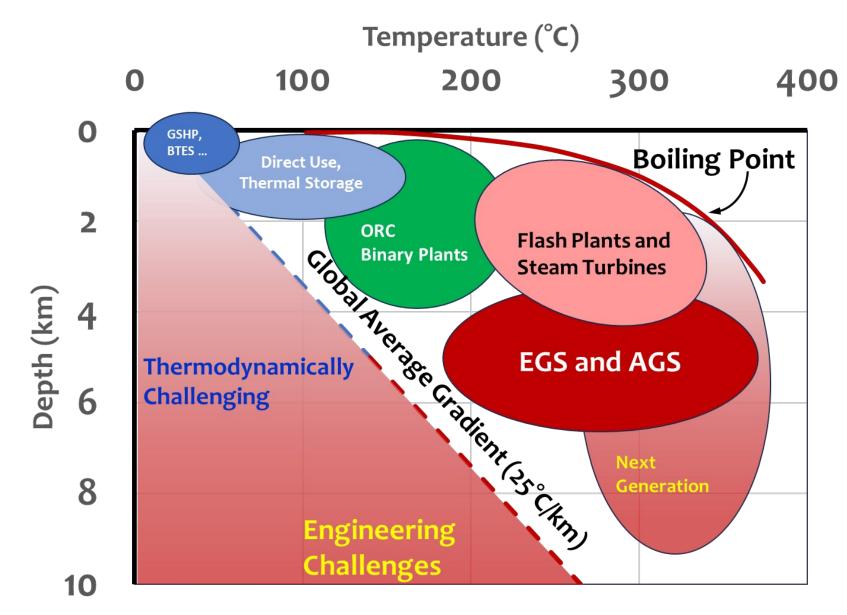
FORGE (Frontier Observatory for Research in Geothermal Energy)

John McLennan Kevin England September 19, 2023





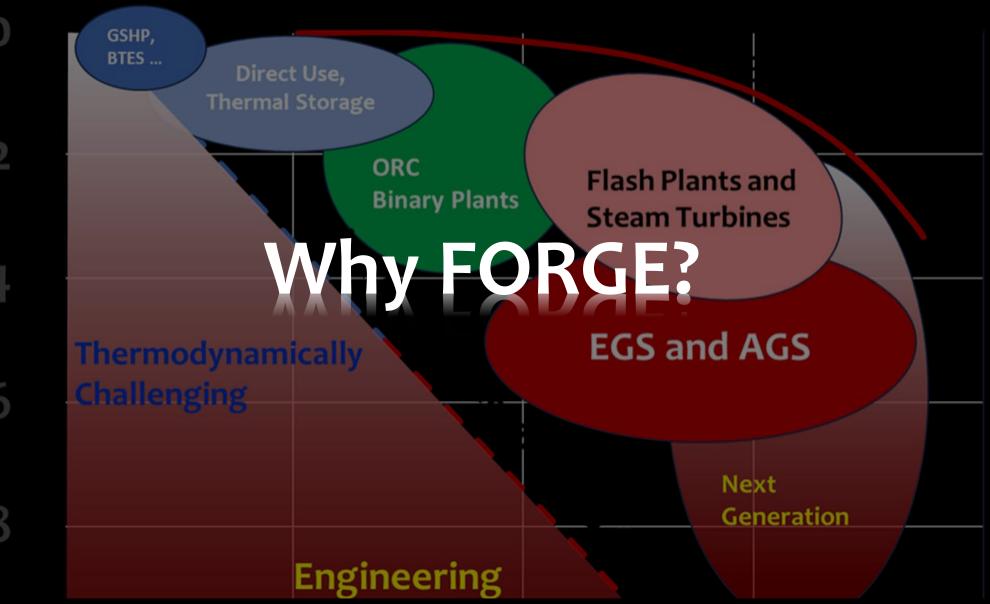
Geothermal Systems



Modified after Moore and Simmons, 2013

0 100 200 300 400

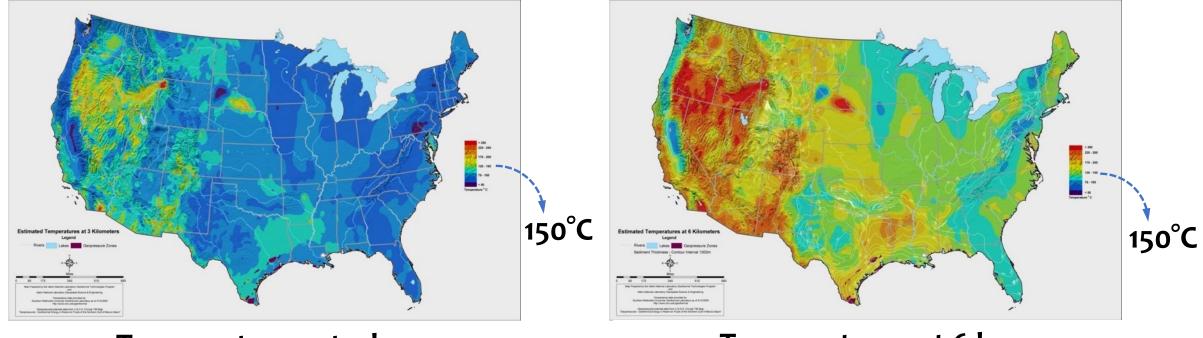
Depth (km) **9 A**



Opportunity Exists $\rightarrow \rightarrow \rightarrow$ **Technology Gaps**?

Resource Base:

USGS Estimated Potential in Western States is 518,000 MWe

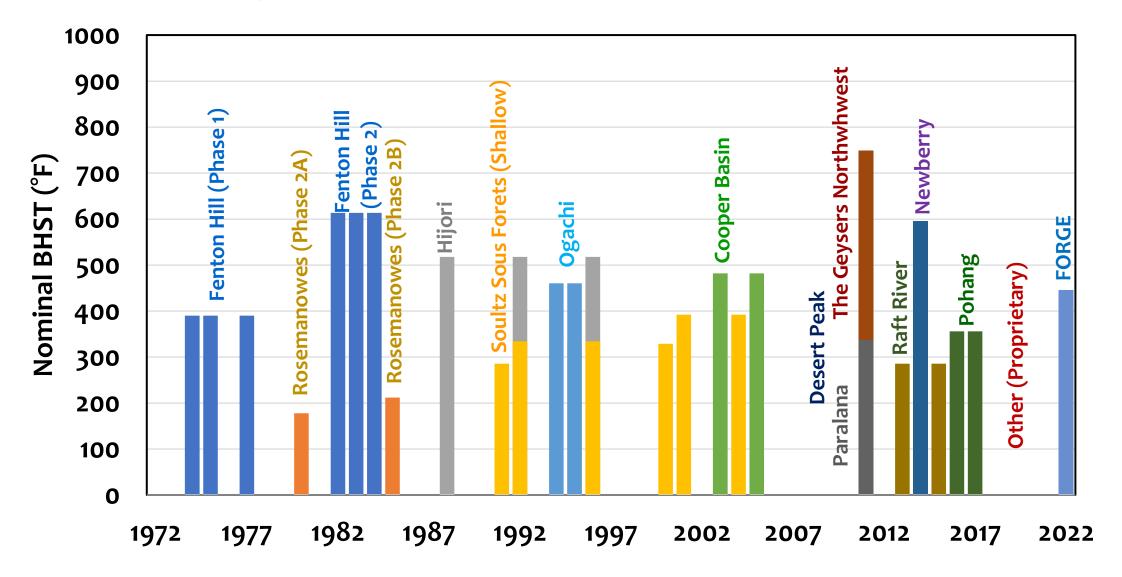


Temperatures at 3 km

Temperatures at 6 km

Data from SMU and Tester and others, 2006

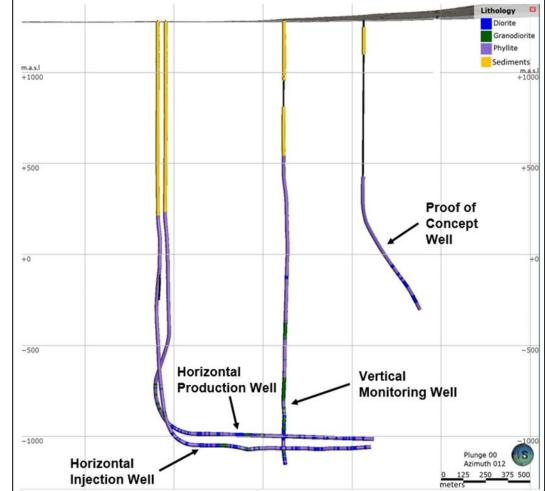
Nearly 50 Years of EGS Stimulations



Compiled from Tester et al., 2006 and Breede et al., 2013

Fervo Energy Drills and Completes First Successful Horizontal EGS

- Monitoring Well 73-22 to 8009' TVD to host microseismic array, permanent fiber, and PT gauge
- 2. Injection Well 34A-22 to 7700' TVD with a 3250' lateral'
- 3. Horizontal Production Well 34-22 drilled through SRV
- 4. Maximum Temperature 191 °C
- 5. Metasedimentary and granite
- 6. 97/8" lateral with 7" casing



Utah FORGE - DOE's Frontier Observatory for Research in Geothermal Energy

Field laboratory for developing, testing, and prototyping technologies that could be adopted for commercializing Enhanced Geothermal Systems (EGS)







DOE FORGE: Revitalizing Classical EGS (HDR)

