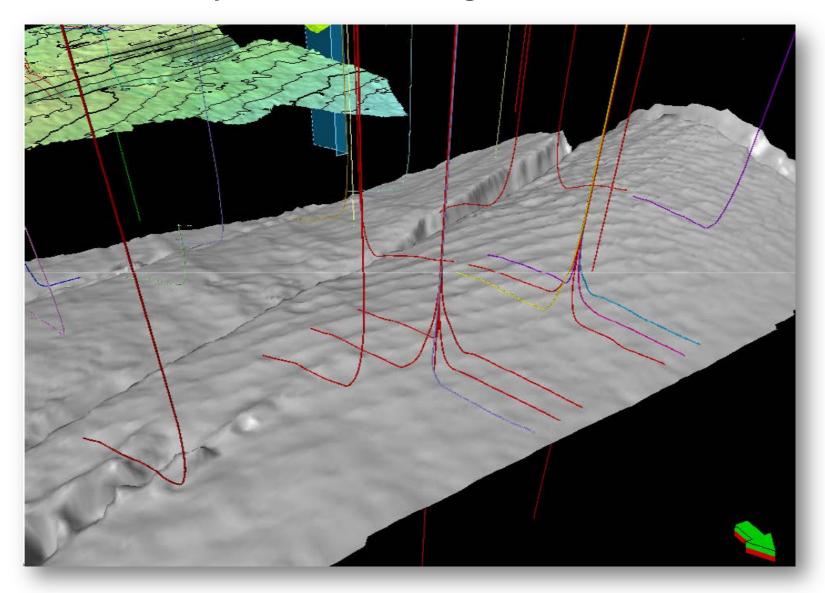
Salt



Deep-seated fracture zone

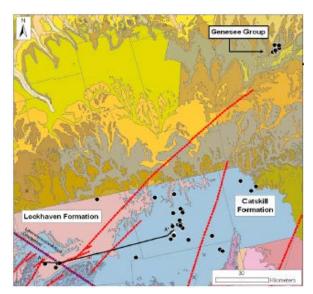
Seismic data courtesy of Shell Appalachia

