

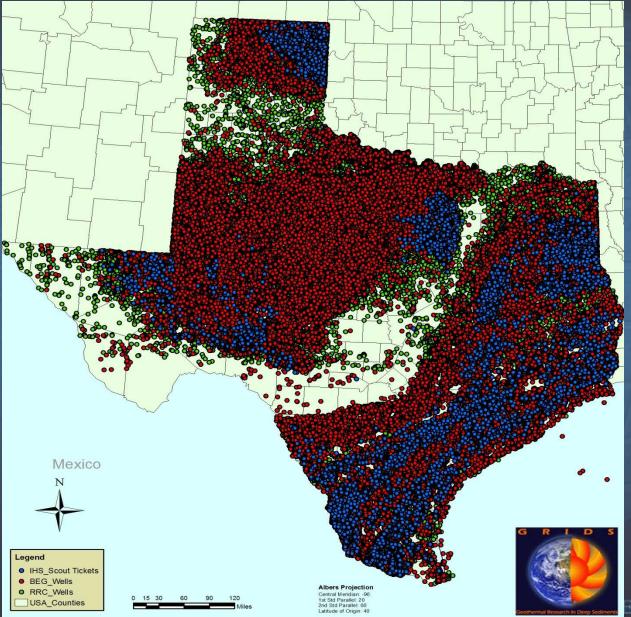
Geothermal Resources from Resource Definition to Power Production in Texas

Bruce Cutright and the Geothermal Resources Team at the Bureau of Economic Geology, University of Texas, Austin Texas March 14, 2013

Outline

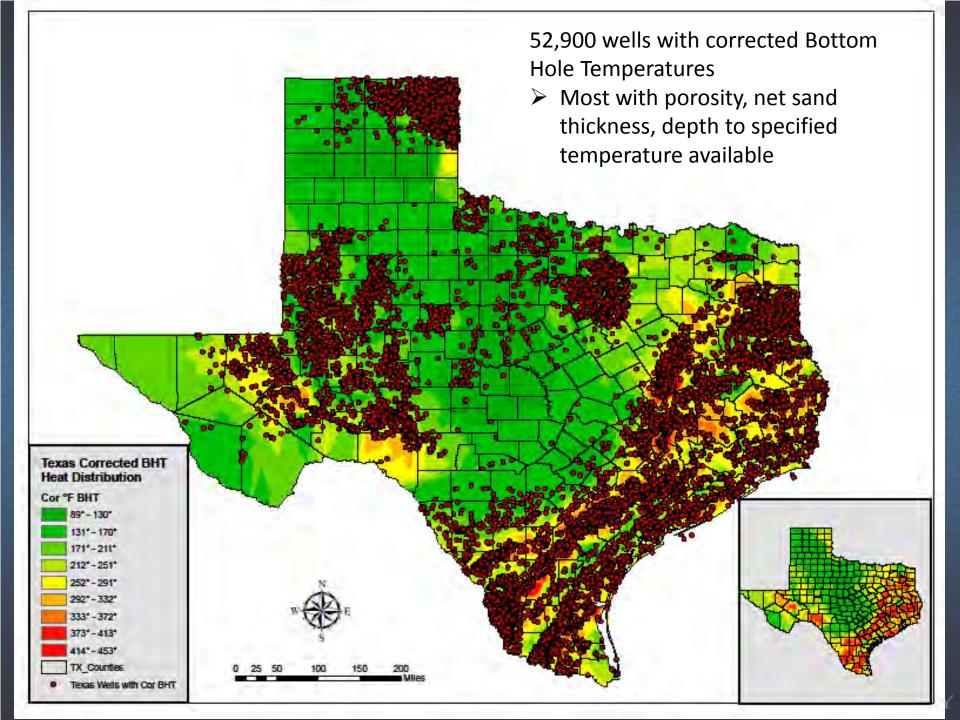
- Statewide Database Compilation is complete and will be available by September, 2013
- Data Analysis Results
 - temperature, flow, existing infrastructure
- Site Identification
- Economics
 - How competitive is Geothermal Energy
- Alternative Heat Extraction Fluids; CO₂

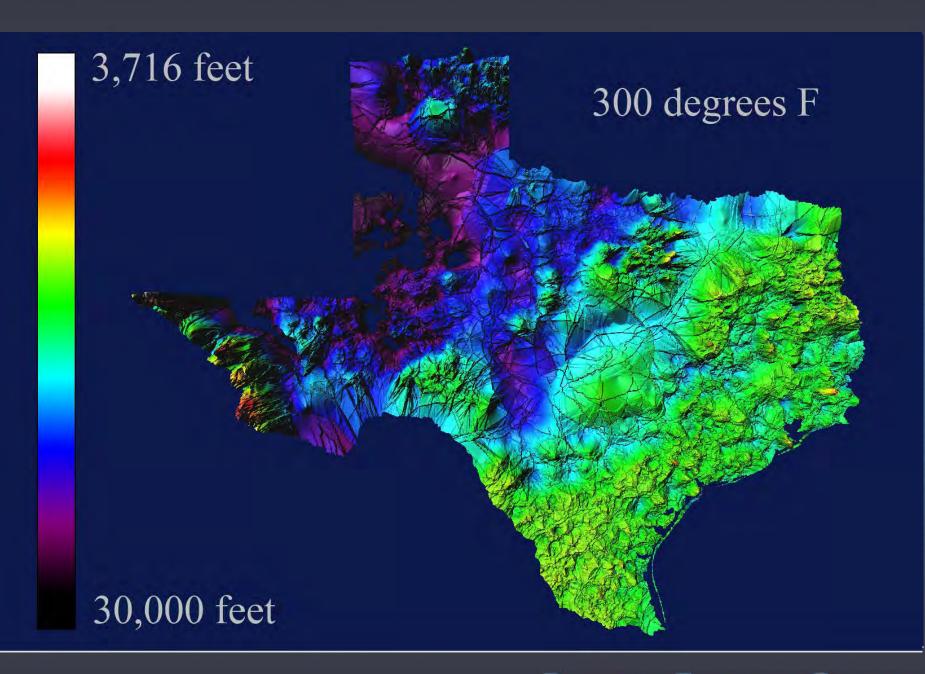
Database Compilation



National data set, between 4 to 5 million well records. Texas only: - 1.2 to 1.5 million Wells - Viable Records more in the range of 300K:

eau of Economic Geology

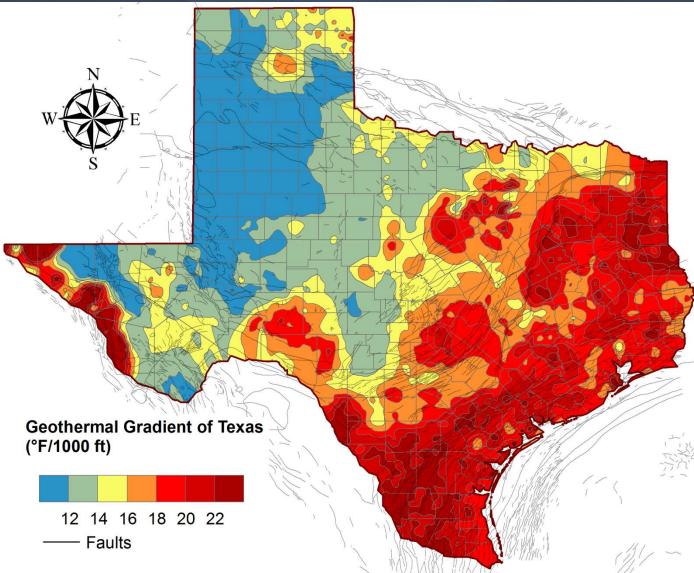




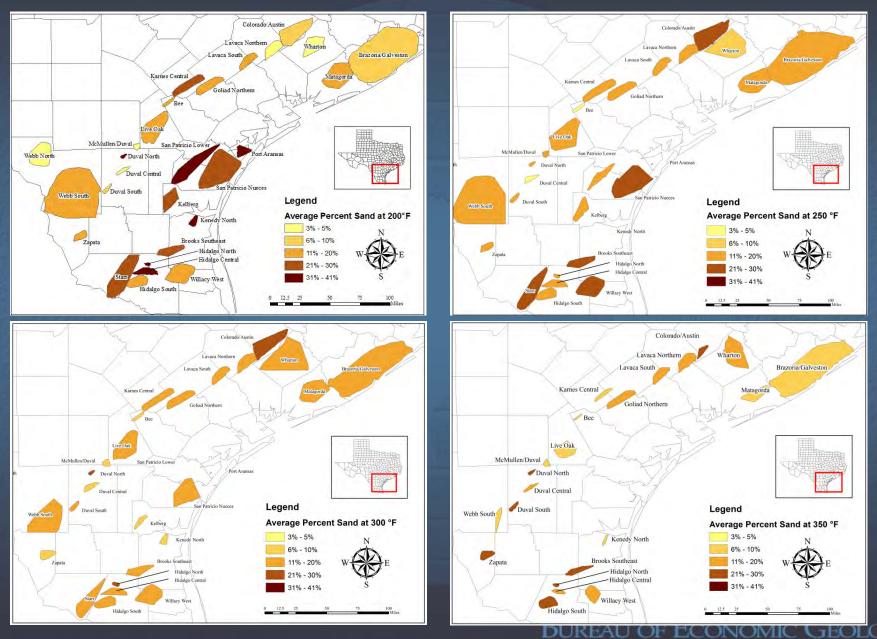
Data Analysis Overview

- Temperature Corrections
- Regional Reservoir Analysis
 - Compiled net sand thickness, porosity-permeability where available, flow test data, production data
- Derived Estimated of Time versus Yield, or Thermal Sustainability
- Cost Analysis using the US DOE Geothermal Electricity Technology Evaluation Model (GETEM)

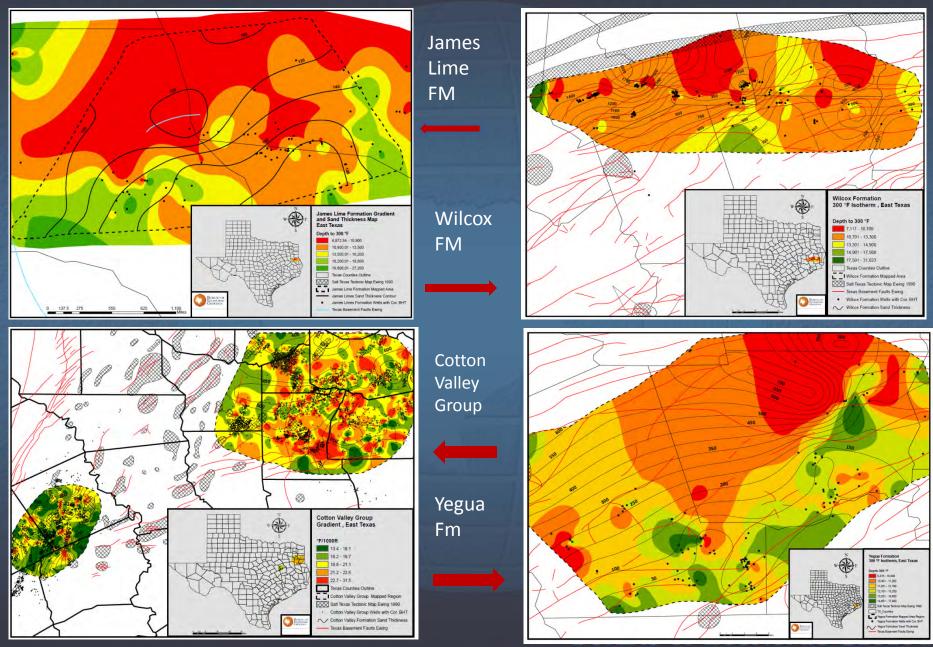
Temperatures and Gradients (Corrected Bottom Hole Temperatures)