Conceptual Reservoir Development

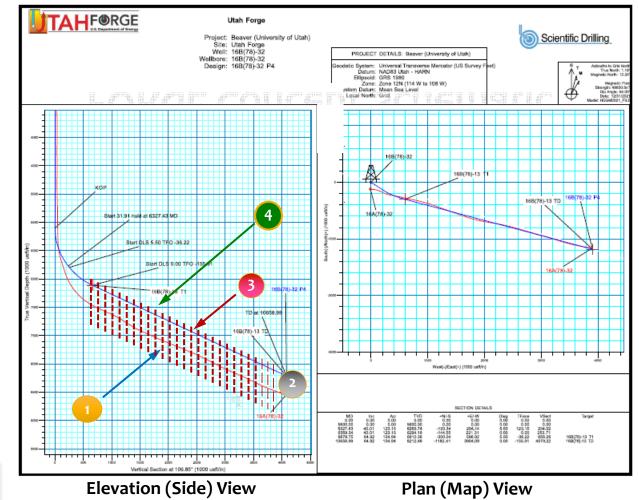
- 1. Drill Injection Well: 16A(78)-32
- 2. Hydraulically Fracture (Multiple Stages)
- 3. Drill Production Well to Intersect Fractures: 16B(78)-32
- 4. Populate Well with Frac Stages

Conceptual Commercial Agenda

- Injected Cold Water Circulates Through Hydraulic Fractures
- Hot Water Brought to Surface Through Production Well
- Flashed to Steam and/or Run Through Organic Rankine Cycle Binary Plant

Surface Area for Heat Exchange

FORGEConcept Schematic



16B(78)-32 Production Well 10,987 ft MD, 8,559 ft TVD

16A(78)-32 Injection Well 10,987 ft MD, 8,559 ft TVD

Where Are We?

56-32 Seismic Monitoring Well 9,145 ft MD

47-32 // Seismic Monitoring Well

~9,500 ft MD

58-32 -Pilot Well 7,536 ft MD

1

68-32

Seismic Monitoring Well 1,000 ft MD Seismometer Accelerometer

78-32 ___ Seismic Monitoring Well 3,280 ft MD DAS

16A(78)-32 4,074 A

78B-32 – Seismic Monitoring Well ~9,500 ft MD DAS

Challenges: Temperature

TAR

16B(78)-32 Temperature (°F) 50 100 150 200 250 300 350 400 450 500 0 16A(78)-32 1000 **Injection Well** 10,987 ft MD, 56-32 2000 8,559 ft TVD Seismic Monitoring Well 9,145 ft MD 3000 (ft) ²⁰⁰⁰ Depth (47-32 58-32 (11/2/17) eismic Monitoring We - 58-32 (06/28/21) Measured [500078A-32 (4/17/19) -9,500 ft MD 68-32 - 56-32 (06/29/21) Seismic Monitoring Well 16A(78)-32 (08/16/21) 7000 ★ 78B-32 extrapolated 1,000 ft MD 58-32 Seismometer Pilot Well 8000 Accelerometer 7,536 ft MD 9000 78-32 10000 Seismic Monitoring Well 0 50 100 150 3,280 ft MD Temperature (°C) 78B-32 DAS Seismic Monitoring Well ~9,500 ft MD DAS

0

500

1000 (m) 1500 Depth (m)

2500

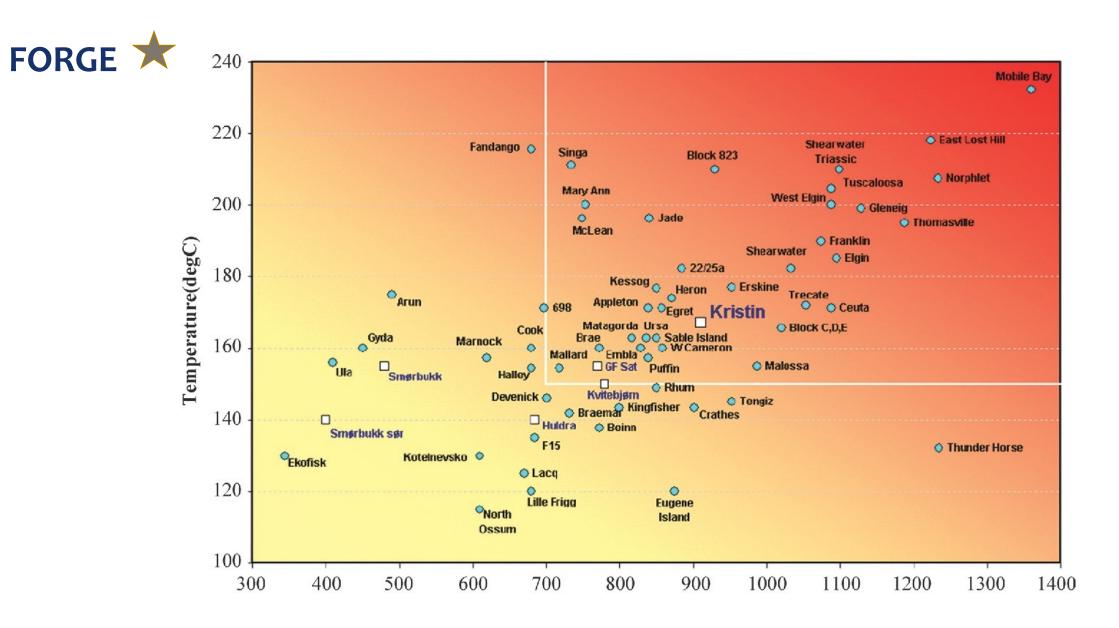
3000

250

6

40

200



https://assets.geoexpro.com/legacy-files/articles/Kristin%20a%20tough%20lady.pdf

Isolation Tools ... Problematic Previously



Zone 2 Packer Failure

"When packer pulled above the slips, the broken ring [Zone 3] fell into our hands" Zone 3 Packer. Rings and slips caused significant drag





Status - Temperature

Where We Are?

Drilling:

- Evidence of Ruggedized Bit Design
- Favorable Demonstration of Eavor's Insulated Drillpipe

Logging:

- Successful ThruBit Logging
 Stimulation:
- Successful use of slickwater and CMHPG, bridge plugs
- Fibers installed, planning next stimulations

Operations:

Implementation of R&D projects

What is Problematic?

Drilling:

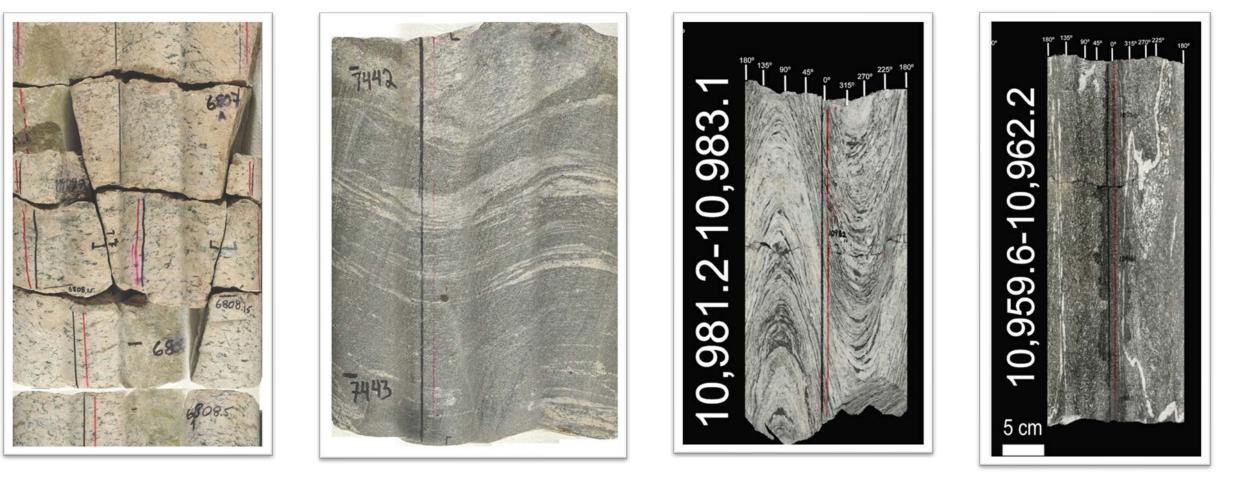
- Eliminate requirements for aggressive cooling
- Close calls with batteries
- Logging:
- Reduce requirements on cooling and other mitigation technologies
- Stimulation:
- Carrying proppant
- Monitoring microseismically
- Choosing isolation and perforating techniques

Operations:

• Yet to be determined



Challenges? (and Mysteries) Lithology and Natural Fractures



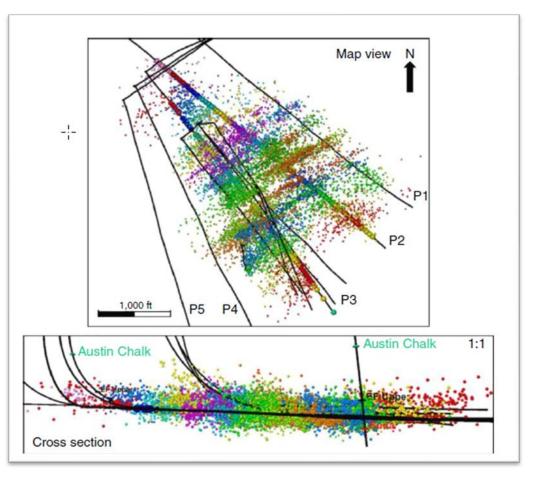
High Strength/Moduli, Abrasive Granitoid to Gneiss Rock Mass Properties, Fracture Properties, Bit as a Laboratory





Natural Fracture Influence?