Avoid Hydraulic Fracturing across Structures

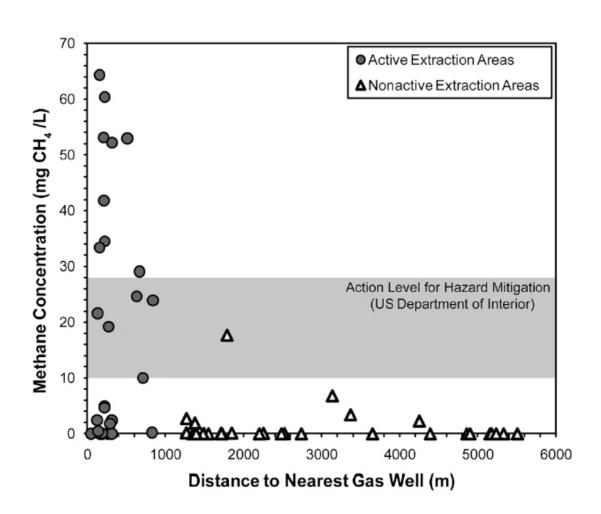


Methane in Water Wells

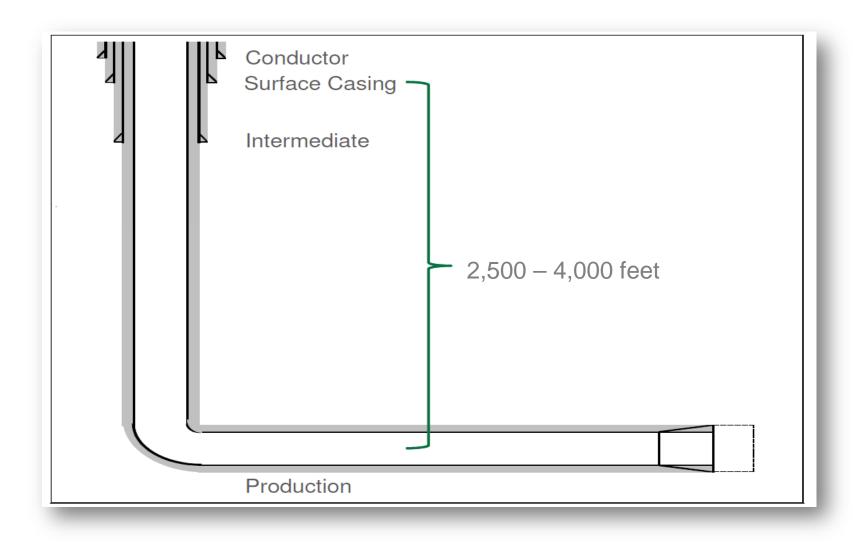
Marcellus/Utica Gas-Play Area



Sampling sites



Marcellus Gas-Well Construction

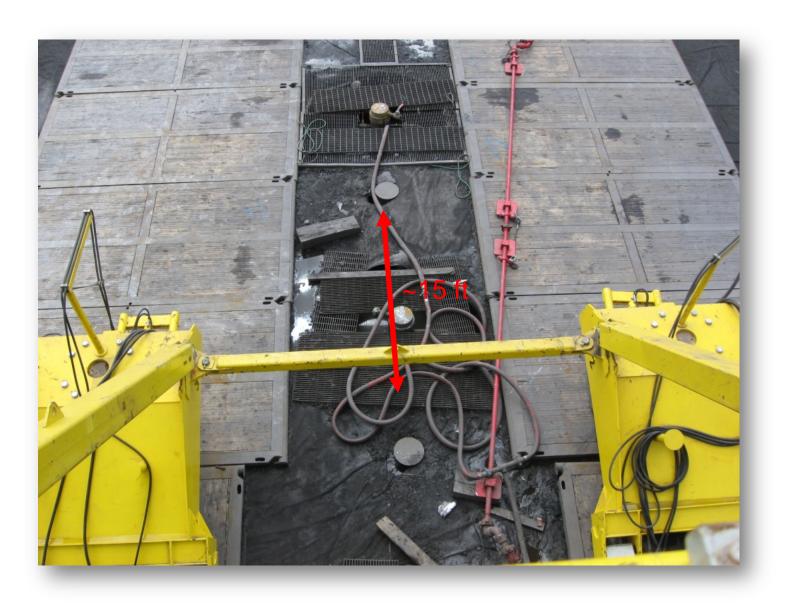




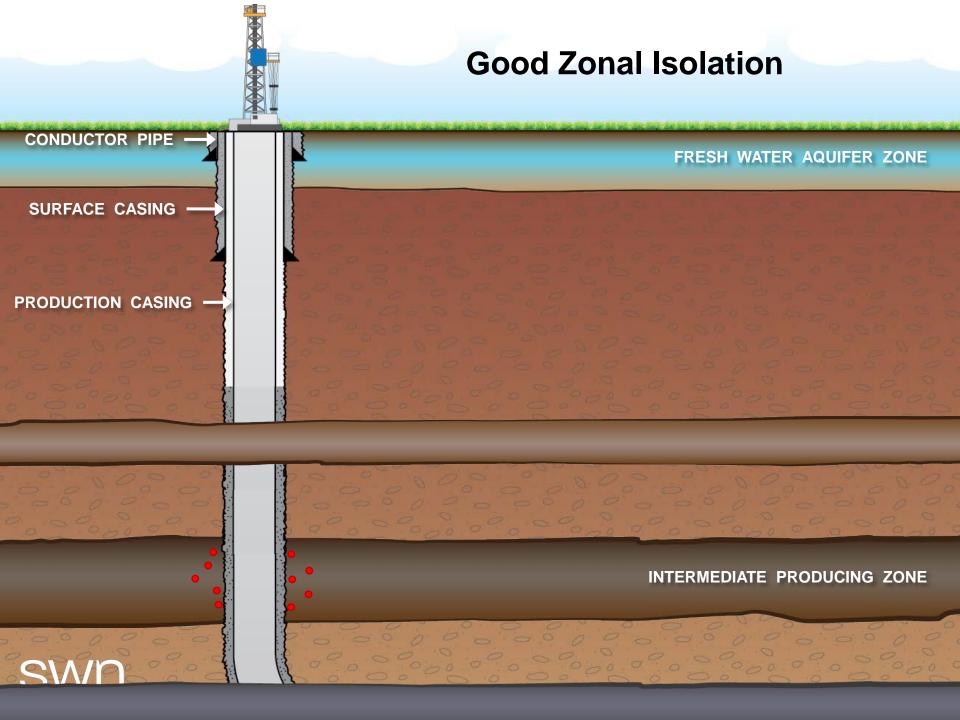
Top-set rig for drilling vertical surface- and intermediate-cased interval