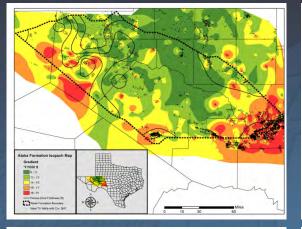
Flow Estimate by Porosity, Gulf Coast Fairways

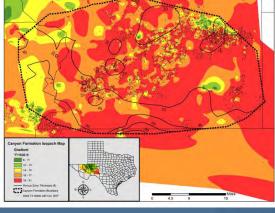


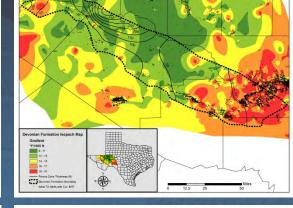
Selected East Texas Formations

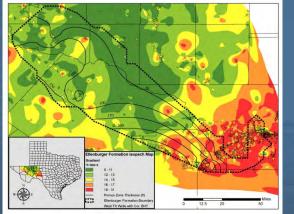


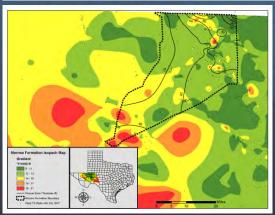
West Texas Example Formations

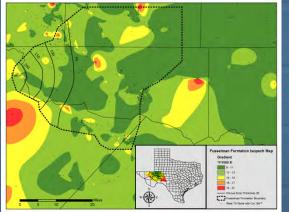


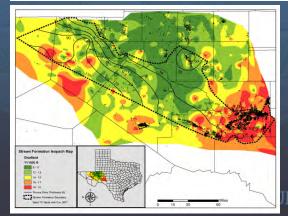


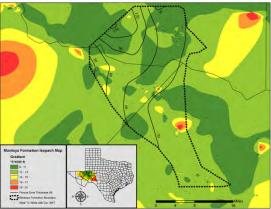






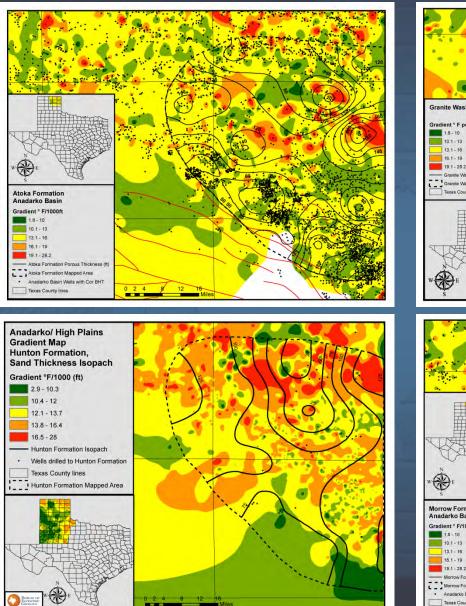


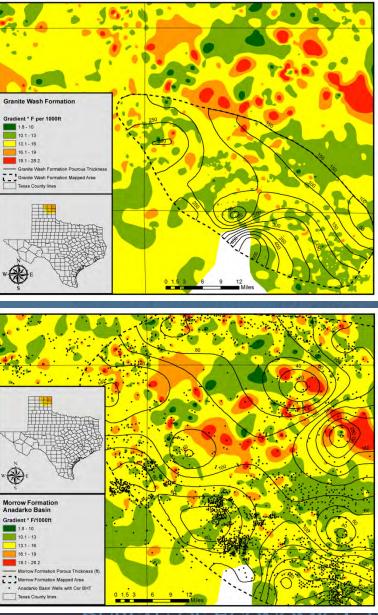




Additional Information for Atoka, Canyon, Devonian, Ellenburger, Fusselman, Montoya, Morrow Formations plus others

Anadarko Basin Formations





Selected example reservoir properties for Uddenberg model inputs

| Initial Inputs Used in | | |
|-------------------------|------------|---|
| Matlab Model | Values | Units |
| Decision Variables | | |
| Permeability | 0.01 | Darcies |
| Production | 150000 | kg/hr |
| Time | 30 | Years |
| Deltatemp | 0.8 | Percent temp change of fluid |
| Distance | 5000 | Meters between production and injection wells |
| | | |
| Intrinsic Properties | | |
| Area | 58058600 | Square Meters |
| radius | 4300 | radius of reservoir in meters |
| Width | 8600 | meters |
| Length | 5750 | meters |
| radiuscasing | 0.2 | radius of casing in meters |
| height | 45.72 | Meters |
| | | |
| Initial Variable Values | | |
| Pressure | 36542213.7 | Pa |
| Temperature | 423 | °K |
| Porosity | 0.06 | Decimal |

Use of Existing Wells

 In Texas, the infrastructure for geothermal energy already exists in the form of pre-drilled wells, transmission lines, and resource-based knowledge.

| Holes Plugged | 2011 | 2010 | 2009 | Latest Data from Railroad Commission (2012) | |
|---------------|-------|-------|-------|--|-------------|
| Oil | 3,340 | 3,771 | 3,991 | Inactive | 41,123 |
| Gas | 1,827 | 1,750 | 1,916 | Wells | |
| Other | 394 | 493 | 464 | Orphan Wells | 5,892 |
| Total | 5,564 | 6,028 | 6,390 | - | P. Martines |

From Texas RRC 2011 Drilling Summary:

http://www.rrc.state.tx.us/data/drilling/drillingsummary/2011/annual2011.pdf

 This acts as "low hanging fruit" for potential geothermal operations in Texas by reducing the drilling costs.