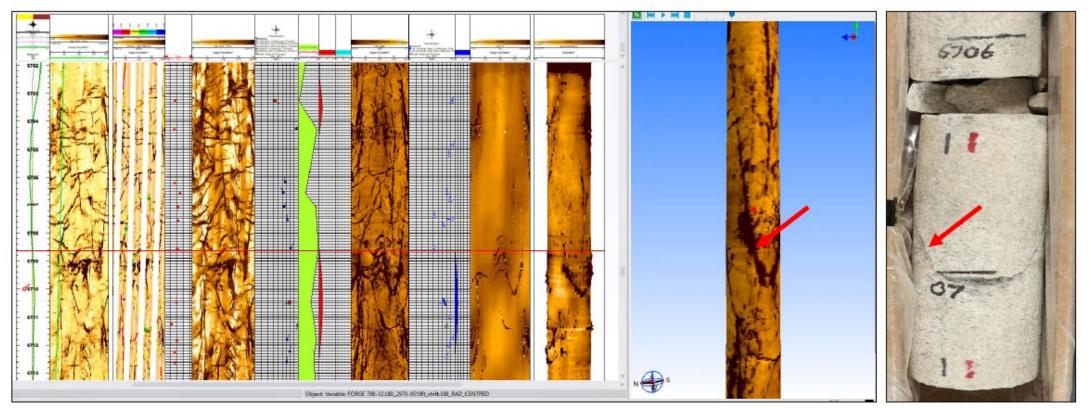




Raterman et al. 2018. Sampling a Stimulated Rock Volume : An Eagle Ford Example, SPE 191375, SPE Reservoir Evaluation & Engineering

Courtesy Bartley 2019

Reservoir Characterization Remains Challenging

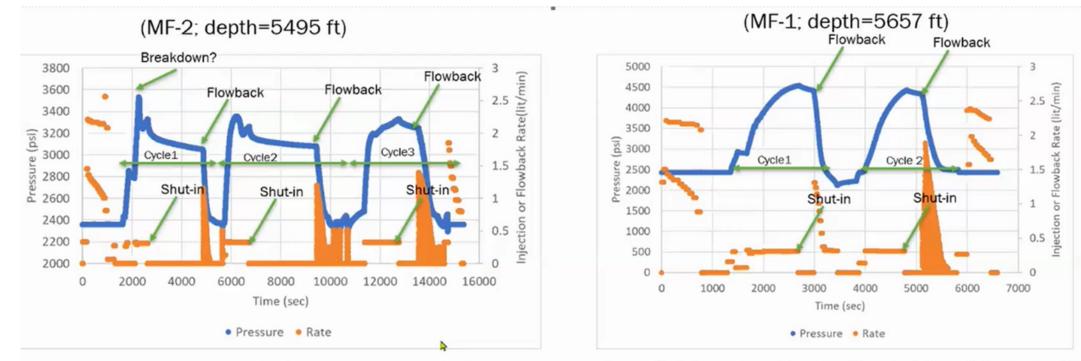


FORGE 78B-32



Courtesy: Andy Wray, SLB, September 2023





Bottom Hole Pressure and Injection/Flow Back Rate of the Station 2 Test Breakdown Observed? and Low ISIP Gradient Bottom Hole Pressure and Injection/Flow Back Rate of the Station 1 Test No obvious Breakdown and Higher ISIP Gradient

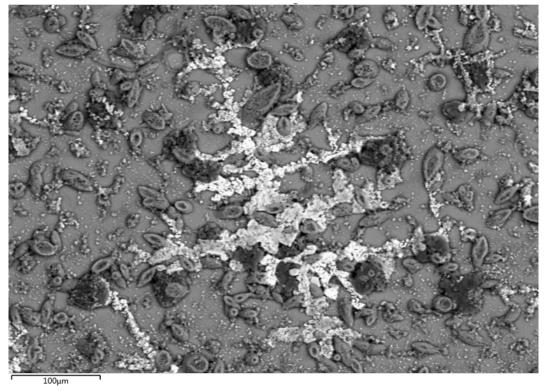
Station	Station/Cycle	Depth MD (ft)	Depth TVD (ft)	Breakdown/Reopening Pressure Gradient (psi/ft)	ISIP Gradient (psi/ft)
1	1	5,657	5,655.2	N/A	0.80
1	2	5,657	5,655.2	N/A	0.78
2	1	5,495	5,494	0.64	0.60
2	2	5,495	5,494	0.61	0.59



Courtesy Mark Kelley, Battelle

Fracture Infill and Flowback Chemistry

SEM-EDS of Drilling Fluids



"Confirmed the presence of halite, sylvite and calcite." Clay Jones, Personal Communication, June 22, 2023



Flowback After Fracs "The observed increases in dissolved solids in the flowback waters, from baseline samples that have salinities on the order of hundreds of ppm, to thousands of ppm at the end of flowback ... equates to thousands of kg of dissolved solids having been removed via solution."

Jones et al., 2023



Status – Role of Natural Fractures

Where We Are?

Drilling:

- To date (!!) no significant losses, except potentially during cementing Logging:
- Effectively mapped with FMI and UBI
- Deep Sonic can be helpful
- Flowback for stress
- Battelle stress measurements
 Stimulation:
- Fluid type could play a role **Operations:**
- Too early to tell

Where We Need to Go?

Drilling:

- We don't know what we don't know.
- Why significant vibrations ... Logging:
- Are we over-representing fractures that may have just been caused by thermal effects while drilling

Stimulation:

• To be determined

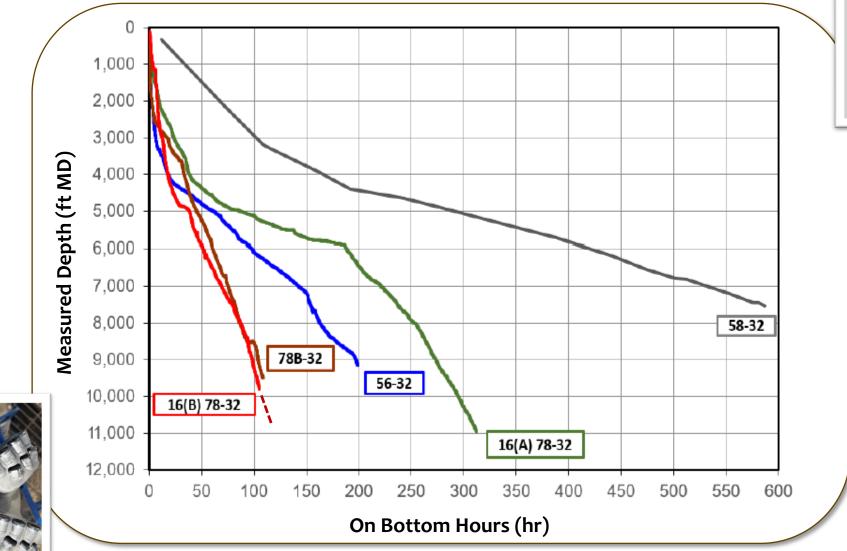
Operations:

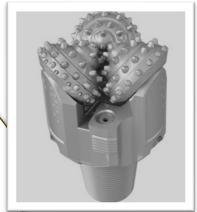
Too early to tell



Drilling Technology

Significant Performance Improvements



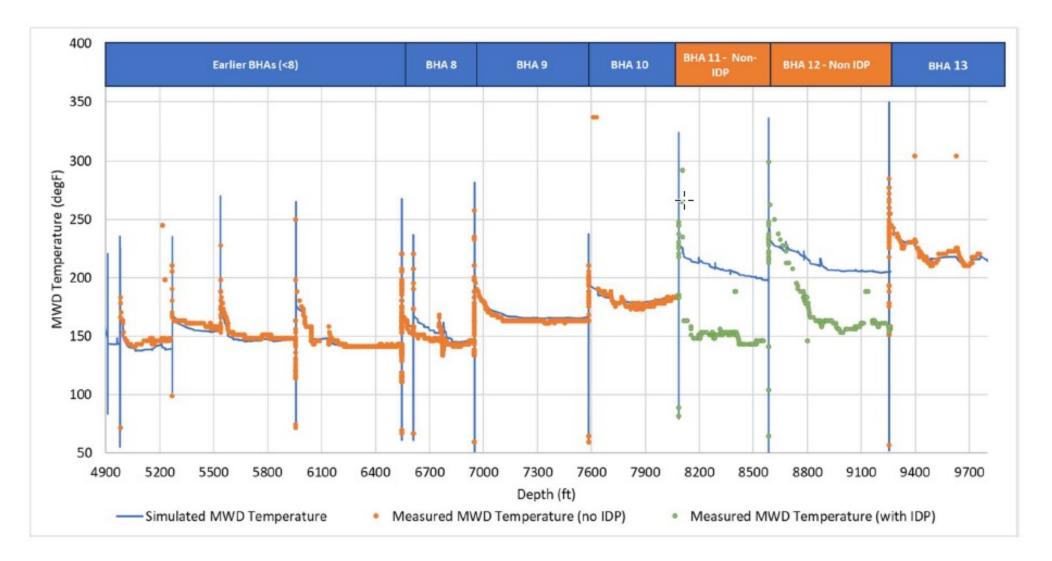


Dupriest and Noynaert (2022), Modified after Olson (2023)