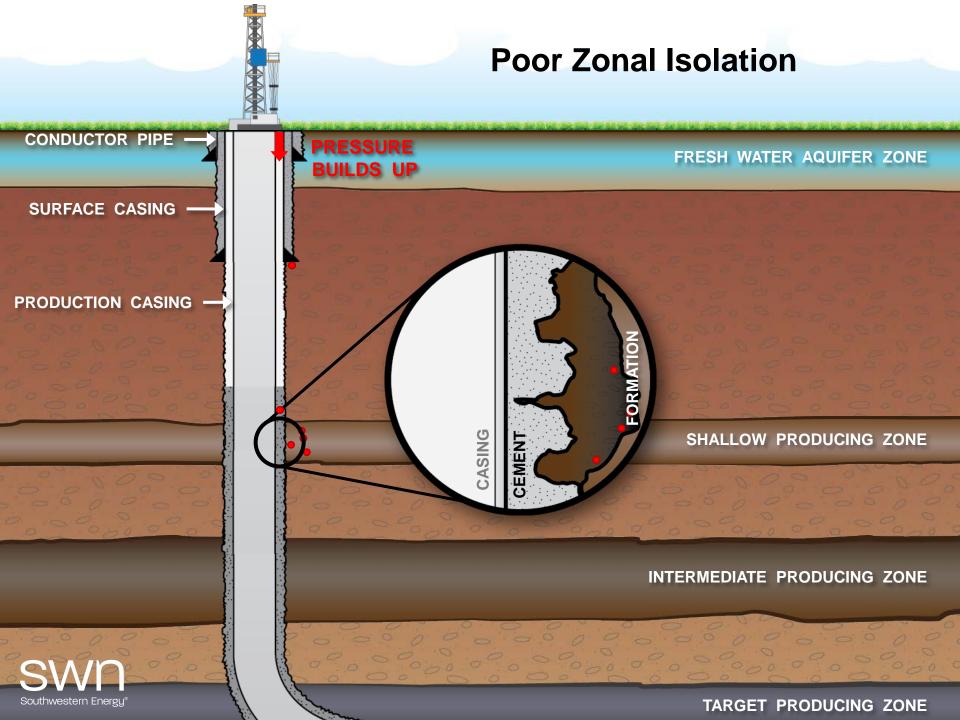
Directional rig for drilling horizontal leg



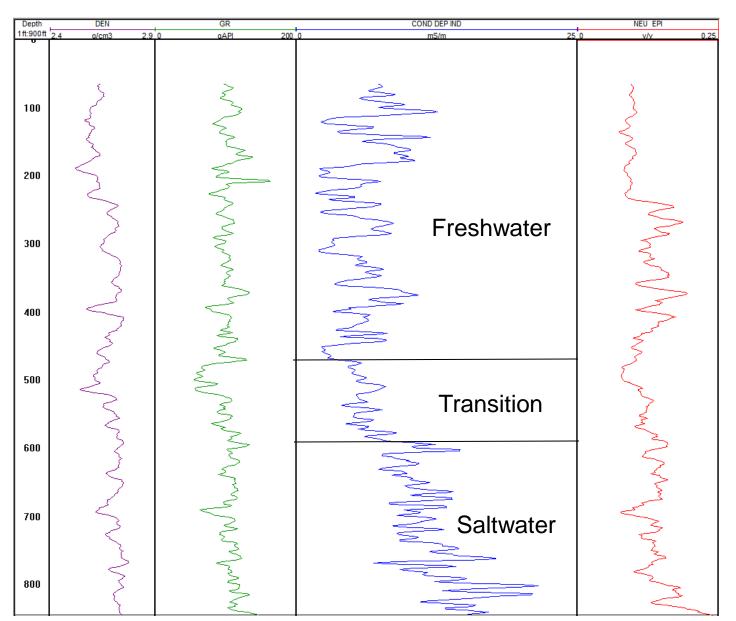


Wellheads of first two of six horizontal wells





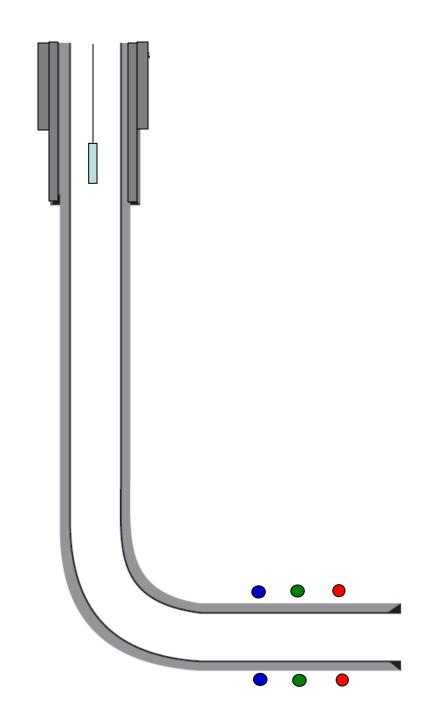
Geophysical Logs and Base of Freshwater Aquifer



Shale Gas Development

Best practices based on state-of-the-art technology and science

- Geophysical logging to delineate base of freshwater aquifers
- Surface casing/cement deep enough to protect freshwater aquifers
- Intermediate and production casing/cement/packers to prevent upward migration of gas
- Cement-bond logging and pressure testing to ensure good seals
- Drilling and frac fluid storage in tanks and offsite burial of drill cuttings
- Avoid hydraulic fracturing near structures
- Microseismic monitoring of hydraulic fracs
- Reuse of frac fluid reduces freshwater resource impacts and disposal issue
- Water-well sampling before and after drilling/hydraulic fracturing operation



"ZEALOUS FOR THE MARCELLUS"