Cost Analysis

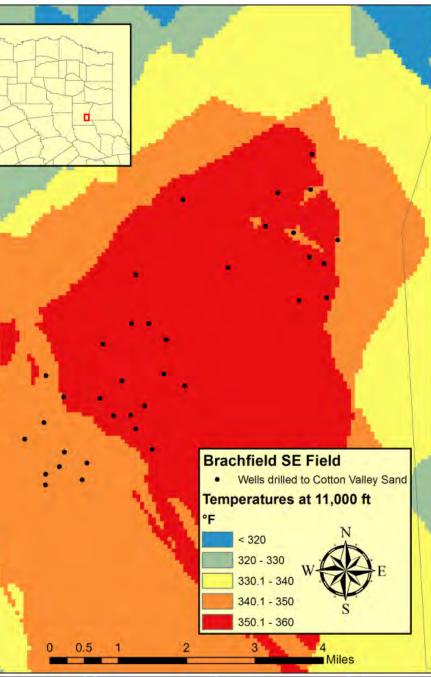
using as an example BrachField SE Field, Rusk County

Models

GETEM Model

- Geothermal cost model produced by the DOE
- Takes into account flow rate, basic reservoir properties, life-cycle of equipment, and various development, exploration, and tax etc. costs.
- Outputs cost in ¢/kw-hr, ideal power generation capacity, and annual costs and revenues.
- The Uddenberg (2012) Lumped Parameter Model
 - Designed to provide a rough estimate of production and injection well schemes to ensure the long-term sustainability of the thermal properties of a prospective reservoir.
 - Takes into account reservoir properties and distance between injection and production wells.
 - Assesses whether the scheme is sustainable before GETEM modeling with the flow rates and temperatures used.

East Field, Rusk County, **Brachfield SE**



Example GETEM Estimates for LCOE and Generation Capacity

| Brachfield Southeast Field, Rusk County (East Texas) | | | | | |
|--|--------------------------|--------------------------|--------------------------|--|--|
| Parameters/Results | Optimistic Case | Base Case | Conservative Case | | |
| Resource Temperature (°F) | 360 | 345 | 330 | | |
| Resource Depth (ft) | 11,700 | 10,700 | 10,000 | | |
| Production Well Flow Rate (gpm) | 700 (24,000 bbls\day) | 650 (22,285 bbls\day) | 550 (18,857 bbls\day) | | |
| Number of Production Wells | 5 | 4 | 3 | | |
| LCOE (¢/kW-h) | 5.98 | 7.06 | 8.71 | | |
| Ideal Power Output (MW) | 11.37 | 8.53 | 5.96 | | |

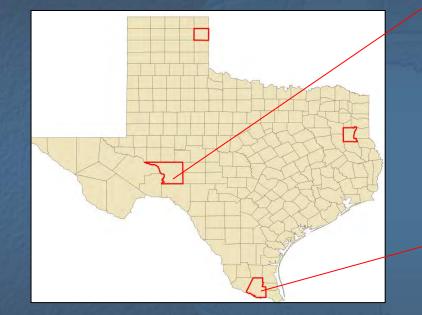
GETEM Estimates for LCOE

Will-O Field, Crockett County (West Texas)

| | Parameters/Results | Optimistic Case | Base Case | Conservative Case |
|---|------------------------------------|-----------------|-----------|-------------------|
| | Resource Temperature (°F) | 340 | 325 | 310 |
| | Resource Depth (ft) | 14,700 | 14,000 | 11,500 |
| | Production Well Flow Rate (gpm) | 700 | 600 | 600 |
| 2 | Number of Production Wells | 5 | 4 | 3 |
| | LCOE (¢/kW-h) | 6.65 | 8.4 | 10.256 |
| | ldeal Power Output (MW) | 11.52 | 7.98 | 6.04 |

South Hidalgo Fairway, Hidalgo County (Gulf Coast)

| Parameters/Results | Optimistic Case | Base Case | Conservative Case | |
|------------------------------------|-----------------|-----------|-------------------|--|
| Resource Temperature (°F) | 375 | 350 | 300 | |
| Resource Depth (ft) | 12,000 | 10,500 | 9,000 | |
| Production Well Flow Rate (gpm) | 700 | 650 | 550 | |
| Number of Production Wells | 5 | 4 | 3 | |
| LCOE (¢/kW-h) | 5.28 | 6.52 | 10.34 | |
| ldeal Power Output (MW) | 11.34 | 5.57 | 4.79 | |



GETEM Estimates for LCOE



Mathers Ranch Field, Hemphill County (Anadarko Basin)