Insulated Drill Pipe – Eavor Technologies

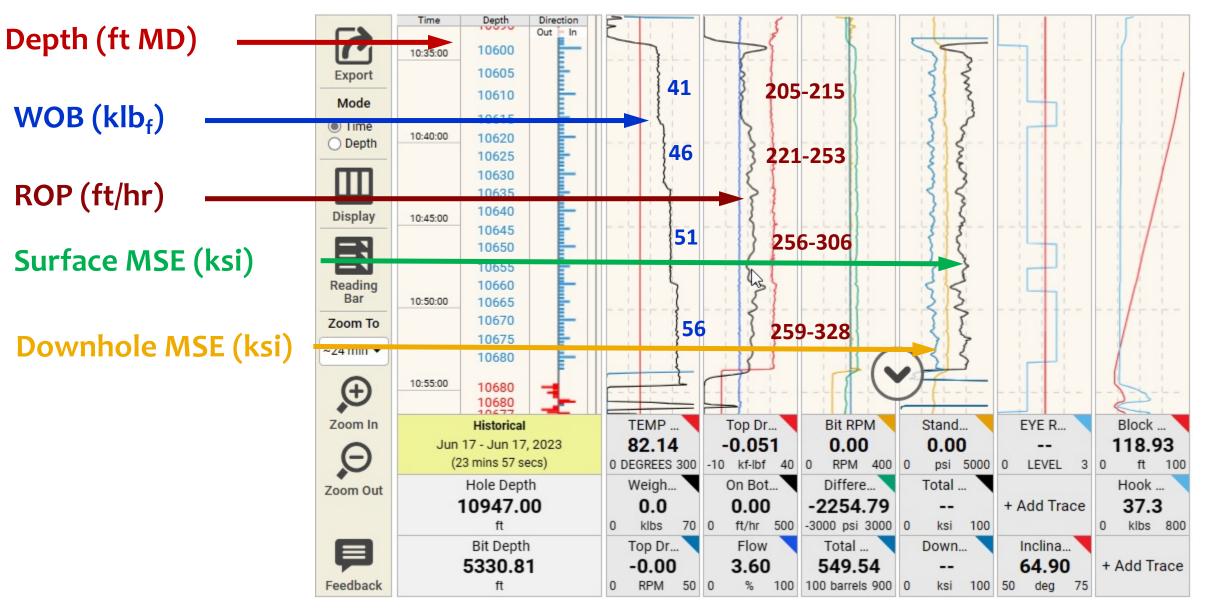


Insulated Drill Pipe – Eavor Technologies

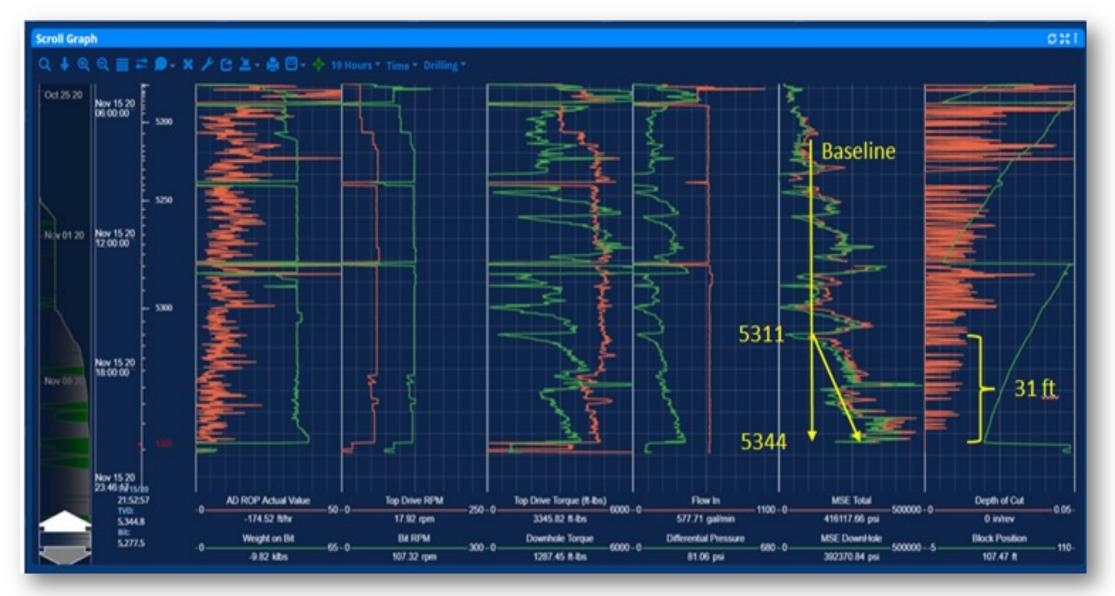


Eavor Courtesy Mark Hodder Eavor Technologies

WOB and ROP

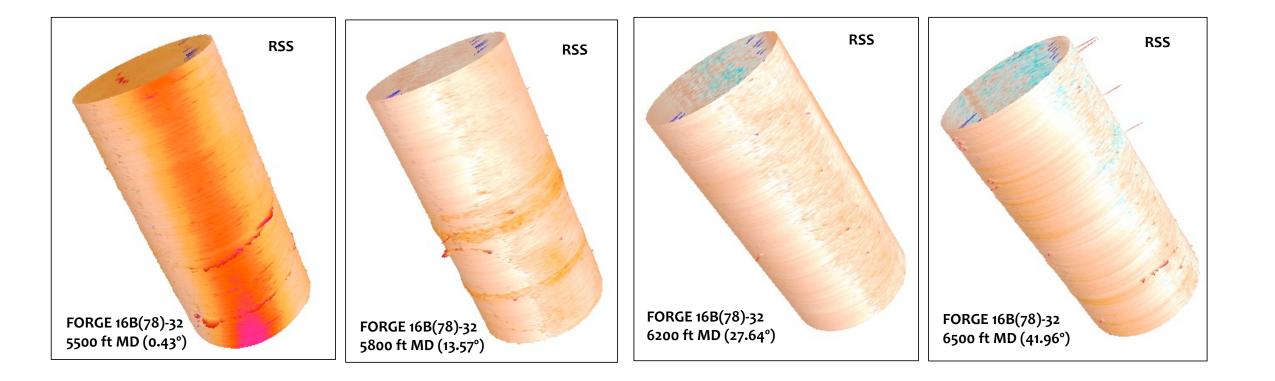


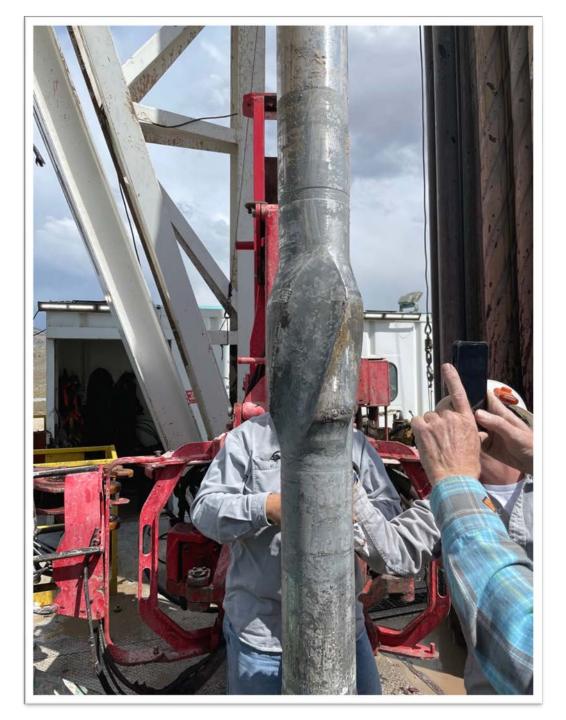
Mechanics of Drilling: Physics-Based Drilling

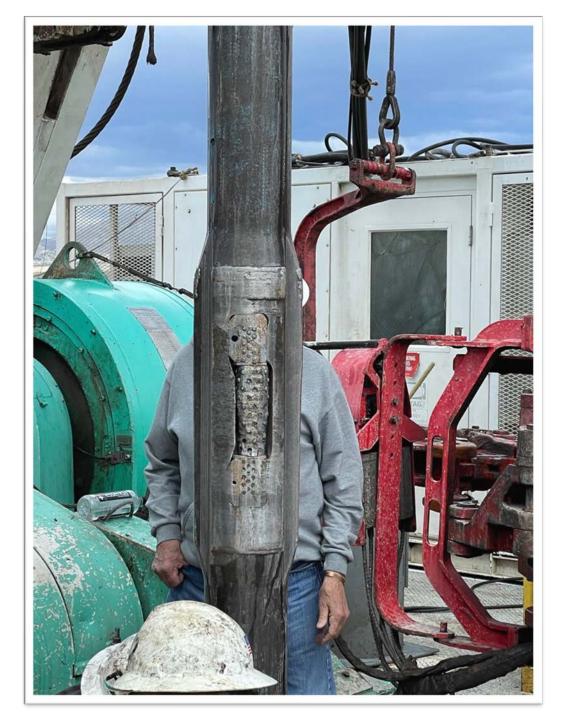


Images Courtesy Fred Dupriest TAMU

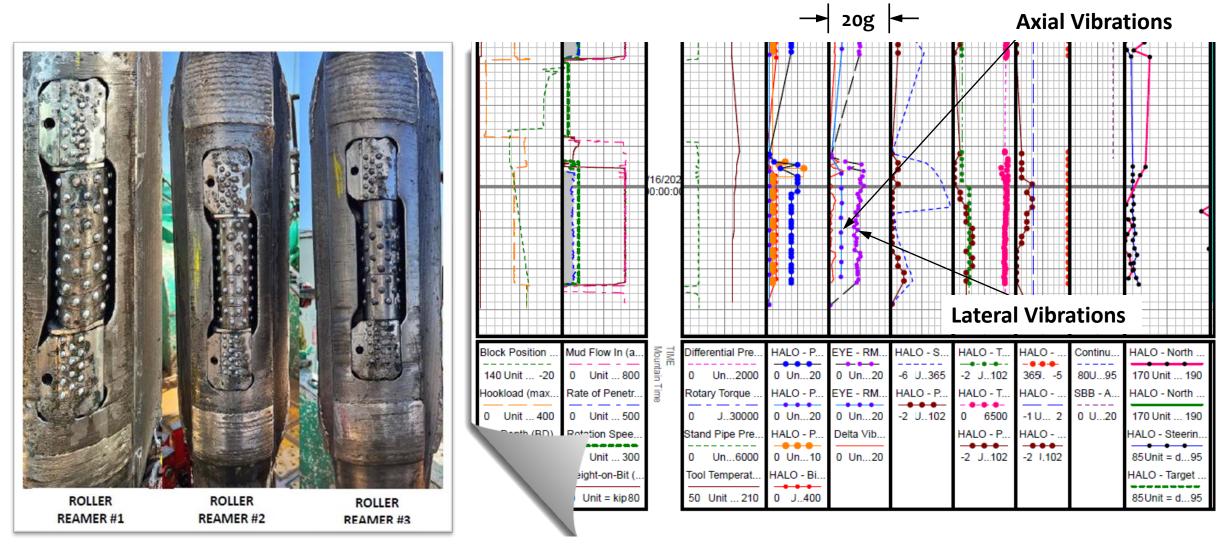
Rotary Steerable System (RSS) 16B(78)-32







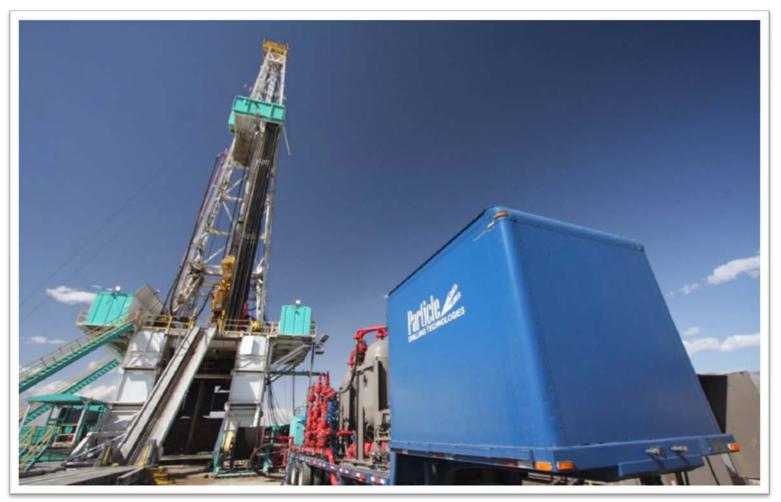
Vibrations as a Significant Dysfunction



Courtesy SGS

Courtesy Scientific Drilling

Particle Drilling









Particle Drilling









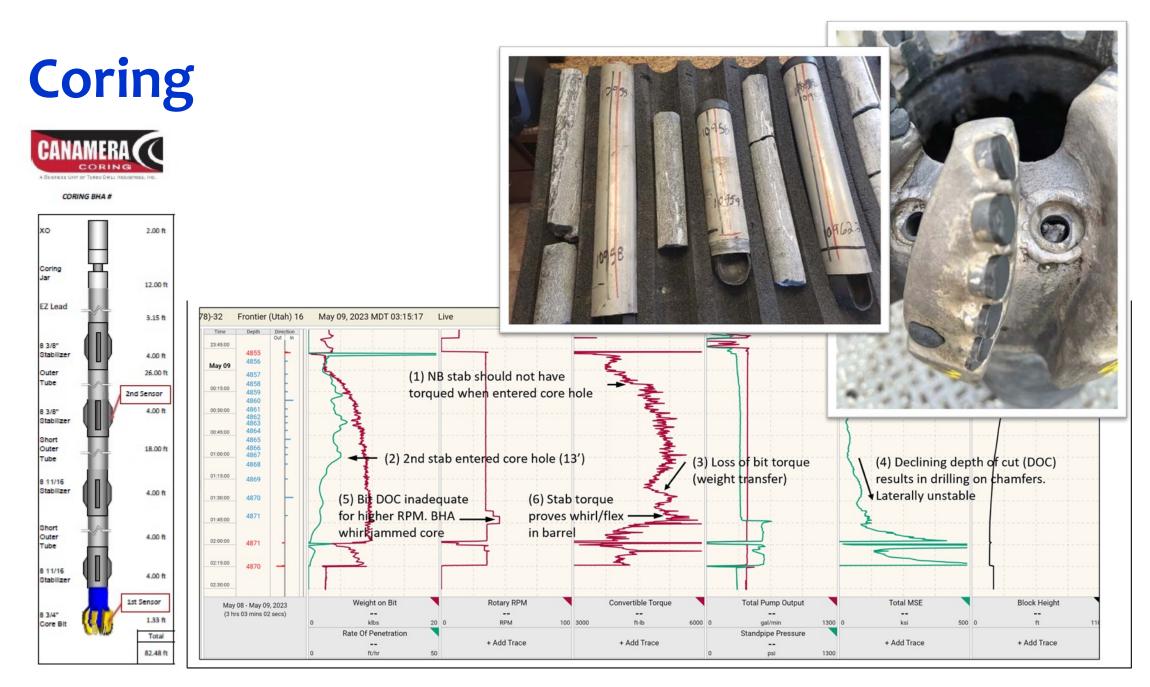


Chart Courtesy Fred Dupriest

Status – Drilling and Coring

Where We Are?

- Implementation of TAMU training
- Workflow for eliminating dysfunction and limiters
- Unprecedented increases in ROP
- Evaluation of viable new technologies
- Assessment of Rotary Steerable Technologies
- Unparalleled data set measuring in situ properties (at bit and in BHA)
- Approximately 150 ft of new core
- Torque Control at Top Drive

Where We Need to Go?

- How can learnings be applied elsewhere and modified for geologically different conditions?
- Evaluation of the data collected, particularly during the drilling of 16B(78)-32.
- Vibrations and BHA design
- Coring ROP
- Temperature tolerance of tools