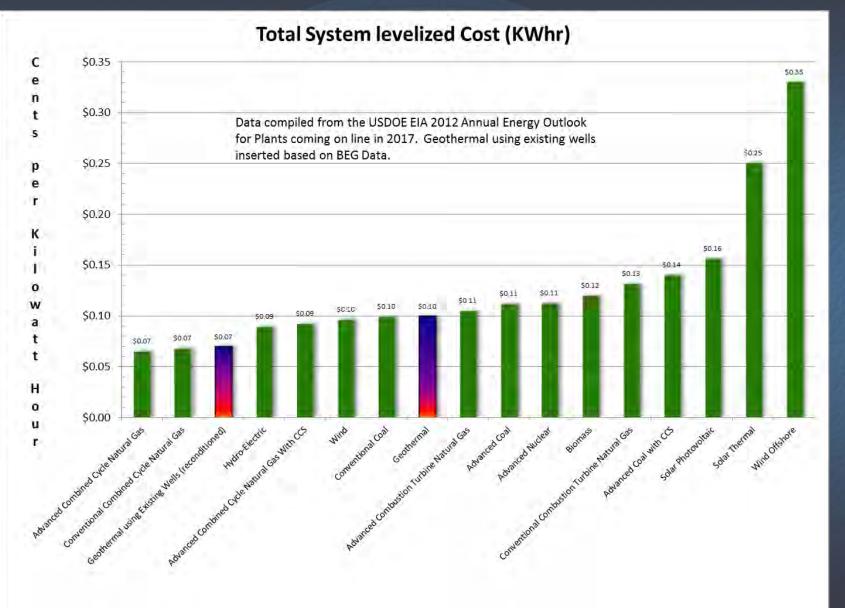
| Parameters/Results | Optimistic Case | Base Case | Conservative Case |
|------------------------------------|-----------------|-----------|-------------------|
| Resource Temperature (°F) | 350 | 325 | 300 |
| Resource Depth (ft) | 17000 | 17,000 | 16,500 |
| Production Well Flow Rate (gpm) | 700 | 650 | 550 |
| Number of Production Wells | 5 | 4 | 3 |
| LCOE (¢/kW-h) | 6.34 | 8.46 | 11.11 |
| Ideal Power Output (MW) | 11.54 | 8.71 | 4.79 |

Brachfield Southeast Field, Rusk County (East

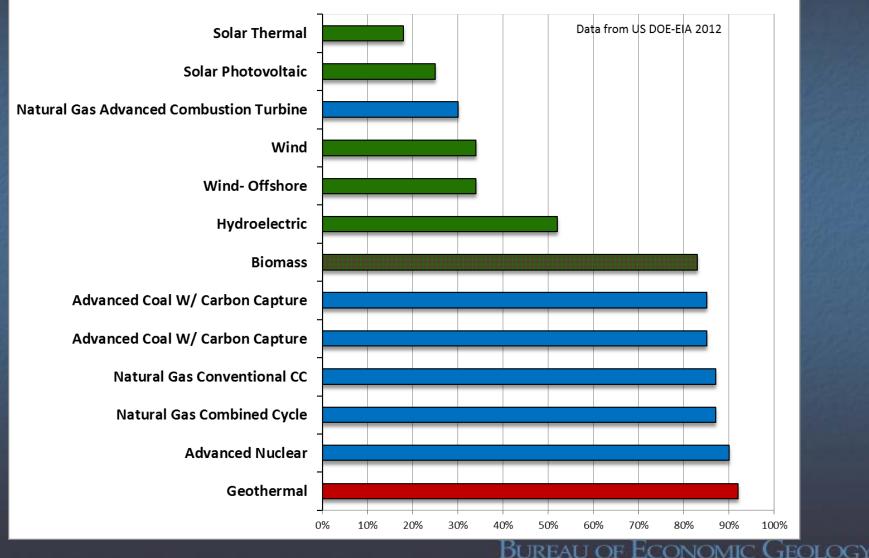
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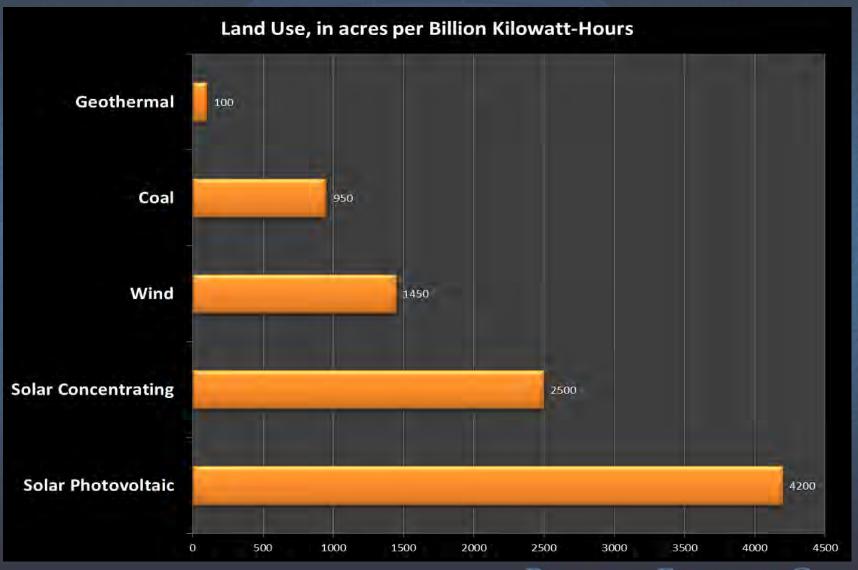
| | Parameters/Results | Optimistic Case | Base Case | Conservative Case |
|---|------------------------------------|-----------------|-----------|-------------------|
| | Resource Temperature (°F) | 360 | 345 | 330 |
| 1 | Resource Depth (ft) | 11700 | 10,700 | 10,000 |
| | Production Well Flow Rate (gpm) | 700 | 650 | 550 |
| | Number of Production Wells | 5 | 4 | 3 |
| | LCOE (¢/kW-h) | 5.98 | 7.06 | 8.71 |
| | ldeal Power Output (MW) | 11.37 | 8.53 | 5.96 |