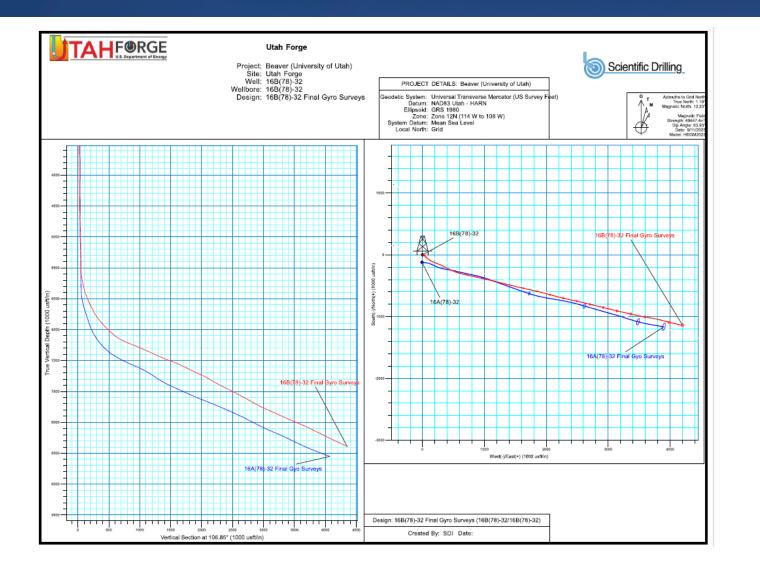
Recently Ran Three Fiber Optics Strings



Photograph Courtesy Alan Reynolds



Three Fiber Optics Cables









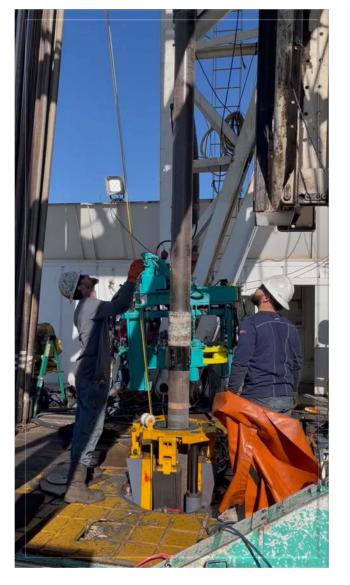




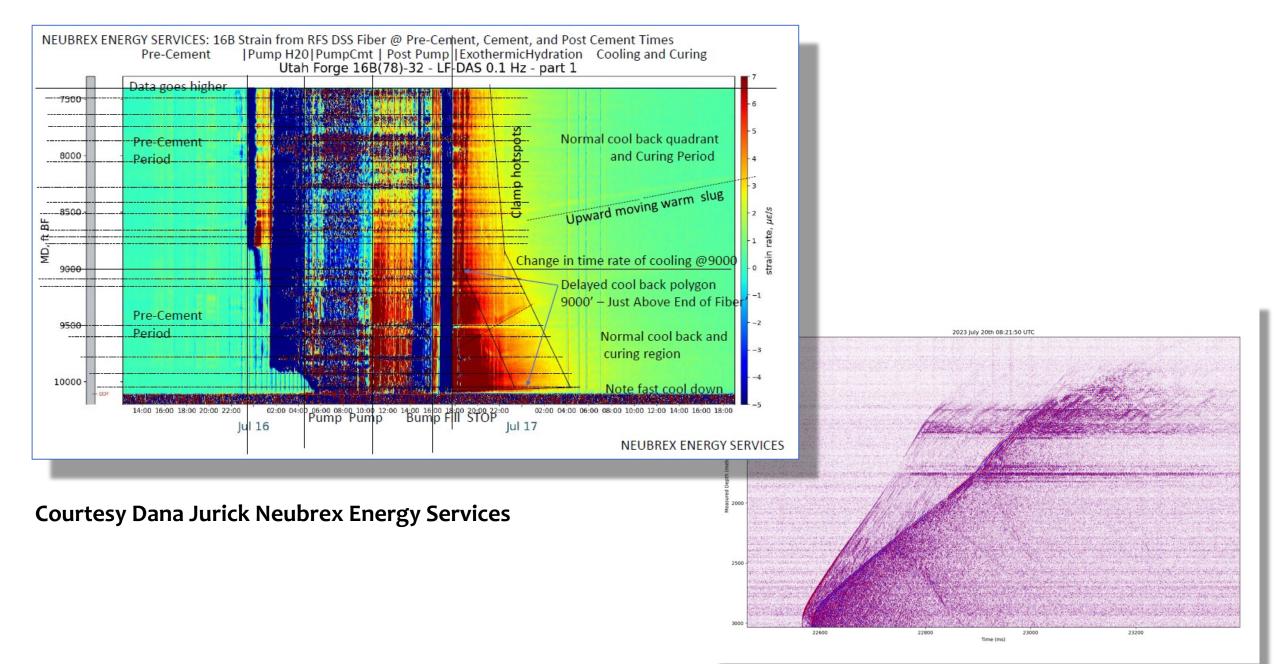
Fiber Optics Installation

Significant Installation Protocols









Courtesy Joseph Wolpert, Silixa

Status – Running Fiber Optics

Where We Are?

- Research Contracts:
 - Rice University and Silixa
 - UT Austin with Shell
- FORGE participates with Neubrex and GeoEnergie Suisse
- 78-32 has about 3500 ft of Silixa fiber
- Failed installations in 56-32 and 78B-32
- No fiber in 16A(78)-32
- Careful planning and supervision by Alan Reynolds (consultant) for 16B(78)-32 - SUCCESS

Where We Need to Go?

- Process the acquired data from cementing and from circulation testing
- Provide guidance during next frac campaign
- TBD



Cementing Technology

Status – Cementing Technology

Where We Are?

- Multiple Occurrences of Issues Ranging from Flash Set to Fallback to Mixing Issues on Every Well
- Well 16B(78)-32
 - Surface Cemented Well
 - Intermediate Went "Perfectly" but Fell Back and Required Top Out
 - Production Poor Mixing, Fall Back, Top Job Not Possible for Now

Where We Need to Go?

- Blending and testing to avoid flash set and fallback.
- Why can't we avoid fallback? Still uncertainty about the stress field?
- Blends for temperature
- Need for R&D

Connecting Wells 2022 Fracs

-

16B(78)-32 Production Well 10,987 ft MD, 8,559 ft TVD

16A(78)-32 Injection Well 10,987 ft MD, 8,559 ft TVD

Monitoring Well

47-32

Seismic Monitoring Well ~9,500 ft MD

> 58-32 Pilot Well 7,536 ft MD

D.

68-32 Seismic Monitoring Well 1,000 ft MD Seismometer Accelerometer

78-32 ____ Seismic Monitoring Well 3,280 ft MD DAS

16A(78)-32 4,074 ft

78B-32 Seismic Monitoring Well ~9,500 ft MD DAS Monitoring Wel

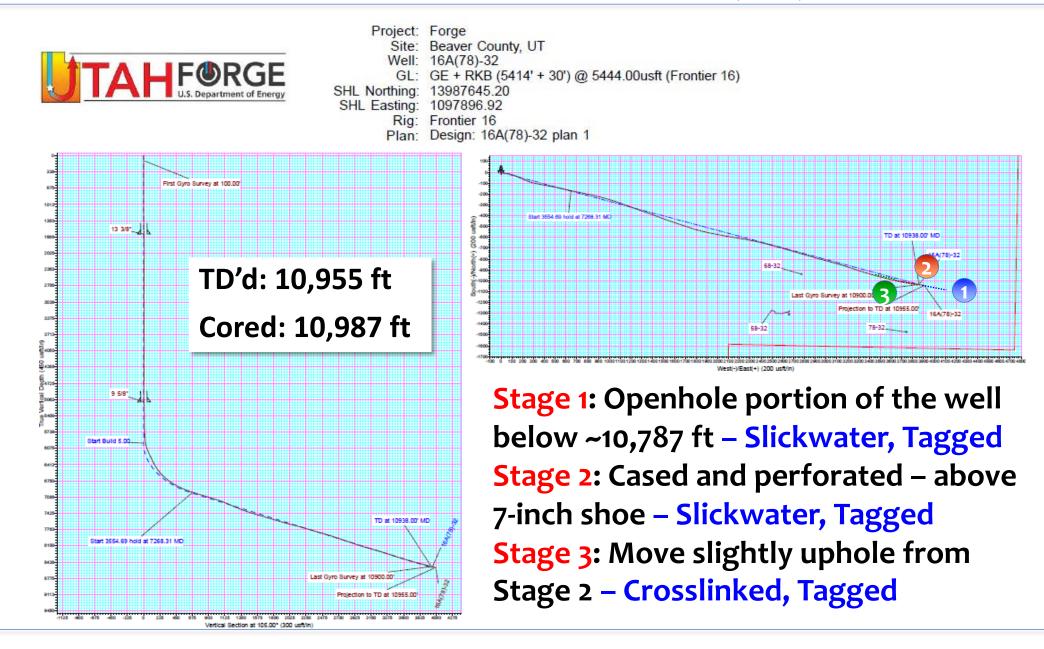
Monitoring Well

56-32 Seismic Monitoring Well 9,145 ft MD

Three Fracturing Stages

-

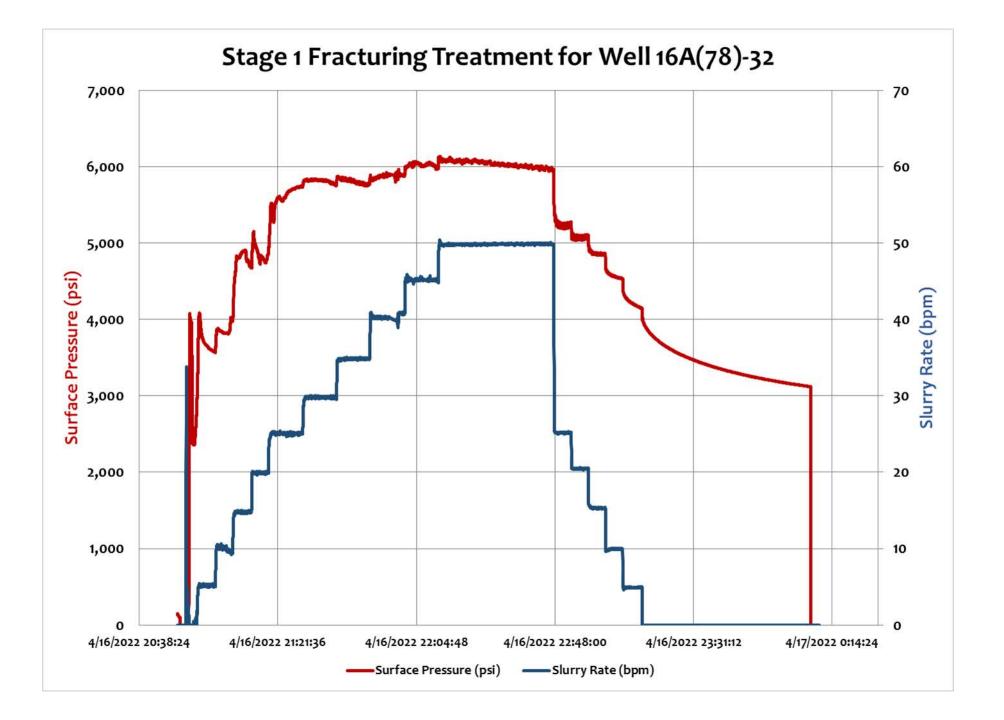
Treatments: Well 16A(78)-32



Pumped Stage 1

- Pumped down casing into openhole interval below 7" casing shoe
- Reached planned injection rate of 50 bpm of slickwater
- 4,261 bbl pumped
- At EOJ, well shut in and pressure decline monitored for 4 hours
- Well flowed back for 16 hours

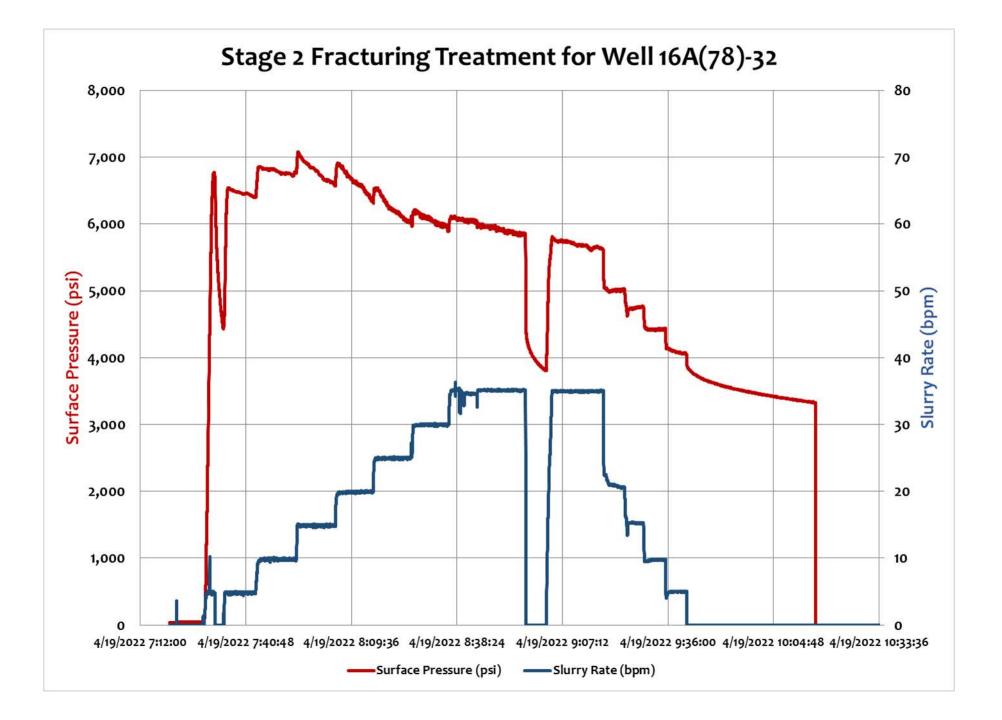




Stage 2 Pumped

- Pumped 2,777 bbl of slickwater down casing into single perforated interval reaching 35 bpm
- Intentional hard shutdown in the initial 5 bpm stage and part way through 35-bpm stage
- At EOJ, well shut in and pressure decline monitored for 4 hours
- Well flowed back for 12 hours

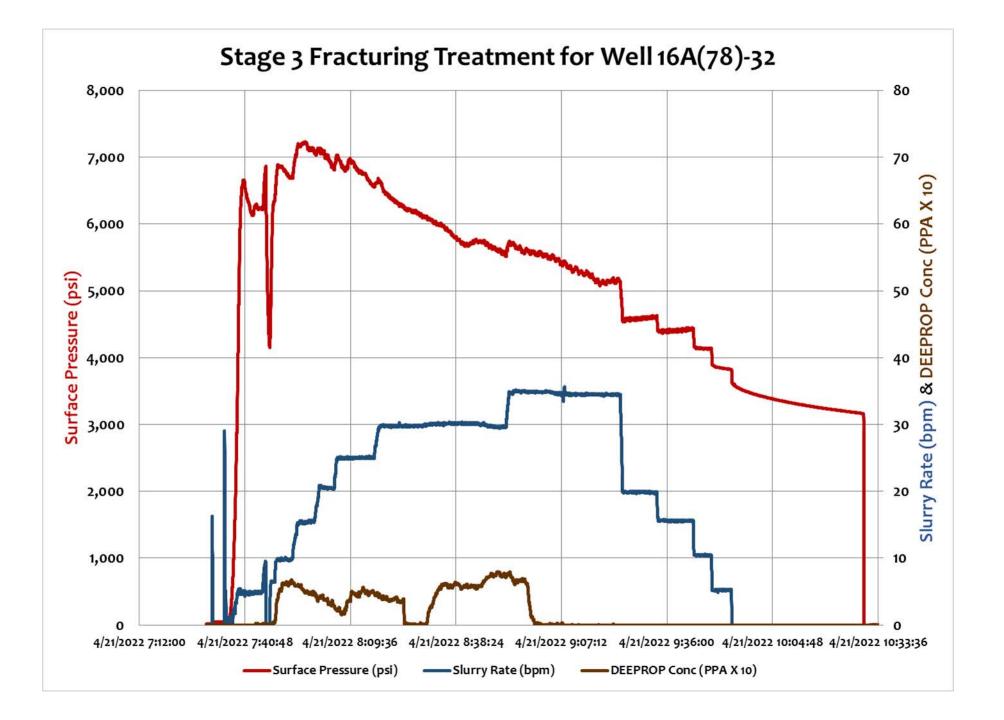




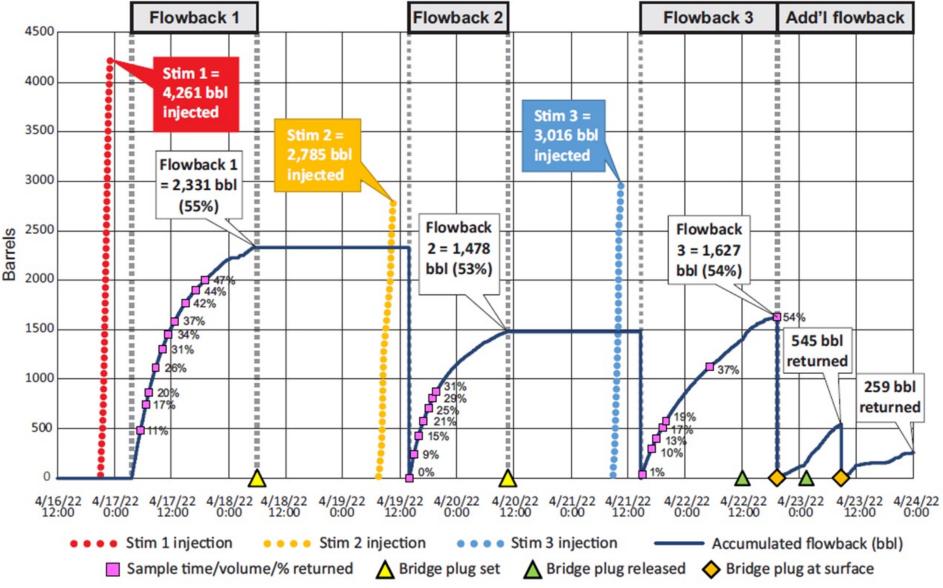
Stage 3 Frac

- Pumped down casing through perforated interval in steps to 35 bpm and back down in rate
- Slickwater pad followed by crosslinked CMHPG fluid with microproppant at planned concentrations of 0.5 to 0.75 ppa
- Total pumped fluid volume 3,016 bbl
- Well shut in and flowed back (for more than 15 hr)