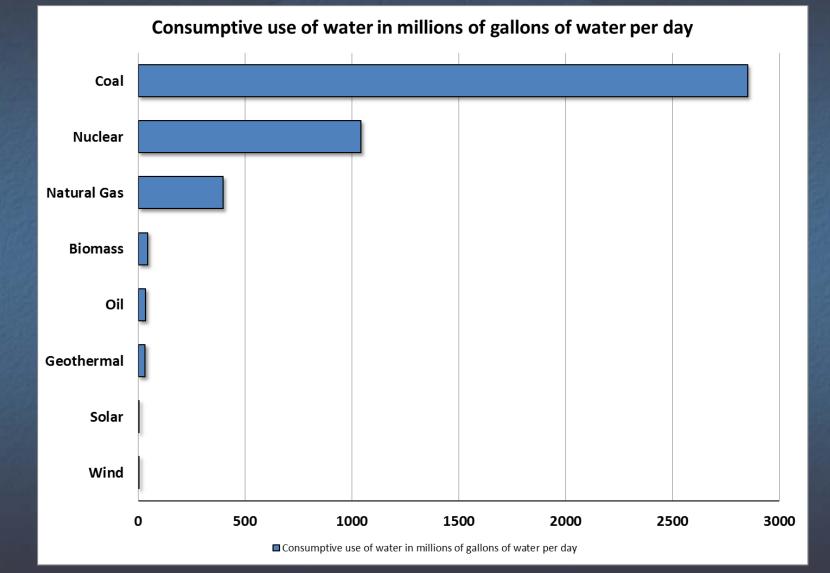
Summary Results of US DOE EIA Cost Data for Energy Production Methods



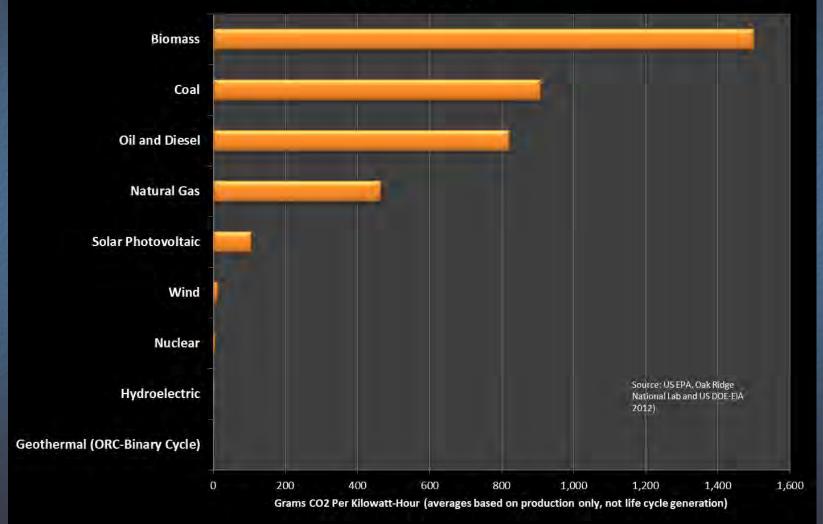
Capacity Factor, Various Energy Production Methods