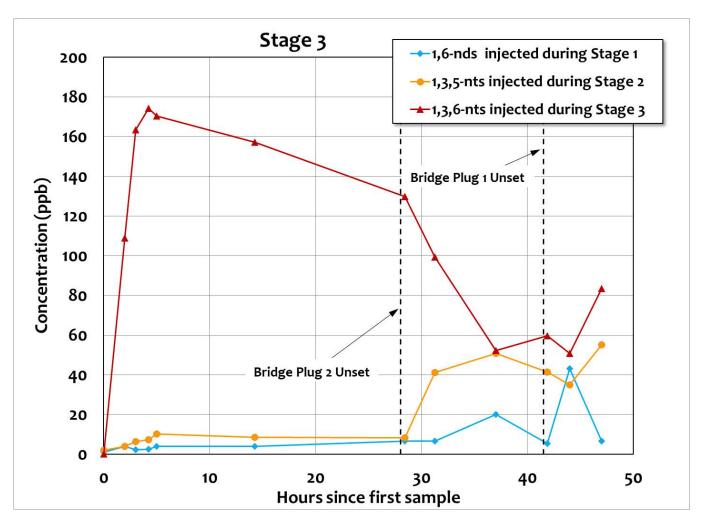


Flowback Summary



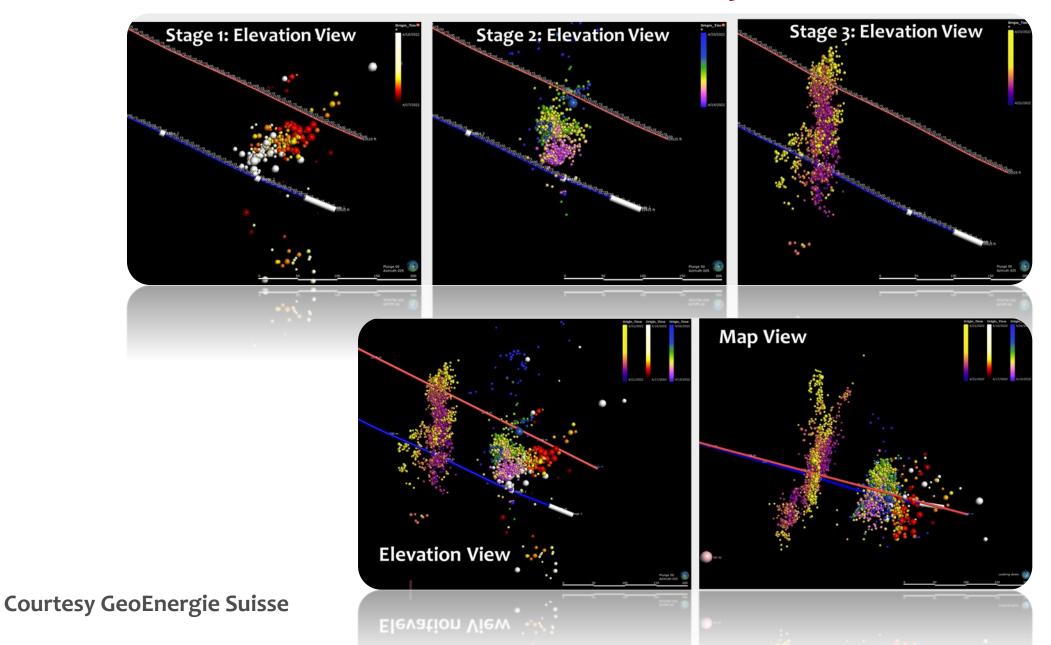
After Clay Jones

After Stage 3



Courtesy Peter Rose

Treatment Extent Bracketed by Microseismicity



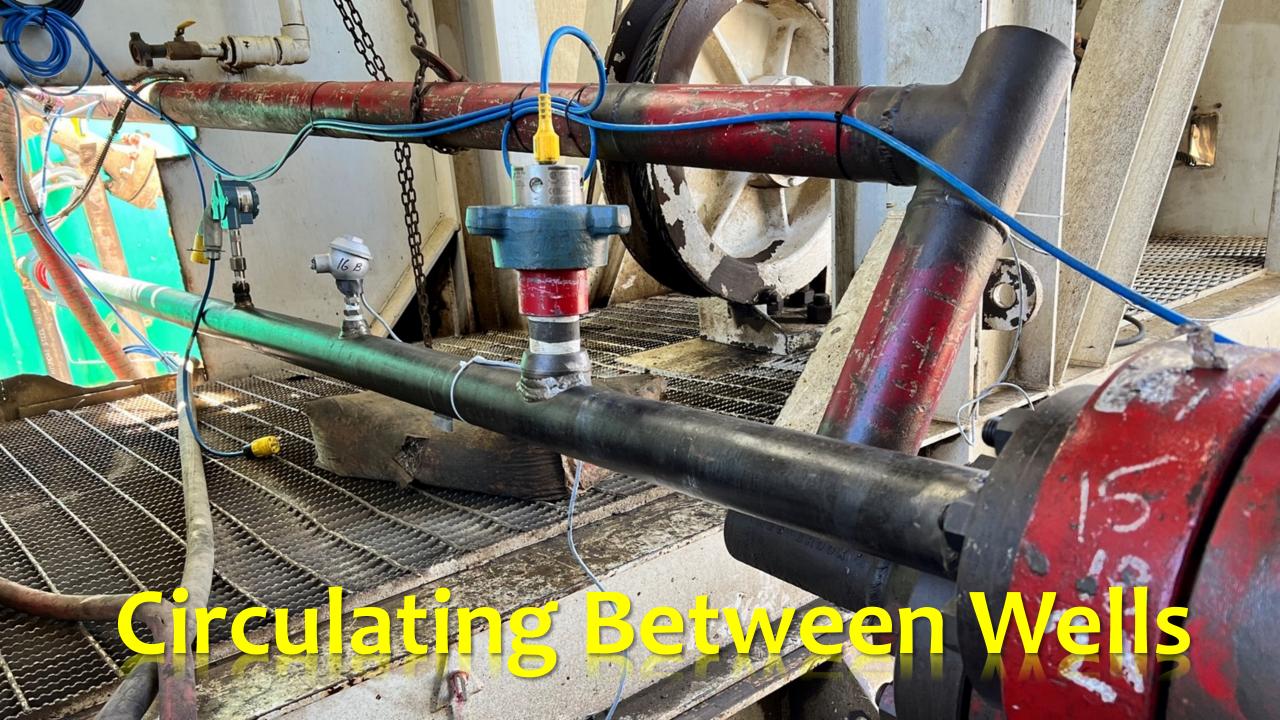
Status – Stimulation Technology

Where We Are?

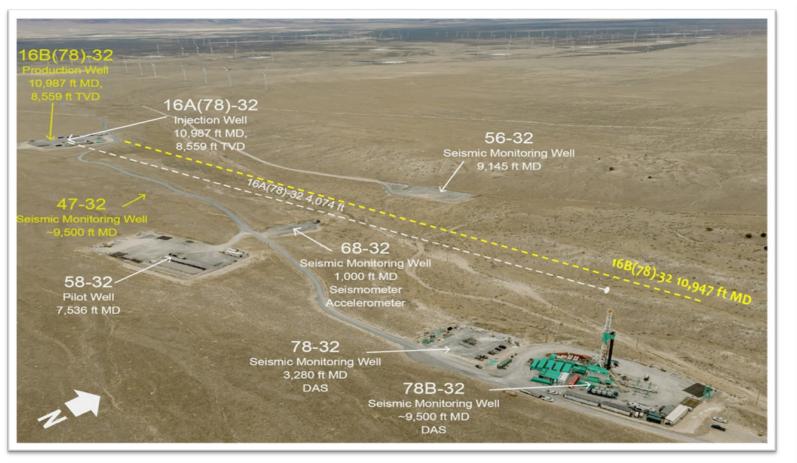
- Rig required to enable firing perforating guns and to set bridge plugs
- No proppant
- Microseismic cloud suggests adequate height growth for connection with 16B(78)-32
- Some apparent morphologic differences depending on fluid selected
- Near-well tortuosity?

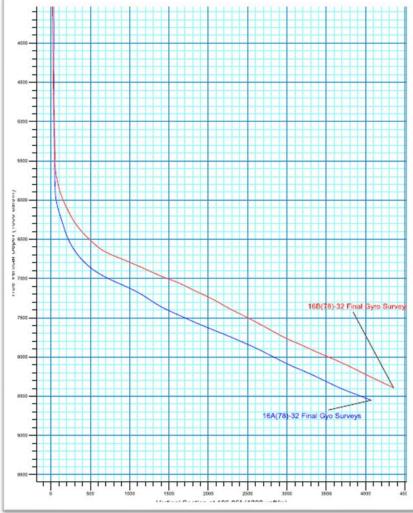
Where We Need to Go?

- Planning the next round of fracs uphole from these three
- DOE (Design of Experiments) proposed by Fervo and UT Austin as part of their R&D commitments
- Variables include stage volumes, fluid selected, number of clusters, proppant program, isolation devices, going rigless, injection into Well 16B(78)-32
- Looking to treat early in 2024



Interactions with Well 16B(78)-32





Connectivity – Conductivity – Conformance - Circulation

Status – Circulation – Connectivity, Conductivity

Where We Are?

Spoiler Alert

• There is connection

Where We Need to Go?

Spoiler Alert

- Connection Not Commercial Quality
- Refrac as part of 2024 campaign
- New stages
- Log fibers and treat production well
- Planning longer term circulation for after next round of hydraulic fracturing

16B(78)-32 Production Well 10,987 ft MD, 8,559 ft TVD

Where Are We Going?

16A(78)-32 Injection Well 10,987 ft MD, 8,559 ft TVD

56-32 Seismic Monitoring Well 9,145 ft MD

47-32 // Seismic Monitoring Wel

-9,500 ft MD

58-32 Pilot Well 7,536 ft MD

1

68-32

Seismic Monitoring Well 1,000 ft MD Seismometer Accelerometer

78-32 ___ Seismic Monitoring Well 3,280 ft MD DAS

16A(78)-32 4,074 A

78B-32 — Seismic Monitoring Well ~9,500 ft MD DAS

Utah FORGE - DOE's Frontier Observatory for Research in Geothermal Energy

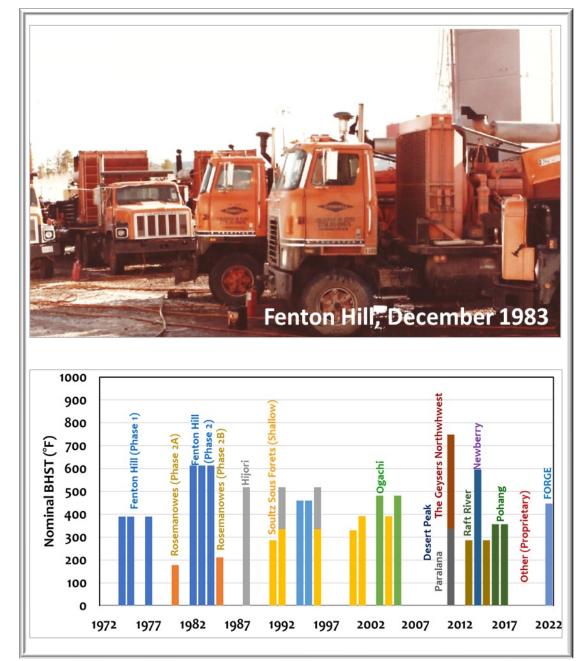
Field laboratory for developing, testing, and prototyping technologies that could be adopted for commercializing Enhanced Geothermal Systems (EGS)

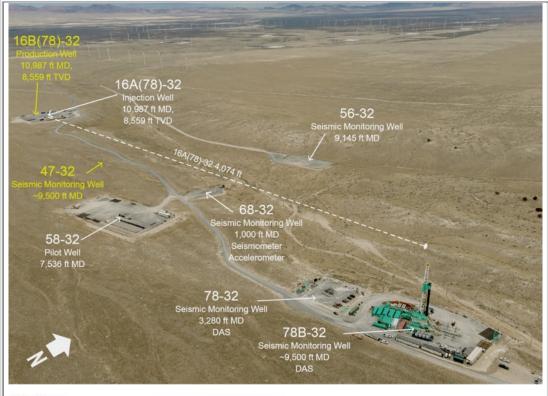






From Fenton Hill – to – FORGE (Frontier Observatory for Research in Geothermal Energy)







Funding for this work was provided by the U.S. DOE under grant DE-EE0007080 "Enhanced Geothermal System Concept Testing and Development at the Milford City, Utah FORGE Site"

We thank the many stakeholders who are supporting this project, including Smithfield, Utah School and Institutional Trust Lands Administration, and Beaver County as well as the Utah Governor's Office of Energy Development and Utah's Congressional Delegation.