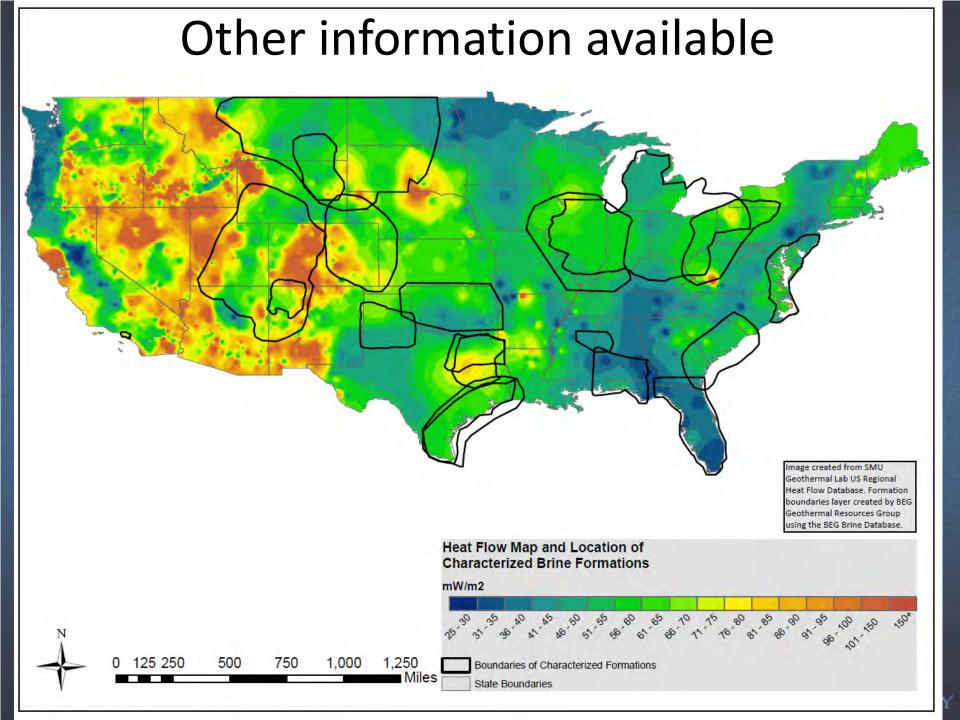


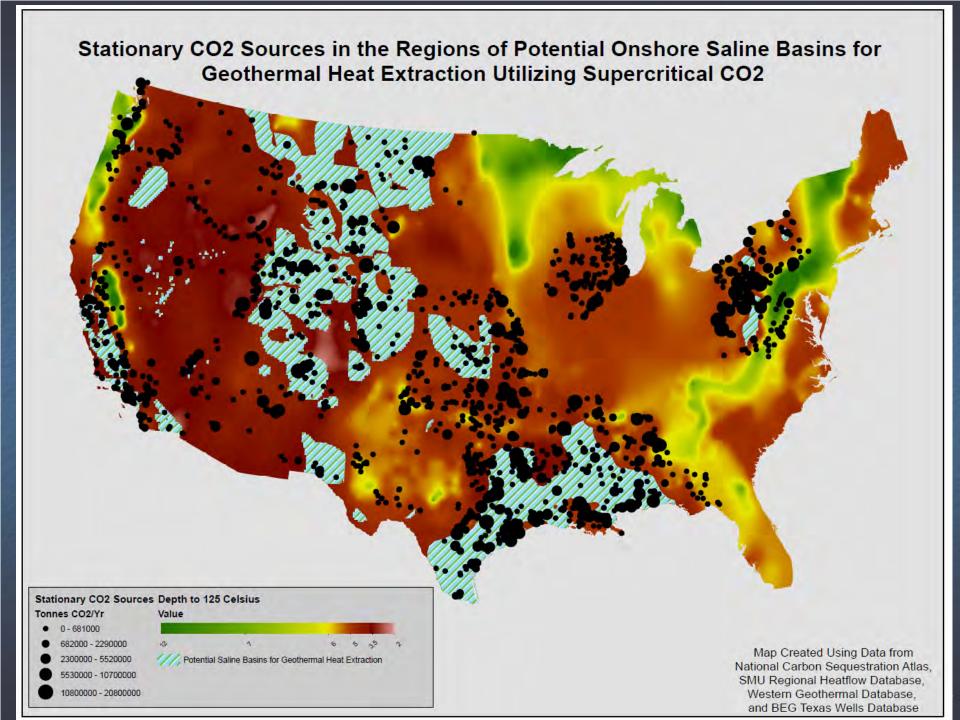


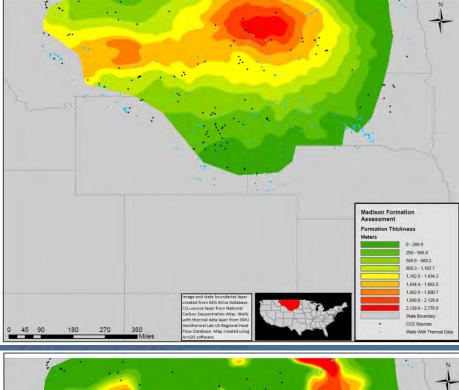


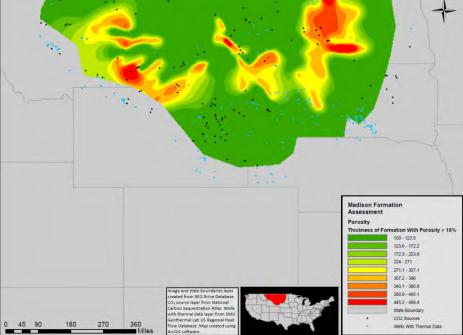
Carbon Dioxide Produced Per Kilowatt-Hour (grams/KWhr)

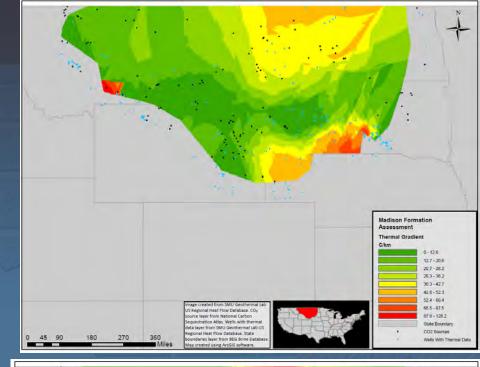


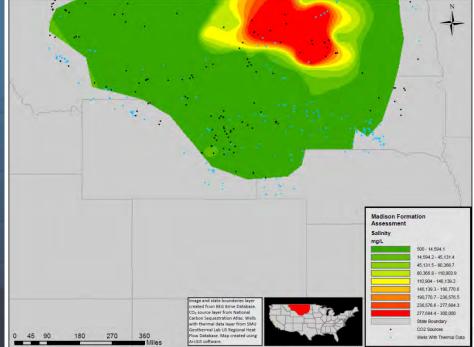


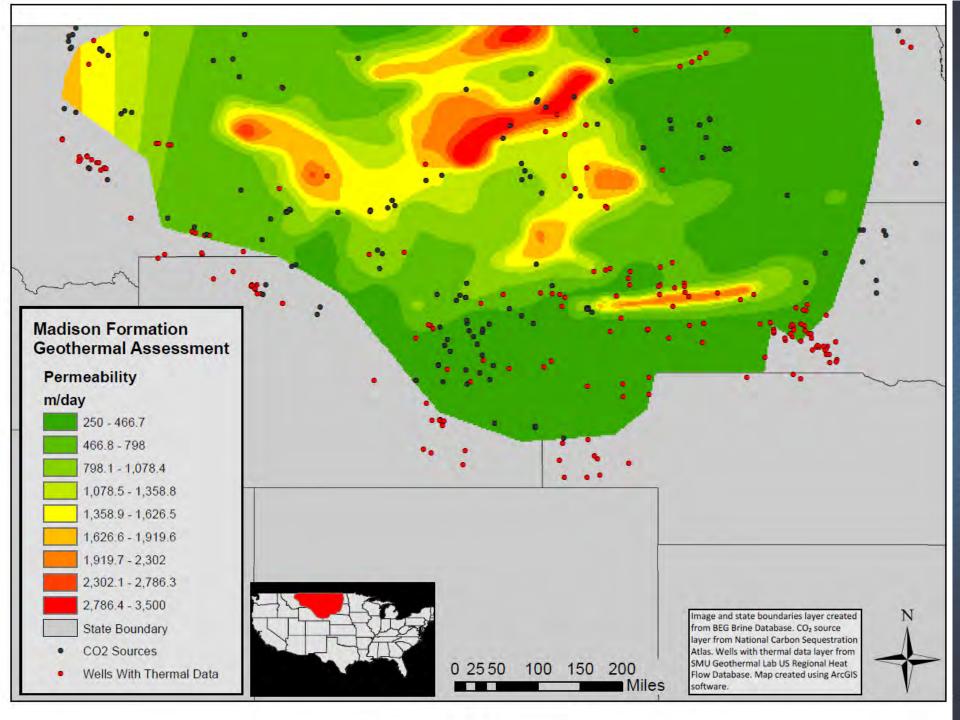


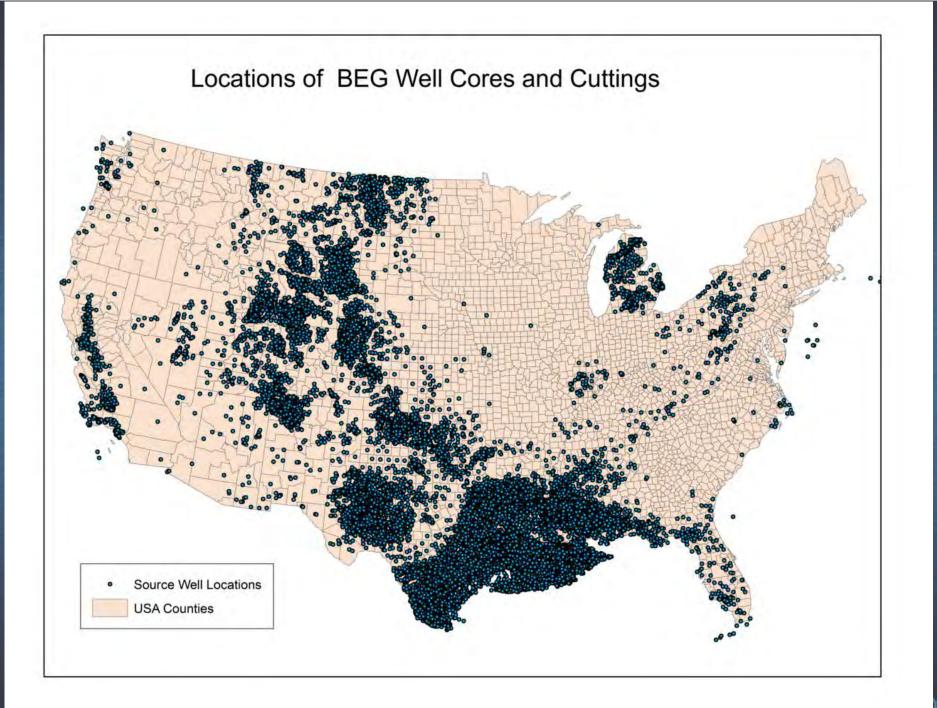


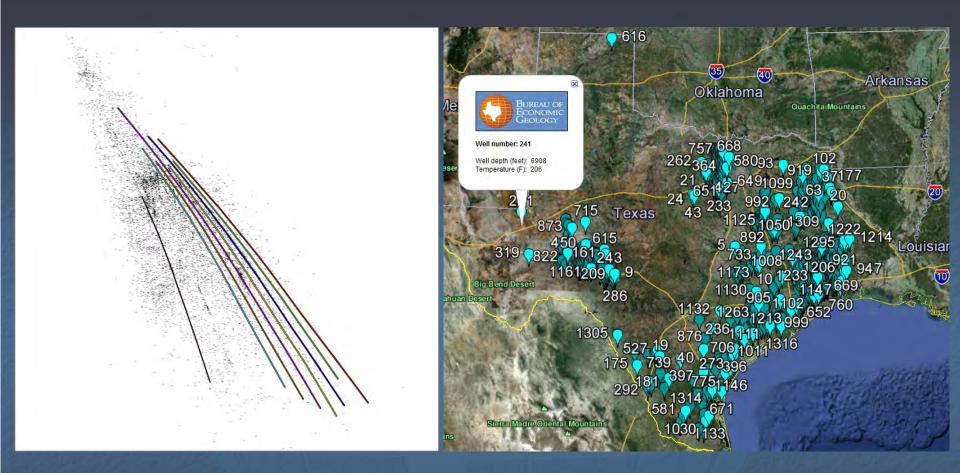










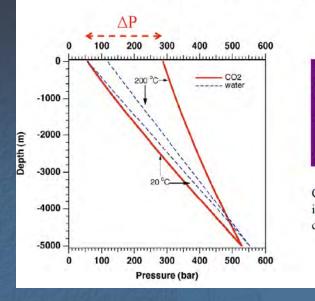


http://www.beg.utexas.edu/temp/bruce2/

http://igor.beg.utexas.edu/geothermalmap3/

Example of Bureau of Economic Geology web page under development, but soon to be accessible to the general public

Wellbore Flow: CO₂ vs. Water



Pressure difference between production and injection well CO_2 : 288.1 - 57.4 = 230.7 bar water: 118.6 - 57.4 = 61.2 bar

CO₂ generates much larger pressures in production well, facilitating fluid circulation.

What can be done to address Hot, but Low permeability environments that, absent sufficient permeability, would be productive Geothermal Reservoirs?

Formation Stimulation; i.e., Fracking, or

 Alternate Heat Mining Fluid; i.e., Supercritical Carbon Dioxide.

- Need a mass flow of approximately 20 tons of CO₂ per second, per GW electric power capacity.
- Expect a fluid loss rate of order 5%, or 1 ton per second of CO₂ per GW of installed EGS capacity.
- This is equivalent to CO₂ emissions from 3 GW of coal-fired power generation.
- The MIT report (2006) projects 100 GW of EGS electric power by 2050.
- 100 GW of EGS with CO₂ would store 3.2 Gt/yr of CO₂, approximately 40 % of total current U.S. emissions.

From Research Prof. Karsten Pruess, Lawrence Berkeley National Laboratory, Presented at the SMU 2008 Conference June, 2008

We have choices, each with advantages and disadvantages

Thank you Bruce L. Cutright Bureau of Economic Geology Jackson School of Geosciences University of Texas

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